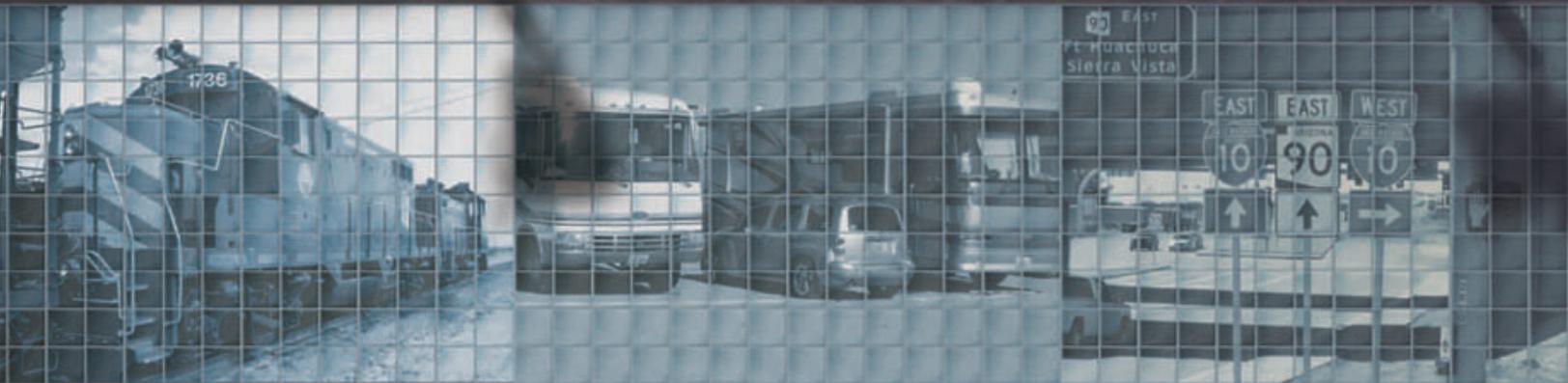


Benson

ECONOMIC OUTLOOK 2013



Benson
Arizona



COCHISE COLLEGE
CENTER FOR ECONOMIC RESEARCH



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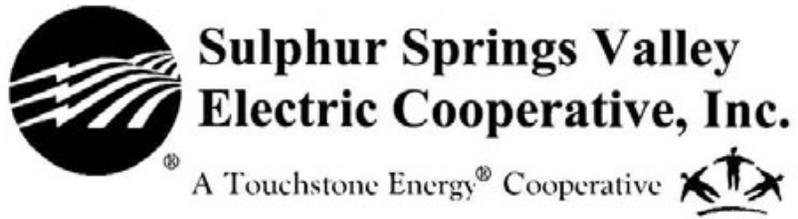
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Table of contents

1 A review of the national, state, and local economy
by Dr. Robert Carreira

3 The City of Benson
Overview
Quality of Life
Cost of Living
Tax Rates

6 Economic development
Overview
Recent Activities
Major Assets
Incentives
Organizations



9 Education
Primary and Secondary Education
Postsecondary Educational Opportunities
Educational Attainment

13 Healthcare
Overview
Benson Hospital



15 Demographics
Population Estimates and Projections
Race and Ethnicity
Age Groups
Household Characteristics
Income

18 Employment
Arizona Department of Economic Security
Southeast Arizona Workforce Connection
Labor Market
Major Employers
Wages
Cochise County Employment
Outlook

23 Retail trade and commerce
Population Served by Benson's Retail Market
Taxable Sales
Retail Sales
Restaurant and Bar Sales
Accommodation Receipts
Business Establishments
Retail Out-Shopping
Outlook

28 Housing, real estate, and commercial construction
New Residential Construction
Home Sales
Housing Affordability
Rental Market
Commercial Construction
Outlook

33 Banking and bankruptcy filings
Banking
Bankruptcy Filings

35 Mexico
Overview
Naco, Sonora
Aqua Prieta, Sonora
Economic Impact of Mexican Visitors
U.S. Travelers to Mexico

39 Fort Huachuca
Overview
Economic Impact

41 Cochise County agriculture
Overview
Agritourism

43 Tourism and Travel
Overview
Attractions and Activities
Events
Cochise County Lodging Indicators
The Film Industry in the Benson Area



49 Renewable energy
Renewable Energy Incentives

50 Community resources

52 About the CER
CER Staff
Benson Economic Advisory Committee





Benson Visitor Center • Photo: Benson Visitor Center

A review of the national, state, and local economy



Dr. Robert Carreira
 Director
 Center for Economic
 Research
 Cochise College

National

During the recession of 2008 and 2009, the national economy lost 8.7 million jobs. From 2010 through 2012, 5.3 million were gained back. In 2012, 2.2 million jobs were created, up from 2.1 million in 2011. Preliminary estimates for the first quarter of 2013 reflect the creation of 504,000 jobs, down from 787,000 in the same period the year prior. The national unemployment rate in 2012 was 8.1 percent. Unemployment declined relatively steadily throughout the year and into 2013, with the seasonally adjusted monthly rate falling to 7.6 percent in March 2013. This was down from the peak of 10 percent in October 2009. The nation's gross domestic product (GDP), the broadest measure of economic activity measuring the value of all goods and services produced in the economy, was up for 14 consecutive quarters from the third quarter of 2009 through the fourth quarter of 2012. Real (inflation-adjusted) GDP declined 0.3 and 3.1 percent, respectively, in the recessionary years of 2008 and 2009. Since then, GDP increased 2.4, 1.8, and 2.2 percent in 2010, 2011, and 2012, respectively. Consumer price inflation was 1.6 percent in 2010, 3.2 percent in 2011, and 2.1 percent in 2012. Higher inflation in 2011 was attributable to a spike in oil and energy prices mid-year, which contributed to slower economic growth that year. Consumer price inflation slowed in 2012 led by declines in oil and energy.

Arizona

Arizona's GDP grew 1.1 percent in 2010 and 1.5 percent in 2011, after falling 1.2 and 8.2 percent in 2008 and 2009, respectively. Arizona's economic decline in 2009 was the second largest in the nation behind Michigan. In 2011, Arizona's economic growth was 18th highest nationally. Arizona gained 48,900 jobs in 2012 for job growth of 2 percent. The vast majority of the job creation was in the private sector, which added 46,300 jobs for growth of 2.3 percent. Government added 2,600 jobs for growth of 0.6 percent. In 2012, the statewide unemployment rate was 8.3 percent, down from 9.4 percent in 2011. The seasonally adjusted

monthly rate in February 2013 was 7.9 percent, down from its peak of 10.8 percent in March 2011. The state budget finished fiscal year 2012 with a surplus, following several years of deficits closed through budget cuts, borrowing, and a temporary increase in the state's sales tax rate, which expired June 1, 2013. Arizona began 2013 with a balanced budget, \$2 billion in the operating account, and more than \$450 million in an interest-bearing account. But the state's debt was nearly 80 percent higher than before the recession, which will pose a challenge moving forward.

Cochise County

In 2012, Cochise County lost 925 nonfarm jobs for job growth of -2.5 percent. Industries that saw job gains were manufacturing, financial activities, and educational and health services. All other industries and government lost jobs in 2012. Cochise County's unemployment rate in 2012 was 8.2 percent. The seasonally adjusted monthly rate in February 2013 was 7.9 percent, down from its peak of 9.2 percent in April 2011.

Inflation-adjusted retail sales countywide were up 4.5 percent in 2012, compared to 2011. Sales were up in nine of the 11 months ended in January 2013. Countywide restaurant and bar sales were down 4.4 percent in 2012 and were down in 13 of the 15 months ended in January 2013. Accommodation sales were down 17.2 percent in 2012. The countywide accommodation industry has struggled in recent years with sales down in 24 of the 27 months ended in January 2013.

New residential construction permits in Cochise County were down 14.1 percent in 2012, the 7th consecutive year of decline. The number of new home permits in 2012 was down more than 75 percent from its peak in 2005. Existing home sales were up 6.9 percent in 2012. Sales volume was up in three of four years from 2009 through 2012, following three consecutive years of double digit decline. Despite increases in recent years, sales in 2012 remained nearly 40 percent below their 2005 peak. The median home price countywide in 2012 was \$129,450, down 8.9 percent from 2011 and the fifth consecutive year of decline. The median price in 2012 was down by more than a third from the 2007 peak and was below 2004 levels. In 2012, foreclosures accounted for 29.1 percent of home sales in Cochise County, down from 32.3 percent in 2011. Despite the decline, foreclosures remained higher than their 2009 and 2010 levels of 15 and 26.3 percent, respectively.

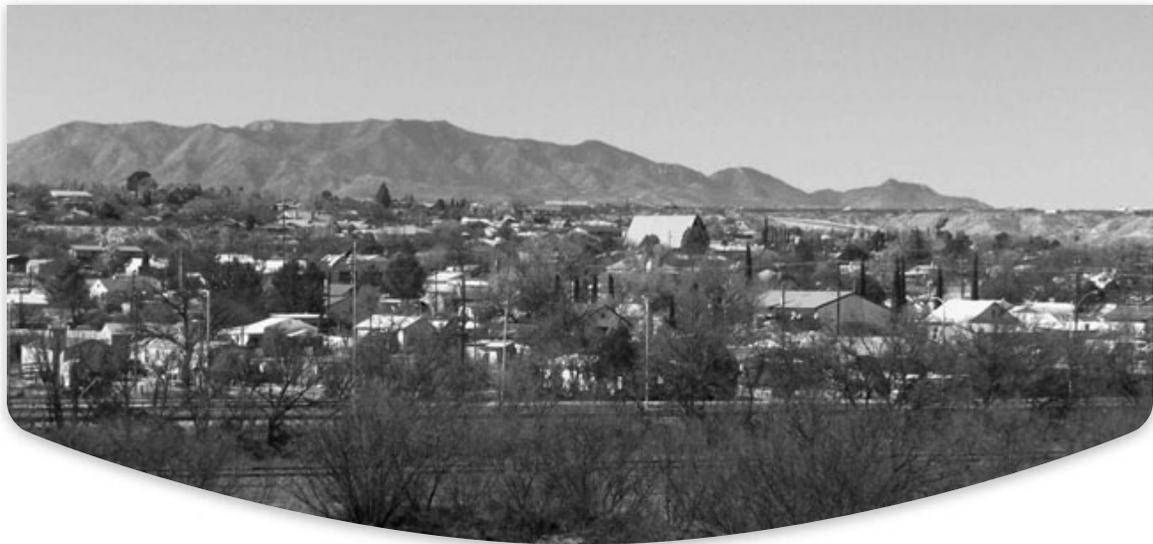
Benson

Benson saw a net loss of 76 jobs in 2012 for job growth of -3.4 percent. Benson's annual unemployment rate in 2012 was 14.3 percent, down from 15.2 percent in 2011. In February 2013, Benson's seasonally adjusted monthly rate was 13.8 percent.

Benson's retail sales tax collections in 2012 were up 3.8 percent—the first annual increase since 2007. Restaurant and bar sales in the city were down 6.5 percent in 2012, and were down in four of five years from 2008 through 2012. Benson's accommodation sales in 2012 were down 13.7 percent, but were up in five of the seven months ended in January 2013.

The year 2006 saw the first major step toward build-out of several planned developments when the city issued 104 new home permits (in the 5 years from 2001 through 2005, the city had issued a combined total of only 12). Since 2006, the numbers of permits issued each year have been unstable but have remained high relative to historical trends from 2005 and earlier. There were 10 permits issued in 2012, down from 18 the year prior. The number of existing homes sold in Benson increased by 16.9 percent in 2012, following five consecutive years of decline. Sales volume in 2012 was at its highest level since 2009. The median home price in 2012 was \$88,250, down 16.7 percent from 2011. The median price was at its lowest level since 2004, and was down nearly 45 percent from its 2007 peak. Foreclosures accounted for 37.8 percent of home sales in Benson in 2012, down from 53.2 percent in 2011.

The number of existing homes sold in Benson increased by 16.9 percent in 2012, following five consecutive years of decline.



A view of Benson • Photo: Benson Visitor Center

The City of Benson

Overview

In the late 1800s and early 1900s, Benson was the railroad hub of Southern Arizona—an image that characterizes the city’s culture today. Benson is the fourth largest of seven incorporated places in Cochise County. The city is at an elevation of 3,585 feet located 45 miles southeast of Tucson and 156 miles southeast of Phoenix along several trade routes: Interstate 10, state routes 80 and 90, and the main line of the Union Pacific Railroad. Average monthly temperatures range from a low of 29°F in December to a high of 100°F in June. With a population of 5,071 as of 2012, Benson accounts for 3.9 percent of the countywide population. The city is part of a larger integrated community with a total population of more than 12,500, including St. David, Mescal, Pomerene, and other nearby unincorporated areas. The population of the area swells considerably from October through April each year with an influx of winter visitors, many of whom reside in RV/travel trailer parks. As of the 2007-2011 American Community Survey, 8.4 percent of housing units in Benson were classified as “Boat, RV, van, etc.” compared to only 1.4 percent countywide. The presence of seasonal visitors is a distinct cultural and economic characteristic of Benson.

Quality of Life

In 2010, the city council accepted donation of the 18-hole San Pedro Golf Course, which the city now runs along with the full-service restaurant located at the course. The city’s Benson Area Transit (BAT) system offers bus transportation in the city and surrounding areas. Buses are wheelchair accessible, equipped with bike racks, and climate controlled. BAT provides daily service during the week with stops at Cochise College, Mescal/J6, and Pomerene. Benson Library offers traditional library services and internet access. Lion’s Park, Apache Park, and Union Street Park are managed by the city and include a swimming pool, lighted sports fields, basketball court, horseshoe pits, volleyball court, skate park, walking trails, several ramadas, barbeque grills, playground, and restrooms. The city partners with area public schools and sports leagues and provides a pool program including lap swimming, open swim, and swimming lessons for adults and youth. In partnership with the Benson Unified School District, the city’s summer recreation programs provide camps, activities, and trips. In partnership with the Benson Chamber of Commerce and special committees, the city

supports several annual events, including the 4th of July Celebration, Butterfield Overland Stage Days, Christmas on Main Street, Bluegrass in the Park, and the Biker Rodeo.

BENSON WEATHER

MONTH	AVG. HIGH	AVG. LOW	MEAN	AVG. PRECIP.
January	65°F	30°F	48°F	1.18 in.
February	68°F	32°F	50°F	1.20 in.
March	73°F	35°F	54°F	0.90 in.
April	81°F	40°F	61°F	0.36 in.
May	91°F	47°F	69°F	0.31 in.
June	100°F	56°F	78°F	0.30 in.
July	99°F	65°F	82°F	2.66 in.
August	96°F	65°F	81°F	2.88 in.
September	93°F	58°F	76°F	1.30 in.
October	84°F	46°F	65°F	0.99 in.
November	73°F	35°F	54°F	0.68 in.
December	64°F	29°F	47°F	1.18 in.

Source: The Weather Channel ©

COST OF LIVING COMPARISONS

	SIERRA VISTA- DOUGLAS MICRO AREA*	TUCSON	PHOENIX	SCOTTSDALE	FLAGSTAFF	BULLHEAD CITY	LAKE HAVASU	PRESCOTT- PRESCOTT VALLEY	YUMA
2008	100.2	99.6	101.1	N/A	118.3	N/A	112.2	107.2	105.4
2009	99.2	99.1	98.4	N/A	114.1	N/A	109.7	105.3	103.2
2010	97.8	96.4	100.6	N/A	114.8	N/A	111.7	103.6	101.1
2011	99.6	95.0	96.5	N/A	113.3	N/A	108.9	103.7	103.5
2012	102.5	95.5	96.8	115.4	111.6	91.9	104.3	98.6	105.2

N/A = data not available. *The Sierra Vista-Douglas Micropolitan Area is a statistical area designation for all of Cochise County. Sierra Vista and Douglas are included in the title since they are the principal cities that meet the criteria for establishing Cochise County as a Micropolitan area. Note: The average for all participating places nationwide equals 100 and each participant's index is read as a percentage of the average for all places. Source: Council for Community and Economic Research (C2ER), Cost of Living Index.

Cost of Living

According to the Council for Community and Economic Research's Cost of Living Index, Cochise County's cost of living in 2012 was 2.5 percent higher than the average of more than 300 participating places nationwide. This was up from 0.4 percent below the average in 2011. In 2012, all categories of cost were higher in Cochise County than nationwide except grocery items and health care. Local grocery costs were 2.2 percent below the national average, up from 4.4 percent below in 2011. Healthcare costs were 0.5 percent below the national average, up from 2 percent below in 2011. Transportation costs, which include gasoline

SIERRA VISTA/DOUGLAS MICROPOLITAN AREA COST OF LIVING

	COMPOSITE INDEX	GROCERY ITEMS	HOUSING	UTILITIES	TRANS PORTATION	HEALTH CARE	MISC. GOODS & SERVICES
2008	100.2	104.9	103.1	97.7	100.9	100.5	96.4
2009	99.2	100.3	104.1	94.3	102.6	97.4	94.7
2010	97.8	96.5	99.4	97.4	104.0	95.9	95.5
2011	99.6	95.6	99.6	92.0	108.8	98.0	100.9
2012	102.5	97.8	102.8	103.4	106.6	99.5	102.7

Note: The Sierra Vista-Douglas Micropolitan Area is a statistical area designation for all of Cochise County. Sierra Vista and Douglas are included in the title since they are the principal cities that meet the criteria for establishing Cochise County as a Micropolitan area. The average for all participating places nationwide equals 100 and each participant's index is read as a percentage of the average for all places. Source: Council for Community and Economic Research (C2ER), Cost of Living Index.

and automobile maintenance, were 6.6 percent above the national average in 2012, down from 8.8 percent above in 2011. The local cost of utilities was 3.4 percent above the national average, up from 8 percent below in 2011. The cost of housing in Cochise County was 2.8 percent above the national average in 2012, up from 0.4 percent below in 2011. The local cost of miscellaneous goods and services was 2.7 percent above the national average in 2012, up from 0.9 percent above in 2011. The cost of living in Cochise County in 2012 was 7.3 percent higher than Tucson and 5.9 percent higher than Phoenix.

Tax Rates

TRANSACTION PRIVILEGE TAX

Transaction privilege tax (sales tax) rates in Benson vary based on the category of sale and amount of purchase. City sales tax is added to a base of 6.1 percent, which includes county and state taxes, for most categories of sales (the state rate is 5.6 percent, while the county rate is 0.5 percent for most categories of sales). The general sales tax rate in Benson is 2.5 percent for a total (city, county, and state) tax rate of 8.6 percent. For retail sales on single items costing more than \$5,000, the city sales tax rate is 1 percent, for a total rate of 7.1 percent. An additional tax of 2 percent is added to hotel/motel stays, for a total tax of 10.55 percent. Construction contracting in the city is taxed at 4 percent, for a total rate of 10.1 percent.

BENSON TRANSACTION PRIVILEGE (SALES) TAX RATES				BENSON PROPERTY TAX RATES (PER \$100 ASSESSED VALUE), 2012-2013			
CATEGORY	COUNTY AND STATE	CITY OF BENSON	TOTAL	DISTRICT	PRIMARY	SECONDARY	TOTAL
Privilege Tax	6.10%	2.5%	8.6%	City of Benson	0.4609	—	0.4609
Retail Tax (Single Item over \$5,000)	6.10%	1.0%	7.1%	Benson Unified School District	3.9009	1.4913	5.3922
Hotel/Motel	6.05%	4.5%	10.55%	Cochise Joint Technical District	—	0.0500	0.0500
Construction Contracting	6.10%	4.0%	10.1%	San Pedro Valley Hospital	—	0.7357	0.7357
				Cochise County General Government*	2.6276	—	2.6276
				Library*	—	0.1451	0.1451
				Flood Control*	—	0.2597	0.2597
				Cochise College*	1.7329	—	1.7329
				Arizona Fire District Assistance Tax*	—	0.0906	0.0906
				Arizona School District Assistance Tax**	0.4717	—	0.4717
				TOTAL	9.1940	2.7724	11.9664

Note: Rates as of June 1, 2013. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

Note: Rates are established the third Monday in August. *Rate applies to all property in Cochise County. **Rate applies to all property in Arizona. Source: Cochise County Treasurer and Cochise College Center for Economic Research.

PROPERTY TAX

The combined total of all primary and secondary city, school district, county, state, and special district property taxes for property located in Benson is \$11.9664 per \$100 assessed value for the 2012-2013 tax year, up from \$10.851 the year prior. In Arizona, assessed value is based on an assessment ratio of the property's value, as follows:

- Class 1: Mines, mining claim property, and standing timber; local telecommunications, utilities, pipelines, and oil and gas producing; and commercial and industrial real property not included in other classes. Assessment ratio is 19.5 percent, scheduled to decline as follows: 19 percent in 2014, 18.5 percent in 2015, and 18 percent in 2016.
- Class 2: Agricultural real property, golf courses, and vacant land. Assessment ratio is 16 percent, scheduled to decline to 15 percent in 2016.
- Class 3: Owner-occupied residential property (10 percent).
- Class 4: Leased or rented residential property (10 percent).
- Class 5: Railroads, private car companies, and airline flight property (21 percent).
- Class 6: Noncommercial historic property, foreign trade zones, military reuse, environmental technology, and environmental remediation property (5 percent).
- Class 7: Improvements to commercial historic property (1 percent for up to 10 years).
- Class 8: Improvements to historic residential rental property (1 percent for up to 10 years).
- Class 9: Possessor interests (1 percent for up to 10 years).



In recent years, Benson and the unincorporated areas of Cochise County just outside the city limits have been eyed by developers for large-scale, master planned communities

Economic development

Overview

Benson is located along several trade routes: Interstate 10, state routes 80 and 90, and the main line of the Union Pacific Railroad. The city's economy is dependent on tourism, seasonal visitors, and accommodation and restaurant and bar patronage from traffic along Interstate 10. In recent years, Benson and the unincorporated areas of Cochise County just outside the city limits have been eyed by developers for large-scale, master planned communities. Developers see Benson as a vital link between Tucson to the west and Sierra Vista/Fort Huachuca to the south. In anticipation of growth, Wal-Mart opened a 99,000 square-foot Supercenter in Benson in late 2006. With the opening of Wal-Mart, Benson is positioned to become the major retail center serving northern Cochise County, eastern Pima County, and southern Graham County.

Recent Activities

THE RED HORSE WIND 2 PROJECT

In early 2013, the Cochise County Board of Supervisors approved a special use permit for a 28-turbine, 51-megawatt wind farm on 5,760 acres of state trust land between Benson and Willcox. The Red Horse Wind 2 project will be developed by Torch Renewable Energy, LLC, with plans to break ground by the end of 2013. It is estimated the wind farm will produce enough energy to power 15,000 homes. Tucson Electric Power has a transmission line near the site and has agreed to purchase power generated by the wind farm for a period of 20 years. The project will involve an estimated \$125 million in infrastructure investment.

UNMANNED AIRCRAFT SYSTEMS TRAINING

In 2012, the Benson City Council and Cochise County Board of Supervisors passed resolutions supporting efforts of the Arizona Commerce Authority to establish a Federal Aviation Administration (FAA) national test range for unmanned aircraft systems (UAS) at the Benson Municipal Airport. The FAA Modernization and Reform Act of 2012 directed the FAA to integrate UAS into the national airspace system at six test ranges nationwide. Arizona is one of more than 30 states being considered for selection. Within Arizona, several cities including Benson are seeking to be selected in the competitive process. Fort Huachuca, 30 miles south of Benson, is the largest UAS training center in the world.

Major Assets

SAN PEDRO & SOUTHWESTERN RAILROAD

The San Pedro & Southwestern Railroad Trans-load Spur is located in Benson providing commercial freight service to the Union Pacific Los Angeles-Chicago main line. The San Pedro & Southwestern Railroad's headquarters and customer service are based in Benson. Primary traffic includes agricultural chemicals, feed grains, and construction material. For more information, visit www.sanpedrosouthwesternrr.com.

BENSON MUNICIPAL AIRPORT

The Benson Municipal Airport (FAA Airport Identifier E95) is a full-service, general aviation airport located on 140 acres approximately 3 miles north of the city's center, and is owned and operated by the city. The airport is at an elevation of 3,829 feet and serves helicopters, single-engine aircraft, and small multiengine general aviation aircraft. Southwestern Aviation is the airport's fixed-base operator, providing AVGAS and Jet A fuel, car rental, flight training, and aircraft rental and sales. The airport has a single runway: Runway 10/28 is 4,000 x 75 feet, asphalt, with a single-wheel weight limitation of 12,500 lbs. The airport is located 120 nautical miles from Phoenix's Sky Harbor International Airport and 30.5 nautical miles from Tucson International Airport. For more information, visit www.cityofbenison.com.

WATER SUPPLY

A function of the city is to provide residents and businesses with water that meets or exceeds quality standards and in sufficient supply to meet customer demands. The city has adopted an approach to water resource management that includes water conservation and the use of reclaimed water. The city maintains a water conservation plan and in 2005 was granted 12,784 acre feet of groundwater use per year by the Arizona Department of Water Resources.

CAPITAL IMPROVEMENTS

The City of Benson's 2007-2011 Capital Improvements Program included maintenance and construction projects to support a range of services, including a new police station, major park expansions (including a new swimming pool), \$3 million in reconstruction of Ocotillo Street from 4th Street to Union Street, design of the wastewater treatment plant expansion, and several water projects.

FOREIGN TRADE ZONE

Cochise County has industrial property designated as a foreign-trade zone (FTZ-139). Companies located in the FTZ can use special procedures that allow delayed or reduced duty payments on foreign merchandise. Other benefits include no duties or quota charges on re-exports; deferred customs duties and federal excise tax on imports; in cases where manufacturing results in a finished product that has a lower duty rate than the rates on foreign inputs (inverted tariff), the finished products may be entered at the duty rate that applies to its condition as it leaves the zone (subject to public interest considerations); access to streamlined customs procedures such as weekly entry or direct delivery; and exemption from state/local inventory taxes for foreign and domestic goods held for export. Merchandise in a zone may be assembled, exhibited, cleaned, manipulated, manufactured, mixed, processed, relabeled, repackaged, repaired, salvaged, sampled, stored, tested, displayed, and destroyed. Retail trade is prohibited in the zone. For more information, contact the Sierra Vista Economic Development Foundation at (520) 458-6948 or hollism@svedf.org.

Incentives

ARIZONA QUALITY JOBS TAX CREDIT

The Arizona Quality Jobs Tax Credit (QJTC) program offers incentives to encourage business investment and creation of high-quality employment opportunities. Within Cochise County, including all municipalities and unincorporated areas, employers creating 5 or more jobs and making capital investment of at least \$1 million are eligible for up to \$9,000 in Arizona income or premium tax credits per new job over a 3-year period with provisions to carry forward unused amounts for up to 5 consecutive taxable years. To qualify, net new jobs must be full-time permanent positions that pay at least the median county wage (\$32,739 for 2012) and the employer must offer to pay at least 65 percent of health insurance costs of the employee. The program is capped at 10,000 jobs claimed each year by all participants statewide, and each taxpayer is limited to credits for a maximum of 400 new jobs per year. For more information, visit www.azcommerce.com.

ARIZONA COMPETITIVE INCENTIVES, PROGRAMS, AND GRANTS

The Arizona Competitiveness Package (HB2001) is economic development legislation offering a host of programs and incentives including more than \$200 million in refundable tax credits, reimbursable grants, and property tax reductions; tax-exempt bond financing for specific projects; loan programs to stimulate financing to small businesses and manufacturers; the Arizona Innovation Challenge, which awards a total of \$1.5 million to the most promising technology ventures that participate in the Challenge (awards may range from \$100,000 to \$250,000); renewable energy incentives; training programs; and other incentives. For more information, visit www.azcommerce.com.

Organizations

BENSON ECONOMIC DEVELOPMENT SUBCOMMITTEE

The Benson City Council's Economic Development Subcommittee, in its strategic plan, has outlined several goals: improved partnerships with a regional approach, establishment of a GIS database of property, development of a regional airport industrial and commercial area (targeting cluster employment), development of Union Pacific holdings, event retention and development to promote tourism, and continuation as a resource for small business information. Recent efforts have focused on existing business retention and quality of life. The city has established a webpage that serves as a one-stop center for economic development needs. Economic development tools at the website include an asset inventory and links to other sources of relevant information about the community. For more information, visit www.cityofbenson.com.

SOUTHEAST ARIZONA ECONOMIC DEVELOPMENT GROUP

SAEDG works with existing and prospective business owners and other stakeholders to identify, develop, and expand opportunities within the region. The organization works closely with private and public partners to promote business ownership and related support channels in Southeast Arizona. SAEDG maintains strict confidentiality in responding to inquiries and working with clients. For more information, visit www.saedg.org.

BENSON/SAN PEDRO VALLEY CHAMBER OF COMMERCE

The Benson/San Pedro Valley Chamber of Commerce seeks to unite all industrial, commercial, and governmental interests for the purpose of concerted action in supporting those activities that are beyond the scope of any single business or industry and that promote the welfare of the Benson Community and the surrounding area as a whole. Its mission is to proactively support and promote members' business success. The Chamber's vision is to preserve the competitive enterprise system; promote business and community growth and development; and assist businesses through promotion and education. For more information, visit www.bensonchamberaz.org.

SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION

SEAGO is a Council of Governments serving local and tribal governments in the four-county region of Cochise, Graham, Greenlee, and Santa Cruz counties and is a designated Economic Development District (EDD) by the U.S. Economic Development Administration. The SEAGO EDD program assists distressed areas, planning regions, cities, and counties in economic development planning, policymaking, and implementation. As an EDD, SEAGO has responsibility for developing the Regional Comprehensive Economic Development Strategy (CEDS), a wide-ranging guide to economic development initiatives throughout the region. The CEDS process, which includes input from member entities, enables SEAGO members to apply for federal grant funding. For more information, visit www.seago.org.

COCHISE COLLEGE SMALL BUSINESS DEVELOPMENT CENTER

The SBDC sponsors workshops and seminars specifically for small business owners and provides free one-on-one counseling on small business topics including marketing, financial planning, business planning, computer information systems, human resource management, government procurement, and recordkeeping. The SBDC also makes available a library of business resources including many of the latest small business books, videos, audio, newsletters, and magazines. For more information call (520) 515-5478 or visit www.cochise.edu/sbdc.



Benson High School

Education

Primary and Secondary Education

BENSON UNIFIED SCHOOL DISTRICT.

BUSD has one elementary, one middle, and two high schools including San Pedro Valley High School—a charter high school sponsored by the district using an alternative web-based instructional model. In addition, BUSD operates San Pedro Valley Online Academy, which offers online instruction for grades 5 through 12. Career and technical education programs within the district include business and technology, accounting, marketing, culinary arts, construction, agriculture, journalism, digital photography, graphic design, career exploration, welding, and advertising. Benson High School partners with Cochise College to provide a number of upper level classes for dual credit.

The Arizona A-F Letter Grade Accountability System, a program within the Arizona Department of Education (ADE), evaluates each Arizona school and assigns a letter grade with respect to the school's performance on Arizona's Instrument to Measure Standards (AIMS) and how much students grow academically each year. Other factors such as dropout rate, graduation rate, and English language learner reclassification rate are taken into consideration, when applicable. A parallel model to evaluate alternative schools, accommodation schools, extremely small schools, and K-2 schools takes into account unique characteristics of those schools. Ratings follow the traditional academic letter grade system of A for excellent, B for above average, C for average, D for below average, and F for failing (a grade of F is assigned to schools that score a D for 3 consecutive years and are placed in school improvement by ADE). For alternative schools, the grade is further designated with -ALT (e.g., A-ALT, B-ALT, etc.). For the 2011-2012 school year, Benson Primary School was rated A, San Pedro Valley High School was rated B-ALT, and the other schools in the district were rated B (except San Pedro Valley Online Academy, which was not rated). Overall, the district was rated B.

In fiscal year 2012, the student/teacher ratio in BUSD was 18.0, which was marginally below the statewide average of 18.1 but above the peer average of 17.0. The average years of experience for teachers at BUSD in 2012 was 12.8, compared to 11 years statewide and a peer average of 11.8 years. The district's graduation rate in 2011 was 90 percent, considerably higher than peer and statewide averages of 82 and 78

percent, respectively. BUSD spent an average of \$7,711 per student in 2012, higher than the statewide average of \$7,475, but below the peer average of \$8,416. From 2008 through 2012, total spending per pupil decreased by 6 percent and the share of spending in the classroom declined from 56.9 to 54.1 percent.

For more information, visit www.bensonsd.k12.az.us.

PRIMARY AND SECONDARY SCHOOL ENROLLMENT

SCHOOL	2010/2011	2011/2012	2012/2013
Benson Unified School District	1,203	1,160	1,123
Benson High School (9-12)	376	347	341
Benson Middle School (5-8)	342	359	352
Benson Primary School (pre-K-4)	417	407	387
San Pedro Valley High School (9-12)*	32	34	30
San Pedro Valley Online Academy (5-12)	36	13	13
St. David Unified School District	468	458	429
St. David High School (9-12)	142	145	133
St. David Elementary School (pre-K-8)	326	313	296
Charter Schools	84	77	69
New West Schools (K-8)	42	39	44
Visions Unlimited Academy (K-8)	42	38	25

*San Pedro Valley High School is a charter alternative high school sponsored by the Benson Unified School District. Note: Figures reflect enrollment as of October 1 of each school year. Source: Arizona Department of Education and Cochise College Center for Economic Research.

ST. DAVID UNIFIED SCHOOL DISTRICT

St. David Unified School District (SDUSD) consists of one elementary school (grades pre-kindergarten through 8) and one high school. Career and technical education programs in the district include agriculture, business, computer maintenance, childcare, culinary arts, life skills, and welding/small engines. Dual credit courses, offered in partnership with Cochise College, include nursing, culinary arts, and welding. Under the Arizona A-F Letter Grade Accountability System, St. David High School was rated B and St. David Elementary School was rated C for the 2011-2012 school year. Overall, the district was rated B.

ARIZONA A-F LETTER GRADE ACCOUNTABILITY SYSTEM

SCHOOL	2011/2012	2010/2011
Benson Unified School District	B	B
Benson High School (9-12)	B	B
Benson Middle School (5-8)	B	B
Benson Primary School (pre-K-4)	A	A
San Pedro Valley High School (9-12)*	B-ALT	**
San Pedro Valley Online Academy (5-12)	N/R	**
St. David Unified School District	B	B
St. David High School (9-12)	B	B
St. David Elementary School (pre-K-8)	C	C
Charter Schools		
New West Schools (K-8)	D	**
Visions Unlimited Academy (K-8)	D	**

*San Pedro Valley High School is a charter alternative high school sponsored by the Benson Unified School District. **Small schools, K-2 schools, and alternative schools did not receive letter grades in 2011. N/R = Not Rated. Source: Arizona Department of Education.

In fiscal year 2012, the student/teacher ratio in SDUSD was 14.2, considerably lower than peer and statewide averages of 15.2 and 18.1, respectively. The average years of experience for teachers at SDUSD in 2012 was 14.7, considerably higher than 11 years statewide and the peer average of 12 years. The district's graduation rate in 2011 was 92 percent, considerably higher than statewide and peer averages of 78 and 80 percent, respectively. SDUSD spent an average of \$8,736 per student in 2012, higher than the statewide average of \$7,475 but below the peer average of \$9,872. From 2008 through 2012, total spending per pupil decreased by 10 percent and the share of spending in the classroom decreased from 58.6 to 54.9 percent.

For more information, visit www.stdavidschools.org.

PER PUPIL SPENDING BY FUNCTION

	BENSON UNIFIED SCHOOL DISTRICT	ST. DAVID UNIFIED SCHOOL DISTRICT	ARIZONA	UNITED STATES
Total	\$7,711	\$8,736	\$7,475	\$10,652
Classroom Dollars	\$4,175	\$4,792	\$4,053	\$6,526
Non-classroom Dollars	\$3,536	\$3,944	\$3,422	\$4,126
Administration	\$898	\$1,017	\$736	\$1,139
Plant Operations	\$858	\$1,009	\$928	\$1,012
Food Service	\$382	\$335	\$382	\$405
Transportation	\$464	\$328	\$362	\$443
Student Support	\$628	\$1,244	\$578	\$592
Instruction Support	\$306	\$11	\$436	\$535

Note: Data for the Benson and St. David unified school districts and Arizona are from fiscal year 2012; national figures are from 2010. Source: Arizona Office of the Auditor General.

CHARTER SCHOOLS

In addition to the district schools and the charter alternative high school sponsored by BUSD, Benson has two public charter schools, each serving grades K-8. New West Schools enrolled 44 students and Visions Unlimited Academy enrolled 25 in the 2012-2013 school year. Both schools were rated D under the Arizona A-F Letter Grade Accountability System for the 2011-2012 school year. For more information on New West Schools, visit www.ade.az.gov. For more information on Visions Unlimited Academy, visit www.visionsunlimitedacademy.com.

Postsecondary Educational Opportunities

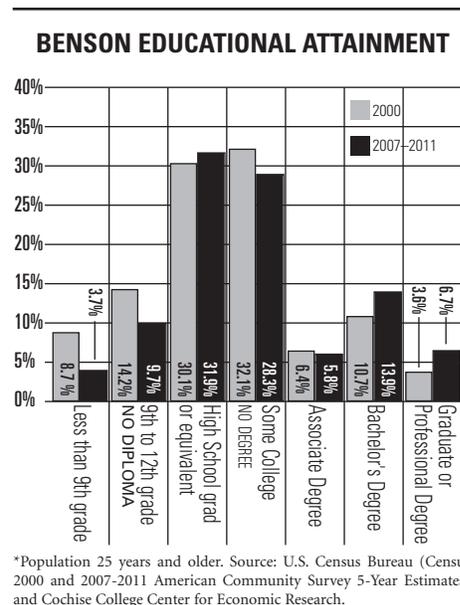
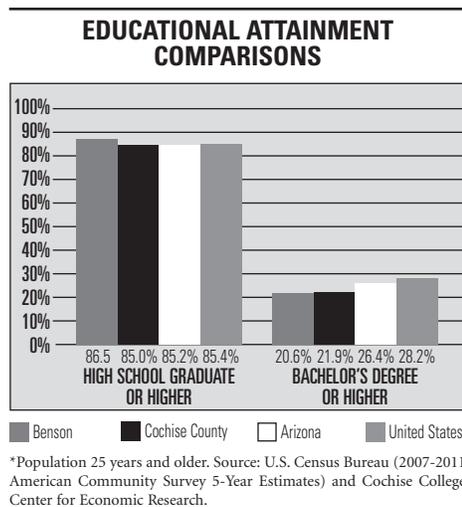
COCHISE COLLEGE

Cochise College is a 2-year community college with campuses in Sierra Vista and Douglas and learning centers in Benson, Willcox, and Fort Huachuca. The college also offers classes in Bisbee and online, as well as in neighboring Santa Cruz County. Cochise College offers two-year degrees in a variety of fields, including administration of justice, early childhood care and education, elementary education, secondary education (in several teaching fields), economics, journalism and media arts, mathematics, political science, psychology, social work, business administration, computer information systems, allied health, computer science, engineering, physics, pre-nursing, agriculture, automotive technology, avionics technology, building construction technology, culinary arts, fire science technology, hospitality administration, intelligence operations, paramedicine, professional pilot technology, registered nurse, welding technology, and several other arts and sciences fields. Cochise College also offers certificate programs in several fields, non-credit personal enrichment classes, GED, English Language Acquisition, workforce training, and numerous other learning opportunities through its Center for Lifelong Learning, Adult Education Center, and Small Business Development Center. The college's Center for Economic Research tracks trends in the local economy and publishes local economic research. The college's athletic programs draw students nationally and internationally.

Cochise College's 13,000 square-foot Benson Center has a 15-seat computer lab, nursing lab, a virtual library, four articulated classrooms that together can accommodate up to 200 students, a distance learning classroom, and a science lab/art room. The center serves students with traditional college courses, adult

education, and personal interest classes. Face-to-face classes focus on general education courses for university transfer, such as math, English, biology and humanities. Special emphasis is placed on prerequisites for the college's nursing program. Students can complete an associate degree at the Benson Center through a combination of in-class, interactive television (ITV), and online courses. The college also partners with Benson High School and St. David High School to provide dual credit and reverse credit classes to juniors and seniors. A full-time staff provides placement assessment, GED testing, advising, admissions, registration, and financial aid. The center is located off Interstate 10 along State Route 90 in Benson, making it accessible to both Cochise and Pima counties. The Benson Center has designated space to provide computer training to area businesses and has partnered with several federal, state, and local agencies to provide meeting space for a fee. The Benson Center hosts numerous community and cultural events including live musical performances, movie screenings, and art exhibits. The facility is also available for rent for private events such as wedding receptions, banquets, and graduations.

Cochise College is accredited by the Higher Learning Commission of the North Central Association. For more information, visit www.cochise.edu.



Educational Attainment

According to the U.S. Census Bureau's 2007-2011 American Community Survey (ACS), 86.5 percent of Benson's population ages 25 years and older have at least a high school diploma or equivalent. This is above countywide, statewide, and national levels. Approximately 20.6 percent of Benson residents hold a bachelor's degree or higher, which is lower than county, state, and national levels.



Benson Hospital

Healthcare

Overview

In addition to Benson Hospital described below, Benson is home to numerous private-practice physicians and other healthcare providers, including Good Samaritan Society—Quiburi Mission, a 60-bed Medicare-certified skilled nursing center (www.good-sam.com) and Cenpatico, a behavioral health provider (www.cenpatico.com).

Benson Hospital

Benson Hospital includes five local physicians, one physician's assistant, and specialists in cardiology, pulmonology, podiatry, gynecology, renal care, rehabilitation, and mammography. The availability of specialists in various fields varies with economic changes. Technical staff includes certified technologists, technicians, and various technical assistants. As of early 2013, the hospital planned to hire at least three new primary care physicians by the end of the year.

Benson Hospital has an 8-bed emergency room, provides 24-hour emergency care (including trauma, cardiac, and respiratory care), and can transfer patients to nearby facilities when necessary. Inpatient services include acute care, skilled nursing, swing beds, hospice care, respiratory therapy, and inpatient drug therapy. Comprehensive laboratory and imaging services are offered, as well as nutritional consultations. Rehabilitation services are available on site. The hospital also provides a variety of outpatient services including chemotherapy, IV hydration, IV antibiotic therapy, injections, EKGs, respiratory therapy, and wound therapy. Benson Hospital has 22 acute-care beds with cardiac telemetry capability. The hospital offers physical, occupational, and speech therapies in a variety of settings, including at the hospital, nursing homes, patient homes, and work sites. Benson Hospital also participates in Tele-trauma

As of early 2013, the hospital planned to hire at least three new primary care physicians by the end of the year.

with the University Medical Center (UMC) in Tucson. The program connects a trauma surgeon at UMC with the rural emergency room physician by remote technology when needed.

As of early 2013, Benson Hospital was pursuing an opportunity to expand the primary care delivery system through a partnership with Marana Health Center to create a Federally Qualified Health Center in Benson, consistent with the goal of doubling the number of such centers nationwide under the federal Patient Protection and Affordable Care Act. The center would be staffed by a primary care physician and a dentist providing services to uninsured and underinsured residents. Also in early 2013, plans were underway for expansion of the hospital's Rehabilitation Department, to include construction of an aquatic facility.

For more information, visit www.bensonhospital.org.

HOSPITAL MILEAGE CHART

	Benson Hospital	Copper Queen Community Hospital	Holy Cross Hospital	Northern Cochise Community Hospital	Northwest Medical Center	Southeast Arizona Medical Center	Sierra Vista Regional Health Center	St. Joseph's Hospital	St. Mary's Hospital	Tucson Medical Center	Tucson Heart Hospital	University Medical Center	University Physician Hospitals
Benson Hospital	0	52	75	37	67	72	35	45	49	49	58	48	43
Copper Queen Community Hospital	52	0	91	86	118	22	27	95	100	99	108	99	94
Holy Cross Hospital	75	91	0	110	84	111	64	72	67	73	75	70	65
Northern Cochise Community Hospital	37	86	110	0	103	72	71	80	85	84	93	84	79
Northwest Medical Center	67	118	84	103	0	137	94	21	16	18	11	15	25
Southeast Arizona Medical Center	72	22	111	72	137	0	47	115	120	119	128	118	114
Sierra Vista Regional Health Center	35	27	64	71	94	47	0	72	77	77	86	76	71
St. Joseph's Hospital	45	95	72	80	21	115	72	0	10	3	11	6	8
St. Mary's Hospital	49	100	67	85	16	120	77	10	0	9	8	5	10
Tucson Medical Center	49	99	73	84	18	119	77	3	9	0	8	4	8
Tucson Heart Hospital	58	108	75	93	11	128	86	11	8	8	0	5	10
University Medical Center	48	99	70	84	15	118	76	6	5	4	5	0	5
University Physician Hospitals	43	94	65	79	25	114	71	8	10	8	10	5	0

Source: Cochise College Center for Economic Research.



Vendors at Butterfield Overland Stage Days • Photo: Benson Visitor Center

Demographics

Population Estimates and Projections

The population of Benson as of July 2012 was 5,071 according to estimates by the Arizona Office of Employment and Population Statistics (EPS). This was down 0.1 percent from 2011. According to projections by the Cochise College Center for Economic Research, Benson’s population will see average annual growth of 0.5 percent for the next several years, reaching 5,209 in 2017. Benson is part of a larger community with a total population of 12,520 (as of Census 2010) including St. David, Mescal, Pomerene, and other unincorporated areas. The population of the area swells considerably from October through April each year with an influx of winter visitors, many of whom reside in RV/travel trailer parks. As of the 2007-2011 American Community Survey, 8.4 percent of housing units in Benson were classified as “Boat, RV, van, etc.” compared to only 1.4 percent countywide.

POPULATION

	BENSON		COCHISE COUNTY		ARIZONA	
	POPULATION	GROWTH	POPULATION	GROWTH	POPULATION	GROWTH
1990	3,824	—	97,624	—	3,665,228	—
2000	4,711	23.2%	117,755	20.6%	5,130,632	40.0%
2010	5,105	8.4%	131,346	11.5%	6,392,017	24.6%
2011	5,077	-0.5%	130,537	-0.6%	6,438,178	0.7%
2012	5,071	-0.1%	130,752	0.2%	6,498,569	0.9%

Note: Growth rates shown for 2000 and 2010 reflect preceding 10-year period; rates for 2011 forward are annual. Source: U.S. Census Bureau, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.

POPULATION PROJECTIONS

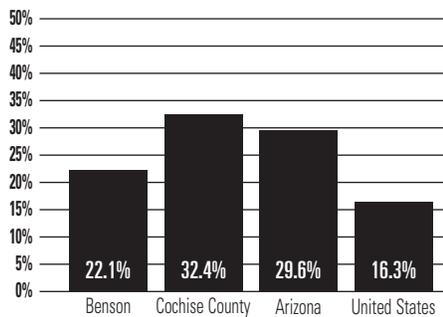
YEAR	BENSON	% GROWTH	COCHISE COUNTY	% GROWTH
2013	5,099	0.6%	131,688	0.7%
2014	5,126	0.5%	132,769	0.8%
2015	5,154	0.5%	134,166	1.1%
2016	5,182	0.5%	135,764	1.2%
2017	5,209	0.5%	137,452	1.2%

Source: County projections by Arizona Office of Employment and Population Statistics; city projections by Cochise College Center for Economic Research.

Race and Ethnicity

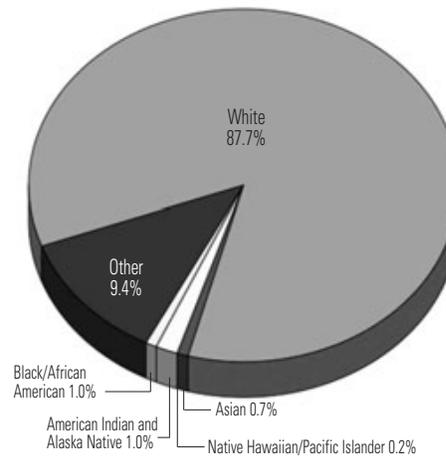
As of Census 2010, 22.1 percent of Benson's population is Hispanic or Latino, up from 19.8 percent in 2000. Benson's Hispanic/Latino share of the population is considerably below that of the county and state (32.4 and 29.6 percent, respectively). Nationally, Hispanics/Latinos account for 16.3 percent of the population. Benson's population as of Census 2010 is 87.7 percent White. (Note: The U.S. Census Bureau considers Hispanic an ethnicity, not a race; therefore, there is no separate racial classification for Hispanics. According to the Census Bureau, people identifying themselves as Hispanic may be of any race.)

HISPANIC/LATINO POPULATION



Note: The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race. Source: U.S. Census Bureau (Census 2010) and Cochise College Center for Economic Research.

BENSON RACIAL COMPOSITION



Note: The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race. Source: U.S. Census Bureau (Census 2010) and Cochise College Center for Economic Research.

Age Groups

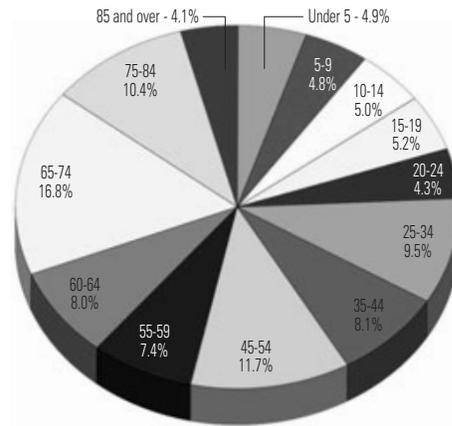
As of Census 2010, the median age of Benson's population was 52.5 years, considerably higher than 39.7 years for all of Cochise County and 35.9 years statewide. As of Census 2010, 82 percent of Benson's population is aged 18 years and older (up from 80.5 percent in 2000); 36.1 percent is aged 62 and older (up from 34.4 percent); and 31.3 percent is 65 and older (up from 29.3 percent).

BENSON CHANGES IN AGE GROUP DISTRIBUTION

	2000	2010
Under 5	5.3%	4.9%
5 to 9	5.5%	4.8%
10 to 14	5.7%	5.0%
15 to 19	5.5%	5.2%
20 to 24	4.3%	4.3%
25 to 34	7.4%	9.5%
35 to 44	10.6%	8.1%
45 to 54	12.4%	11.7%
55 to 59	6.0%	7.4%
60 to 64	8.2%	8.0%
65 to 74	16.4%	16.8%
75 to 84	10.0%	10.4%
85 and over	2.9%	4.1%

Source: U.S. Census Bureau (Census 2000 and Census 2010) and Cochise College Center for Economic Research.

BENSON AGE GROUPS

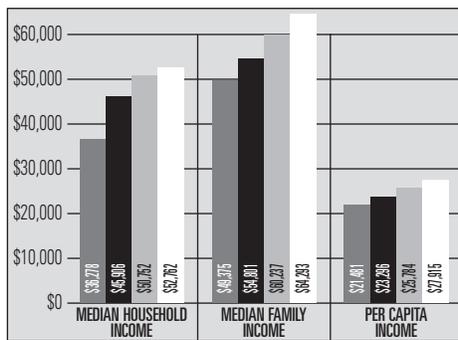


Note: Discrepancies are due to rounding. Source: U.S. Census Bureau (Census 2010) and Cochise College Center for Economic Research.

Household Characteristics

As of Census 2010, the average household size in Benson is 2.12 persons, down from 2.22 in 2000. The declining household size is likely due to the growing senior population who tend to have smaller household sizes. As of Census 2010, 59.3 percent of Benson households are families, down from 64.6 percent in 2000. A total of 16.9 percent of households in the city have children under 18 years old (down from 18.9 percent in 2000) and 47.2 percent have seniors 65 and older (up from 45.3 percent). A total of 4.3 percent of Benson households are headed by single mothers, compared to 6.4 percent countywide and 7.1 percent statewide. As of the 2007-2011 American Community Survey, 9.4 percent of Benson’s population had relocated to the city within the previous year from outside Cochise County.

INCOME COMPARISONS



Note: All figures expressed in 2011 dollars. Source: U.S. Census Bureau (2007-2011 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

Income

The median household income in Benson from 2007 to 2011 was \$36,278 (in 2011 dollars). Median family income is \$49,375 and per capita income is \$21,481. Each measure of income in Benson is considerably lower than county, statewide, and national levels.



Wal-Mart Supercenter

Employment

Arizona Department of Economic Security

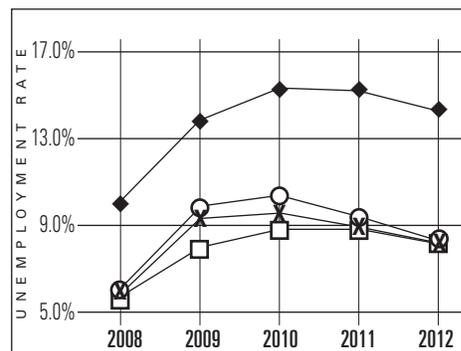
The Arizona Department of Economic Security (DES) offers free employment and training services to employers and individuals. DES helps job seekers find employment and offers customized services to employers including special services for those with a large number of vacancies or unusual needs. Employment specialists screen and refer applicants, while employers make final selection. Employment specialists can also write job orders and descriptions, provide assistance with mass recruitment, and conduct on-site visits. DES also provides career guidance, employment skills workshops, and referrals to other training. For more information, visit www.azdes.gov.

UNEMPLOYMENT RATE

	BENSON	COCHISE COUNTY	ARIZONA	UNITED STATES
2008	10.0%	5.7%	6.0%	5.8%
2009	13.8%	7.9%	9.8%	9.3%
2010	15.3%	8.8%	10.4%	9.6%
2011	15.2%	8.8%	9.4%	8.9%
2012	14.3%	8.2%	8.3%	8.1%

Source: U.S. Bureau of Labor Statistics, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.

UNEMPLOYMENT RATE



◆ Benson
 □ Cochise County
 ○ Arizona
 X United States

Source: U.S. Bureau of Labor Statistics, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.

Southeast Arizona Workforce Connection

Southeast Arizona Workforce Connection (SAWC), formerly Cochise County Workforce Development, is a 501(c)(3) federally funded private, nonprofit corporation offering one-stop services for businesses, job seekers, veterans, soldiers in transition, military spouses, and youth. For businesses, SAWC offers outplacement services; training and retraining; temporary satellite office space for business access to computers, printer, copier, phone, fax, and internet; and assistance to business closure. For job seekers, SAWC offers career development information, job-search resources, and training programs. For more information, visit seazworkforce.org.

BENSON LABOR MARKET DATA

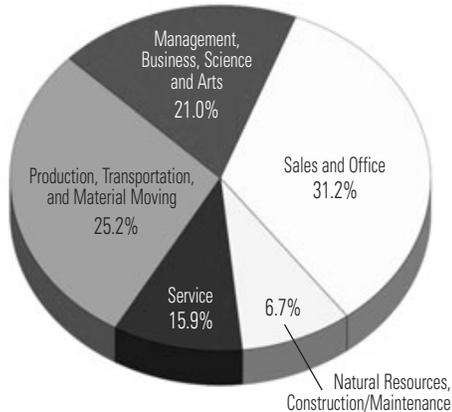
	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	JOB GAINS	JOB GROWTH RATE
2008	2,510	2,257	253	85	3.9%
2009	2,681	2,310	371	53	2.3%
2010	2,695	2,284	411	-26	-1.1%
2011	2,628	2,228	400	-56	-2.5%
2012	2,511	2,152	359	-76	-3.4%

Source: Arizona Office of Employment and Population Statistics and Cochise College Center for Economic Research.

Labor Market

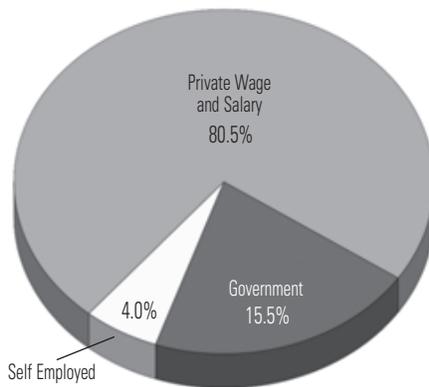
According to estimates by the Arizona Office of Employment and Population Statistics (EPS), Benson lost 76 jobs in 2012 for job growth of -3.4 percent. Benson’s annual unemployment rate in 2012 was 14.3 percent, considerably above the countywide, statewide, and national rates. In February 2013, Benson’s seasonally adjusted monthly unemployment rate was 13.8 percent, down from 14.1 percent the same month a year prior. EPS estimates for cities in Cochise County are based on a model that pegs city employment to county-level employment based on data from Census 2000. The model does not pick up changes at the city level since 2000 that differ from county-level trends. Cochise College Center for Economic Research estimates, based on more-recent data, suggest unemployment rates in Benson are lower than estimated by EPS, perhaps as low as 9.3 percent in 2012 (annual) and 8.9 percent in February 2013 (seasonally adjusted monthly), compared to EPS estimates of 14.3 and 13.8 percent, respectively.

BENSON OCCUPATIONS



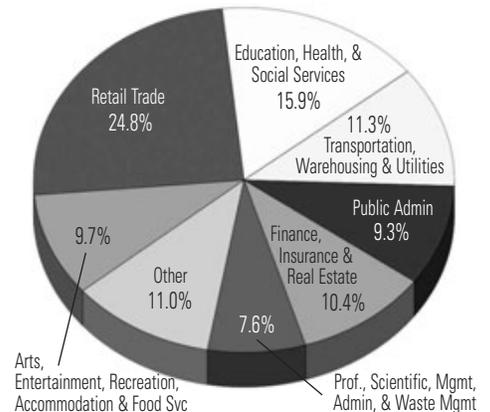
Source: U.S. Census Bureau (2007-2011 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

BENSON CLASSES OF WORKERS



Source: U.S. Census Bureau (2007-2011 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

INDUSTRIES IN BENSON (BY SHARE OF WORKFORCE)



Note: Includes only those industries comprising at least 5 percent of the workforce. Source: U.S. Census Bureau (2007-2011 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

BENSON AREA BUSINESS ESTABLISHMENTS BY EMPLOYMENT-SIZE CLASS, 2010

Number of establishments by employment-size class

INDUSTRY	1-4	5-9	10-19	20-49	50-99	100-249	250-499	TOTAL
Accommodation & food services	7	3	17	4	1	0	0	32
Admin, support, waste mgt, remediation services	5	0	1	0	0	0	1	7
Arts, entertainment & recreation	3	2	0	2	0	0	0	7
Construction	18	2	1	1	0	0	0	22
Educational services	2	1	1	0	0	0	0	4
Finance & insurance	4	3	0	0	0	0	0	7
Forestry, fishing, hunting, and agriculture	2	0	0	0	0	0	0	2
Health care and social assistance	11	4	3	3	2	1	0	24
Information	1	0	0	0	0	0	0	1
Management of companies & enterprises	1	0	0	0	1	0	0	2
Manufacturing	2	1	1	0	1	0	0	5
Other services (except public administration)	15	7	0	0	0	0	0	22
Professional, scientific & technical services	8	3	2	0	0	0	0	13
Real estate & rental & leasing	12	1	0	0	0	0	0	13
Retail trade	16	14	3	0	1	1	0	35
Transportation & warehousing	6	2	1	2	0	0	0	11
Utilities	0	0	1	1	0	1	0	3
Wholesale trade	2	0	0	0	0	0	0	2
TOTAL	115	43	31	13	6	3	1	212

Note: Includes businesses located in zip code 85602. Source: U.S. Census Bureau.

According to EPS estimates, the 2012 civilian labor force in Benson consisted of 2,511 potential workers, of whom 2,152 were employed. The civilian labor force consists of those persons 16 years of age and older who either are employed or are actively seeking work. The city also draws from the labor forces of surrounding communities. Countywide, the 2012 civilian labor force, according to EPS estimates, consisted of 58,923 actual or potential workers, of whom 54,079 were employed.

BENSON'S TOP 10 EMPLOYERS, 2012

EMPLOYER	NUMBER OF FULLTIME EQUIVALENT (FTE) EMPLOYEES*
Arizona's G & T Cooperatives	253
Wal-Mart Supercenter of Benson	217
Benson Unified School District	168
Benson Hospital Corporation	126
City of Benson	95
Apache Nitrogen Products, Inc.	90
Quiburi Mission	77
SE Arizona Behavioral Health Services, Inc.	70
Cochise County	44
Sulphur Springs Valley Electric Cooperative	32

Note: A fulltime equivalent employee equals one fulltime employee or two part-time employees. For employers with multiple site locations, the number of fulltime equivalent employees reflects only those employees reporting to work in Benson. This list includes only those employers who responded to the annual top employer survey. Source: Cochise College Center for Economic Research.

**BENSON BUSINESS ESTABLISHMENTS,
EMPLOYEES, AND PAYROLL**

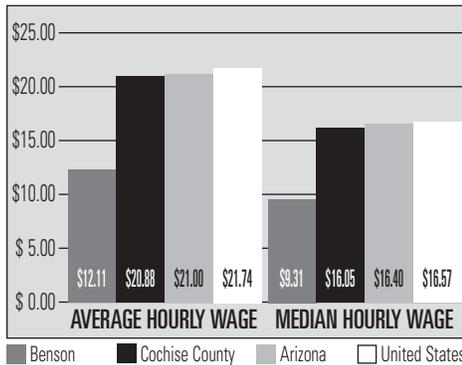
	2006	2007	2008	2009	2010
No. of Business Establishments	230	231	224	220	212
Number of Employees	2,498	2,635	2,587	2,530	2,516
Annual Payroll	\$70,614,000	\$81,254,000	\$87,036,000	\$91,413,000	\$86,930,000
Annual Payroll Per Employee	\$28,268	\$30,836	\$33,644	\$36,132	\$34,551
Annual Payroll Per Employee Growth	6.0%	9.1%	9.1%	7.4%	-4.4%

Note: Includes businesses located in zip code 85602. Does not include government sector. Source: U.S. Census Bureau and the Cochise College Center for Economic Research.

Major Employers

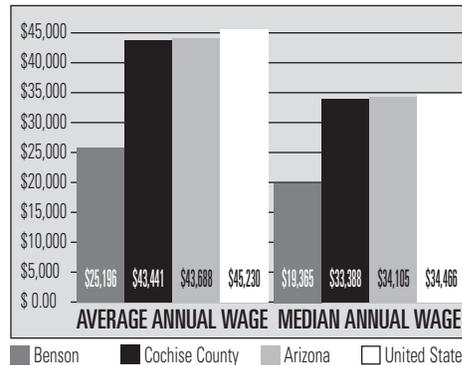
In 2012, Arizona’s G & T Cooperatives remained Benson’s top employer, according to the Cochise College Center for Economic Research’s annual Top 75 Employer Survey. The second largest employer is Wal-Mart, followed by Benson Unified School District, Benson Hospital, and City of Benson. Most private-sector employers in Benson are small businesses. According to the U.S. Census Bureau, nearly three-quarters of all business establishments in Benson employed fewer than 10 workers as of 2010. More than half employed fewer than 5 workers each.

HOURLY WAGE COMPARISONS, 2011



Source: U.S. figures are reported by the U.S. Department of Labor. State and county figures are reported by the Arizona Office of Employment and Population Statistics. City figures are estimated by the Cochise College Center for Economic Research using a census ratio model.

ANNUAL WAGE COMPARISONS, 2011



Source: U.S. figures are reported by the U.S. Department of Labor. State and county figures are reported by the Arizona Office of Employment and Population Statistics. City figures are estimated by the Cochise College Center for Economic Research using a census ratio model.

Wages

In 2011, the average wage per hour in Benson was \$12.11 (\$25,196 annually), considerably lower than countywide, statewide, and nationally. At the county level, the average wage increased 3.9 percent in 2011, compared to statewide growth of 3.1 percent. Wage growth in Cochise County was the fourth highest of Arizona’s 15 counties in 2011, behind La Paz, Gila, and Pinal counties. In recent years, the gap between wages in Cochise County and statewide has narrowed considerably and has nearly been eliminated. In 2004, Cochise County wages were 8.9 percent below the statewide average. This narrowed to 0.6 percent in 2011.

Cochise County Employment

In 2012, Cochise County lost 925 nonfarm jobs for job growth of -2.5 percent. Industries that saw positive job growth were manufacturing, financial activities, and educational and health services. All other industries and government lost jobs in 2012.

COCHISE COUNTY NON-FARM PAYROLL EMPLOYMENT

	2012	2011	CHANGE	% CHANGE
Total Non-farm	36,050	36,975	-925	-2.5%
Total Private	23,525	24,250	-725	-3.0%
Goods Producing	1,975	1,975	0	0.0%
Construction*	1,350	1,400	-50	-3.6%
Manufacturing	625	575	50	8.7%
Service-Providing	34,100	35,000	-900	-2.6%
Private Service-Providing	21,550	22,300	-750	-3.4%
Trade, Transportation, and Utilities	6,100	6,200	-100	-1.6%
Information	400	550	-150	-27.3%
Financial Activities	975	925	50	5.4%
Professional and Business Services	4,400	5,175	-775	-15.0%
Educational and Health Services	4,975	4,525	450	9.9%
Leisure and Hospitality	3,775	3,950	-175	-4.4%
Other Services	950	975	-25	-2.6%
Government	12,525	12,700	-175	-1.4%
Federal Government	5,775	5,875	-100	-1.7%
State and Local Government	6,750	6,825	-75	-1.1%

*Includes mining. Note: Numbers are rounded to the nearest 25. Discrepancies are due to rounding. Source: Arizona Office of Employment and Population Statistics and Cochise College Center for Economic Research.

Outlook

The largest threat to labor market improvement in Cochise County comes from defense budget cuts impacting Fort Huachuca, which are the natural upshot of winding down two wars. While the rest of the state and nation suffered through the severe effects of the Great Recession, Cochise County was largely buffered from the worst of it due to increased defense spending on the fort and its missions. Those increases were largely tied to the wars in Iraq and Afghanistan. The local economy (including Benson) has already taken a hit from a decline in defense spending. Changes in travel policy for military personnel on temporary duty to Fort Huachuca now require many to be housed on post instead of in the local economy. Also, defense budget cuts have slowed temporary duty travel to the fort overall for conferences and other official business. This has impacted the local hospitality industries that cater to those on temporary duty, including those in Benson.

On the positive side, Sierra Vista Regional Health Center recently announced its intent to partner with Tennessee-based RegionalCare Hospital Partners (RCHP), which would potentially lead to a new \$100 million, 100-bed hospital in Sierra Vista (30 miles from Benson) funded and constructed by RCHP. A formal agreement on the partnership is anticipated to be complete in spring 2013, with groundbreaking on a new hospital by the end of 2013 and construction continuing for three to four years. Since Benson is well within the workforce draw area of Sierra Vista, this will likely lead to increased employment opportunities for Benson residents. Other factors on the positive side include the completion of construction along Interstate 10 through Benson, which served as a deterrent to travelers stopping in the city; the anticipated initiation of mining activities at Rosemont Mine in nearby Pima County, expected to create several hundred jobs drawing labor from surrounding areas including Benson; and a proposed wind farm in northeast Cochise County expected to create 50 jobs.



4th Street • Photo: Benson Visitor Center

Retail trade and commerce

Population Served by Benson’s Retail Market

The City of Benson’s location along Interstate 10 at the junctions of state routes 80 and 90 makes it easily accessible to tens of thousands of travelers each day. The section of Interstate 10 that runs through Benson is the busiest stretch of highway in Cochise County with an average annual daily traffic count of 32,000 (as of 2010). This is projected to increase to 42,500 by 2030. The opening of the Wal-Mart Supercenter in Benson in late 2006 has lured shoppers to the city from across northern Cochise County and neighboring Pima and Graham counties. This benefits not only the Benson economy, but Cochise County as a whole by bringing in outside dollars that generate economic activity, jobs, earnings, and tax revenue.

AVERAGE ANNUAL DAILY TRAFFIC COUNT, BENSON AREA					
LOCATION	2006	2007	2008	2009	2010
I-10, Exit 297 to Exit 299	29,400	30,500	29,500	28,500	32,000
I-10, Exit 299 to Exit 302	30,700	31,000	29,500	29,500	30,000
I-10, Exit 302 to Exit 303	26,100	27,500	25,000	25,500	28,000
I-10, Exit 303 to Exit 304	17,400	17,000	16,500	17,500	18,000
I-10, Exit 304 to Exit 306	17,000	18,000	17,500	17,000	17,500
SR 80, SB-10(3) to Country Club Dr	10,100	10,500	10,500	10,000	10,500
SR 80, Country Club Dr to Post Ranch Rd	7,400	7,600	7,500	7,400	7,500
SR 80, Country Club Dr to Apache Powder Rd (South)	7,400	7,600	7,500	7,400	7,100
SR 80, Apache Powder (South) to ADOT Maint. Yard	6,600	7,000	6,900	6,800	6,900
SR 80, ADOT Maintenance Yard Entrance to Judd St	4,600	5,000	4,900	4,900	4,900
SR 90, I-10 Exit 302 to Kartchner Main Entrance	9,700	9,700	9,500	10,000	10,500

Note: Figures are rounded to nearest hundred. Source: Arizona Department of Transportation and Cochise College Center for Economic Research.

Taxable Sales

In 2012, the City of Benson's sales tax revenue was down 1.1 percent from 2011. The biggest decline in dollar terms was construction. Retail trade generated the most new sales tax dollars for the city. Retail trade is Benson's largest sales tax revenue generator, followed by construction and restaurant and bar sales.

BENSON SALES TAX REVENUE BY INDUSTRY GROUP, 2012

INDUSTRY GROUP	SALES TAX REVENUE	SHARE OF TOTAL SALES TAX REVENUE
Retail Trade	\$1,736,356	58.7%
Construction	\$390,366	13.2%
Restaurant & Bar	\$267,358	9.0%
Accommodation	\$162,647	5.5%
Real Estate, Rental & Leasing	\$138,426	4.7%
Communications & Utilities	\$135,063	4.6%
Services	\$50,360	1.7%
Manufacturing	\$43,688	1.5%
Other	\$30,194	1.0%
Wholesale Trade	\$12,813	0.4%
Finance & Insurance	\$1,215	0.0%
TOTAL	\$2,956,284	

Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

BENSON SALES TAX REVENUE COLLECTIONS, ANNUAL COMPARISON

INDUSTRY GROUP	2012	2011	GROWTH (\$)	GROWTH (%)
Retail Trade	\$1,736,356	\$1,639,018	\$97,338	5.9%
Other	\$30,194	\$23,785	\$6,409	26.9%
Communications & Utilities	\$135,063	\$129,648	\$5,415	4.2%
Finance & Insurance	\$1,215	\$924	\$291	31.5%
Services	\$50,360	\$54,616	-\$4,256	-7.8%
Manufacturing	\$43,688	\$53,944	-\$10,256	-19.0%
Restaurant & Bar	\$267,358	\$277,651	-\$10,293	-3.7%
Wholesale Trade	\$12,813	\$26,386	-\$13,573	-51.4%
Real Estate, Rental & Leasing	\$138,426	\$157,095	-\$18,669	-11.9%
Accommodation	\$162,647	\$181,553	-\$18,906	-10.4%
Construction	\$390,366	\$444,752	-\$54,386	-12.2%
TOTAL	\$2,956,284	\$2,989,372	-\$33,088	-1.1%

Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

Retail Sales

Benson's retail sales tax collections were up 3.8 percent in 2012, after adjusting for inflation. This was the first annual increase since 2007 following the opening of the Wal-Mart Supercenter in the city. In the 12 months following the opening of Wal-Mart, the city's retail sales tax revenue increased more than 45 percent, or an additional \$570,000.

BENSON RETAIL SALES TAX REVENUE

YEAR	TAX REVENUE	% CHANGE	INFLATION-ADJUSTED GROWTH
2008	\$1,836,538	1.1%	-2.7%
2009	\$1,742,789	-5.1%	-4.7%
2010	\$1,751,410	0.5%	-1.1%
2011	\$1,639,018	-6.4%	-9.6%
2012	\$1,736,356	5.9%	3.8%

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U) average annual change. Source: Arizona Department of Revenue and the Cochise College Center for Economic Research.

BENSON RESTAURANT & BAR SALES

YEAR	SALES	% CHANGE	INFLATION-ADJUSTED GROWTH
2008	\$11,297,360	3.2%	-0.6%
2009	\$12,328,920	9.1%	9.5%
2010	\$12,075,640	-2.1%	-3.7%
2011	\$11,112,520	-8.0%	-11.1%
2012	\$10,617,960	-4.5%	-6.5%

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U) average annual change. Data shown are estimates. Source: Arizona Department of Revenue and the Cochise College Center for Economic Research.

Restaurant and Bar Sales

Benson's restaurant and bar sales have struggled in recent years with sales down in four of five years from 2008 through 2012. The year 2009 was the only year during that period to see an increase, with sales up 9.5 percent due primarily to the opening of Gracie's Station that year (that restaurant has since closed). A large part of the reason for the poor performance of this industry in recent years has been construction along Interstate 10, which widened the highway through Benson and built new on- and off-ramps. The construction, while ongoing, discouraged travelers from exiting in Benson.

BENSON ACCOMMODATION SALES

YEAR	TOTAL REVENUE	% CHANGE	INFLATION-ADJUSTED GROWTH
2008	\$4,379,289	-3.7%	-7.5%
2009	\$4,123,200	-5.8%	-5.5%
2010	\$4,233,889	2.7%	1.0%
2011	\$4,109,489	-2.9%	-6.1%
2012	\$3,632,467	-11.6%	-13.7%

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U) average annual change. Data shown are estimates. Source: Arizona Department of Revenue and the Cochise College Center for Economic Research.

BENSON SHARE OF COCHISE COUNTY SALES

CATEGORY	2008	2009	2010	2011	2012
Restaurant & Bar	8.8%	9.6%	9.3%	8.3%	8.1%
Accommodation	9.6%	10.0%	9.3%	10.1%	10.5%

Source: Arizona Department of Revenue and the Cochise College Center for Economic Research.

Accommodation Receipts

In 2012, Benson's accommodation sales (hotel, motel, RV Park, and other temporary lodging stays of less than 30 days) were down 13.7 percent, after adjusting for inflation. Despite the decline, Benson's accommodation receipts in 2012 accounted for 10.5 percent of the countywide total, up from 10.1 percent in 2011. Benson continues to capture a relatively large share of the county's accommodation market due to its location along Interstate 10, which makes it a convenient overnight stop, as well as the city's close proximity to Kartchner Caverns. As with restaurant and bar sales, accommodation receipts were also impacted by construction along Interstate 10. Benson's accommodation industry also benefits from military and civilian personnel on temporary duty to nearby Fort Huachuca. Changes in travel policies for military personnel on temporary duty to the fort, requiring many to now be billeted on post, have also contributed to declines in recent years. Defense budget cuts have also slowed temporary duty travel to the fort overall for conferences and other official business.

BENSON ACTIVE BUSINESS LICENSES

YEAR	ACTIVE BUSINESS LICENSES	% CHANGE
2009	850	2.3%
2010	732	-13.9%
2011	740	1.1%
2012	728	-1.6%
2013	864	18.7%

Note: As of April each year. Source: City of Benson.

Business Establishments

In 2010, according to the U.S. Census Bureau, there were 212 employer business establishments in the Benson area (zip code 85602), down from 220 the year prior. The industry with the largest number of employer firms is retail trade, followed by accommodation and food services, health care and social assistance, construction, and other services. From 2007 to 2010, the number of employer business establishments in the Benson area declined by 19, or 8.2 percent. According to the City of Benson, the number of active business licenses within the city increased by 18.7 percent between April 2012 and April 2013. City business license figures, although more current, are not directly comparable to Census Bureau employer business establishment figures since business licenses are also issued to non-employer firms, including home-based businesses and sole proprietorships, which are not included in the Census survey. The Census figures also include businesses located throughout zip code 85602, some of which are outside city limits.

BENSON AREA BUSINESS ESTABLISHMENTS

INDUSTRY	2006	2007	2008	2009	2010
Accommodation & food services	35	34	34	32	32
Admin, support, waste mgt, remediation services	8	8	9	10	7
Arts, entertainment & recreation	6	7	7	7	7
Construction	31	32	30	28	22
Educational services	3	4	5	6	4
Finance & insurance	7	8	7	8	7
Forestry, fishing, hunting, and agriculture	1	1	1	2	2
Health care and social assistance	26	24	23	21	24
Information	2	1	1	1	1
Management of companies & enterprises	2	2	2	2	2
Manufacturing	6	6	6	6	5
Other services (except public administration)	26	27	25	22	22
Professional, scientific & technical services	9	10	13	14	13
Real estate & rental & leasing	16	14	14	12	13
Retail trade	34	35	33	33	35
Transportation & warehousing	8	9	9	10	11
Unclassified establishments	2	0	0	0	0
Utilities	4	3	3	3	3
Wholesale trade	4	6	2	3	2
TOTAL	230	231	224	220	212

Note: Data for zip code 85602. Source: U.S. Census Bureau and the Cochise College Center for Economic Research.

Retail Out-Shopping

In 2011, the Cochise College Center for Economic Research conducted a survey of 400 Benson residents to determine their level of retail out-shopping. Out-shopping refers to shopping done by Benson residents at businesses located outside the city. The categories that saw the lowest levels of out-shopping were groceries, health and personal care items, gasoline, and beer, wine, and liquor. The highest levels of out-shopping were for furniture, jewelry, books, computer hardware and software, music (CDs, tapes, etc.), and appliances. High levels of out-shopping provide an indication of unmet demand for retail goods or a lack of competitive pricing within the city, encouraging residents to shop elsewhere. Categories of retail goods with a high level of out-shopping present an opportunity for new businesses to enter the market or for existing businesses to expand. The survey also revealed Benson residents conduct an average of 13.8 percent of their retail shopping over the internet and 6.1 percent via catalogs.

RETAIL OUT-SHOPPING BY BENSON RESIDENTS, 2011	
CATEGORY OF SALES	OUT-SHOPPING
Furniture	69.1%
Jewelry	68.7%
Books	60.4%
Computer hardware/software	59.2%
Music (CDs, tapes, etc.)	58.3%
Appliances	58.0%
Video (DVDs, VHS tapes, etc.)	56.7%
Sporting goods	55.9%
Hobby supplies	52.6%
Children's clothing	50.9%
Electronics	50.5%
Building materials	48.9%
Home Furnishings	46.8%
Women's clothing	44.7%
Men's clothing	44.3%
Auto parts and accessories	43.0%
Hardware	40.8%
Garden supplies	37.2%
Beer, wine, and liquor	37.0%
Gasoline	30.1%
Health and personal care items	24.8%
Groceries	17.5%

Source: Cochise College Center for Economic Research.

Outlook

A reversal of the strong performance in Benson's retail market in the closing months of 2012 and into early 2013 suggests the city will see a moderate decline in retail sales in 2013 and into 2014. The city's restaurant and bar sales and accommodation receipts, however, were trending upward as of late 2012 and early 2013, suggesting sales for the year are likely to see positive growth, with particularly strong performance in accommodation sales. Providing the biggest boost to the hospitality industries is completion of construction along Interstate 10, making ingress and egress to the city more attractive to travelers. Somewhat offsetting these benefits are defense budget cuts impacting nearby Fort Huachuca, which are the natural upshot of winding down wars in Iraq and Afghanistan. Cuts have slowed temporary duty travel to the fort overall for conferences and other official business, and changes in travel policies for military personnel on temporary duty now require many to be housed on post instead of in the local economy. This will continue to impact Benson's hospitality industries, which cater to those on temporary duty. Despite the declining impact of the fort, the net effect with completion of I-10 construction, which has a larger impact on Benson's hospitality industries, supports a scenario of moderate-to-strong growth for 2013 and 2014.



There are 12 residential developments planned or underway in Benson

Housing, real estate, and commercial construction

New Residential Construction

There are 12 residential developments planned or underway in Benson. The largest is The Canyons at Whetstone (Phases I and II) with 366 parcels platted and 41 units built as of early 2013. Other large scale developments include San Pedro Golf Estates with 224 parcels platted, but with no infrastructure available and no construction occurring as of early 2013; and Kartchner Vistas with 201 parcels platted and 151 units built as of the first quarter 2013. Combined, the developments will add nearly 1,200 homes to the area in

RESIDENTIAL DEVELOPMENTS IN BENSON

SUBDIVISION	PLATTED	BUILT
The Canyons at Whetstone Ranch, Phases I and II	366	41
San Pedro Golf Estates	224	0
Kartchner Vistas	201	151
Sunset Trails	197	0
Highlands at Whetstone Ranch	170	0
Cottonwood Bluffs	100	49
Water Crest	53	7
La Cholla Heights	45	0
House Ridge Estates, Phase I	18	6
Turquoise Hills	31	0
Old Homestead	26	9
La Mesa San Pedro	13	0
TOTAL	1,444	263

Source: City of Benson.

NEW HOME PERMITS (SINGLE FAMILY RESIDENTIAL)					MANUFACTURED HOME PERMITS CITY OF BENSON	
	COCHISE COUNTY		BENSON		YEAR	NUMBER OF PERMITS
	PERMITS	CHANGE	PERMITS	CHANGE		
2002	653	—	3	—	2003	14
2003	926	41.8%	0	-100.0%	2004	19
2004	1,046	13.0%	2	—	2005	45
2005	1,108	5.9%	5	150.0%	2006	43
2006	900	-18.8%	104	1,980.0%	2007	37
2007	472	-47.6%	25	-76.0%	2008	22
2008	404	-14.4%	64	156.0%	2009	10
2009	380	-5.9%	38	-40.6%	2010	10
2010	347	-8.7%	32	-15.8%	2011	3
2011	319	-8.1%	18	-43.8%	2012	9
2012	274	-14.1%	10	-44.4%		

Source: City of Benson and Cochise College Center for Economic Research.

Source: City of Benson.

coming years. Developers have looked to Tucson to the west and Sierra Vista/Fort Huachuca to the south to provide a market for new homes built in the Benson area. The year 2006 saw the first major step toward build-out of the several planned developments when the city issued 104 new home permits (in the 5 years from 2001 through 2005, the city had issued a combined total of only 12). Since 2006, the numbers of permits issued each year have been unstable but have remained high relative to historical trends from 2005 and earlier.

Countywide, new residential construction permits were down 14.1 percent in 2012. The drop represented the 7th consecutive year of declining residential construction in Cochise County. The number of new home permits countywide in 2012 was down more than 75 percent from its peak in 2005.

Home Sales

In 2012, the number of homes sold in Benson (including site-built, manufactured, and mobile homes, as well as townhouses and condominiums) increased by 16.9 percent, following five consecutive years of decline. Sales volume in 2012 was at its highest level since 2009. The median home price in 2012 was \$88,250, down 16.7 percent from 2011. The median price was at its lowest level since 2004, and was down nearly 45 percent from its 2007 peak. In 2012, more than a third of homes sold in Benson were priced below \$55,000 and nearly 60 percent were priced below \$105,000. The average home sold was on the market for 116 days, down from 131 in 2011.

At the county level, home sales were up 6.9 percent in 2012. Sales volume was up in three of four years from 2009 through 2012, following three consecutive years of double digit decline. Despite increases in recent years, sales in 2012 remained nearly 40 percent below their 2005 peak. The median home price countywide

HOME SALES, BENSON					
YEAR	SALES VOLUME	CHANGE IN SALES VOLUME	MEDIAN PRICE	MEDIAN PRICE CHANGE	AVERAGE DAYS ON MARKET
2004	152	—	\$82,250	—	113
2005	143	-5.9%	\$100,000	21.6%	67
2006	144	0.7%	\$128,950	29.0%	89
2007	143	-0.7%	\$160,000	24.1%	109
2008	103	-28.0%	\$145,000	-9.4%	128
2009	101	-1.9%	\$155,000	6.9%	108
2010	89	-11.9%	\$125,000	-19.4%	140
2011	77	-13.5%	\$106,000	-15.2%	131
2012	90	16.9%	\$88,250	-16.7%	116

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

HOME SALES, COCHISE COUNTY

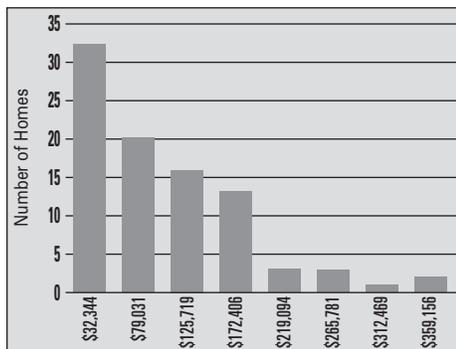
YEAR	VOLUME	CHANGE IN VOLUME	MEDIAN PRICE	MEDIAN PRICE CHANGE	AVERAGE SALE/ASKING PRICE	AVERAGE PRICE PER SQ. FT. (HEATED/COOLED)	AVERAGE PRICE PER SQ. FT. CHANGE (HEATED/COOLED)	AVERAGE DAYS ON MARKET
2004	1,825	—	\$139,900	—	97.3%	\$87.70	—	114
2005	2,097	14.9%	\$173,900	24.3%	98.1%	\$106.89	21.9%	111
2006	1,675	-20.1%	\$192,569	10.7%	97.5%	\$119.78	12.1%	116
2007	1,500	-10.4%	\$195,000	1.3%	96.1%	\$115.68	-3.4%	136
2008	1,184	-21.1%	\$184,000	-5.6%	95.4%	\$109.95	-5.0%	151
2009	1,197	1.1%	\$182,500	-0.8%	95.3%	\$105.44	-4.1%	149
2010	1,247	4.2%	\$157,000	-14.0%	94.1%	\$92.60	-12.2%	145
2011	1,203	-3.5%	\$142,125	-9.5%	94.3%	\$83.05	-10.3%	157
2012	1,286	6.9%	\$129,450	-8.9%	93.3%	\$77.86	-6.2%	163

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

in 2012 was \$129,450, down 8.9 percent from 2011 and the fifth consecutive year of decline. The median price in 2012 was down by more than a third from the 2007 peak and was below levels seen in 2004, prior to the housing market boom.

Part of the reason for price declines has been a large number of foreclosed homes on the market, which tend to be sold at lower prices. Foreclosures also affect the price of other, non-foreclosed homes as they put downward pressure on prices through the appraisal process, since appraisers consider all recent comparable sales in the area. In 2012, foreclosures accounted for 29.1 percent of home sales in Cochise County, down from 32.3 percent in 2011. Despite the decline, foreclosures remained higher than their 2009 and 2010 levels of 15 and 26.3 percent, respectively. In Benson, foreclosures accounted for 37.8 percent of sales in 2012, down from 53.2 percent in 2011.

BENSON HOME SALES, 2012



Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Prices shown are midpoint prices; each bin represents a price range of \$46,688 (+/- \$23,344 from midpoint price shown). Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

BENSON DISTRIBUTION OF HOME PRICES, 2012

MINIMUM PRICE	MAXIMUM PRICE	MIDPOINT PRICE	NUMBER OF HOMES	PERCENT OF TOTAL HOMES
\$9,000	\$55,688	\$32,344	32	35.6%
\$55,688	\$102,375	\$79,031	20	22.2%
\$102,375	\$149,063	\$125,719	16	17.8%
\$149,063	\$195,750	\$172,406	13	14.4%
\$195,750	\$242,438	\$219,094	3	3.3%
\$242,438	\$289,125	\$265,781	3	3.3%
\$289,125	\$335,813	\$312,469	1	1.1%
\$335,813	\$382,500	\$359,156	2	2.2%

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

Housing Affordability

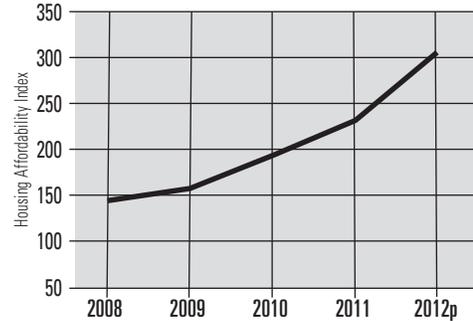
According to the U.S. Census Bureau, the homeownership rate in Benson (based on sample data from 2007 through 2011) is 68.5 percent. A large influence on homeownership rates is affordability. The Housing Affordability Index (HAI) gauges whether a family with the area's median income would qualify for a mortgage on a median-priced home. The HAI for Benson in 2012 was 305.2, its highest level on record with records going back to 2004. In 2012, homes in Benson were the most affordable they have been in recent years. In interpreting the HAI, a value of 100 indicates a family with the median income has exactly enough

BENSON HOUSING AFFORDABILITY INDEX (HAI)

YEAR	ESTIMATED MEDIAN FAMILY INCOME	MEDIAN HOME PRICE	AMOUNT FINANCED	EFFECTIVE INTEREST RATE	MONTHLY PRINCIPAL AND INTEREST PAYMENT	HAI
2008	\$49,058	\$145,000	\$116,000	6.18%	\$709	144.2
2009	\$50,645	\$155,000	\$124,000	5.18%	\$679	155.4
2010	\$49,561	\$125,000	\$100,000	4.93%	\$533	193.7
2011	\$49,375	\$106,000	\$84,800	4.84%	\$447	230.1
2012p	\$49,656	\$88,250	\$70,600	4.04%	\$339	305.2

p = preliminary. Note: Based on the median home price for residential homes (site built, manufactured homes, mobile homes, townhouses, and condominiums) in Benson sold on Southeast Arizona Multiple Listing Service and/or Tucson Area Multiple Listing Service. Presumes a 30-year conventional fixed-rate mortgage, a 20 percent down payment, and a 25 percent qualifying income ratio (principal and interest only). Source: Cochise College Center for Economic Research.

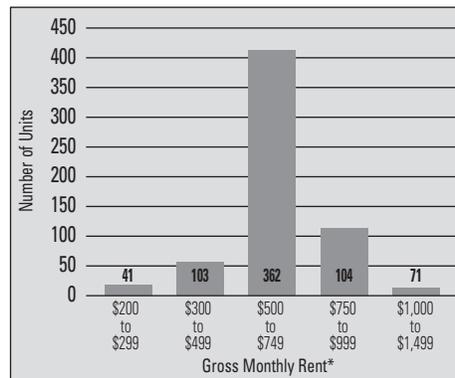
BENSON HOUSING AFFORDABILITY INDEX



p = preliminary. Note: Based on the median home price for residential homes (site built, manufactured homes, mobile homes, townhouses, and condominiums) in Benson sold on Southeast Arizona Multiple Listing Service and/or Tucson Area Multiple Listing Service. Presumes a 30-year conventional fixed-rate mortgage, a 20 percent down payment, and a 25 percent qualifying income ratio (principal and interest only). Source: Cochise College Center for Economic Research.

income to qualify for a mortgage on a median-priced home, assuming a 20 percent down payment and a qualifying income ratio of 25 percent (i.e., the monthly principal and interest payment cannot exceed 25 percent of the family’s monthly income). An HAI above 100 indicates that a family earning the median income has more than enough income to qualify. Benson’s HAI of 305.2 indicates that a family with the median income had more than three times the income necessary to qualify for a conventional loan covering 80 percent of a median-priced, single-family home in the city.

BENSON RENTAL UNITS



*Gross rent includes contract rent plus utilities. Note: Includes occupied rental units only; figures expressed in 2011 dollars. Source: U.S. Census Bureau (2007-2011 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

Rental Market

From 2007 through 2011, 31.5 percent of occupied housing units in Benson were renter-occupied, according to the U.S. Census Bureau. The rental vacancy rate was 19.6 percent. The largest number of occupied rental units in Benson from 2007 through 2011 rented between \$500 and \$749 per month (in 2011 dollars; includes rent plus utilities), accounting for more than half of all rentals. Half of all renters in Benson from 2007 to 2011 paid 30 percent of their income or more for rental expenses (rent plus utilities) suggesting a considerable demand for affordable rental housing in the city. Thirty percent of gross income is a common threshold above which housing costs are considered to be not affordable.

Commercial Construction

The years 2006 and 2007 saw a commercial construction boom in Benson with more than \$16 million in new investment. This was led by the Wal-Mart Supercenter, which opened in November 2006. Since then, new commercial construction has slowed considerably. In 2011 there was one permit issued in the city, valued at \$500,000, and in 2012 there were three with a combined value of \$520,000.

COMMERCIAL BUILDING PERMITS (NEW CONSTRUCTION), CITY OF BENSON		
YEAR	NUMBER OF PERMITS	TOTAL VALUATION
2006	8	\$12,810,643
2007	6	\$3,432,642
2008	2	\$908,706
2009	4	\$399,700
2010	0	\$0
2011	1	\$500,000
2012	3	\$520,000

Note: Valuation reflects value shown on building permit and does not include value of land. Source: City of Benson.

Outlook

A large volume of foreclosed homes offered at lower prices will continue to dampen demand for new home construction in Benson and countywide through 2013 and 2014. Foreclosure sales will place continued upward pressure on sales volume for existing homes and downward pressure on prices. Despite the slowdown in new home construction in Benson, permits will remain well above historic (pre-2006) levels, although year-to-year figures will see continued instability until the national and state economies are on firm footing toward recovery. Benson has long been eyed by developers for large-scale master planned communities due to its geographical location roughly halfway between Sierra Vista/Fort Huachuca to the south and Tucson to the west. The large number of entitlements resulting from rezoning in the 1990s will continue to make the location attractive to developers. The area's climate and proximity to services will continue to lure new residents.

With no new large-scale projects on the immediate horizon, commercial construction in Benson is likely to remain low in 2013 and into 2014. However, several commercial developers have expressed interest in the area and there is likely to be another wave of commercial development in the city once the economy is on a firmer path of recovery. As residential development in the area continues to grow, commercial development is likely to follow.



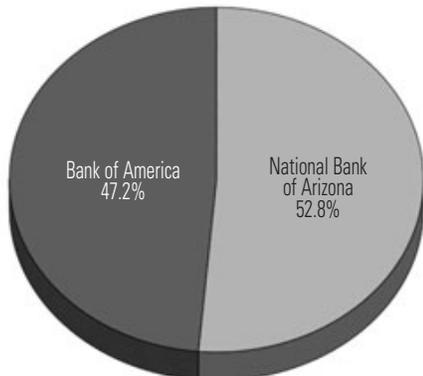
National Bank of Arizona

Banking and bankruptcy filings

Banking

Benson is served by two banks: National Bank of Arizona and Bank of America. Bank deposits in Benson in 2012 were up 1.8 percent—the first year of growth following two years of decline. Bank deposits in Benson accounted for 7.8 percent of total deposits in the Cochise County market in 2012, down from 8 percent in 2011. At the county level, deposits were up 4.7 percent in 2012. (Note: Bank deposit data include only those deposits made to commercial banks. They do not include deposits to credit unions or other financial institutions. Annual deposits include those made each year in the 12 month period ending June 30.)

**BENSON BANK DEPOSITS,
MARKET SHARE (CITY), 2012**



Note: Data reflect total deposits in the 12 months ended June 30. Source: Federal Deposit Insurance Corporation and the Cochise College Center for Economic Research.

BANK DEPOSITS

YEAR	BENSON		COCHISE COUNTY	
	AMOUNT	CHANGE	AMOUNT	CHANGE
2008	\$83,635,000	-2.3%	\$1,295,970,000	25.4%
2009	\$88,687,000	6.0%	\$1,000,155,000	-22.8%
2010	\$86,355,000	-2.6%	\$1,014,793,000	1.5%
2011	\$82,402,000	-4.6%	\$1,034,039,000	1.9%
2012	\$83,911,000	1.8%	\$1,082,302,000	4.7%

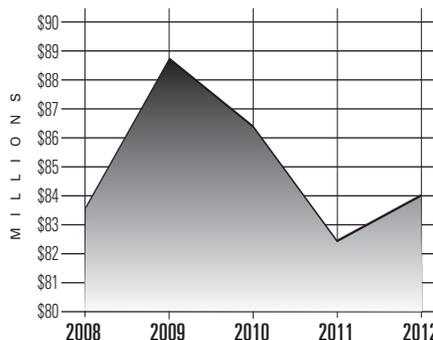
Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

**BENSON BANK DEPOSITS,
SHARE OF COCHISE COUNTY MARKET**

YEAR	SHARE OF COCHISE COUNTY MARKET
2008	6.5%
2009	8.9%
2010	8.5%
2011	8.0%
2012	7.8%

Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

BENSON BANK DEPOSITS



Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

Bankruptcy Filings

In 2012, there were 234 bankruptcies filed from within Cochise County, down 27.8 percent from 2011. Bankruptcy filings in 2012 were at their lowest level since 2008. The decline in filings followed similar trends at the state and national levels, although the declines there were not as steep. Bankruptcy filings statewide were down 22 percent while national filings were down 13.4 percent. Adjusting for population size, Cochise County’s bankruptcy rate of 1.79 filings per 1,000 residents was 59.2 percent below the state and 54 percent below the national level, reflecting a relatively healthy environment for lending and borrowing in Cochise County.

COCHISE COUNTY BANKRUPTCY FILINGS

YEAR	POPULATION	TOTAL FILINGS	FILINGS PER 1,000 POP.
2008	130,567	234	1.79
2009	130,296	339	2.60
2010	131,346	355	2.70
2011	130,537	324	2.48
2012	130,752	234	1.79

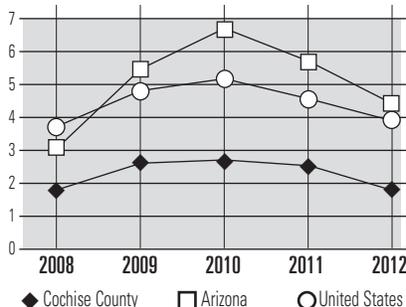
Source: US Bankruptcy Court, U.S. Census Bureau; Arizona Office of Employment and Population Statistics; and Cochise College Center for Economic Research.

**BANKRUPTCY FILINGS
(PER 1,000 RESIDENTS)**

YEAR	COCHISE COUNTY	ARIZONA	UNITED STATES
2008	1.79	3.07	3.68
2009	2.60	5.42	4.80
2010	2.70	6.69	5.15
2011	2.48	5.68	4.53
2012	1.79	4.39	3.89

Source: US Bankruptcy Court - District of Arizona; U.S. Census Bureau; Arizona Office of Employment and Population Statistics; and Cochise College Center for Economic Research.

**BANKRUPTCY FILINGS
(PER 1,000 RESIDENTS)**



Source: US Bankruptcy Court, U.S. Census Bureau; Arizona Office of Employment and Population Statistics; and Cochise College Center for Economic Research.



The Douglas Port of Entry

Mexico

REPRESENTATIVE EXCHANGE RATES: MEXICAN PESO TO U.S. DOLLAR

2011	January	12.1519
	February	12.1062
	March	11.9084
	April	11.5868
	May	11.5780
	June	11.7230
	July	11.7425
	August	12.3480
	September	13.7994
	October	13.1802
	November	13.6100
	December	13.9787
2012	January	13.0077
	February	12.7891
	March	12.8093
	April	13.2093
	May	14.3047
	June	13.4084
	July	13.2833
	August	13.2571
	September	12.8695
	October	13.0112
	November	12.9268
	December	12.9880

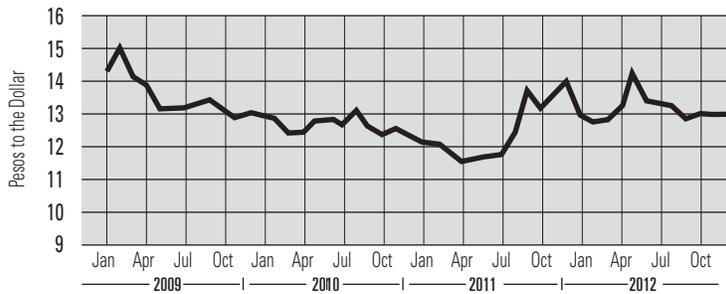
Note: As of the last business day of each month. Rates vary daily. Source: International Monetary Fund.

Overview

Cochise County’s economy is significantly impacted by Mexico. The 82-mile border between Cochise County and Sonora, Mexico serves as a crossover point for millions of visitors from Mexico each year—from day shoppers, workers, and commercial traffic crossing legally at the designated ports of entry at Naco and Douglas, to drug and human smugglers who cross illegally. The Naco port of entry is located approximately 55 miles, and the Douglas port approximately 75 miles southeast of Benson. Focus group discussions in Benson indicate the city sees relatively little traffic from illegal crossers but hosts a considerable number of shoppers indicated by a large share of vehicles with license plates from Sonora, Mexico parked daily at the city’s retail outlets. Recent efforts have been made by Southeastern Arizona Governments Organization, local chambers of commerce, and U.S. and Sonoran business and community leaders to strengthen partnerships in an effort to increase business ties and tourism on both sides of the border.

Trends in numbers of shoppers from Mexico are impacted by currency exchange rates: A strong peso makes U.S. goods and services less expensive for Mexican visitors encouraging shopping in the United States, while a weak peso makes U.S. goods and services more expensive. The peso weakened against the dollar from the first half of 2011 through the first half of 2012. From mid-2012 through the end of the year, the peso strengthened. Inflation rates, which have traditionally been higher in Mexico, also influence cross-border commerce. As prices rise in Mexico, relative to those in the United States, this encourages shopping in the United States.

EXCHANGE RATE: MEXICAN PESO TO U.S. DOLLAR



Note: As of the last business day of each month. Rates vary daily. Source: International Monetary Fund and Cochise College Center for Economic Research.

INFLATION RATE, CONSUMER PRICES

	MEXICO	UNITED STATES
2008	5.1%	3.8%
2009	5.3%	-0.4%
2010	4.2%	1.6%
2011	3.4%	3.2%
2012	*4.0%	2.1%

*Estimate. Source: International Monetary Fund and U.S. Bureau of Labor Statistics.

Naco, Sonora

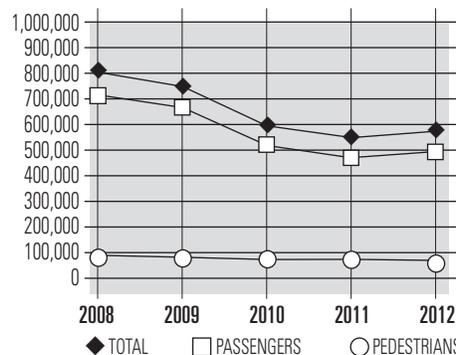
The town of Naco, Sonora, Mexico shares a border with Naco, Arizona, an unincorporated area of Cochise County bordering Bisbee. The population of Naco, Sonora as of 2010 was approximately 6,400, according to Mexico's Instituto Nacional de Estadística y Geografía (INEGI). The population of Naco, Arizona as of Census 2010 was 1,046. The Naco Port of Entry is open 24 hours a day, 7 days a week to vehicle and pedestrian traffic. With thousands of crossings each day, the Naco Port of Entry serves as a gateway to Cochise County's retail shopping outlets. A 2007-2008 study by University of Arizona indicated 80.1 percent of Mexican residents entering the United States through Naco did so for the purpose of shopping—the second highest of all ports in Arizona behind Douglas, also located in Cochise County. In recent years, numbers of vehicles, passengers, and pedestrians through Naco have been on the decline; however, 2012 saw a rebound in vehicle and passenger crossings, although pedestrian counts remained down.

US-MEXICO BORDER CROSSINGS, NACO PORT

	VEHICLES		PASSENGERS		PEDESTRIANS		(PASSENGERS & PEDESTRIANS) TOTAL	
	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE
2007	323,422	0.6%	866,682	-5.3%	97,729	8.6%	964,411	-4.1%
2008	264,220	-18.3%	708,382	-18.3%	89,174	-8.8%	797,556	-17.3%
2009	278,960	5.6%	663,231	-6.4%	81,815	-8.3%	745,046	-6.6%
2010	262,809	-5.8%	516,889	-22.1	78,748	-3.7%	595,637	-20.1%
2011	236,330	-10.1%	468,816	-9.3%	79,115	0.5%	547,931	-8.0%
2012	270,416	14.4%	497,480	6.1%	72,896	-7.9%	570,376	4.1%

Note: Includes only those crossing from Mexico into the United States. Source: U.S. Customs and Border Protection.

US-MEXICO BORDER CROSSINGS: NACO, AZ



Note: Includes only those crossing from Mexico into the United States. Source: U.S. Customs and Border Protection.

Agua Prieta, Sonora

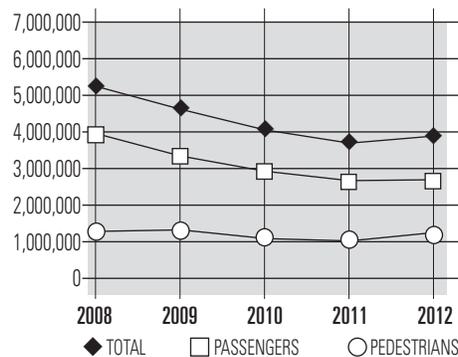
The City of Douglas shares a border with Agua Prieta, Sonora, Mexico. As of 2010, Agua Prieta’s population was just under 80,000, according to Mexico’s Instituto Nacional de Estadística y Geografía (INEGI). Since the early 1990s, Agua Prieta has seen a considerable increase in maquiladoras (twin factories with a presence on both sides of the border that manufacture and assemble products for export). Many of the manufacturing plants in Agua Prieta operate under the maquiladoras concept in which Douglas serves as the warehouse distribution center and Agua Prieta the manufacturing epicenter. Agua Prieta has more than 20 manufacturing plants with multiple warehouse operations in Douglas. Major industrial employers in Agua Prieta include Levolor Kirsh, Commercial Vehicle Group, Takata, Velcro USA, Standex International, and Alstyle Apparel & Activewear, which built a 700,000 square-foot manufacturing facility in 2011 employing approximately 3,000 workers. The Douglas Port of Entry is open 24 hours a day, 7 days a week to vehicle and pedestrian traffic. A 2007-2008 University of Arizona study indicated 81.6 percent of Mexican residents entering through Douglas did so for the purpose of shopping—the highest of all ports in Arizona. In recent years, numbers of vehicles, passengers, and pedestrians through Douglas have been on the decline; however, 2012 saw a surge in pedestrian crossings, while vehicles and passenger counts were up slightly.

US-MEXICO BORDER CROSSINGS, DOUGLAS PORT

	VEHICLES		PASSENGERS		PEDESTRIANS		(PASSENGERS & PEDESTRIANS) TOTAL	
	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE
2007	1,776,456	-10.4%	4,155,386	-8.8%	1,014,174	33.4%	5,169,560	-2.8%
2008	1,711,176	-3.7%	3,921,971	-5.6%	1,289,903	27.2%	5,211,874	0.8%
2009	1,514,446	-11.5%	3,323,084	-15.3%	1,294,459	0.4%	4,617,543	-11.4%
2010	1,431,813	-5.5%	2,933,057	-11.7%	1,096,084	-15.3%	4,029,141	-12.7%
2011	1,393,181	-2.7%	2,659,508	-9.3%	1,030,357	-6.0%	3,689,865	-8.4%
2012	1,405,122	0.9%	2,661,744	0.1%	1,198,838	16.4%	3,860,582	4.6%

Note: Includes only those crossing from Mexico into the United States. Source: U.S. Customs and Border Protection.

US-MEXICO BORDER CROSSINGS: DOUGLAS, AZ



Note: Includes only those crossing from Mexico into the United States. Source: U.S. Customs and Border Protection.

DOUGLAS INTERNATIONAL PORT AUTHORITY

The Douglas International Port Authority is led by private and public sector executives from the area’s trade/logistics business service sector, cross-border manufacturing, agribusiness industries, and community and economic development. Their primary mission is to promote trade and commerce with a focus on the expansion and further development of the Douglas Port of Entry, the second largest commercial port in Arizona with more than \$1 billion in trade conducted each year.

Economic Impact of Mexican Visitors

A 2007-2008 study by University of Arizona found that Mexican visitors to Cochise County accounted for 5.3 percent of countywide taxable sales. Mexican visitors spent an annual \$186.4 million in Cochise County, with 55 percent of that occurring in retail stores, 24.1 percent in grocery stores, and 7.3 percent in restaurants. Accounting for indirect and induced impacts, Mexican visitors were responsible for \$211.8 million in sales, 1,763 jobs, and \$36.5 million in income countywide. Statewide, direct expenditures by Mexican visitors crossing through Douglas totaled \$466.4 million (\$253 per party) according to the study. Those entering through Naco spent \$98.4 million (\$277 per party) while in Arizona. Although statewide direct expenditures totaled \$564.8 million for both ports, only \$186.4 million, or about one-third, was spent within Cochise County, with more than two-thirds of that spent in Douglas.

U.S. Travelers to Mexico

The Douglas and Naco ports also serve as crossover points for more than 2 million U.S. visitors traveling to Mexico each year. As of 2009, most U.S. citizens reentering the United States from Mexico must now have a passport, passport card, or other travel document approved by the U.S. Department of Homeland Security (visit www.GetYouHome.gov for more information on current travel requirements). This has likely led to a decline in U.S. crossers between the United States and Mexico in recent years. Another factor potentially contributing to a decline is concern over violence resulting from clashes between drug cartels and Mexican government officials in some Mexican border towns. Numbers of drug and gang-related killings throughout Mexico have increased considerably in recent years. Violence has been much more prevalent in Mexican cities sharing borders with Texas and California (particularly Ciudad Juarez and Tijuana, respectively) than in those bordering Arizona. However, Nogales, Sonora, which shares a border with neighboring Santa Cruz County, Arizona, is specifically mentioned in the U.S. State Department's most recent travel warning for Mexico, which notes travelers should exercise caution in the city. Neither Agua Prieta nor Naco, which share a border with Cochise County, was specifically referenced in the State Department's travel warnings as of early 2013. CER focus groups in Bisbee and Douglas suggest border-related violent crime has not been a major problem in those areas aside from a very small number of isolated incidents, but one very high profile incident in which a Douglas-area rancher was killed by suspected illegal crossers.

Accounting for indirect and induced impacts, Mexican visitors were responsible for \$211.8 million in sales, 1,763 jobs, and \$36.5 million in income countywide.



As of September 2012, approximately 1,800 active duty military personnel (along with their family members) are assigned to the fort
Photo: Fort Huachuca Public Affairs Office

Fort Huachuca

Overview

Fort Huachuca is an active U.S. Army installation located approximately 30 miles south of Benson. The fort provides critical resources, infrastructure, and services to more than 50 unique tenant units and missions with national-level requirements, including three of the fastest-growing missions in the Department of Defense: unmanned aircraft systems (UAS) training and operations, military intelligence, and cyber-security. The main and auxiliary installation properties cover more than 100,000 acres and the fort manages 962 square miles of restricted air space and 2,575 square miles of electronic ranges outside installation boundaries. The fort maintains, operates, or oversees more than 5.5 million square feet of operational facilities, 1,200 family housing units, three remote airstrips, and three accommodation schools. Libby Army Airfield with its 12,001 foot concrete runway is the Army's sixth busiest continental U.S. airfield with more than 350 days of good flying weather per year and more than 150,000 manned and unmanned air operations annually.

As of September 2012, approximately 1,800 active duty military personnel (along with their family members) are assigned to the fort, with an additional 150 deployed from the fort to other locations worldwide. There are also approximately 3,000 military trainees (students) temporarily assigned to the fort for training on any given day, with more than 13,000 trained on site each year. The resident population of Fort Huachuca (those actually residing on post) was 7,084 as of January 2012, which includes 1,079 military personnel and 2,805 family members residing in on-post family housing, along with 3,200 unmarried or unaccompanied military personnel residing in troop billets, including students assigned temporarily to the fort for training. Many military personnel and their families also reside in surrounding communities. The number of housing units on post is projected to decline from approximately 1,200 in 2010 to 1,064 in 2014. This is the result of demolition of older housing units and construction of fewer units to replace them, which may lead to an increased demand for off-post housing in surrounding communities. Housing communities on post are constructed by private-sector firms as part of the Army's privatization efforts under its Residential Communities Initiative.

Economic Impact

COCHISE COUNTY'S TOP EMPLOYER

Fort Huachuca is Cochise County's largest employer according to the Cochise College Center for Economic Research's (CER's) annual Top 75 Employer Survey. The fort has been the largest employer every year since the CER began conducting the survey in 1999. In 2012, the fort employed 9,369 fulltime equivalent (FTE) employees, which included active duty military personnel permanently assigned to the fort, Department of the Army civilian employees, part-time civilian workers directly employed by the fort, and military students temporarily assigned to the fort for training. An FTE employee is equal to one fulltime or two part-time employees; for students temporarily assigned to the fort, the average number at any given time are counted as FTE employees. Not included in the fort's numbers are workers who report to work on Fort Huachuca but are not employed directly by the fort. Those include employees of defense contracting firms, Fort Huachuca Accommodation Schools (although located on Fort Huachuca, those are Arizona public schools that fall under the Arizona Department of Education), the Army and Air Force Exchange Service, the U.S. Post Office, colleges and universities, and concessionaires located on post.

THE MAGUIRE REPORT

In 2008, the Maguire Company released its *Economic Impact of Arizona's Principal Military Operations* report. The report estimated the direct, indirect, and induced impact of Fort Huachuca on Cochise County at \$2.4 billion annually, nearly 42 percent of which was attributable to indirect and induced economic activity in the county's retail trade and services industries. The employment impact was estimated at 26,921 jobs countywide, which include the fort's direct employees, as well as those employed due to government contracts and spending by the fort and its employees. The report also estimated the fort generated \$23.2 million per year in local sales tax and \$17.3 million in local property tax.

For more information on Fort Huachuca, visit www.army.mil/huachuca.



Agriculture is a significant part of the Cochise County economy

Cochise County agriculture

Overview

Agriculture is a significant part of the Cochise County economy. As of 2007, top crop items are forage land, corn, pecans, and harvested vegetables. Top livestock are cattle and calves (mostly beef cows), layers, horses and ponies, goats, and bee colonies. Between 2002 and 2007, the number of farms in Cochise County grew by 12 percent. This was mostly the result of deconsolidation of farmland evidenced by a 15 percent decline in total farm acreage. Cochise County saw an increase in the number of farms of all size classes except 1,000 acres or more, which stabilized. Most of the growth occurred in smaller farms, particularly those 179 acres or smaller. The number of farms with annual sales valuing less than \$2,500 grew by 35 percent, while those with sales of \$100,000 or more declined by 10 percent. The market value of agricultural products sold grew by nearly 50 percent between 2002 and 2007; the market value of crops was up by a third while livestock was up nearly 90 percent. Crops accounted for 63 percent of total sales in 2007 (down from 71.2 percent in 2002).

Agritourism

Cochise County offers numerous agritourism opportunities, particularly in the Sulphur Springs Valley area, including U-PICK Farms, wineries, and farmers markets. Annual agritourism events in Cochise County include the Willcox Wine Country Fall Festival and Vintage Bisbee, which feature local wines. Wineries/vineyards in Cochise County include Coronado Vineyards, Keeling-Schaefer Vineyards, and Lawrence Dunham Vineyards. For more information, visit www.explorecochise.com or www.willcoxchamber.com.

ST. DAVID FARMERS MARKET

The St. David Farmers Market is held Saturday mornings from May through October at the St. David Unified School District campus. The market offers homegrown, organic, and heirloom fruits and vegetables; fruit preserves; honey; baked goods; farm fresh organic eggs; handmade soaps, lotions, bath salts, and herbal balm; handcrafted birdhouses designed to attract native species; jewelry; handcrafts; mixes for breads, cakes, and cookies; and homemade tamales and BBQ. The market includes a petting goat pen, playground, and live music. For more information, email stdavidfarmersmarket@yahoo.com.

COCHISE COUNTY FAIR.

The Cochise County Fair is held each September at the Cochise County Fairgrounds just north of Douglas, offering agricultural, commercial, educational, and entertainment activities, including a live rodeo. Exhibits include livestock, buildings, dogs, small stock, and horses. The carnival at the fair offers rides, attractions, games, and food booths. For more information, visit cochisecountyfair.org.

COCHISE COUNTY AGRICULTURE

	2007	2002	CHANGE	% CHANGE
Farms (number)	1,065	950	115	12.1%
Land in farms (acres)	824,226	969,253	-145,027	-15.0%
Land in farms - Average size of farm (acres)	774	1,020	-246	-24.1%
Estimated market value of land and buildings - Average per farm (dollars)	\$1,475,858	\$704,895	770,963	109.4%
Estimated market value of land and buildings - Average per acre (dollars)	\$1,907	\$631	1,276	202.2%
Estimated market value of all machinery and equipment - Average per farm (dollars)	\$77,792	\$53,260	24,532	46.1%
Farms by size - 1 to 9 acres	122	110	12	10.9%
Farms by size - 10 to 49 acres	252	211	41	19.4%
Farms by size - 50 to 179 acres	285	227	58	25.6%
Farms by size - 180 to 499 acres	149	147	2	1.4%
Farms by size - 500 to 999 acres	76	74	2	2.7%
Farms by size - 1,000 acres or more	181	181	0	0.0%
Total cropland (farms)	496	557	-61	-11.0%
Total cropland (acres)	141,156	131,382	9,774	7.4%
Irrigated land (farms)	368	460	-92	-20.0%
Irrigated land (acres)	67,598	64,593	3,005	4.7%
Market value of agricultural products sold (\$1,000)	\$117,130	\$78,307	38,823	49.6%
Market value of agricultural products sold - Average per farm (dollars)	\$109,981	\$82,429	27,552	33.4%
Market value of agricultural products sold - Crops (\$1,000)	\$74,358	\$55,737	18,621	33.4%
Market value of agricultural products sold - Livestock, poultry, and their products (\$1,000)	\$42,771	\$22,570	20,201	89.5%
Farms by value of sales - Less than \$2,500	490	363	127	35.0%
Farms by value of sales - \$2,500 to \$4,999	119	97	22	22.7%
Farms by value of sales - \$5,000 to \$9,999	91	118	-27	-22.9%
Farms by value of sales - \$10,000 to \$24,999	120	111	9	8.1%
Farms by value of sales - \$25,000 to \$49,999	87	82	5	6.1%
Farms by value of sales - \$50,000 to \$99,999	50	59	-9	-15.3%
Farms by value of sales - \$100,000 or more	108	120	-12	-10.0%

Source: U.S. Department of Agriculture and the Cochise College Center for Economic Research.



Bluegrass Festival • Photo: Benson Visitor Center

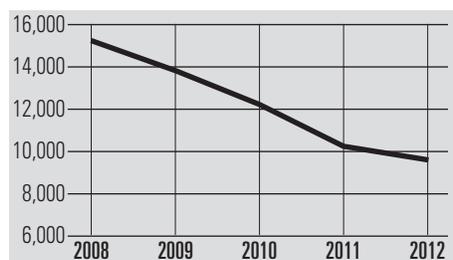
Tourism and travel

Overview

Tourism and travel, which includes business and leisure, is an important component of the economy of Benson and Cochise County. As an export-oriented industry it brings dollars to the local area from other regions, generating local sales, jobs, income, and tax revenue. According to a study conducted by Dean Runyon Associates for the Arizona Office of Tourism, the tourism and travel industry is one of the top two export industries in Arizona measured by its contribution to the state's Gross Domestic Product. In Cochise County, tourism and travel includes military and Department of Defense civilian and contractor personnel on temporary duty to Fort Huachuca for training, attendance at conferences, or other military or defense-related activities, as well as other government travel unrelated to the fort.

According to Dean Runyon Associates, total travel-related spending in Cochise County was \$329 million in 2011, down 1.6 percent from 2010. Approximately 3,990 jobs, \$77.1 million in direct earnings, and \$11.4 million in direct local government tax revenue were generated by travel-related spending in 2011. Tourism to Benson, as measured by visits to the Benson Visitor Center, declined considerably from 2007 through 2012 during the nationwide recession and slow recovery. Part of the decline may be due to expanded use of

**BENSON VISITOR CENTER
VISITOR COUNTS**



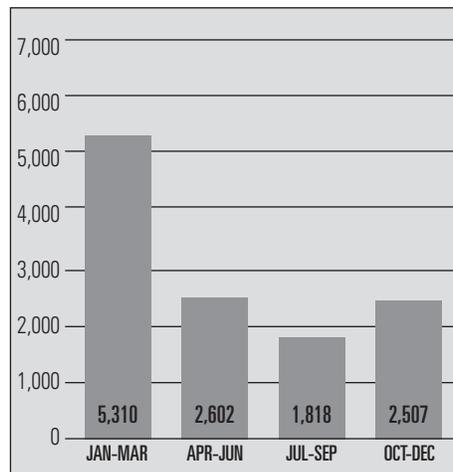
Source: Benson Visitor Center and Cochise College Center for Economic Research.

BENSON VISITOR CENTER, VISITOR COUNTS

	1ST QTR	CHANGE	2ND QTR	CHANGE	3RD QTR	CHANGE	4TH QTR	CHANGE	ANNUAL	CHANGE
2008	6,695	7.4%	3,447	-1.9%	2,231	-10.3%	2,887	-26.2%	15,260	-5.5%
2009	6,150	-8.1%	3,018	-12.4%	1,862	-16.5%	2,691	-6.8%	13,721	-10.1%
2010	5,524	-10.2%	2,390	-20.8%	1,745	-6.3%	2,576	-4.3%	12,235	-10.8%
2011	4,294	-22.3%	2,161	-9.6%	1,651	-5.4%	2,174	-15.6%	10,280	-16.0%
2012	3,885	-9.5%	1,996	-7.6%	1,599	-3.1%	2,207	1.5%	9,687	-5.8%

Source: Benson Visitor Center and Cochise College Center for Economic Research.

BENSON VISITOR CENTER, VISITOR COUNTS, AVERAGE BY QUARTER



Based on data from 2008-2012. Source: Benson Visitor Center and Cochise College Center for Economic Research.

technology, particularly smart phones and tablets, by potential visitors to obtain information. The city continues to place emphasis on tourism as part of its economic development strategy and is an active partner in the Cochise County Tourism Council, whose marketing efforts promote Cochise County as a region (for more information, visit www.ExploreCochise.com).

Attractions and Activities

BENSON'S RAILROAD HERITAGE AND VISITOR CENTER

In the late 1800s and early 1900s, Benson was the railroad hub of Southern Arizona—an image that characterizes the city's culture today. The Benson Visitor Center—Train Depot, located in the heart of Benson's historic downtown, is a replica railroad depot using many of the same architectural features as the original depot. For more information, visit www.bensonvisitorcenter.com.

KARTCHNER CAVERNS

Kartchner Caverns State Park is located on 550 acres at the foothills of the Whetstone Mountains along State Route 90. Kartchner Caverns is home to one of the world's longest soda straw stalactites; the tallest and most massive column in Arizona; the world's most extensive formation of brushite moonmilk; the first reported occurrence of "turnip" shields; the first cave occurrence of "birdsnest" needle quartz formations; and many other unusual formations including shields, totems, helictites, and rimstone dams. Geologists at the 2009 International Conference on Speleology declared Kartchner Caverns State Park the world leader in management of a living cave. The park also offers picnicking, camping, and hiking. Of Arizona's state parks, Kartchner Caverns has been the largest revenue generator in recent years. For more information, visit <http://azstateparks.com/Parks/KACA>.

COCHISE COUNTY NATIONAL PARK VISITATIONS

YEAR	CHIRICAHUA NATIONAL MONUMENT		CORONADO NATIONAL MEMORIAL		FORT BOWIE NATIONAL HISTORIC SITE	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2008	56,557	-3.2%	91,028	27.0%	10,095	0.7%
2009	60,846	7.6%	103,811	14.0%	9,641	-4.5%
2010	55,430	-8.9%	136,281	31.3%	9,491	-1.6%
2011	37,030	-33.2%	153,040	12.3%	8,429	-11.2%
2012	41,159	11.2%	97,579	-36.2	7,966	-5.5%

Source: Arizona Office of Tourism and Cochise College Center for Economic Research.

THE AMERIND FOUNDATION

The Amerind Foundation is an anthropological and archaeological museum and research center located 12 miles east of Benson and is dedicated to the preservation and interpretation of Native American cultures and histories from Alaska to South America and from the last Ice Age to the present. The foundation hosts numerous special events and openings. Archaeological and ethnographic collections, a research library, and archives are available for research. For more information, visit www.amerind.org.

BUTTERFIELD TRAIL

According to maps drawn in the mid- to late-1800s, the Butterfield Overland Mail Company trail passes through present-day Benson. Butterfield Overland Mail Company operated from 1858 to 1861 providing mail service along the trail from Missouri to California. As of early 2013, research was underway in anticipation of the trail being designated a National Historic Trail.

COCHISE COUNTY STATE PARK VISITATIONS

YEAR	KARTCHNER CAVERNS STATE PARK		TOMBSTONE COURTHOUSE STATE HISTORIC PARK	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2008	153,224	-4.2%	51,932	0.1%
2009	144,089	-6.0%	44,403	-14.5%
2010	123,999	-13.9%	49,825	12.2%
2011	116,757	-5.8%	46,037	-7.6%
2012	137,734	18.0%	45,207	-1.8%

Source: Arizona State Parks and Cochise College Center for Economic Research.

COCHISE STRONGHOLD

Cochise Stronghold is an historic site located in the Coronado National Forest where famed Chiricahua Apache Chief Cochise and his followers held out against the U.S. Cavalry in the 1860s. The site is a popular day trip from Benson. For more information, visit www.cochisestronghold.com.

GAMMONS GULCH GHOST TOWN MOVIE SET

Gammons Gulch Ghost Town Movie Set is located north of Benson and has a collection of antiques, old cars, and movie memorabilia. The film location offers tours and has been a destination for RV clubs who stay in resorts in Benson. For more information, visit www.gammonsgulch.com.

HOLY TRINITY MONASTERY

The Holy Trinity Monastery is located 9 miles south of Benson along State Route 80 in St. David. The monastery holds seasonal festivals that attract hundreds of visitors, and features a bookstore, library, oriental garden, museum, art gallery, and bird sanctuary. For more information, visit www.holytrinitymonastery.org.

BENSON MUSEUM

The Benson Museum is housed in a 1920s store building with displays celebrating local history, including old maps, dental tools, mining tools, household goods, furnishings from the Arnold Hotel, a horse-drawn school bus from Benson High School, and artifacts from cattle and mining history. The museum is also home to the Art and Quilting Gallery offering quilts on display and for sale from local quilters. For more information, visit www.bensonmuseum.com.

SAN PEDRO RIPARIAN NATIONAL CONSERVATION AREA

The San Pedro Riparian National Conservation Area extends from St. David just south of Benson to Naco, Mexico. The conservation area is nearly 57,000 acres and has 40 miles of river bank. With over 250 prehistoric and historic sites, the area offers birding and other wildlife viewing, photography, hiking, camping, seasonal hunting, horseback riding, nature studies, and environmental education. For more information, visit www.blm.gov.

NEARBY ATTRACTIONS.

Benson and Cochise County are home to numerous other attractions and destinations, including Arizona Folklore Preserve; the cities of Bisbee and Tombstone; Chiricahua National Monument; Coronado National Forest and Coronado National Memorial; Fort Bowie National Historic Site; Fort Huachuca; Lehner Mammoth Kill Site; Murray Springs Clovis Site; numerous public and private observatories; and several Arizona wineries. For more information, visit www.bensonvisitorcenter.com or www.ExploreCochise.com.

Events

The following events are held in Benson each year. For more information, contact the Benson Visitor Center at (520) 586-4293 or visit www.bensonvisitorcenter.com.

JANUARY: Cowboy/Cowgirl Round-up

MARCH: Cochise Community Creative Writing Celebration

APRIL: Bluegrass in the Park

MAY: Holy Trinity Monastery Fiesta de la Primavera

JULY: 4th of July Festivities

OCTOBER: Butterfield Overland Stage Days / Butterfield Rodeo / SAHR Biker Rodeo

NOVEMBER: Holy Trinity Monastery Fall Festival of the Arts / Thanksgiving Fiesta of Books

DECEMBER: Cascabel Christmas Fair / Christmas on Main Street

JANUARY THROUGH DECEMBER: Amerind Foundation events / Bird Watching / Hiking



Cochise County Lodging Indicators

In 2012, according to Arizona Office of Tourism (AOT), Cochise County's lodging occupancy rate decreased 9.2 percent, dropping from 53.3 to 48.4 percent. The county's lodging occupancy rate for 2012 was below the statewide rate of 57.5 and the nationwide rate of 61.4 percent. The average daily room rate in Cochise County decreased by 0.6 percent from \$69.11 to \$68.72 in 2012. Revenue generated per available room was down 9.7 percent from \$36.86 to \$33.29. Lodging room demand was down 9.2 percent and supply was down by less than one-tenth of a percent in 2012.

COCHISE COUNTY TRAVEL IMPACTS

	2007	2008	2009	2010	2011
TOTAL DIRECT TRAVEL SPENDING (\$MILLION)					
Visitor Spending at Destination	350.9	350.0	329.9	334.4	329.0
Other Travel*	0.9	1.0	1.2	1.3	1.4
Total Direct Spending	351.8	351.0	331.1	335.7	330.4
VISITOR SPENDING BY TYPE OF TRAVELER ACCOMMODATION (\$MILLION)					
Hotel, Motel	106.1	110.0	97.6	113.3	107.4
Campground	52.5	52.0	46.3	44.9	44.8
Private Home	67.2	63.1	58.8	61.2	64.8
Vacation Home	7.0	7.3	7.0	7.3	7.8
Day Travel	118.0	117.6	120.2	107.7	104.1
Spending at Destination	350.9	350.0	329.9	334.4	329.0
VISITOR SPENDING BY COMMODITY PURCHASED (\$MILLION)					
Lodging	49.0	50.8	46.0	50.8	46.5
Food & Beverage Services	81.1	80.0	80.1	81.9	79.2
Food Stores	58.9	59.2	64.7	53.9	50.1
Ground Tran. & Motor Fuel	53.7	55.8	36.8	45.8	56.0
Arts, Entertainment & Recreation	43.8	41.9	39.9	40.6	39.0
Retail Sales	64.3	62.4	62.6	61.3	58.2
Spending at Destination	350.9	350.0	329.9	334.4	329.0
INDUSTRY EARNINGS GENERATED BY TRAVEL SPENDING (\$MILLION)					
Accommodation & Food Services	41.6	43.7	43.2	43.3	41.9
Arts, Entertainment & Recreation	20.2	20.3	19.3	19.3	18.1
Retail**	18.6	19.5	18.1	16.7	15.7
Auto Rental & other ground tran.	0.3	0.3	0.3	0.3	0.3
Other Travel*	0.7	0.7	0.9	1.0	1.1
Total Direct Earnings	81.4	84.6	81.7	80.6	77.1
INDUSTRY EMPLOYMENT GENERATED BY TRAVEL SPENDING (JOBS)					
Accommodation & Food Services	2,270	2,280	2,210	2,190	2,050
Arts, Entertainment & Recreation	1,380	1,410	1,330	1,340	1,290
Retail**	800	810	730	670	630
Auto Rental & other ground tran.	10	10	10	10	10
Other Travel*	20	20	20	20	20
Total Direct Employment	4,480	4,530	4,290	4,230	3,990
GOVERNMENT REVENUE GENERATED BY TRAVEL SPENDING (\$MILLION)***					
Local	11.8	11.7	11.5	11.9	11.4
State	12.8	12.5	12.1	12.8	13.2
Total Direct Gov't. Revenue	24.6	24.3	23.6	24.7	24.6

Note: 2011 data are preliminary. Details may not add to totals due to rounding. *Other Travel includes resident air travel and travel arrangement. **Retail includes gasoline. ***Property taxes and sales tax payment of travel industry employees not included. Source: Dean Runyon Associates and Arizona Office of Tourism.

The Film Industry in the Benson Area

Throughout the years, the Benson area has been involved with feature films and television segments and episodes. The film industry provides a boost to the local economy via the recruitment of support workers and film extras and the spending of per diem in the local area. For information on filming in Benson, contact the Benson Visitor Center at (520) 586-4293. Movies that have been filmed in the Benson area over the years include:

- *The Gundown*, starring Sheree Wilson, William Shockley, and Peter Coyote
- *Trigon: The Legend of Pelgidium*, starring Denise Crosby, Robert McRay, Zen Gesner, Angus Scrimm, and Stefan Gierasch.
- *South of Heaven, West of Hell*, starring Dwight Yoakam, Peter Fonda, Bridget Fonda, Vince Vaughn, Joe Ely, Billy Bob Thornton, and Paul Reubens.
- *Buffalo Soldiers*, starring Danny Glover and Mykelti Williamson.
- *The Magnificent Seven*, starring Michael Biehn, Ron Perlman, Eric Close, Andrew Kavovit, Dale Midkiff, Rick Worthy, and Anthony Starke.
- *Los Locos*, starring Mario Van Peebles.
- *Ruby*, Jean and Joe, starring Tom Selleck.
- *Legend*, starring Richard Dean Anderson, John de Lancie, and Mark Adair Rios.
- *Pontiac Moon*, starring Ted Danson, Mary Steenburgen, Ryan Todd, Cathy Moriarty, Eric Schweig, Frank Carl Fisher Jr., Max Gail, and Lisa Jane Persky.
- *Terminal Velocity*, starring Charlie Sheen and Natassja Kinski.
- *Timemaster*, starring Pat Morita, Joanna Pacula, and Jesse Cameron Glickenhous.
- *The Quick and the Dead*, starring Sharon Stone, Gene Hackman, and Leonardo DiCaprio.
- *Tombstone*, starring Kurt Russell, Val Kilmer, Jason Priestley, Sam Elliott, Dana Delany, Billy Zane, Powers Boothe, and Michael Biehn.
- *Gunsmoke V*, starring James Arness, Bruce Boxlightner, and Kelly Morgan.
- *Posse*, starring Mario Van Peebles, Melvin Van Peebles, Stephen Baldwin, and Woody Strode.
- *Stay Tuned*, starring John Ritter and Pam Dawber.
- *Horse Opera*, starring Rik Mayall and Gina Bellman.
- *The Young Riders*, starring Josh Brolin, Greg Rainwater, Stephen Baldwin, Ty Miller, Yvonne Suhor, Travis Fine, Anthony Zerbe, Don Franklin, and Clare Wren.
- *Jesse*, starring Lee Remick and Scott Wilson.
- *Ghost Town*, starring Catherine Hickland and Franc Luz.
- *Buckeye and Blue*, starring Corbin Benson and Nick Cassavetes.
- *Stagecoach*, starring Waylon Jennings and Johnny Cash.
- *September Gun*, starring Robert Preston and Patty Duke.
- *I Married Wyatt Earp*, starring Marie Osmond and Bruce Boxleitner.
- *The Frisco Kid*, starring Gene Wilder and Harrison Ford.
- *Tom Horn*, starring Steve McQueen.
- *The Sacketts*, starring Glenn Ford and Ben Johnson.
- *The Outlaw Josey Wales*, starring Clint Eastwood and Chief Dan George.
- *Monte Walsh*, starring Lee Marvin and Jeanne Moreau.
- *Cimarron*, starring Glenn Ford, Maria Schell, Anne Baxter, Vic Morrow, and Henry (Harry) Morgan.
- *Dirty Dingus Magee*, starring Frank Sinatra, George Kennedy, Anne Jackson, Lois Nettleton, Jack Elam, and Harry Carey, Jr.
- *The Life and Times of Judge Roy Bean*, starring Paul Newman, Ava Gardner, Jacqueline Bissett, Anthony Perkins, Stacy Keach, and Tab Hunter.
- *The Hanged Man*, starring Steve Forrest, Cameron Mitchell, and Dean Jagger



Tank and panel at Canyons reserve

Renewable energy

Renewable Energy Incentives

Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC), which provides electrical service to Benson and other areas of the county and state, offers several incentives to promote the use of alternative energy. Customers may also qualify for federal and state tax credits. For detailed and up-to-date information on renewable energy incentives in the SSVEC service area, visit www.ssvec.org.

RESIDENTIAL AND SMALL COMMERCIAL (UNDER 10 KW) REBATE PROGRAM

This program provides incentives for the installation of qualifying renewable energy programs (solar, wind, and biomass). SSVEC provides incentives of \$.50 per installed watt or up to 35 percent of the total installed cost of the system, whichever is less. Individuals interested in forfeiting the rebate can qualify for a performance based incentive (PBI) over a period of 10, 15, or 20 years up to 40 percent of the system's cost. Funding is limited; members must contact SSVEC prior to construction to ensure availability.

LARGE COMMERCIAL (OVER 10 KW) PROGRAMS

Contact the SSVEC Commercial Representative at (520) 515-3472 for program guidelines.

NEW HOME BUILDERS PROGRAM

SSVEC offers homebuilders a \$1,500 incentive for 2kW or larger systems. This rebate is in addition to the residential and commercial rebate program and is payable only to the builder.

RESIDENTIAL AND SMALL BUSINESS LOAN PROGRAM

SSVEC members may borrow \$2 per watt up to a maximum of 25 percent of the total cost of the renewable energy project at an interest rate of 3 percent. The loan is secured by a lien on the house or property and is repaid in equal monthly installments over 5 years for loans under \$10,000 and 10 years for loans over \$10,000, with no prepayment penalty. There is a cap on loan amounts of \$8,000 for residential systems and \$20,000 for small business systems. Funding is limited and available on a first come, first served basis.

SOLAR WATER HEATERS

Solar water heaters are eligible for a rebate of \$0.65 per kWh of the first year savings as determined by the Solar Rating and Certification Corporation (www.solar-rating.org).



San Pedro Golf Course in Benson • Photo: Benson Visitor Center

Community resources

City of Benson

120 W. 6th Street, PO Box 2223, Benson, AZ 85602
 Telephone (520) 586-2245
 Website..... www.cityofbenson.com

BENSON VISITOR CENTER

249 E. 4th Street, Benson, AZ 85602
 Telephone (520) 586-4293
 Website www.bensonvisitorcenter.com

Benson/San Pedro Valley Chamber of Commerce

168 E. 4th Street, P.O. Box 2255, Benson, AZ 85602
 Telephone (520) 265-8031
 Website www.bensonchamberaz.com

Industrial Development Authority of Benson

Martin Ryan, 6262 N. Swan Rd. Suite 290, Tucson, AZ 85718
 Telephone (520) 299-8117

Southeast Arizona Economic Development Group

168 East 4th Street, Benson, AZ 85602
 Telephone (520) 265-6058
 Website www.saedg.org

Arizona Department of Economic Security/Southeast Arizona Workforce Connection

1843 Paseo San Luis, Sierra Vista, AZ 85635
 Telephone (520) 458-9309
 Website www.azdes.gov / www.seazworkforce.org

Small Business Development Center

901 North Colombo Ave., Sierra Vista, AZ 85635
 Telephone (520) 515-5478
 Website..... www.cochise.edu/sbdc

Cochise County

1415 Melody Lane, Bldg. G, Bisbee, AZ 85603
 Telephone (520) 432-9200
 Website www.cochise.az.gov

COCHISE COUNTY SERVICE CENTER REPRESENTATIVE

126 W. 5th Street, Benson, AZ 85602
 Telephone (520) 586-8140

Financial Institutions

AMERICAN SOUTHWEST CREDIT UNION

654 E. 7th Street, Benson, AZ 85602
 Telephone (520) 586-8821
 Website www.americansouthwestcu.org

BANK OF AMERICA

149 W. 4th Street, Benson, AZ 85602
 Telephone (520) 586-2279
 Website www.bankofamerica.com

NATIONAL BANK OF ARIZONA

625 W. 4th Street, Benson, AZ 85602
 Telephone (520) 586-2228
 Website www.nbarizona.com

SOUTHEASTERN ARIZONA FEDERAL CREDIT UNION

182 E. 4th Street, Benson, AZ 85602
 Telephone (520) 586-7095
 Website www.seafcu.com

Utilities and Telecommunications

COX COMMUNICATIONS

296 W 5th St, Benson, AZ 85602
 Telephone (520) 586-9679
 Website www.cox.com

CITY OF BENSON GAS DIVISION

Telephone (520) 586-9454
 Website www.cityofbenison.com

SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE

285 W. 5th Street, Benson, AZ 85602
 Telephone (520) 586-2238
 Website www.ssvvec.org

CENTURYLINK

Website www.centurylink.com



The CER hosts economic outlook luncheons each year throughout Cochise County

About the Center for Economic Research

The Cochise College Center for Economic Research (CER), founded in 1995, provides economic information, analysis, and forecasting to help leaders in the public, private, and nonprofit sectors make informed decisions; provides opportunities for Cochise College students to conduct and publish research on local and regional economic issues; and educates residents of Cochise County on the local, state, and national economy through public presentations, newspaper columns, radio show appearances, and social media networking. The CER hosts economic outlook luncheons each year in Benson, Bisbee, Douglas, and Sierra Vista. The center also produces four major publications annually: *Benson Economic Outlook*, *Bisbee Economic Outlook*, *Douglas Economic Outlook*, and *Sierra Vista Economic Outlook*.

Throughout the year, the CER responds to a wide range of information requests from business and community leaders throughout Cochise County and across the state and region. The CER director serves on community projects, committees, and task forces providing technical expertise in research methodology and serving as a source of economic and demographic information, analysis, and forecasting. The CER prepares weekly press releases that are published in newspapers countywide and provide insight into economic issues affecting Cochise County. The CER maintains an official Facebook page providing updates on the local, state, and national economies.

The CER has economic advisory committees in Benson, Bisbee, Douglas, and Sierra Vista. These committees include representatives from various sectors of the local economy who provide advice, expertise, and input to the content of the economic outlook publications and luncheon presentations. They also serve as focus groups for the study of the qualitative aspects of the local economy and provide specialized expertise related to the organizations and industries they represent.

The CER is a member of the Association for University Business and Economic Research (AUBER), one of only two community college organizations in the nation holding membership. In addition, the CER is a state data center affiliate, receiving and disseminating U.S. Census Bureau data to local governments and nongovernmental data users at no charge or on a cost-recovery or reimbursable basis. The CER is charged with raising its own operating budget through sponsorships, gifts, donations, sponsored research, and other sources.

Dr. Robert Carreira has served as director of the CER since 2005. He holds a doctor of philosophy degree in public policy, and master's degrees in public administration, education, and international relations (international political economics).

Contact the CER

Center for Economic Research
Cochise College
901 North Colombo Avenue
Sierra Vista, AZ 85635
Phone: (520) 515-5486
Fax: (520) 515-5343
E-mail: cer@cochise.edu

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Jim Cox—City of Benson
Angelica Hernandez—Southeast Arizona Workforce Connection
Gary Maluf, Ph.D.—Benson Hospital
Glenn Nichols—City of Benson
Bob Nilson—Benson Visitor Center
Barbara Richardson—Cochise College Benson Center
George Scott—Southeast Arizona Economic Development Group
Mark Schmitt—Cochise College Small Business Development Center
Telly Stanger—Sulphur Springs Valley Electric Cooperative, Inc.
Dr. David Woodall—Benson Unified School District