

# Benson

ECONOMIC OUTLOOK 2014



COCHISE COLLEGE  
CENTER FOR ECONOMIC RESEARCH





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# Review of the National, State, and Local Economy



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## National

During the recessionary years of 2008 and 2009, the national economy lost 8.7 million jobs. In four-and-a-half years from January 2010 through June 2014, 9.1 million jobs were added. Although the number of jobs gained since the end of the recession has been marginally greater than the number lost during the recession, it has been insufficient to accommodate population and labor force growth. In 2013, 2.3 million jobs were created (up from 2.2 million in 2012). From January through June 2014, 1.4 million jobs were created (up from 1.2 million in the first half of 2013).

The national unemployment rate in 2013 was 7.4 percent (down from 8.1 percent in 2012). Unemployment declined throughout the year and into the first half of 2014. The seasonally adjusted monthly rate in June 2014 was 6.1 percent, down from 7.5 percent in June 2013, but still above what economists consider the natural rate of unemployment, or where the rate would be without the effects of a recession (4 to 5 percent).

The nation's Gross Domestic Product (the broadest measure of economic activity adding up the value of all goods and services produced in the economy) was up in 17 of 19 quarters from the end of the recession in the third quarter 2009 through the first quarter 2014. Real GDP declined 0.3 and 2.8 percent, respectively, in the recessionary years of 2008 and 2009. Since then, GDP increased 2.5, 1.8, 2.8, and 1.9 percent in 2010, 2011, 2012, and 2013, respectively. In the first quarter of 2014, real GDP was down 2.9 percent (seasonally adjusted annualized rate), though that was largely attributable to severe winter weather than slowed economic growth.

## Arizona

Arizona gained 51,700 jobs in 2013 for job growth of 2.1 percent. Job creation was led by growth in the private sector, which added 52,300 jobs (2.5 percent). Government lost 500 jobs (-0.1 percent). In 2013, the statewide unemployment rate was 8 percent (down from 8.3 percent in 2012). The seasonally adjusted monthly rate in June 2014 was 6.9 percent (down from 8.1 percent in June 2013).

Arizona's GDP grew 1.1 percent in 2013, following much stronger growth of 3 percent in 2012 and 2.6 percent in 2011. In 2013, Arizona's GDP growth was 36th in the nation. Inflation-adjusted retail sales statewide were up 7.3 percent in 2013 and 3.2 percent in the first five months of 2014. Arizona's restaurant and bar sales were up 2.2 percent in 2013 and 5.7 percent from January through May 2014. The state's accommodation sales (hotel, motel, RV park, and other temporary lodging stays of less than 30 days) were up 0.4 percent in 2013 and 8.4 percent in the first five months of 2014.

Building permits for new single-family homes statewide were up 11.2 percent in 2013 (following a 57.1 percent increase in 2012). The increases in 2012 and 2013 followed six consecutive years of decline. Despite those increases, the number of new home permits in 2013 was down 77.4 percent from its peak in 2005.

Home sales by realtors in Arizona were down 5.4 percent in 2013 (following a 10.6 percent decline in 2012). Sales in 2013 were 18.1 percent below their 2005 peak. The median home price statewide in 2013 was \$185,000 (up 20.9 percent from 2012).

## Cochise County

Cochise County lost 1,250 nonfarm jobs in 2013 for annual job growth of -3.5 percent. The government sector shed 400 jobs (-3.2 percent). The county's private sector lost 850 jobs (-3.6 percent). Cochise County's annual unemployment rate in 2013 was 8.8 percent (up from 8.3 percent in 2012). The seasonally adjusted monthly rate in June 2014 was 8.6 percent (down slightly from 8.9 percent in June 2013).

Cochise County's GDP grew modestly at 1.1 percent in both 2009 and 2010 before stagnating in 2011 and declining by 3.8 percent in 2012. Retail sales countywide were up 1.5 percent in 2013 but were down 5.6 percent in the first five months of 2014. Cochise County's restaurant and bar sales were down 0.5 percent in 2013 but were up 3.5 percent from January through May 2014. Countywide accommodation sales were down 12.2 percent in 2013 and 1.2 percent in the first five months of 2014.

There were 1,428 homes sold by realtors in Cochise County in 2013 (up 11 percent from 2012). Sales in 2013 were at their highest level since 2007. Home sales countywide were up in four of five years from 2009 through 2013, following three consecutive years of double-digit declines. Despite increases in recent years, sales volume in 2013 remained 32 percent below the 2005 peak. In the first quarter of 2014, home sales in Cochise County were up 7.6 percent from the same quarter of 2013.

The median home price countywide in 2013 was \$120,800 (down 6.7 percent from 2012). The median price in 2013 was down more than 38 percent from the 2007 peak of \$195,000 and was well below levels seen in 2004, prior to the housing market boom. The median home price countywide in the first quarter of 2014 was \$113,500 (down 1.3 percent from the first quarter of 2013).

In 2013, foreclosed homes accounted for 29.3 percent of all home sales in Cochise County (up slightly from 29.1 percent in 2012). Foreclosures accounted for 31.1 percent of sales in the first quarter of 2014. In the years leading up to the housing market boom and bust, foreclosed homes accounted for an average of 2 percent of sales in Cochise County.

In 2013, new residential construction in Cochise County was at its lowest level on record, with records back to 1990. There were 162 new home permits issued countywide in 2013 (down 41 percent from 2012 for the eighth consecutive year of decline). The number of new home permits in 2013 was down more than 87 percent from the housing boom peak of 1,265 back in 2005.

## Benson

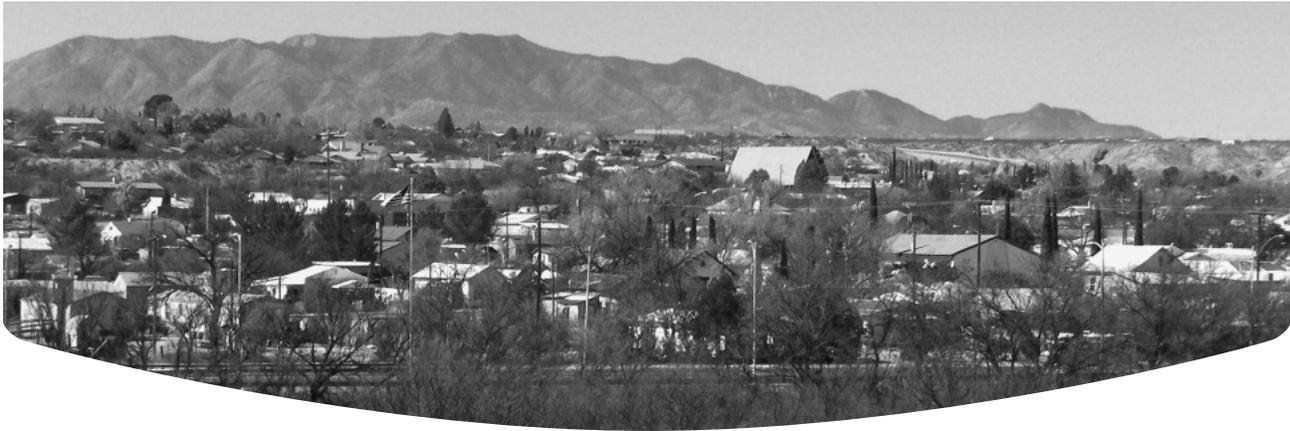
Benson saw a net loss of 101 jobs in 2013 for job growth of -5.7 percent. Benson's annual unemployment rate in 2013 was 10.3 percent (up from 9.7 percent in 2012). In June 2014, the city's seasonally adjusted monthly unemployment rate was 10 percent, down from 10.4 percent in June 2013.

Benson's retail sales were down 0.7 percent in 2013, but were up 4.9 percent in the first five months of 2014. The city's restaurant and bar sales were up 17.9 percent in 2013 and 4.6 percent from January through May 2014. Citywide accommodation sales were up 29.3 percent in 2013 but were down 12.5 percent in the first five months of 2014.

In the Benson area there were 148 homes sold in 2013 (up 21.3 percent from 2012 and the second consecutive year of growth above 20 percent). The median home price in 2013 was \$92,250 (up 4.5 percent from 2012). In 2013, foreclosures accounted for 39.2 percent of home sales in the Benson area (virtually unchanged from 2012 but down from 52 percent in 2011).

In 2013, new residential construction in Benson was at its lowest level on record, with records back to 1996. There were only two new home permits issued in Benson in 2013 (down from 10 in 2012 for the fifth consecutive year of decline). The number of new home permits in Benson in 2013 was down more than 98 percent from the housing boom peak of 104 back in 2006.

# City of Benson



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 160 miles southeast of Phoenix along several trade routes: Interstate 10, state routes 80 and 90, and the main line of the Union Pacific Railroad. In the late 1800s and early 1900s, Benson was the railroad hub of Southern Arizona—an image that characterizes the city’s culture today. Ranching and agriculture are also part of the area’s history and continue today. For more information, visit [www.CityOfBenson.com](http://www.CityOfBenson.com) or [www.BensonVisitorCenter.com](http://www.BensonVisitorCenter.com).

## BENSON TRANSACTION PRIVILEGE (SALES) TAX RATES

CATEGORY	COUNTY AND STATE	CITY OF BENSON	TOTAL
Privilege Tax	6.10%	2.5%	8.60%
Retail Tax (Single Item over \$5,000)	6.10%	1.0%	7.10%
Hotel/Motel	6.05%	4.5%	10.55%
Construction Contracting	6.10%	4.0%	10.10%

Note: Rates as of July 1, 2014. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

## CRIME RATE PER 1,000 RESIDENTS (2012)

LOCATION	POPULATION	VIOLENT CRIME	PROPERTY CRIME	ARSON	TOTAL CRIME	CRIME RATE (PER 1,000 RESIDENTS)
United States	313,914,040	1,214,462	8,975,438	N/A	10,189,900	32.5
Arizona	6,498,569	28,108	231,930	N/A	260,038	40.0
Cochise County	130,752	N/A	N/A	N/A	N/A	*34.1
Benson	5,071	9	136	0	145	28.6
Bisbee	5,466	79	171	0	250	45.7
Douglas	16,673	199	614	3	816	48.9
Huachuca City	1,816	N/A	N/A	N/A	N/A	N/A
Sierra Vista	45,794	130	1,541	5	1,676	36.6
Tombstone	1,350	N/A	N/A	N/A	N/A	N/A
Willcox	3,674	8	244	6	258	70.2
Unincorporated Areas	50,908	338	847	17	1,202	23.6

N/A = Data not available. \*Estimated by the Cochise College Center for Economic Research based on reporting for all areas except Huachuca City and Tombstone. Source: Federal Bureau of Investigation (Uniform Crime Reports), U.S. Census Bureau, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.

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### COST OF LIVING COMPARISONS

	SIERRA VISTA- DOUGLAS METRO AREA*	TUCSON	PHOENIX	SCOTTSDALE	FLAGSTAFF	BULLHEAD CITY	LAKE HAVASU	PRESCOTT- PRESCOTT VALLEY	YUMA
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
2013	98.0	95.6	96.0	115.1	113.3	93.4	103.1	98.1	104.2

N/A = data not available. \*The Sierra Vista-Douglas Metropolitan Area is a statistical area designation for all of Cochise County. Source: Council for Community and Economic Research (C2ER), Cost of Living Index.

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### COST OF LIVING INDEX

The Cost of Living Index, published by the Council for Community and Economic Research, compares costs of more than 300 participating areas in all 50 states. 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.

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### SIERRA VISTA/DOUGLAS METROPOLITAN AREA COST OF LIVING

	COMPOSITE INDEX	GROCERY ITEMS	HOUSING	UTILITIES	TRANS PORTATION	HEALTH CARE	MISC. GOODS & SERVICES
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
2013	98.0	91.3	95.4	99.2	101.1	97.4	101.4

Note: The Sierra Vista-Douglas Metropolitan Area is a statistical area designation for all of Cochise County. Source: Council for Community and Economic Research (C2ER), Cost of Living Index.

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**BENSON PROPERTY TAX RATES PER \$100  
ASSESSED VALUE (2013-2014)**

DISTRICT	PRIMARY	SECONDARY	TOTAL
City of Benson	0.4609	—	0.4609
Benson Unified School District	4.4314	1.6277	6.0591
Cochise Joint Technical District	—	0.0500	0.0500
San Pedro Valley Hospital	—	0.9000	0.9000
Cochise County General Government*	2.6276	—	2.6276
Library*	—	0.1451	0.1451
Flood Control*	—	0.2597	0.2597
Cochise College*	1.8508	—	1.8508
Fire District Assistance Tax*	—	0.0929	0.0929
School District Assistance Tax**	0.5123	—	0.5123
<b>TOTAL</b>	<b>9.8830</b>	<b>3.0754</b>	<b>12.9584</b>

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.

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**PROPERTY TAX ASSESSMENT RATIOS**

- 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 (19 percent of cash value in 2014, scheduled to decline to 18.5 percent in 2015 and 18 percent in 2016)
- Class 2:** Agricultural real property, golf courses, and vacant land (16 percent of cash value, scheduled to decline to 15 percent in 2016)
- Class 3:** Owner-occupied residential property (10 percent of cash value)
- Class 4:** Leased or rented residential property (10 percent of cash value)
- Class 5:** Railroads, private car companies, and airline flight property (21 percent of cash value)
- Class 6:** Noncommercial historic property, foreign trade zones, military reuse, environmental technology, and environmental remediation property (5 percent of cash value)
- Class 7:** Improvements to commercial historic property (1 percent of cash value for up to 10 years)
- Class 8:** Improvements to historic residential rental property (1 percent of cash value for up to 10 years)
- Class 9:** Possessor interests (1 percent of cash value for up to 10 years)
-

# Economic Development



## Local Organizations

### CITY OF BENSON ECONOMIC DEVELOPMENT COMMITTEE

In 2014, the Benson City Council established an Economic Development Committee, following disbandment of its former Economic Development Subcommittee. In its economic development strategic plan, the city assigns responsibility for its economic development efforts to the city manager. The strategic plan outlines several goals, including:

- Improved partnerships with a regional approach
- Establishment of a GIS database of commercial 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
- Continuation as a resource for small business information

The city has established a webpage to serve 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](http://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. Roles and functions include:

- Serve as an economic development entity for the municipalities in Southeastern Arizona
- Provide a central point of contact for businesses and industries interested in locating in Southeastern Arizona
- Represent municipalities in Arizona Commerce Authority programs
- Create and execute business recruitment and marketing programs for the communities it serves
- Create and execute expansion and retention programs for the communities it serves
- Assist in site selection
- Assist in zoning and permitting process

For more information, visit [www.SAEDG.org](http://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. Its 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](http://www.BensonChamberAZ.org).

#### **COCHISE COLLEGE CENTER FOR ECONOMIC RESEARCH**

The CER provides economic information, analysis, and forecasting to help leaders in the public, private, and nonprofit sectors make informed decisions. For more information, see the 'About the Center for Economic Research' section of this publication or visit [www.cochise.edu/CER](http://www.cochise.edu/CER).

#### **COCHISE COLLEGE SMALL BUSINESS DEVELOPMENT CENTER**

The SBDC is part of the Arizona Small Business Development Center Network (AZSBDC) and provides one-on-one confidential evaluation and guidance by counselors with business ownership and management experience. According to the U.S. Small Business Administration (SBA), the AZSBDC is Arizona's largest and most accessible statewide source of assistance for small businesses. The AZSBDC is the product of a partnership between SBA and its host institutions. The Cochise College SBDC was awarded SBA's Arizona SBDC Center of Excellence Award for three consecutive years (2011-2013). For more information, visit [www.cochise.edu/SBDC](http://www.cochise.edu/SBDC).

#### **SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION**

SEAGO is a Council of Governments serving local and tribal governments in the four-county region (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](http://www.SEAGO.org).

### **Recent Activities**

#### **WHETSTONE RANCH MASTER PLANNED COMMUNITY**

In mid-2014, Phoenix developer El Dorado Holdings purchased the 12,500-acre Whetstone Ranch master-planned community in Benson for \$26.6 million, with plans for the phased construction of 20,000 homes. The transaction occurred in two separate purchases, one of which consisted of 800 acres currently under first phase development as The Canyons at Whetstone Ranch, which includes 29 fully developed single-family residential lots, 179 partially improved lots, 373 final platted lots, 60 acres of unimproved land, and 30 acres of commercial land. El Dorado Holdings anticipates completing infrastructure for resale to conventional and active adult home builders.

#### **WESTERN HERITAGE MUSEUM PROJECT**

In 2013, an organization was formed to develop the Western Heritage Cultural Center, which will showcase the heritage, history, and culture of Southeast Arizona, telling the intertwined stories of native peoples, mining, explosives, transportation, military, ranching, farming, and the movie and entertainment industries and their influence on the region. The museum will be located on 4th Street in Benson.

#### **BENSON MURAL PROJECT**

In 2013, the Benson Mural Project was launched, beginning with the walls at the Benson Visitor Center. The project, sponsored by the Benson Clean & Beautiful Committee, will depict the railroad history of Benson through outdoor murals. The committee plans to continue the project throughout the city, including the courthouse, train station, Chamber of Commerce, and other locations.

#### **THE RED HORSE WIND 2 PROJECT**

In late 2013, Torch Renewable Energy (TRE) broke ground on a 28-turbine, 51-megawatt wind farm on 6,000 acres of state trust land between Benson and Willcox. It is estimated the project will produce enough energy to power 15,000 homes. Power generated by the wind farm will be purchased by Tucson Electric Power

(TEP), which has a transmission line near the site. The project will involve an estimated \$125 million in infrastructure investment, including the turbines, a substation, access road, and transmission line to connect to the TEP line. During the construction phase, TRE estimates there will be an associated 100 to 150 jobs. The anticipated opening date of the wind farm is mid-2015.

#### **ROSEMONT COPPER MINE**

The Rosemont Copper Mine, located in Pima County approximately 30 miles southeast of Tucson and a 35-minute drive from Benson, is expected to break ground in late 2014 on construction to support copper mining operations. Construction is projected to continue for three years with mining operations expected to begin in 2017. Due to its proximity to Benson and northwest Cochise County, construction and later mining operations are anticipated to be a source of jobs for area residents. Rosemont projects it will create approximately 2,900 jobs during the construction phase and 400 permanent jobs once mining operations begin.

### **Major Assets**

#### **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. 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. In recent years, the Southeast Arizona Economic Development Group, in partnership with the Sierra Vista Economic Development Foundation and other organizations, has sought to market the airport for government and commercial unmanned aerial systems testing and development. For more information, visit [www.SwernAviation.com](http://www.SwernAviation.com).

#### **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. Services include contract railcar switching; locomotives and maintenance; track inspection and maintenance; car accounting and billing; and electronic data interchange. For more information, visit [www.SanPedroSouthwesternRR.com](http://www.SanPedroSouthwesternRR.com).

#### **AMTRAK**

Benson is home to Cochise County's only AMTRAK station, providing passenger boarding and detraining (the Benson stop does not provide ticketing or baggage services). Although the stop consists of only a shelter structure and platform, it is located nearby the Benson Visitor Center—Train Depot, a replica of the original railroad depot from the late 1800s. As of early 2014, the Benson Visitor Center, Benson/San Pedro Valley Chamber of Commerce, and Southeast Arizona Economic Development Group were in discussions to use the AMTRAK service to promote tourism to the city, to include establishing connecting bus service to the station and offering ticket service at the Benson Visitor Center—Train Depot for vacation/travel packages.

#### **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

- 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 [hollism@svedf.org](mailto:hollism@svedf.org).

## **Incentives**

For more information on these and other incentives, visit [www.AZcommerce.com](http://www.AZcommerce.com).

### **ANGEL INVESTMENT**

State income tax credit of up to 35 percent for investing in a qualified small business

### **ARIZONA INNOVATION ACCELERATOR FUND**

\$18.2 million loan participation program to stimulate financing to small businesses and manufacturers, in collaboration with private finance partners, to foster business expansion and job creation

### **AZ FAST GRANT**

For Arizona-based technology companies to initiate the commercialization process with maximum awards of \$5,000 and \$20,000 to enable companies to accomplish one of four scopes of work

### **AZ STEP GRANT**

Grant funding from the U.S. Small Business Administration with matching funds from the Arizona Commerce Authority offering a number of services and tools to Arizona small businesses as they go global for the first time with sales or enter new, international markets

### **COMMERCIAL/INDUSTRIAL SOLAR**

State income tax credit of up to \$50,000 per tax year

### **JOB TRAINING**

Reimbursable grants to employers that implement job specific training plans for new jobs (or that increase skill levels of current employees)

### **QUALITY JOBS**

State income tax credits of up to \$9,000 for each new quality job created

### **RENEWABLE ENERGY TAX INCENTIVE**

Up to a 10 percent refundable state income tax credit and up to a 75 percent reduction on real and personal property taxes for companies engaged in the solar, wind, geothermal and other renewable energy industries

### **QUALIFIED FACILITY**

Refundable state income tax credit equal to 10 percent of qualifying capital investment or \$20,000 per net new job (whichever is less)

### **RESEARCH & DEVELOPMENT**

Refundable and non-refundable income tax credits for investment in research and development activities, starting at 24 percent of the qualified expenses for amounts in excess of expenditures from the previous year (up to 34 percent if increased research and development expenditures are made in conjunction with an Arizona public university)

### **COMPUTER DATA CENTER PROGRAM**

Transaction privilege (sales) tax and use tax exemptions on qualifying purchases of computer data center equipment for up to 20 years

**ADDITIONAL DEPRECIATION**

Accelerates depreciation schedules for prospective acquisitions of commercial personal property

**HEALTH INSURANCE PREMIUM**

A tax credit for health care insurers for insuring individuals and small businesses not previously covered

**LEASE EXCISE**

All real property tax has been waived and replaced with an excise tax based on square-footage and use

**POLLUTION CONTROL TAX CREDIT**

10 percent state income tax credit on the purchase price of real or personal property used to control or prevent pollution

**RENEWABLE ENERGY PRODUCTION TAX CREDIT**

State income tax credit for utility-scale generation systems using solar or wind energy

**SALES TAX EXEMPTION FOR MACHINERY AND EQUIPMENT**

Exemptions for machinery/equipment used directly in manufacturing; machinery, equipment or transmission lines used directly in producing or transmitting electrical power (not including distribution); and machinery or equipment used in research and development

**SOLAR LIQUID FUEL TAX CREDIT**

Income tax credits for research and development, production, and delivery system costs associated with solar liquid fuel

# Education



## Primary and Secondary

### 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. In 2013, BUSD was ranked the top performing school district in the state by the Arizona Department of Education. For more information, visit [www.BensonSD.k12.az.us](http://www.BensonSD.k12.az.us).

### ST. DAVID UNIFIED SCHOOL DISTRICT

SDUSD consists of one elementary school (grades pre-kindergarten through 8) and one high school. For more information, visit [www.StDavidSchools.org](http://www.StDavidSchools.org).

### CHARTER SCHOOLS

Local charter schools include Visions Unlimited Academy ([www.VisionsUnlimitedAcademy.com](http://www.VisionsUnlimitedAcademy.com)) and New West School.

### SCHOOL ENROLLMENT

	2012	2013	2014
<b>Benson Unified School District</b>	<b>1,160</b>	<b>1,123</b>	<b>1,126</b>
Benson High School (9-12)	347	341	351
Benson Middle School (5-8)	359	352	333
Benson Primary School (pre-K-4)	407	387	404
San Pedro Valley High School (9-12)*	34	30	28
San Pedro Valley Online Academy (5-12)	13	13	10
<b>St. David Unified School District</b>	<b>458</b>	<b>429</b>	<b>426</b>
St. David High School (9-12)	145	133	144
St. David Elementary School (pre-K-8)	313	296	282
<b>Charter Schools</b>	<b>77</b>	<b>69</b>	<b>76</b>
New West Schools (K-8)	39	44	42
Visions Unlimited Academy (K-8)	38	25	34

\*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.

### ARIZONA A-F LETTER GRADE ACCOUNTABILITY SYSTEM (2013)

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

N/R = Not Rated. Source: Arizona Department of Education.

### LETTER GRADE ACCOUNTABILITY SYSTEM

Arizona A-F Letter Grade Accountability System assigns a 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 include dropout rate, graduation rate, and English language learner reclassification rate (as applicable). For alternative schools, accommodation schools, extremely small schools, and K-2 schools, unique characteristics are taken into account. Ratings follow the traditional academic letter grade system of A=excellent, B=above average, C=average, D=needs improvement, and F=failing. For alternative schools, the grade is further designated with -ALT.

### K-12 EDUCATION SPENDING (PER PUPIL)

	<b>BENSON UNIFIED SCHOOL DISTRICT</b>	<b>ST. DAVID UNIFIED SCHOOL DISTRICT</b>	<b>ARIZONA</b>	<b>UNITED STATES</b>
<b>Total</b>	<b>\$8,380</b>	<b>\$9,180</b>	<b>\$7,496</b>	<b>\$10,658</b>
Classroom Dollars	\$4,450	\$4,849	\$4,031	\$6,520
Non-classroom Dollars	\$3,930	\$4,331	\$3,465	\$4,138
Administration	\$906	\$1,110	\$746	\$1,138
Plant Operations	\$1,100	\$1,132	\$924	\$1,015
Food Service	\$410	\$313	\$396	\$412
Transportation	\$502	\$333	\$369	\$452
Student Support	\$660	\$1,382	\$582	\$593
Instruction Support	\$352	\$61	\$448	\$528

Note: Data for the Benson and St. David unified school districts and Arizona are from fiscal year 2013; national figures are from 2011. Source: Arizona Office of the Auditor General.

### STUDENT AND TEACHER MEASURES (2013)

	<b>BENSON UNIFIED SCHOOL DISTRICT</b>	<b>ST. DAVID UNIFIED SCHOOL DISTRICT</b>	<b>ARIZONA</b>
Attendance Rate	95%	94%	94%
Graduation Rate (2012)	86%	100%	77%
Poverty Rate (2012)	21%	28%	25%
Students per Teacher	16.4	13.4	18.3
Average Teacher Salary	\$40,519	\$44,476	\$45,264
Average Years Teacher Experience	12.7	12.8	10.9
Percentage of Teachers in First 3 Years	12%	20%	19%

Source: Arizona Office of the Auditor General.

## Postsecondary

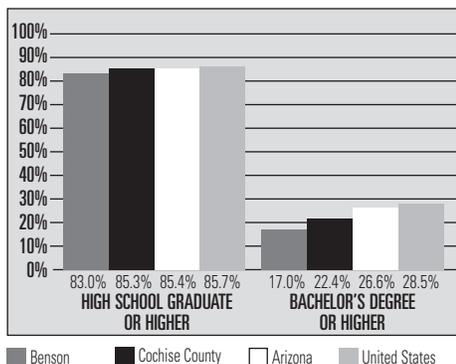
### COCHISE COLLEGE

Cochise College is a two-year community college with campuses in Douglas and Sierra Vista and learning centers in Benson, Willcox, and at Fort Huachuca. The college also offers classes online and in neighboring Santa Cruz County. Cochise College offers two-year degree and certificate programs in a variety of 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, virtual library, four articulated classrooms that together can accommodate up to 200 students, a distance learning classroom, and science lab/art room. The Benson Center provides traditional college courses, adult education, and personal interest classes. Students can complete an associate degree at the Benson Center through a combination of in-class, interactive television, 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.

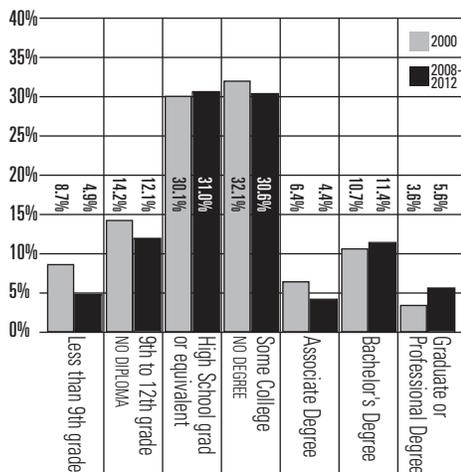
Cochise College is accredited by the Higher Learning Commission of the North Central Association. For more information, visit [www.Cochise.edu](http://www.Cochise.edu).

### EDUCATIONAL ATTAINMENT



Note: Population 25 years and older. Source: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

### BENSON EDUCATIONAL ATTAINMENT



Note: Population 25 years and older. Source: U.S. Census Bureau (Census 2000 and 2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

### COCHISE COLLEGE TWO-YEAR DEGREE PROGRAMS

- |                                                                          |                                         |
|--------------------------------------------------------------------------|-----------------------------------------|
| Administration of Justice                                                | Fine Arts                               |
| Agriculture                                                              | Fire Science Technology                 |
| Anthropology                                                             | General Requirements                    |
| Automotive Technology                                                    | General Studies                         |
| Avionics Technology                                                      | History                                 |
| Biology                                                                  | Humanities                              |
| Building Construction Technology                                         | Information Security                    |
| Business Administration                                                  | Intelligence Operations Studies         |
| Business Management                                                      | Journalism and Media Arts               |
| Chemistry                                                                | Logistics Supply Chain Management       |
| Communications                                                           | Mathematics                             |
| Computer Applications                                                    | Music                                   |
| Computer Information Systems                                             | Network Technology                      |
| Computer Programming                                                     | Paramedicine                            |
| Computer Science                                                         | Philosophy                              |
| Culinary Arts                                                            | Physics                                 |
| Early Childhood Care And Education                                       | Political Science                       |
| Education                                                                | Professional Administrative Assistant   |
| Elementary Education                                                     | Professional Pilot Technology           |
| Secondary Education (Teaching fields: Art, English, History, Spanish)    | Psychology                              |
| Economics                                                                | Registered Nurse                        |
| Electronics Technology                                                   | Respiratory Therapy                     |
| Engineering                                                              | Social Work                             |
| English                                                                  | Sociology                               |
| Equine Science and Management                                            | Theatre Arts                            |
| Exercise Science, Health and Physical Education, Recreation and Wellness | Unmanned Aerial Vehicle Flight Operator |
|                                                                          | Unmanned Aircraft Systems Technician    |
|                                                                          | Welding Technology                      |

## Healthcare



In addition to Benson Hospital described below, Benson is home to numerous private-practice physicians and other healthcare providers, including Good Samaritan Society-Quibiri Mission skilled nursing center ([www.Good-Sam.com](http://www.Good-Sam.com)) and behavioral health providers Cenpatico ([www.Cenpatico.com](http://www.Cenpatico.com)), Community Bridges ([CommunityBridgesAZ.org](http://CommunityBridgesAZ.org)), and Southeast Arizona Behavioral Health Services ([www.SEABHS.org](http://www.SEABHS.org)).

### Benson Hospital

Benson Hospital includes five local physicians, one physician's assistant, several nurse practitioners and specialists in cardiology, podiatry, and renal care. Mammography units visit the hospital. The availability of specialists in various fields varies with economic changes. Technical staff includes certified technologists, technicians, and various technical assistants. As of early 2014, the hospital planned to recruit at least three new primary care physicians by the end of the year for private practice in the community.

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.

### 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.

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. In 2014, the hospital began an occupational medicine program providing pre-employment evaluations, work emergency care, and other related services.

Benson Hospital offers physical therapy, occupational therapy and speech therapy in various settings, including at the hospital, nursing homes, patient homes, and work sites. Benson Hospital also participates in Tele-trauma with 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. In 2014, an affiliation in telemedicine was established with St. Joseph's Hospital in Tucson to provide stroke assessment in Benson Hospital's emergency room. The Benson Hospital emergency room is certified as a Level IV Trauma Center.

For more information, visit [www.BensonHospital.org](http://www.BensonHospital.org).

## Population & Demographics



The population of Benson as of 2013 was 5,085. Of the county's seven incorporated cities/towns, Benson is projected to see the fastest population growth averaging 1.6 percent annually in both the short and long term (to 2020 and 2050, respectively). 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 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 2008-2012 American Community Survey, 8.1 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%
2013	5,085	0.3%	130,906	0.1%	6,581,054	1.3%

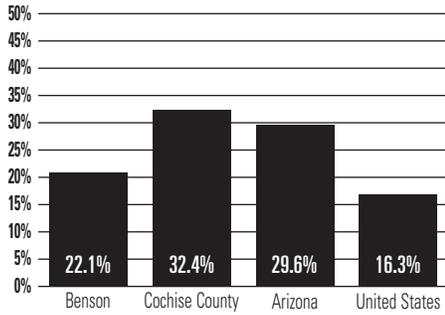
Note: Growth rates shown for 2000 and 2010 reflect preceding 10-year period; rates for 2011 forward are annual. Source: U.S. Census Bureau, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.

### POPULATION PROJECTIONS

YEAR	BENSON	COCHISE COUNTY
2020	5,742	142,398
2030	6,707	157,693
2040	7,766	173,377
2050	9,173	192,301

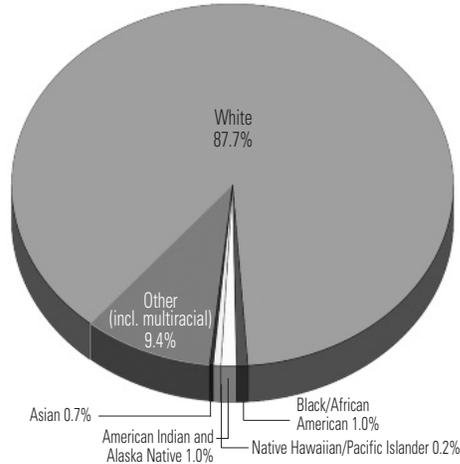
Source: Arizona Office of Employment and Population Statistics.

### 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



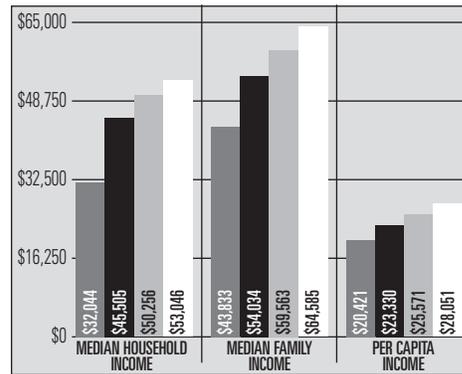
Note: The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race. Source: U.S. Census Bureau (Census 2010) and Cochise College Center for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

### BENSON AGE GROUP DISTRIBUTION

Age Group	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%

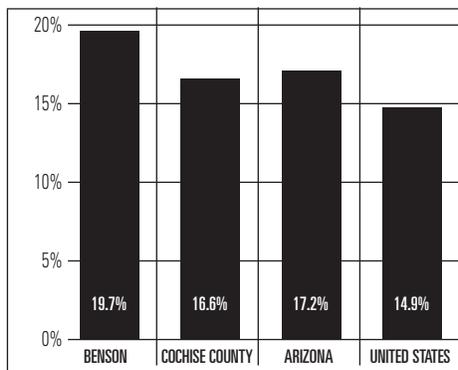
Source: U.S. Census Bureau (Census 2000 and Census 2010) and Cochise College Center for Economic Research.

### INCOME



Note: All figures expressed in 2012 dollars. Source: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

### POVERTY LEVEL



Note: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

# Employment



## 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 the wars in Iraq and Afghanistan. While the rest of the state and nation suffered through the severe effects of the Great Recession, Cochise County was buffered from the worst of it due to increased defense spending on the fort and its missions. Those increases were principally tied to the wars. Continued defense cuts are likely to further hinder labor market improvement at the county level. Benson, due to its location approximately 30 miles from the fort, is significantly impacted.

On the positive side, Benson's proximity to Tucson allows it to benefit from a generally improving state economy. One example is the anticipated initiation of mining activities at Rosemont Mine in nearby Pima

### UNEMPLOYMENT RATE (%)

	BENSON	COCHISE COUNTY	ARIZONA	UNITED STATES
2009	9.2	7.9	9.8	9.3
2010	10.2	8.8	10.4	9.6
2011	10.2	8.8	9.4	8.9
2012	9.7	8.3	8.3	8.1
2013	10.3	8.8	8.0	7.4
2014 (Jan-Jun)	9.8	8.4	7.1	6.5
2014 (Jun)	10.0	8.6	6.9	6.1

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

### BENSON LABOR MARKET DATA

	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	JOB GAINS	JOB GROWTH RATE (%)
2009	2,091	1,898	193	—	—
2010	2,093	1,879	214	-19	-1.0%
2011	2,042	1,833	209	-46	-2.4%
2012	1,946	1,758	188	-75	-4.1%
2013	1,847	1,657	190	-101	-5.7%

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

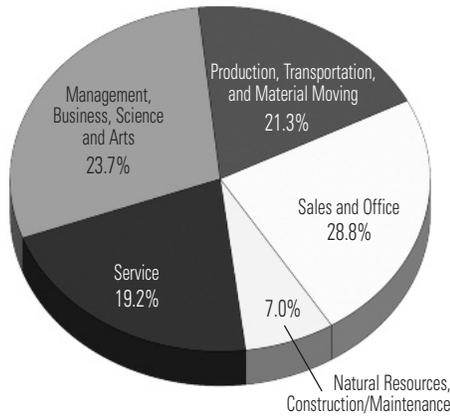
County, expected to create several hundred jobs drawing labor from surrounding areas including Benson. Also, as the state and national economies continue to improve, Benson’s hospitality industries will benefit from increased recreational and commercial traffic along Interstate 10. Several economic development efforts in the area also position the city well for job creation moving forward (see the ‘Economic Development’ section of this publication).

**BENSON AREA EMPLOYERS, EMPLOYEES, AND PAYROLL**

	2008	2009	2010	2011	2012
Business Establishments	224	220	212	208	205
Number of Employees*	2,587	2,530	2,516	2,356	2,339
Annual Payroll (\$1,000)	87,036	91,413	86,930	85,478	84,800

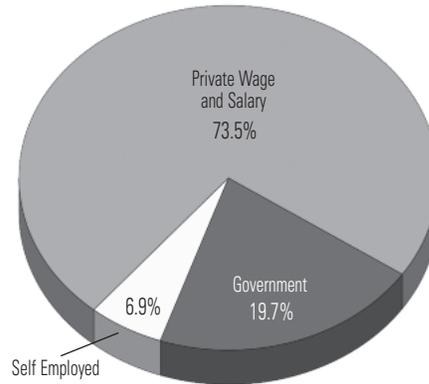
\*Paid employees for pay period including March 12. Note: Includes businesses located in zip code 85602. Does not include government sector. Source: U.S. Census Bureau and the Cochise College Center for Economic Research.

**BENSON OCCUPATIONS**



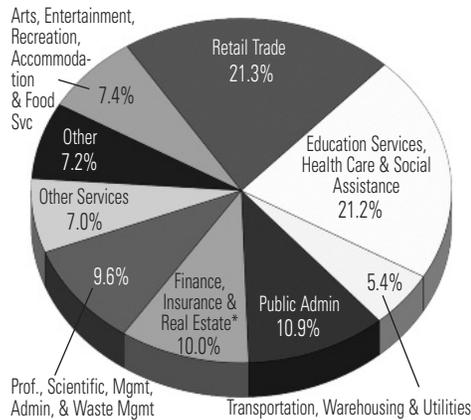
Source: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

**BENSON CLASSES OF WORKERS**



Source: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

**INDUSTRIES IN BENSON (BY SHARE OF WORKFORCE)**



\*Finance, Insurance, Real Estate & Rental & Leasing. Note: Includes only those industries comprising at least 5 percent of the workforce. Source: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

**BENSON'S TOP 10 EMPLOYERS (2013)**

EMPLOYER	FULLTIME EQUIVALENT EMPLOYEES*
Arizona’s G & T Cooperatives	239
Benson Unified School District	166
Wal-Mart Supercenter of Benson	147
Benson Hospital Corporation	144
City of Benson	98
Apache Nitrogen Products, Inc.	91
Quiburi Mission	67
Southeastern Arizona Behavioral Health Services, Inc.	56
Cochise County	44
Sulphur Springs Valley Electric Cooperative	34

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 major employer survey. Source: Cochise College Center for Economic Research.

## Southeastern Arizona Workforce Connection & Arizona Department of Economic Security

Southeastern Arizona Workforce Connection (SAWC), a 501(c)(3) nonprofit corporation, in partnership with Arizona Department of Economic Security, offers free services to businesses and job seekers. The Cochise County One Stops, with locations in Sierra Vista and Douglas, are staffed by SAWC and DES representatives providing no-cost business services to assist employers with advertising, hiring, employee development, business closure, and job announcements. In addition, the One Stops provide job seekers with free pre-employment preparation, training programs, job-search resources, and access to computers, printers, copiers, phone, fax, and internet. Veteran representatives are on staff and veterans receive priority service. For more information on SAWC, visit [www.SEAZworkforce.org](http://www.SEAZworkforce.org). For more information on DES, visit [www.AZDES.gov](http://www.AZDES.gov).

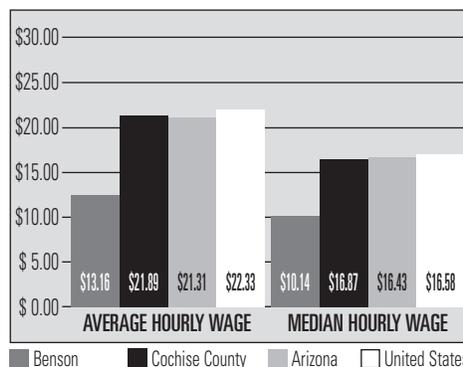
### BENSON BUSINESS ESTABLISHMENTS BY EMPLOYMENT-SIZE CLASS (2012)

Number of establishments by employment-size class

INDUSTRY	1-4	5-9	10-19	20-49	50-99	100-249	TOTAL
Accommodation and Food Services	11	4	9	8	0	0	32
Admin, Support, Waste Mgmt, Remediation Services	4	1	0	0	0	1	6
Agriculture, Forestry, Fishing and Hunting	2	0	0	0	0	0	2
Arts, Entertainment, and Recreation	2	2	1	1	0	0	6
Construction	15	3	1	0	0	0	19
Educational Services	1	1	1	0	0	0	3
Finance and Insurance	3	4	0	0	0	0	7
Health Care and Social Assistance	9	1	9	3	0	2	24
Information	1	1	0	0	0	0	2
Management of Companies and Enterprises	0	0	1	0	0	0	1
Manufacturing	1	0	1	0	1	0	3
Other Services (except Public Administration)	19	7	1	0	0	0	27
Professional, Scientific, and Technical Services	11	2	2	0	0	0	15
Real Estate and Rental and Leasing	7	2	1	0	0	0	10
Retail Trade	15	12	4	1	1	1	34
Transportation and Warehousing	7	2	0	1	0	0	10
Utilities	0	0	0	2	0	1	3
Wholesale Trade	1	0	0	0	0	0	1
<b>TOTAL</b>	<b>109</b>	<b>42</b>	<b>31</b>	<b>16</b>	<b>2</b>	<b>5</b>	<b>205</b>

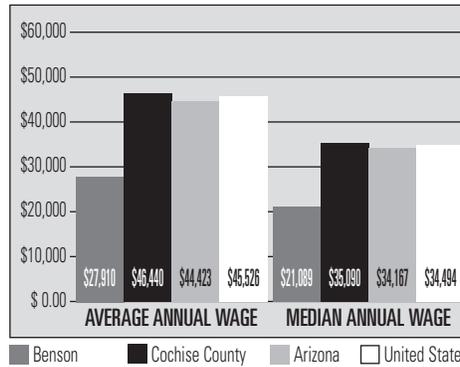
Note: Includes businesses located in zip code 85602. Source: U.S. Census Bureau.

### HOURLY WAGES (2013)



Source: U.S. figures are reported by the U.S. Bureau of Labor Statistics. State and county figures are reported by 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 WAGES (2013)**



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.

**NON-FARM PAYROLL EMPLOYMENT (COCHISE COUNTY)**

	2013	2012	CHANGE	% CHANGE
Total Non-farm	34,750	36,000	-1,250	-3.5%
Total Private	22,650	23,500	-850	-3.6%
Goods Producing	1,725	1,925	-200	-10.4%
Construction*	1,175	1,350	-175	-13.0%
Manufacturing	550	575	-25	-4.3%
Service-Providing	33,025	34,075	-1,050	-3.1%
Private Service-Providing	20,925	21,575	-650	-3.0%
Trade, Transportation, and Utilities	5,950	6,050	-100	-1.7%
Information	375	400	-25	-6.3%
Financial Activities	975	975	0	0.0%
Professional and Business Services	4,225	4,450	-225	-5.1%
Educational and Health Services	4,725	4,950	-225	-4.5%
Leisure and Hospitality	3,750	3,800	-50	-1.3%
Other Services	925	950	-25	-2.6%
Government	12,100	12,500	-400	-3.2%
Federal Government	5,525	5,775	-250	-4.3%
State and Local Government	6,575	6,725	-150	-2.2%

\*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.

## Commerce



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 one of the busiest stretches of highway in Cochise County.

### Outlook

Growth trends toward the end of 2013 and into the opening months of 2014 suggest moderate growth in retail and restaurant/bar sales in Benson through 2014 and into 2015. These have likely been helped along by increased traffic along Interstate 10 and the completion of construction along the stretch of Interstate that runs through the Benson area, making it easier to enter and exit the freeway. The accommodation industry, however, shows signs of struggling that began in early 2014, with steep declines from the same period the year prior. Part of the reason is that 2013 saw exceptionally strong growth due to completion of the Interstate construction, so sales in early 2014 were compared to a much higher base established in early 2013. The opening of a Tractor Supply store in 2014 will give a boost to retail sales in the city, attracting shoppers from outside the city. Benson's proximity to Tucson also allows it to benefit from generally improving state and national economies, which should help Benson's hospitality industries through increased recreational and

#### AVERAGE ANNUAL DAILY TRAFFIC COUNT (BENSON AREA)

ROUTE	LOCATION	2009	2010	2011	2012	2030*
I-10	Exit 297 to Exit 299	28,500	32,000	27,406	27,406	42,500
I-10	Exit 299 to Exit 302	29,500	30,000	29,127	29,127	40,000
I-10	Exit 302 to Exit 303	25,500	28,000	27,058	27,058	41,500
I-10	Exit 303 to Exit 304	17,500	18,000	17,372	17,372	29,000
I-10	Exit 304 to Exit 306	17,000	17,500	15,252	15,252	27,000
SR 80	SB-10(3) to Country Club Dr	10,000	10,500	10,113	10,113	13,500
SR 80	Country Club Dr to Post Ranch Rd	7,400	7,500	7,220	7,220	9,900
SR 80	Post Ranch Rd to Apache Powder Rd (South)	7,400	7,100	6,819	6,819	8,500
SR 80	Apache Powder Rd (South) to ADOT Maint. Yard Entrance	6,800	6,900	6,605	6,605	9,100
SR 80	ADOT Maintenance Yard Entrance to Judd St	4,900	4,900	4,679	4,679	6,500
SR 90	I-10 Exit 302 to Kartchner Caverns Main Entrance	10,000	10,500	10,107	10,107	15,500

\*Projected. Source: Arizona Department of Transportation.

commercial traffic along Interstate 10. As a result, although the city's accommodation sales have been struggling that may clear up and resume a path of moderate growth by the end of 2014. Several economic development efforts in the area also position the city well for commercial activity moving forward (see the 'Economic Development' section of this publication).

**COCHISE COUNTY GROSS DOMESTIC PRODUCT (GDP)**

YEAR	REAL GDP*	GROWTH
2002	2,810	-0.1%
2003	2,864	1.9%
2004	2,950	3.0%
2005	3,169	7.4%
2006	3,252	2.6%
2007	3,330	2.4%
2008	3,392	1.9%
2009	3,428	1.1%
2010	3,464	1.1%
2011	3,464	0.0%
2012	3,333	-3.8%

\*Millions of chained 2005 dollars. Source: U.S. Bureau of Economic Analysis.

**BENSON SALES TAX REVENUE COLLECTIONS**

INDUSTRY GROUP	2013	2012	GROWTH (\$)	GROWTH (%)
Communications & Utilities	\$206,353	\$135,063	\$71,290	52.8%
Accommodation	\$216,776	\$162,647	\$54,129	33.3%
Restaurant & Bar	\$314,501	\$267,358	\$47,143	17.6%
Real Estate, Rental & Leasing	\$157,784	\$138,426	\$19,358	14.0%
Retail Trade	\$1,741,442	\$1,736,356	\$5,086	0.3%
Services	\$55,225	\$50,360	\$4,865	9.7%
Manufacturing	\$44,930	\$43,688	\$1,242	2.8%
Finance & Insurance	\$1,678	\$1,215	\$463	38.1%
Wholesale Trade	\$11,780	\$12,813	-\$1,033	-8.1%
Other	\$27,026	\$30,194	-\$3,168	-10.5%
Construction	\$205,620	\$390,366	-\$184,746	-47.3%
<b>TOTAL</b>	<b>\$2,983,116</b>	<b>\$2,956,284</b>	<b>\$26,832</b>	<b>0.9%</b>

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

**RETAIL SALES**

YEAR	COCHISE COUNTY	% CHANGE	INFLATION ADJUSTED GROWTH	BENSON	% CHANGE	INFLATION ADJUSTED GROWTH
2009	\$739,994,716	-4.5%	-4.2%	—	—	—
2010	\$724,134,017	-2.1%	-3.8%	—	—	—
2011	\$738,394,565	2.0%	-1.2%	—	—	—
2012	\$786,600,901	6.5%	4.5%	\$71,133,140	—	—
2013	\$810,061,630	3.0%	1.5%	\$71,702,939	0.8%	-0.7%
2014*	\$320,816,199	-3.9%	-5.6%	\$32,202,675	6.5%	4.9%

\*Jan-May only; comparisons to same period one year prior. Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U). Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

**RESTAURANT & BAR SALES**

YEAR	COCHISE COUNTY	% CHANGE	INFLATION ADJUSTED GROWTH	BENSON	% CHANGE	INFLATION ADJUSTED GROWTH
2009	\$128,393,451	-0.1%	0.3%	\$12,328,920	9.1%	9.5%
2010	\$130,507,965	1.6%	0.0%	\$12,075,640	-2.1%	-3.7%
2011	\$134,364,426	3.0%	-0.2%	\$11,112,520	-8.0%	-11.1%
2012	\$131,290,836	-2.3%	-4.4%	\$10,617,960	-4.5%	-6.5%
2013	\$132,527,859	0.9%	-0.5%	\$12,672,280	19.3%	17.9%
2014*	\$58,783,021	5.1%	3.5%	\$5,766,480	6.3%	4.6%

\*Jan-May only; comparisons to same period one year prior. Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U). Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

**ACCOMMODATION SALES**

YEAR	COCHISE COUNTY	% CHANGE	INFLATION ADJUSTED GROWTH	BENSON	% CHANGE	INFLATION ADJUSTED GROWTH
2009	\$41,243,050	-9.3%	-9.0%	\$4,123,200	-5.8%	-5.5%
2010	\$45,357,394	10.0%	8.3%	\$4,233,889	2.7%	1.0%
2011	\$40,863,664	-9.9%	-13.1%	\$4,109,489	-2.9%	-6.1%
2012	\$34,680,677	-15.1%	-17.2%	\$3,632,467	-11.6%	-13.7%
2013	\$30,956,346	-10.7%	-12.2%	\$4,749,911	30.8%	29.3%
2014*	\$14,548,931	0.5%	-1.2%	\$2,429,667	-10.8%	-12.5%

\*Jan-May only; comparisons to same period one year prior. Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U). Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

**BENSON AREA BUSINESS ESTABLISHMENTS**

INDUSTRY	2008	2009	2010	2011	2012
Agriculture, Forestry, Fishing & Hunting	1	2	2	2	2
Accommodation & Food Services	34	32	32	29	32
Admin., Support, Waste Mgmt. & Remediation Services	9	10	7	6	6
Arts, Entertainment & Recreation	7	7	7	7	6
Construction	30	28	22	20	19
Educational Services	5	6	4	4	3
Finance & Insurance	7	8	7	7	7
Health Care & Social Assistance	23	21	24	23	24
Information	1	1	1	1	2
Management of Companies & Enterprises	2	2	2	2	1
Manufacturing	6	6	5	4	3
Other Services (Except Public Administration)	25	22	22	23	27
Professional, Scientific & Technical Services	13	14	13	14	15
Real Estate & Rental & Leasing	14	12	13	10	10
Retail Trade	33	33	35	36	34
Transportation & Warehousing	9	10	11	14	10
Utilities	3	3	3	4	3
Wholesale Trade	2	3	2	2	1
<b>TOTAL</b>	<b>224</b>	<b>220</b>	<b>212</b>	<b>208</b>	<b>205</b>

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

**BENSON ACTIVE BUSINESS LICENSES**

YEAR	ACTIVE BUSINESS LICENSES	CHANGE
2010	732	-13.9%
2011	740	1.1%
2012	728	-1.6%
2013	864	18.7%
2014*	734	-15.0%

Note: As of April each year. \*As of July. Source: City of Benson.

**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.

## Real Estate & Construction



### 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 2014 and 2015. Foreclosure sales will place continued upward pressure on sales volume for existing homes and downward pressure on prices.

In mid-2014, Phoenix developer El Dorado Holdings purchased the 12,500-acre Whetstone Ranch master-planned community in Benson for \$26.6 million, with plans for the phased construction of 20,000 homes. The transaction occurred in two separate purchases, one of which consisted of 800 acres currently under first phase development as The Canyons at Whetstone Ranch, which includes 29 fully developed single-family residential lots, 179 partially improved lots, 373 final platted lots, 60 acres of unimproved land, and 30 acres of commercial land. El Dorado Holdings anticipates completing infrastructure for resale to conventional and active adult home builders. 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.

With no new large-scale projects on the immediate horizon, commercial construction in Benson is likely to remain low through 2014 and into 2015. 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.

### BENSON HOUSING STATISTICS

Total Housing Units	2,987
Occupied Housing Units	77.4%
Owner-occupied	72.0%
Renter-occupied	28.0%
Homeowner Vacancy Rate	0.0%
Rental Vacancy Rate	23.0%
Median Monthly Owner Cost	\$1,144
Homeowners Paying 30% or More of Income for Housing	31.7%
Median Monthly Gross Rent	\$653
Renters Paying 30% or More of Income for Housing	59.9%

Source: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates).

**HOME SALES (COCHISE COUNTY)**

YEAR	VOLUME	CHANGE IN VOLUME	MEDIAN PRICE	MEDIAN PRICE CHANGE	AVERAGE SALE/ASKING PRICE	AVERAGE PRICE SQ FT (HEATED/COOLED)	CHANGE: AVERAGE SQ FT PRICE (HEATED/COOLED)	AVERAGE DAYS ON MARKET	FORECLOSURES
2004	1,825	—	\$139,900	—	97.3%	\$87.70	—	114	2.7%
2005	2,097	14.9%	\$173,900	24.3%	98.1%	\$106.89	21.9%	111	1.6%
2006	1,675	-20.1%	\$192,569	10.7%	97.5%	\$119.78	12.1%	116	1.7%
2007	1,500	-10.4%	\$195,000	1.3%	96.1%	\$115.68	-3.4%	136	4.0%
2008	1,184	-21.1%	\$184,000	-5.6%	95.4%	\$109.95	-5.0%	151	11.4%
2009	1,197	1.1%	\$182,500	-0.8%	95.3%	\$105.44	-4.1%	149	15.5%
2010	1,247	4.2%	\$157,000	-14.0%	94.1%	\$92.60	-12.2%	145	26.3%
2011	1,203	-3.5%	\$142,125	-9.5%	94.3%	\$83.05	-10.3%	157	32.3%
2012	1,286	6.9%	\$129,450	-8.9%	93.3%	\$77.86	-6.2%	163	29.1%
2013	1,428	11.0%	\$120,800	-6.7%	94.2%	\$75.01	-3.7%	156	29.3%
2014*	338	7.6%	\$113,500	-1.3%	95.2%	\$70.74	-2.8%	145	31.1%

\*Jan-Mar only; comparisons to same period 1 year prior. 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 (BENSON AREA)**

YEAR	VOLUME	CHANGE IN VOLUME	MEDIAN PRICE	MEDIAN PRICE CHANGE	AVERAGE SALE/ASKING PRICE	AVERAGE PRICE SQ FT (HEATED/COOLED)	CHANGE: AVERAGE SQ FT PRICE (HEATED/COOLED)	AVERAGE DAYS ON MARKET	FORECLOSURES
2009	118	—	\$151,300	—	97.2%	\$84.89	—	125	45.5%
2010	110	-6.8%	\$125,000	-17.4%	93.9%	\$80.99	-4.6%	137	45.5%
2011	98	-10.9%	\$105,500	-15.6%	95.3%	\$66.95	-17.3%	127	52.0%
2012	122	24.5%	\$88,250	-16.4%	91.1%	\$62.59	-6.5%	117	39.3%
2013	148	21.3%	\$92,250	4.5%	93.9%	\$60.99	-2.6%	116	39.2%

Note: The Benson area includes Benson, St. David, Pomerene, Dragoon, Mescal, and surrounding areas. 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.

**BENSON AREA DISTRIBUTION OF HOME PRICES (2013)**

MINIMUM PRICE	MAXIMUM PRICE	MIDPOINT PRICE	NUMBER OF HOMES	PERCENT OF TOTAL HOMES
\$10,000	\$56,333	\$33,167	44	29.7%
\$56,333	\$102,667	\$79,500	38	25.7%
\$102,667	\$149,000	\$125,833	28	18.9%
\$149,000	\$195,333	\$172,167	20	13.5%
\$195,333	\$241,667	\$218,500	8	5.4%
\$241,667	\$288,000	\$264,833	6	4.1%
\$288,000	\$334,333	\$311,167	1	0.7%
\$334,333	\$380,667	\$357,500	1	0.7%
\$380,667	\$427,000	\$403,833	2	1.4%

Note: The Benson area includes Benson, St. David, Pomerene, Dragoon, Mescal, and surrounding areas. 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.

**BENSON AREA HOUSING AFFORDABILITY INDEX (HAI)**

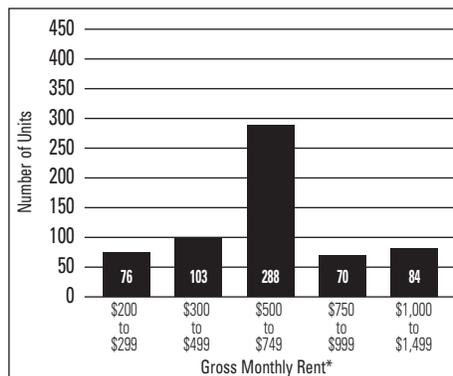
YEAR	MEDIAN FAMILY INCOME	MEDIAN HOME PRICE	AMOUNT FINANCED	EFFECTIVE INTEREST RATE	MONTHLY PRINCIPAL AND INTEREST PAYMENT	HAI
2009	\$52,817	\$151,300	\$121,040	5.18%	\$683	166.0
2010	\$50,876	\$125,000	\$100,000	4.93%	\$533	198.9
2011	\$51,835	\$105,500	\$84,400	4.84%	\$445	242.7
2012	\$50,260	\$88,250	\$70,600	4.04%	\$339	308.9
2013p	\$49,962	\$92,250	\$73,800	3.99%	\$352	295.7

p = preliminary. Note: The Benson area includes Benson, St. David, Pomerene, Dragoon, Mescal, and surrounding areas. Source: Cochise College Center for Economic Research.

**HOUSING AFFORDABILITY INDEX**

The HAI gauges whether a family with the area’s median income would qualify for a mortgage on a median-priced home. In interpreting the HAI, a value of 100 indicates a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home, assuming a 30-year conventional fixed-rate mortgage, 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 for a mortgage on a median-priced home.

**BENSON RENTAL UNITS**



\*Gross rent includes contract rent plus utilities. Note: Includes occupied rental units only; figures expressed in 2012 dollars. Source: U.S. Census Bureau (2008-2012 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

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**MANUFACTURED HOME PERMITS  
(CITY OF BENSON)**

YEAR	NUMBER OF PERMITS
2003	14
2004	19
2005	45
2006	43
2007	37
2008	22
2009	10
2010	10
2011	3
2012	9
2013	4

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Source: City of Benson.

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**NEW HOME PERMITS  
(SINGLE FAMILY RESIDENTIAL)**

	COCHISE COUNTY	BENSON
2003	1,019	13
2004	1,129	15
2005	1,265	5
2006	1,032	104
2007	483	25
2008	423	64
2009	372	38
2010	347	28
2011	319	16
2012	278	10
2013	159	2
2014*	38	2

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\*Jan-Mar only. Source: U.S. Census Bureau, City of Benson, and Cochise College Center for Economic Research.

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**COMMERCIAL BUILDING PERMITS,  
NEW CONSTRUCTION (CITY OF BENSON)**

YEAR	PERMITS	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
2013	0	\$0

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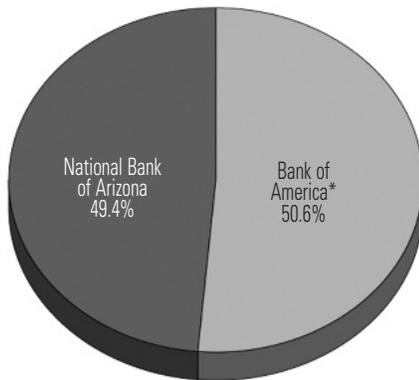
Note: Valuation reflects value shown on building permit and does not include value of land. Source: City of Benson.

# Banking & Financial Services



Benson is served by two banks: National Bank of Arizona ([www.NBArizona.com](http://www.NBArizona.com)) and Washington Federal ([www.WashingtonFederal.com](http://www.WashingtonFederal.com)), which acquired Bank of America's Benson branch in 2014. The area is also served by American Southwest Credit Union ([www.AmericanSouthwestCU.org](http://www.AmericanSouthwestCU.org)), Southeastern Arizona Federal Credit Union ([www.SEAFCU.com](http://www.SEAFCU.com)), and several financial services firms.

## BANK DEPOSITS, BENSON MARKET SHARE (2013)



\*Acquired by Washington Federal in 2014. 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
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%
2013	\$85,942,000	2.4%	\$1,118,042,000	3.3%

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 (PER 1,000 RESIDENTS)

YEAR	COCHISE COUNTY	ARIZONA	UNITED STATES
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
2013	1.81	3.55	3.39

Note: Includes all chapters. Source: U.S. Bankruptcy Court, U.S. Census Bureau, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.

## Mexico



### Naco, Sonora

The town of Naco, Sonora, Mexico shares a border with Naco, Arizona, an unincorporated area of Cochise County bordering Bisbee, approximately 55 miles southeast of Benson. The population of Naco, Sonora as of 2010 was approximately 6,400 (according to Mexico's Instituto Nacional de Estadística y Geografía). The population of Naco, Arizona as of Census 2010 was 1,046. A 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 land ports in Arizona behind Douglas. The Naco Port of Entry is open 24 hours a day, 7 days a week to vehicle and pedestrian traffic.

#### US-MEXICO BORDER CROSSINGS (NACO PORT)

	TRUCKS	LOADED TRUCK CONTAINERS	EMPTY TRUCK CONTAINERS	BUSES	BUS PASSENGERS	PERSONAL VEHICLES	PERSONAL VEHICLE PASSENGERS	PEDESTRIANS
2009	1,661	1,066	619	28	730	278,960	660,822	81,815
2010	2,512	1,423	1,266	37	950	262,809	511,573	78,748
2011	3,376	1,530	2,406	21	254	236,330	465,186	79,115
2012	3,728	1,622	2,542	21	547	270,416	493,205	72,896
2013	3,947	1,882	2,397	17	N/A	284,677	509,178	81,146

N/A = Data not available. Note: Includes only those crossing from Mexico into the United States. Source: U.S. Department of Transportation.

#### US-MEXICO BORDER CROSSINGS (DOUGLAS PORT)

	TRUCKS	LOADED TRUCK CONTAINERS	EMPTY TRUCK CONTAINERS	BUSES	BUS PASSENGERS	PERSONAL VEHICLES	PERSONAL VEHICLE PASSENGERS	PEDESTRIANS
2009	25,162	15,860	8,718	1,979	13,572	1,514,446	3,893,330	1,314,745
2010	25,504	15,004	9,337	2,182	13,785	1,431,813	2,892,520	1,096,084
2011	29,883	17,377	10,484	1,987	14,577	1,393,181	2,615,027	1,030,357
2012	31,636	17,419	11,836	2,065	19,670	1,405,122	2,610,492	1,198,838
2013	32,497	17,231	12,963	2,076	N/A	1,470,933	2,703,712	1,804,110

N/A = Data not available. Note: Includes only those crossing from Mexico into the United States. Source: U.S. Department of Transportation.

## Agua Prieta, Sonora

The city of Douglas shares a border with Agua Prieta, Sonora, Mexico, approximately 75 miles southeast of Benson. As of 2010, Agua Prieta's population was just under 80,000 (according to Mexico's Instituto Nacional de Estadística y Geografía). A 2008 University of Arizona study indicated 81.6 percent of Mexican residents entering the United States through Douglas did so for the purpose of shopping—the highest of all land ports in Arizona.

Douglas is the second largest commercial port in Arizona with more than \$1 billion in trade conducted each year. The Douglas Port of Entry is open 24 hours a day, 7 days a week to vehicle and pedestrian traffic. In 2013, U.S. Customs and Border Protection implemented the Secure Electronic Network for Travelers Rapid Inspection (SENTRI) program to allow expedited entry into the United States at the Douglas Port for pre-approved, low-risk travelers. The new SENTRI lane reduces wait times through streamlined customs and immigration processing (for more information, visit [www.CBP.gov](http://www.CBP.gov)).

There are more than 20 maquiladoras (twin factories with facilities on both sides of the border) in Agua Prieta and Douglas, with Agua Prieta serving as the manufacturing center and Douglas the warehouse distribution center. 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 that will employ 3,000 workers at full capacity).

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

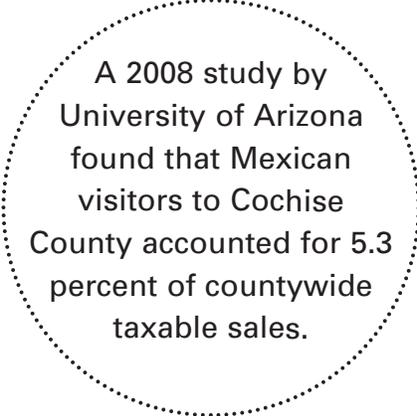
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<b>2012</b>	January	13.0077
	February	12.7891
	March	12.8093
	April	13.2093
	May	14.3047
	June	13.4084
	July	13.2833
	August	13.2571
	September	12.8695
	October	13.0112
	November	12.9268
	December	12.9880
<b>2013</b>	January	12.7094
	February	12.7795
	March	12.3546
	April	12.1550
	May	12.8035
	June	13.0235
	July	12.8464
	August	13.3415
	September	13.1747
	October	13.0067
	November	13.0925
	December	13.0652
<b>2014</b>	January	13.3769
	February	13.2379
	March	13.0549
	April	13.1356
	May	12.8609
	June	12.9712

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

## Economic Impact of Mexican Visitors

A 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 (about one-third) was spent within Cochise County, with more than two-thirds of that amount spent in Douglas.



A 2008 study by  
University of Arizona  
found that Mexican  
visitors to Cochise  
County accounted for 5.3  
percent of countywide  
taxable sales.

## U.S. Travelers to Mexico

The Douglas and Naco ports also serve as crossover points for U.S. visitors traveling to Mexico. Most U.S. citizens reentering the United States from Mexico must have a passport, passport card, or other travel document approved by the U.S. Department of Homeland Security (visit [www.GetYouHome.gov](http://www.GetYouHome.gov) for more information).

## Fort Huachuca



Photo: Fort Huachuca Public Affairs Office

Fort Huachuca, Cochise County's largest employer, is an active U.S. Army installation located 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: military intelligence, cyber-security, and unmanned aircraft systems training and operations. The main and auxiliary installation properties cover more than 100,000 acres and the fort manages 964 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, 1,139 family housing units, three remote airstrips, and three accommodation schools. Libby Army Airfield with its 12,001 foot concrete runway is the one of the Army's busiest continental U.S. airfields.

As of September 2013, approximately 2,500 active duty military personnel were assigned to the fort, with an additional 85 deployed from the fort to other locations worldwide. There are also approximately 2,100 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 6,040 as of March 2014, which includes 1,111 military personnel and 2,862 family members residing in on-post family housing, along with 2,067 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. Fort Huachuca also employs approximately 2,875 civilian workers.

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](http://www.Army.Mil/Huachuca).

## Agriculture



Agriculture is a significant part of the Cochise County economy. Top crop items are forage land, corn for grain, pecans, dry edible beans (excluding limas), and cotton. Top livestock are cattle and calves, layers, sheep and lambs, bee colonies, and horses and ponies. Cochise County offers numerous agritourism opportunities including farmers markets throughout the county, U-PICK Farms in the Sulphur Springs Valley area, and wineries and winetasting events. For more information, visit [www.ExploreCochise.com](http://www.ExploreCochise.com).

### Cochise County Wineries

Wine production, sales, and tasting rooms have been a growing industry in Cochise County in recent years. According to the Arizona Wine Growers Association ([www.ArizonaWine.org](http://www.ArizonaWine.org)), the Willcox area of Cochise County produces the largest quantity of grapes in Arizona. Vineyards are located in Willcox, Benson, Pearce, Cochise, and surrounding areas. In 2013, Aridus Wine Company opened a custom crush facility in Willcox, which processes, ferments, and barrel-stores grapes from various vineyards. The Willcox Wine Trail has several vineyards located in the foothills of the Chiricahua Mountains for those interested in wine tours. Tasting rooms are located in Bisbee, Sierra Vista, Tombstone, and Willcox. For more information, visit [www.ExploreCochise.com](http://www.ExploreCochise.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](http://CochiseCountyFair.org).

### COCHISE COUNTY AGRICULTURE

		2012	2007	CHANGE	% CHANGE
<b>Farms</b>	Number	1,093	1,065	28	2.6%
	Land (acres)	916,672	824,226	92,446	11.2%
	Average farm size (acres)	839	774	65	8.4%
<b>Estimated market value of land and buildings</b>	Average per farm (dollars)	1,175,308	1,475,858	-300,550	-20.4%
	Average per acre (dollars)	1,401	1,907	-506	-26.5%
<b>Estimated market value: machinery and equipment</b>	Average per farm (dollars)	81,234	77,792	3,442	4.4%
<b>Farms by size</b>	1 to 9 acres	182	122	60	49.2%
	10 to 49 acres	297	252	45	17.9%
	50 to 179 acres	232	285	-53	-18.6%
	180 to 499 acres	137	149	-12	-8.1%
	500 to 999 acres	56	76	-20	-26.3%
	1,000 acres or more	189	181	8	4.4%
<b>Total cropland</b>	Farms	496	496	0	0.0%
	Acres	123,311	141,156	-17,845	-12.6%
<b>Irrigated land</b>	Farms	374	368	6	1.6%
	Acres	65,483	67,598	-2,115	-3.1%
<b>Market value of agricultural products sold</b>	Total (\$1,000)	149,998	117,130	32,868	28.1%
	Average per farm (dollars)	137,235	109,981	27,254	24.8%
<b>Farms by value of sales</b>	Less than \$2,500	420	490	-70	-14.3%
	\$2,500 to \$4,999	159	119	40	33.6%
	\$5,000 to \$9,999	103	91	12	13.2%
	\$10,000 to \$24,999	133	120	13	10.8%
	\$25,000 to \$49,999	85	87	-2	-2.3%
	\$50,000 to \$99,999	48	50	-2	-4.0%
	\$100,000 or more	145	108	37	34.3%
<b>Hired farm labor</b>	Workers	1,375	1,382	-7	-0.5%
	Payroll (\$1,000)	16,195	10,359	5,836	56.3%

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

## Tourism



Tourism is an important component of the Benson and Cochise County economy. As an export-oriented industry it brings dollars to the local area from other regions, generating local jobs, income, and tax revenue.

### Area Attractions

- Benson's Railroad Heritage and Visitor Center
- Kartchner Caverns State Park
- Benson Museum
- Butterfield Trail
- Dragoon Springs Butterfield Mail Station
- Triangle T Guest Ranch
- Singing Wind bookstore
- Sunglow Guest Ranch
- Gammons Gulch Ghost Town Movie Set
- Holy Trinity Monastery
- Gallery of Dreams art gallery
- Amerind Foundation and Museum
- Cochise Stronghold
- Geronimo Surrender Site
- Rucker Canyon Archaeological District
- John Slaughter Ranch
- Chiricahua Mountains and Chiricahua National Monument
- American Museum of Natural History's Southwestern Research Station
- Fort Bowie National Historic Site
- The cities of Bisbee and Tombstone
- Texas Canyon
- Coronado National Monument
- San Pedro Riparian National Conservation Area
- Fort Huachuca (National Historic Landmark District)
- Lehner Mammoth Kill Site and Murray Springs Clovis Site
- The Nature Conservancy's Ramsey Canyon Preserve
- Arizona Folklore Preserve
- Our Lady of the Sierras Shrine
- Spooner's Arboretum
- San Bernardino Wildlife Refuge
- The ghost towns of Charleston, Gleeson, Fairbank, and Dos Cabezas
- Numerous public and private observatories
- More than 20 Arizona wineries
- Cities of Naco, Agua Prieta, and historic Arizpe in Sonora, Mexico

### COCHISE COUNTY NATIONAL PARK VISITATIONS

YEAR	CHIRICAHUA NATIONAL MONUMENT		CORONADO NATIONAL MEMORIAL		FORT BOWIE NATIONAL HISTORIC SITE	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE	VISITATIONS	CHANGE
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%
2013	40,646	-1.2%	92,936	-4.8%	8,082	1.5%

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

### COCHISE COUNTY STATE PARK VISITATIONS

YEAR	KARTCHNER CAVERNS STATE PARK		TOMBSTONE COURTHOUSE STATE HISTORIC PARK	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE
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%
2013	137,268	-0.3%	46,029	1.8%

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

### Events

#### JANUARY

Cowboy/Cowgirl Round-up

#### MARCH

Cochise Community Creative Writing Celebration

#### 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

For more information on Benson area attractions and events, visit [www.BensonVisitorCenter.com](http://www.BensonVisitorCenter.com)

### COCHISE COUNTY TRAVEL IMPACTS

	2006	2008	2010	2011	2012p
<b>TOTAL DIRECT TRAVEL SPENDING (\$MILLION)</b>					
Destination Spending	314.7	345.5	339.6	329.8	315.6
Other Travel*	25.3	29.2	25.4	31.0	32.8
Total Direct Spending	340.0	374.7	365.0	360.7	348.4
<b>VISITOR SPENDING BY COMMODITY PURCHASED (\$MILLION)</b>					
Accommodations	41.6	52.1	52.1	47.8	40.0
Food Service	77.8	84.1	87.7	83.9	80.9
Food Stores	57.0	59.5	55.8	52.8	57.3
Ground Transportation & Gas	40.6	50.8	44.9	52.6	52.5
Arts, Entertainment & Recreation	22.0	22.8	22.9	21.9	20.1
Retail Sales	75.7	76.1	76.3	70.8	64.9
Destination Spending	314.7	345.5	339.6	329.8	315.6
<b>INDUSTRY EARNINGS GENERATED BY TRAVEL SPENDING (\$MILLION)</b>					
Accommodation & Food Services	39.5	48.8	48.7	46.0	45.1
Arts, Entertainment & Recreation	10.7	11.6	11.4	10.7	10.8
Retail**	20.1	21.1	18.9	17.6	17.1
Other Travel*	2.3	2.6	1.7	1.7	1.8
Total Direct Earnings	72.6	84.2	80.6	75.9	74.7
<b>INDUSTRY EMPLOYMENT GENERATED BY TRAVEL SPENDING (JOBS)</b>					
Accommodation & Food Services	2,390	2,540	2,460	2,280	2,210
Arts, Entertainment & Recreation	700	810	790	770	710
Retail**	890	870	750	710	670
Other Travel*	120	120	70	60	70
Total Direct Employment	4,110	4,340	4,070	3,820	3,660
<b>GOVERNMENT REVENUE GENERATED BY TRAVEL SPENDING (\$MILLION)***</b>					
Local	10.9	11.9	12.2	11.7	10.7
State	13.2	14.1	14.8	15.0	14.3
Total Direct Government Revenue	24.0	26.0	27.1	26.7	25.0

Note: Details may not add to totals due to rounding. p = preliminary. \*Other Travel includes ground transportation to other Arizona destinations and travel arrangement services. \*\*Retail includes gasoline. Source: Dean Runyon Associates and Arizona Office of Tourism.

## Renewable Energy



### Incentives

SSVEC, which provides electrical service to Benson and other areas of Cochise County and Arizona, offers several residential and commercial incentives to promote the use of alternative energy, including solar (photovoltaic systems and solar water heating) and wind. Please contact SSVEC prior to starting any renewable projects as incentive programs have mandated spending limits and an incentive reservation form is required. Customers may also qualify for federal and state tax credits. For detailed and up-to-date information on renewable energy incentives offered by SSVEC, visit [www.SSVEC.org](http://www.SSVEC.org). For information on state and federal incentives, visit the Database of State Incentives for Renewables & Efficiency (DSIRE) website at [www.DSIREUSA.org](http://www.DSIREUSA.org).

### National Bank of Arizona Green Returns Program

National Bank of Arizona offers special financing opportunities for renewable energy and efficiency projects for consumers and businesses under its Green Returns Banking and Financing program. For more information, visit [www.NBArizona.com](http://www.NBArizona.com).

## Community Resources



**CITY OF BENSON**  
[www.CityofBenson.com](http://www.CityofBenson.com)

**COCHISE COUNTY**  
[www.Cochise.AZ.gov](http://www.Cochise.AZ.gov)

**BENSON VISITOR CENTER**  
[www.BensonVisitorCenter.com](http://www.BensonVisitorCenter.com)

**AMERICAN SOUTHWEST CREDIT UNION**  
[www.AmericanSouthwestCU.org](http://www.AmericanSouthwestCU.org)

**BENSON/SAN PEDRO VALLEY CHAMBER OF  
COMMERCE**  
[www.BensonChamberAZ.com](http://www.BensonChamberAZ.com)

**SOUTHEASTERN ARIZONA FEDERAL CREDIT  
UNION**  
[www.SEAFCU.com](http://www.SEAFCU.com)

**SOUTHEAST ARIZONA ECONOMIC  
DEVELOPMENT GROUP**  
[www.SAEDG.org](http://www.SAEDG.org)

**NATIONAL BANK OF ARIZONA**  
[www.NBArizona.com](http://www.NBArizona.com)

**COCHISE COLLEGE SMALL BUSINESS  
DEVELOPMENT CENTER**  
[www.Cochise.edu/SBDC](http://www.Cochise.edu/SBDC)

**WASHINGTON FEDERAL**  
[www.WashingtonFederal.com](http://www.WashingtonFederal.com)

**SOUTHEAST ARIZONA GOVERNMENTS  
ORGANIZATION**  
[www.SEAGO.org](http://www.SEAGO.org)

**CENTURYLINK**  
[www.CenturyLink.com](http://www.CenturyLink.com)

**SOUTHEAST ARIZONA WORKFORCE  
CONNECTION**  
[www.SEAZworkforce.org](http://www.SEAZworkforce.org)

**COX COMMUNICATIONS**  
[www.Cox.com/Arizona](http://www.Cox.com/Arizona)

**ARIZONA DEPARTMENT OF ECONOMIC  
SECURITY**  
[www.AZDES.gov](http://www.AZDES.gov)

**SULPHUR SPRINGS VALLEY ELECTRIC  
COOPERATIVE**  
[www.SSVEC.org](http://www.SSVEC.org)

## 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*, released in conjunction with the luncheons.

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, region, and nation. 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), the only community college organization 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.

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**

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Iris Routhieaux – Research Assistant

### **Benson Economic Advisory Committee**

Angelica Hernandez—Southeast Arizona Workforce Connection  
Debi Kilpatrick—Benson/San Pedro Valley Chamber of Commerce  
Gary Maluf, Ph.D.—Benson Hospital  
Megan Moreno—City of Benson  
Bob Nilson—Benson Visitor Center  
Barbara Richardson—Cochise College Benson Center  
Mark Schmitt—Director, Cochise College Small Business Development Center  
George Scott—Southeast Arizona Economic Development Group  
Telly Stanger—Sulphur Springs Valley Electric Cooperative  
Bill Stephens—City of Benson