

2010 Colorado Planning & Management Region Report

Region 6 – Baca, Bent, Crowley, Kiowa,
Otero and Prowers Counties

Introduction

Region 6 encompasses Baca, Bent, Crowley, Kiowa, Otero and Prowers counties. We are primarily an agricultural based community with limited industrial concerns. Over the past year we've again experienced a contraction in jobs, population and industry. This environment continues to negatively affect and change our economic landscape. One of the biggest changes continues to be the outmigration of jobs to other Colorado regions. On the up side, we've received adequate moisture and experienced an average to above average yield in crop production which benefits everybody, that is, everyone who eats!

County	2000	2010	% Change
Baca	4,517	3,788	-16.14%
Bent	5,998	6,499	8.35%
Crowley	5,518	5,823	5.53%
Kiowa	1,622	1,398	-13.81%
Otero	20,311	18,831	-7.29%
Prowers	14,483	12,551	-13.34%
Colorado	4,301,261	5,029,196	16.92%

Source: State Demography Office

Jobs & the Economy

Our area continues to experience outmigration both in jobs and population. The state announced the 2011 closure of the Fort Lyons Correctional Facility, located in Bent County, which will relocate approximately 234 jobs out of this region, another significantly negative factor impacting the surrounding communities. The possibility for job creation seems even more distant as employers have little certainty from which to plan expansion and/or relocation of their operations to this area. This lack of confidence continues to plague our businesses, our neighborhoods and our families. The current situation creates a challenging issue in all of rural Colorado.

Region 6 continues to experience a rise in unemployment in every county, with the exception of Prowers which remained the same. Bent is the only county with a change of more than a percentage point.

Annual unemployment rates

County	20 09	20 10	% Change
Baca	4.1	4.3	+2
Bent	7.4	8.1	+7
Crowley	9.8	10.5	+8
Kiowa	4.8	5.1	+5
Otero	7.8	8.7	+9
Prowers	6.6	6.6	-
Colorado	8.3	8.9	+6

Source: Colorado Dept. of Labor & Employment

Housing

Rural Colorado is fairly insulated from major movements in the housing market. We trend closer to the bottom end of the sales spectrum. Inventories of affordable housing are more than adequate and new housing starts are virtually nonexistent. The housing market is depressed due to the continued downturn in our job market and the overall economy. Foreclosures are above average and attributable to the overall job market.

Agriculture

The agriculture industry is the primary economic contributor to our region. The industry is solely dependent on weather and water, which is currently suffering through drought conditions. Water issues created by Front Range growth continue to negatively impact the viability of the industry and region. Commodity prices fluctuate daily and have become more volatile as compared to previous periods. Beef and pork have experienced relative support but remain exposed to volatile market prices. Growing concerns regarding vital water resource as it relates to agriculture, remains significant and paramount in the region. This issue continues to stress personal property rights relative to overall community welfare. A growing urban Colorado need and Kansas compact demands place unending pressure on this vital regional resource.

Clean Energy

Colorado Green Wind Power Project, located 20 miles south of the City of Lamar, was developed to help meet Colorado's demand for renewable electricity. Completed in late 2003, the project utilizes 108 GE 1.5 MW wind turbines. At the time it was built it was one of the largest assembled in America. Twin Buttes Wind Farm located in Bent County just west of the Colorado Green was completed in the spring of 2007 and adds an additional 50 GE 1.5 MW turbines. The combined output of both projects totals 237 MW of renewable wind energy. Both farm projects are owned by Iberdrola, Inc. The operational jobs currently employ approximately 12-16 individuals and the royalties paid to the landowners have a local positive impact. Tax revenue generated by the project benefits communities and local governments. These installations provide Colorado a resource for complying with mandated renewable energy. The region continues efforts to expand transmission capacity to accommodate additional wind energy generation.

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Other

Heritage Tourism has been a major focus in our region for the past eight years, with our community utilizing assets such as the Santa Fe Trail and all the agricultural heritage of the area. The Southeast Colorado Heritage Regional Tourism group was formed in 2006 with financial assistance from DOLA, CTO and Preserve America.

Southeast Business Retention, Expansion and Attraction (SEBREA), a non-profit group formed in 2006 as a multi-faceted response to the simultaneous closures of the Neoplan bus manufacturing plant in Lamar and the Dean Foods pickle plant in La Junta. With support from DOLA, EDA CHFA and local funds regional efforts continue for business attraction and expansion.

The Southeast Region views any and all industry in our region as a vital resource and would be interested in any viable opportunity to entertain new projects. Our most valuable resource is our population. We hold true to strong character and individual responsibility as core values that will endure.

New Projects

Dragon Industries - purchased Neoplan facilities in 2007 and have completed retooling and facility modification. They have hired approximately 200 employees to date focusing on oil field production operations.

Pelsue – A Denver based company continues efforts to expand in the Lamar area with their production of specialized equipment lines. They utilize the local facility to manage temporary production requirements and when needed hire 10-13 employees for short periods.

Walsh Ethanol Plant – A mid-west ethanol producer continues proposed expansion efforts in Baca County. Plans are being formulated to increase production capacity at the Walsh facility. The area remains hopeful and monitors updates as they occur.

Pierre Auger Cosmic Ray Observatory - Region 6 was selected as the site of a northern hemisphere observatory for the Pierre Auger cosmic ray research project. This project incorporates 17 countries with over 150 physicists and engineers in the study of the highest known form of energy. The project completed the southern observatory in 2007 and is pursuing funding opportunities for the completion of Phase II, northern observatory. The educational benefits to Lamar Community College, the science community and Region 6 tourism efforts are enormous.

Goals for the Upcoming Year

Region 6 is committed to all efforts that enhance our economic opportunities. We are dedicated to mitigating and reversing the trend of outmigration in jobs, population and resources.