

# 2012 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. The region is designated as an Enhanced Rural Enterprise Zone bringing additional tax incentives for existing business and any new startup business. Job and population contraction continues to be a challenge for the area and this current environment continues to impact the economic landscape. The Southeast area, along with 95% of Colorado, is currently experiencing severe drought conditions, limiting crop production and negatively affecting the local economy and the consuming public.

County	Census 2000	July 2011	% Change
Baca	4,517	3,786	-16.18%
Bent	5,998	6,311	5.22%
Crowley	5,518	5,801	5.13%
Kiowa	1,622	1,433	-11.65
Otero	21,311	18,866	-11.47
Prowers	14,483	12,503	-13.67
<b>Colorado</b>	<b>4,301,261</b>	<b>5,118,526</b>	<b>19.00%</b>

*Source: State Demography Office*

## JOBS & THE ECONOMY

The area continues to face tough challenges with both jobs and population. The recent closure of Fort Lyons Correctional Facility, located in Bent County, eliminated approximately 234 jobs in the region, another significantly negative factor impacting our surrounding communities. The possibility for job creation appears 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. This uncertainty proves a challenging issue in all of rural Colorado.

Region 6 continues to experience a somewhat volatile unemployment environment. Unemployment rates have gone up over the past year in most of Region 6, with the largest increase in Crowley County.

County	August 2011	August 2012	% Change
Baca	3.4%	3.4%	0.00%
Bent	6.6%	7.3%	0.7%
Crowley	7.9%	10.5%	2.6%
Kiowa	3.3%	2.9%	-0.4%
Otero	8.8%	9.1%	0.3%
Prowers	5.4%	6.0%	0.6%
<b>Colorado</b>	<b>8.1%</b>	<b>7.9%</b>	<b>-0.3%</b>

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## **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 becoming somewhat limited and new housing starts are showing signs of limited activity. Thus the housing market is showing some improvement, however, it's still closer to the depressed side due to the continued downturn in our job market and the overall economy. Foreclosures continue to trend above average and are attributable to the overall weak job market.

## **AGRICULTURE**

The agriculture industry is the primary economic contributor to our region. The industry is solely dependent on weather and water, which currently is suffering through drought conditions. Water issues continue to negatively impact the viability of the industry and region. Commodity prices fluctuate and are somewhat volatile as compared to previous periods. Beef and pork have experienced relative support but remain exposed to the same volatile market environment. 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. Growing urban Colorado needs and Kansas compact demands continue to 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 General Electric (GE) 1.5 megawatt (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 Wind Power Project 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 positive local 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.

## **OTHER**

Heritage Tourism has been a major focus in our region for the past several years with our community utilizing assets such as the Santa Fe Trail and all other agricultural heritage components located in the area. The Canyon & Plains of Southeast Colorado (SECORHT) tourism group was formed in 2006 with financial assistance from DOLA, CTO and Preserve America and continues to promote the many points of tourism interest in our region.

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Southeast Business Retention, Expansion and Attraction (SEBREA), a non-profit group, was 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 in Region 6.

The Southeast Region views any and all industry in our region as a vital resource. We are eager to entertain any opportunities for potential new projects. Our most valuable resource is our population and workforce. 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 to analyze 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 project obtained research and development funds and continues to test a small array in development efforts for equipment and systems. There are many educational benefits to Lamar Community College, the science community and Region 6.

### 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.