

# 2014 Colorado Planning & Management Region Report

## Region 14 – Huerfano and Las Animas Counties

### INTRODUCTION

Region 14 includes the counties of Huerfano and Las Animas. Las Animas County is located at the southernmost border of Colorado and New Mexico with Huerfano County located north of Trinidad and south of Pueblo.

Las Animas County is the largest county in the state of Colorado and the fifth largest in the nation with 4,772 square miles; Trinidad is the county seat. At 6,025 feet in elevation, 300 days of sunshine and the charming brick streets the area is very welcoming to visitors and retirees. Travelers from the south along the I-25 corridor get their first glimpse of Colorful Colorado with the Sangre de Cristo Mountain range meaning “Blood of Christ” to the west and the Comanche Grasslands to the east. The area boasts 3 lakes that provide excellent fishing, water activities, camp sites, and RV accommodations. The nationally recognized Santa Fe Trail from Missouri to New Mexico brought thousands to the west who traveled directly through Trinidad.

Huerfano County is located north of Trinidad along the I-25 corridor. The county is 1,591 square miles. Walsenburg is the county seat and only 37 miles from Trinidad. US 160 runs east and west and, like I-25, it is a major corridor for the region, connecting the southeast Colorado to southwest Durango.

The region experienced a 6.26% population decline between 2010 and 2013. This population decline is largely a result of out-migration after the New Elk Mine restarted operations only to close when the market for coal collapsed. Continued reduction in work force due to lower natural gas production and the resulting loss of related producer support and service companies such as drilling, construction, and trucking also lost positions. City and County offices also reduced work force and initiated furlough days.

| County          | Census 2010      | July 2013        | % Change     |
|-----------------|------------------|------------------|--------------|
| Huerfano        | 6,711            | 6,467            | -3.64%       |
| Las Animas      | 15,507           | 14,361           | -7.39%       |
| <b>Colorado</b> | <b>5,029,196</b> | <b>5,264,890</b> | <b>4.69%</b> |

*Source: State Demography Office*

### ECONOMIC DEVELOPMENT

Huerfano and Las Animas Counties in Colorado and Colfax County in New Mexico signed a Memorandum of Understanding to develop and implement an economic development strategy for the multi-county region; one that strategically builds on the current and emerging economic strengths of Raton Basin Regional Economic Development.

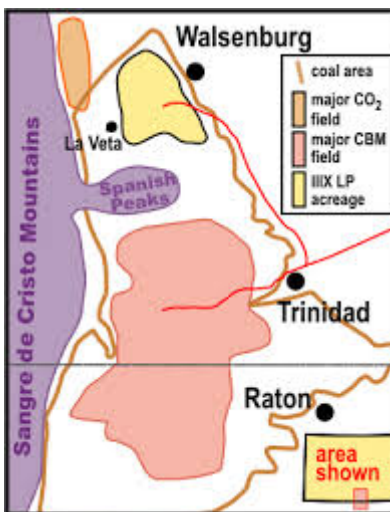
Raton Basin RED identified and adopted six primary goals in its strategic plan. Raton Basin RED is currently involved in working regionally on broadband connectivity availability to allow other goals of Business Development, Education, Healthcare, Technology, and Energy to implement those respective strategies. Raton Basin Regional Economic Development (Raton Basin RED) began implementation of a number of projects including efforts to facilitate a private to private partnership with a Duran Oil Company and Sparq Natural Gas to provide certain compressed natural gas (CNG) fueling services to the region.

# 2014 Colorado Planning & Management Region Report

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Raton Basin RED takes its name from the Raton Basin, a geologic structural basin in southern Colorado and northern New Mexico (see accompanying map). The Raton Basin extends through Huerfano and Las Animas Counties (Region 14) and Colfax Counties, in New Mexico. The region shares “boom and bust” energy impact resulting from coal, and natural gas development. Recognizing the need to develop fueling stations to connect the east and west corridors, Raton Basin RED also facilitated a meeting with neighboring counties to the east, Otero and Prowers, to initiate discussion regarding the possible establishment of CNG fueling stations along US Highway 160 and US Highway 50.

During the planning year, Colorado’s Department of Transportation and Colorado Energy Office partnered to offer a unique opportunity to the region such that local governments were able to assist and partner with cities and counties coming together to support Sparq Natural Gas application for CMAQ (*Congestion Mitigation and Air Quality*) funds to bring a fueling station to the I-25 corridor at the southern tip of the state just 15 miles from the New Mexico state line. The application was submitted in late July, 2014.



The unemployment rate in Region 14 has been declining. Both counties saw a more than 4% drop in unemployment in September 2014 over the previous year primarily due to outmigration since job growth has been flat to declining.

### Unemployment:

| County          | September 2013 | September 2014 | % Change     |
|-----------------|----------------|----------------|--------------|
| Huerfano        | 9.9%           | 5.7%           | -4.2%        |
| Las Animas      | 9.2%           | 4.8%           | -4.4%        |
| <b>Colorado</b> | <b>6.3%</b>    | <b>4.0%</b>    | <b>-2.3%</b> |

Source: Colorado LMI

### Marijuana

The region has experienced a great deal of interest in the development of the Marijuana Industry and associated regulatory and permitting issues. Las Animas County continues to weigh legality of the sale

# 2014 Colorado Planning & Management Region Report

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## Region 14 – Huerfano and Las Animas Counties

and use from the voter approved issue versus the federal illegality of the herb. Las Animas County seat, the City of Trinidad has received over thirty conditional use permit requests for companies that wish to have facilities in the Industrial Park and other areas within the city. Huerfano County held public forums regarding the matter. The City of Trinidad is approving conditional use permits and addressing the issue of water conservation in recognition of the high requirements that growing facilities require.

### **AGRICULTURE**

The region has relied on coal mining and gas production from the Raton Basin. Agriculture, primarily ranching, is a strong economic engine throughout the region. Agriculture is the 4th largest sector in terms of employment, representing 920 jobs or 8.47% of all employment. Largest agriculture industries in terms of employment are 668 animal production jobs and 118 crop production jobs. Economic discussions at the Bottom Up, Stronger Economies Together, and Community Round Up meetings include interest in value added production for Agriculture and cattle.

### **OTHER**

The City of Trinidad won the Governor’s Annual Award for Downtown Excellence and is recognized as one of seven fully-fledged creative districts in Colorado after the City of Trinidad was successful in its effort to receive an award for emerging creative community. The award will be presented on Thursday, September 11, 2014 in Fort Collins. Community Forums are scheduled for government and elected officials, not for profit directors, business leaders, and the general public.

Heritage tourism is important in Las Animas and Huerfano Counties and their rich histories. New efforts have been made with local improvements by cleaning up the cities to attract visitors. Both counties have focused on the large talent of local artists and musicians. Southern Colorado Repertory Theatre achieved its goal of securing a building to stage its productions. Huerfano County’s Annual Celtic Festival in late September and the Santa Fe Trail days in Las Animas continue to draw many tourists to the region.

### **CLEAN ENERGY**

The region values its natural assets in renewable solar and wind energy. Four wind turbines are in process of construction east of the I-25 corridor. There is current effort focused upon pursuing education relative to geothermal energy opportunity for the region and potential plans to develop direct use heat exchange.

### **NEW PROJECTS**

The collaborative efforts of the City of Trinidad, the South Central Council of Governments (SCCOG), Colorado Department of Transportation, Burlington Northern Santa Fe Railway, Greyhound Bus Lines, and Amtrak resulted in the concept of a centrally located transportation hub, the **Multi-modal Transit Center**. The center assists travelers via intercity bus, route bus, and rail to anywhere in the United States. Bids were awarded for the architectural design of the center in July 2012. Funding is in place for

# 2014 Colorado Planning & Management Region Report

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## Region 14 – Huerfano and Las Animas Counties

construction and is estimated to cost around \$800,000. Design phase is complete for the planned construction of the center. Progress has been made on necessary sale/purchase agreement between BNSF and the City of Trinidad.

### **GOALS FOR THE UPCOMING YEAR**

1. Authorize and empower an organization to identify and achieve the economic development goals established by the Raton Basin Region.
2. Increase business development and improve business retention by 5% and encourage governments to work together to streamline and reduce regulations and encourage development of new industries. Support regional community development projects that enhance the creation, attraction, retention and expansion of business development.
3. Increase education level of area population by 2.5 years by 2020.
4. Have a 30 year regional energy plan in place by 2020.
5. Develop a plan to improve regional healthcare services by December 2015.
6. Expand region wide broadband availability by 20% by December 2014 and maintain state of the art connectivity and communications.