

2015 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 and is primarily an agricultural-based community with growing industrial concerns. The region is designated as an Enhanced Rural Enterprise Zone, bringing additional tax incentives for both existing and new businesses. 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 is still experiencing drought conditions, although some relief was realized with the spring and summer rains and crop production was somewhat better for 2015. As always, drought has a negative effect on the local economy and the consuming public.

The region saw an overall 4.96% decrease in population between 2010 and 2014. Bent County saw the biggest percent losses primarily due to a decline in the prison population.

Population:

County	Census 2010	July 2014	% Change
Baca	3,788	3,624	-4.33%
Bent	6,499	5,539	-14.77%
Crowley	5,823	5,551	-4.67%
Kiowa	1,398	1,385	-0.93%
Otero	18,831	18,380	-2.39%
Prowers	12,551	11,985	-4.51
Colorado	5,029,196	5,353,471	6.45%

Source: State Demography Office

JOBS & THE ECONOMY

The area continues to face some challenges with both jobs and population. Over the past 10 years, closures from major employers located in Bent and Prowers Counties have eliminated many hundreds of jobs in the region, negatively impacting the surrounding communities. However, concerted marketing of the ample space and infrastructure that is available in the region, as well as some recruiting efforts, have attracted some businesses back to the area, which has helped put people back to work. While many view the Southeast as a challenge for new business and job creation, locals who value the life that rural living provides can attest that there is a workforce ready and available to fill jobs that are created. Many of the boomerang population have or are looking to return to the area to raise families in the small town atmosphere and help contribute to the vitality of rural Colorado. But while we have experienced some growth in manufacturing jobs, there is still somewhat of a lack of confidence which continues to plague businesses, neighborhoods, and families in the region. This uncertainty proves a challenging issue in all of rural Colorado. Addressing these challenges and changing the perception are the priority of economic and community development groups.

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Most of the region saw a drop in unemployment in August 2015 over the previous year, with the exception of Kiowa and Prowers Counties.

Unemployment Rates:

County	August 2014	August 2015	% Change
Baca	2.4%	2.0%	-0.4%
Bent	4.8%	4.2%	-0.6%
Crowley	5.3%	4.4%	-0.9%
Kiowa	2.9%	2.9%	-
Otero	7.2%	6.1%	-1.1%
Prowers	4.4%	4.6%	0.2%
Colorado	4.6%	3.8%	-0.8%

Source: Colorado LMI

HOUSING

Housing continues to be one of the biggest challenges faced by Region 6. New housing stock is particularly challenging, because the limitations on borrowing for new construction are based on limited and/or non-existent “comps” within the market. Rural Colorado is fairly insulated from major movements in the housing market, and Region 6 trends 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. Though the housing market is showing some improvement, it’s still closer to the depressed side as economic and community development groups continue to pursue avenues for accessing affordable housing development. Foreclosures continue to trend slightly above average and are attributable to the overall weak job market.

AGRICULTURE

The primary economic contributor in Region 6 is the agriculture industry, which is solely dependent on weather and water. Water issues continue to impact the viability of the industry and region, although there has been some improvement so far in 2015. While commodity prices are better, they continue to fluctuate and are somewhat volatile as compared to previous periods. Concerns regarding vital water resources as they relate to agriculture will always remain 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

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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 and Iberdrola has announced plans to add 38 more turbines south of Lamar by 2017.

OTHER

Heritage Tourism continues to be a major focus within the region with the 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 within the region.

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.

In addition, Southeast Colorado Enterprise Development, Inc. and the Southeast Council of Governments are making efforts to provide an avenue for the attraction and injection of dollars to support the six county region. Acting as the Enterprise Zone Administrator, it offers an avenue for accessing business and tax incentive programs through the Enhanced Rural Enterprise Zone. Southeast Colorado Enterprise Zone also offers loan programs to support business development as well as community development through the esthetic improvement of single-family owner-occupied homes.

The Southeast Region views any and all industry in the region as a vital resource. The region is eager to entertain any opportunities for potential new projects. The most valuable resource is the population and workforce. Strong character and individual responsibility are held true as core values that will endure.

NEW PROJECTS

Colorado Coalition for the Homeless - Fort Lyon Supportive Residential Community continues to provide effective and comprehensive services to those who are homeless or at-risk of homelessness in an effort to end their cycle of homelessness and promote health, wellbeing and active citizenship. The Fort Lyon campus offers an unprecedented opportunity to provide a gateway to permanent housing, supportive services and vocational training in one beautiful and functional setting.

Support offered includes direct access to housing with enhanced services including education, vocation and job training opportunities, co-occurring behavior health and primary healthcare, acquisition of

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income, benefits and entitlements. It is projected to serve 300 clients by July 2016. The state funded facility is working to create 70 plus jobs in the southeast region.

[Sprout Tiny Homes](#) in Otero County is a unique talented team of entrepreneurs and custom home building personnel. They pride themselves in building (or helping you build) the highest quality tiny homes with the homeowner's design and personality in mind. From their streamlined manufacturing facility to their network of innovative vendors of Tiny Home accessories, furniture and high tech features, they are the most innovative manufacturer of quality and efficient tiny homes. Sprout has added 10 jobs and is looking forward to adding more in 2016.

[Another project of interest in Otero County, is the Whole Hemp Company](#), a Colorado LLC that is committed to producing CBD oil that is 100% U.S. grown and processed and 100% caustic solvent free. Hemp is regulated by the Colorado Department of Agriculture and should not be confused with marijuana. Both plants share the genus Cannabis Sativa but hemp does not have the same intoxicating psychoactive properties as marijuana. Whole Hemp moved into an existing building in La Junta that had been vacant for 12 years. During the 2015 growing season they harvested 100 acres of hemp and are looking forward to planting up to 5,000 acres during the 2016 season. They have added over 30 jobs and will quickly grow to 300 jobs through 2016.