

# 2015 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 and with 300 days of sunshine and 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 three 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 7.79% population decline between 2010 and 2014. 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.

County	Census 2010	July 2014	% Change
Huerfano	6,711	6,428	-4.22%
Las Animas	15,507	14,060	-9.33%
<b>Colorado</b>	<b>5,029,196</b>	<b>5,353,471</b>	<b>6.45%</b>

*Source: State Demography Office*

### ECONOMIC DEVELOPMENT

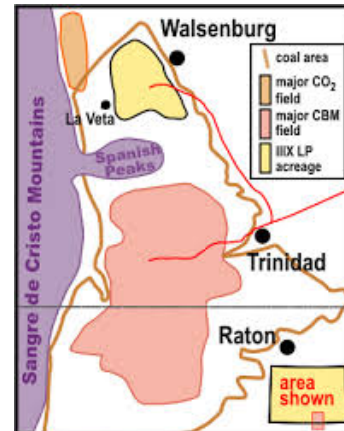
Huerfano and Las Animas Counties in Colorado and Colfax County in New Mexico signed a Memorandum of Understanding to develop and implement an economic development strategy for the multi-county region, one that strategically builds on the current and emerging economic strengths of Raton Basin Regional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

Raton Basin RED has identified and adopted six primary goals in its strategic plan. They are 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, and have begun 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.

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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 County 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 Congestion Mitigation and Air Quality (CMAQ) 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. Sparq was awarded a grant through the Colorado Energy Office’s ALT Fuels Colorado Program. Subsequently, a ground breaking ceremony was held on October 30, 2014 at Duran Oils’ Shell site in Trinidad. Key compressed natural gas fueling components were delivered on site in August 2015, the expected completion of the facility is expected in late September or early October 2015, and a grand opening event is expected in late October or early November 2015. Trinidad’s site will serve regional heavy-duty CNG customers travelling along I-25 and Hwy 160 as well as users such as SCCOG, the City of Trinidad, Pioneer Natural Resources, and Las Animas County.

The unemployment rate in Region 14 has been declining. Both counties saw a decrease of about 1% unemployment in September 2015 over the previous year.

### Unemployment Rates:

County	August 2014	August 2015	% Change
Huerfano	8.5%	7.4%	-1.1%
Las Animas	6.7%	5.8%	-0.9%
<b>Colorado</b>	<b>4.6%</b>	<b>3.8%</b>	<b>-0.8%</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 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

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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 was 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.

Space to Create Colorado; a partnership of Artspace, the Boettcher Foundation, Governor John Hickenlooper’s Office, Colorado Creative Industries and the State Office of Economic Development and International Trade (OEDIT), the State Department of Local Affairs (DOLA) and History Colorado; launched in July 2015, in Trinidad, CO. Trinidad is first of nine projects in rural Colorado for the Space to Create Colorado initiative. The project focuses on developing live/work space for artists as well as community and commercial space to support the arts and artists. The Trinidad project is currently in the assessment and concept phase with predevelopment starting in early 2016 and construction in 2017.

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.

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San Isabel Solar Project: San Isabel Electric / Tri-State Generation Association announced a contract with Juwi Inc. SIEA/Tri-State will purchase the entire output of the 30-megawatt solar farm over 25 years. The project consists of more than 100,000 photovoltaic solar panels on 250 acres of land in Las Animas County, 20 miles north of Trinidad. A tentative ground breaking event is planned for October, 2015, with the project expected to come online in the 4<sup>th</sup> quarter of 2016.

Peak Views Wind Energy Project: Invenergy / Peak View Wind Energy LLC propose to build a 34 wind turbine project atop Cordova Mesa which straddles the border of Las Animas and Huerfano Counties. Meteorological towers have been installed and surveys performed on the project. Upon approval, construction would begin in March of 2016 with the project expected to come online in November or December 2016.

Electric Vehicle Transportation: SCCOG through the Refuel Colorado & Charge Ahead Colorado programs is working to promote Electric Vehicle (EV) use and Electric Vehicle Supply Equipment (EVSE or charging stations) throughout the South Central and Southeast Regions of Colorado. Tesla Motors installed 6 DC fast charger stations at a Shell station in Trinidad in July, 2015, serving motorists traveling I-25.

### 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 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. SCCOG is overseeing the construction of the Multi-modal Transit Center, which is expected to start in the Spring of 2016 and be completed by the end of 2016.

**Broadband:** Region 14 has been awarded a State Department of Local Affairs DOLA grant to develop a Multi-Region Broadband Strategic Plan which will include Las Animas, Huerfano and Pueblo Counties. Additional funding secured by the Raton Basin Economic Development will allow the strategic planning process to include Colfax County in New Mexico.

### GOALS FOR THE UPCOMING YEAR

1. Authorize and empower an organization to identify and facilitate the economic development goals established by the Raton Basin Region.
2. Continue to increase business development and improve business retention by:
  - a. Encouraging and facilitating governments to work together to streamline and reduce regulations and encourage development of new industries;

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- b. Supporting regional community development projects that enhance the creation, attraction, retention and expansion of business development;
  - c. Securing funding and technical assistance to develop an information and communication technologies (ITC) management strategic plan to build capacity and enhance information/data/document collection, storage, management, analysis, and distribution in order to better facilitate regional and local data-based planning, decision making, and accountability; and
  - d. Working to ensure that the Space to Create Colorado initiative being launched in Trinidad has a positive economic impact across the entire region.
3. Expand region-wide broadband availability by 20% by the end of December, 2017, and maintain state of the art connectivity and communications.
  4. Have a 30 year regional energy plan in place by 2020 while:
    - a. Expanding CNG fueling availability into Huerfano County;
    - b. Continuing to promote and expand wind energy production across the region;
    - c. Continuing to promote and expand solar energy production across the region;
    - d. Expanding electric vehicle charging capacity across the region; and
    - e. Continuing to support the development of geothermal research in the region.
  5. Develop a plan to improve regional healthcare services by December 2015.
  6. Increase education level of area population by 2.5 years by 2020.