

COCHISE COLLEGE

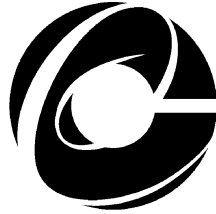
ECONOMIC DOUGLAS 2017 OUTLOOK

CITY OF DOUGLAS

The Future of Douglas
This time capsule is dedicated to the citizenry of Douglas, Arizona to commemorate the spirit of those past, present and future that make this City great by sealing dreams, hopes and promises for rediscovery every twenty years from this 20th day of June, 2001. Douglas "The Premier Southwestern Border Community."
"The future comes one day at a time"
Dean Acheson



www.CochiseEconomy.com



COCHISE COLLEGE

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Embracing our Heritage, Advancing our Future

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Center for Economic Research



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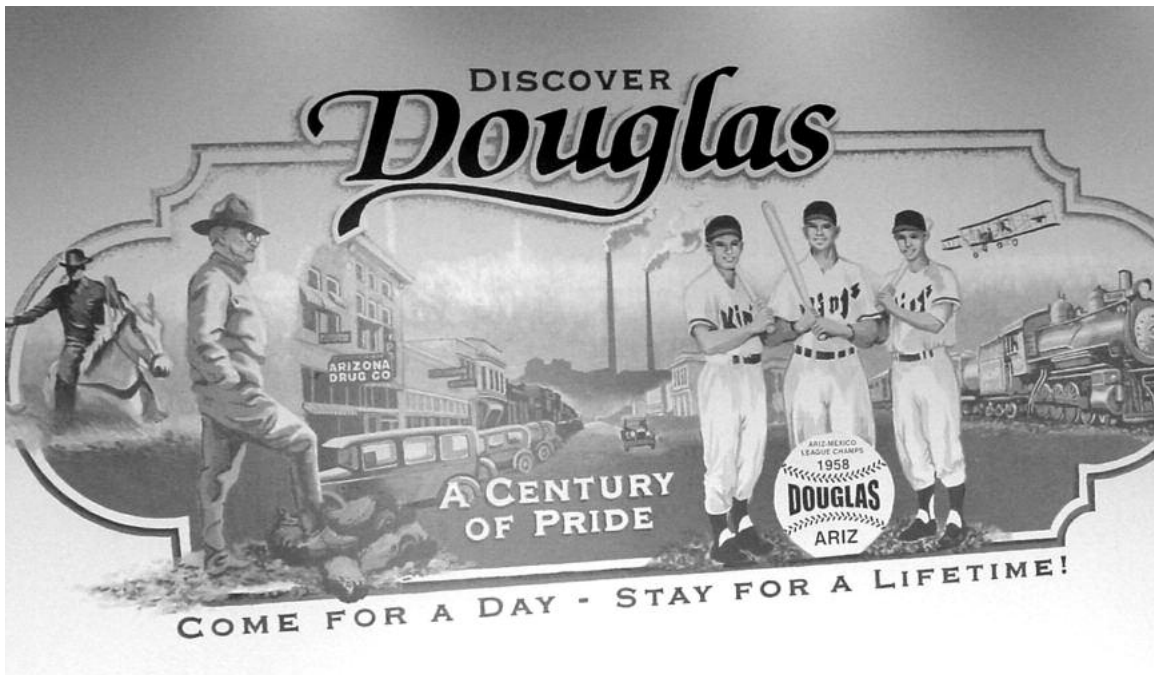
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Douglas Dispatch



Review of the National, State, and Local Economy



Dr. Robert Carreira
Chief Economist
Center for Economic
Research
Cochise College

National

In 2016, the U.S. economy added 2.2 million jobs for job growth of 1.6 percent (down from 2.7 million jobs/1.9 percent in 2015). In the first quarter of 2017, the national economy grew by 533,000 jobs (down from 588,000 in the first quarter of 2016). The national unemployment rate in 2016 was 4.9 percent (down from 5.3 percent in 2015). The seasonally adjusted monthly unemployment rate in March 2017 was 4.5 percent (down from 5.0 percent in March 2016).

The nation's real Gross Domestic Product (the broadest measure of economic activity representing the inflation-adjusted value of all goods and services produced in the economy) was up 1.6 percent in 2016—the lowest level of annual growth since 2011. The years 2011 and 2016 were tied for the lowest levels of GDP growth since the end of the Great Recession in 2009. In the first quarter of 2017, U.S. GDP grew at a seasonally adjusted annual rate of 0.7 percent.

Building permits for new single-family homes nationwide were up 10.8 percent in 2016—the fifth consecutive year of growth following declines in five of six years. In the first quarter of 2017, new home permits were up 12 percent from the first quarter 2016.

According to data from National Association of Realtors, existing single-family home sales were up 4.1 percent in 2016 (following a 7-percent increase in 2015). In the first quarter of 2017, existing home sales were up 6.1 percent from the same quarter the year prior. The median home price nationwide in 2016 was \$235,500 (up 5.2 percent from 2015). In March 2017, the median home price nationwide was \$237,800 (up 6.6 percent from March 2016).

Arizona

Arizona gained 35,400 jobs in 2016 for job growth of 1.3 percent (down from 82,000 jobs/3.2 percent in 2015). In the first quarter of 2017, Arizona added 2,600 jobs (down from 19,300 new jobs in the first quarter 2016).

In 2016, the statewide unemployment rate was 5.5 percent (down from 6.1 percent in 2015). The seasonally adjusted monthly rate in March 2017 was 5.0 percent (down from 5.5 percent in March 2016).

Arizona's real GDP grew 0.9 percent in 2015 (half the 1.8 percent rate of growth of 2014). In the first three quarters of 2016, Arizona's GDP was up at a 2.8 percent seasonally adjusted annual rate (from the same period of 2015).

Inflation-adjusted retail sales statewide were up 1.7 percent in 2016 but were down 1.0 percent in the first two months of 2017. Arizona's restaurant and bar sales were up 6.3 percent in 2016 but were down 0.6 percent in January and February 2017, while hotel/motel receipts were up 3.8 percent in 2016 and 2.8 percent in the first two months of 2017.

Building permits for new single-family homes statewide were up 7.9 percent in 2016 (on the heels of a 30.9 percent increase in 2015). New home construction was up in four of five years from 2012 through 2016 (following six consecutive years of decline). In the first quarter of 2017, new home permits in Arizona were up 9.9 percent from the first quarter of 2016.

According to data from Arizona Regional Multiple Listing Service, home sales by realtors statewide were up 5.3 percent in 2016 (following a 10.3-percent jump in 2015). The year 2016 was the second year of growth in home sales following three consecutive years of decline. In the first quarter of 2017, home sales in Arizona were up 11.5 percent from the same period the year prior. The statewide median price for a single-family home in March 2017 was \$230,000 (up 6.6 percent from March 2016).

Cochise County

Cochise County lost 300 jobs in 2016 for annual job growth of -0.9 percent (the eighth consecutive year of job losses in Cochise County). In March 2017, however, the number of nonfarm jobs countywide was up by 200 (0.6 percent) from March 2016.

Cochise County's annual unemployment rate in 2016 was 6.3 percent (down from 7.4 percent in 2015). The unadjusted monthly rate in March 2017 was 5.4 percent (down from 6.2 percent in March 2016).

Cochise County's economy slipped into recession in 2011 with a drop in GDP of 0.8 percent. The countywide recession continued with GDP declines of 5.3, 5.1, 4.0, and 1.7 percent in 2012, 2013, 2014, and 2015, respectively. Cochise County's five straight years of declining GDP easily fit most economists' definition of an economic depression.

Retail sales countywide were down 4.7 percent in 2016 and 6.7 percent for the first two months of 2017. Cochise County's restaurant and bar sales were up 2.3 percent in 2016 but were down 5.7 percent in the first two months of 2017, while hotel/motel receipts were down 0.1 percent in 2016 but were up 4.9 percent in January and February 2017.

New residential construction in Cochise County was up 2.2 percent in 2016 (on the heels of a 24-percent decrease in 2015). New home permits were down in 9 of 11 years from 2006 through 2016, hitting a record low in 2015 (with records back to 1990). There were 139 new home permits issued countywide in 2016 (the second-lowest level on record, just off the record low of 136 the year prior). In the first quarter of 2017, new home permits in Cochise County were at the same level as the first quarter 2016.

According to data from Southeast Arizona Multiple Listing Service, homes sold by realtors in Cochise County were up 10.2 percent in 2016. Home sales were up in six of eight years from 2009 through 2016, following three consecutive years of double-digit percent declines. In the first quarter of 2017, home sales countywide were up 26.5 percent according to SMLS data. The median home price in Cochise County in 2016 was \$125,000 (up 1.2 percent from 2015). The year 2016 was the second consecutive year of home price increases following seven straight years of decline. In March 2017, however, the median home price countywide was down 8.6 percent from March 2016, according to SMLS numbers.

Douglas

Douglas' annual unemployment rate in 2016 was 8.4 percent (down from 9.8 percent in 2015). In December 2016, the city's unadjusted monthly rate was 7.2 percent (down from 8.7 percent in December 2015).

Retail sales in Douglas were down 8.2 percent in 2016. Douglas's restaurant and bar sales were down 4.9 percent in 2016, while the city's hotel/motel receipts were down 4.5 percent.

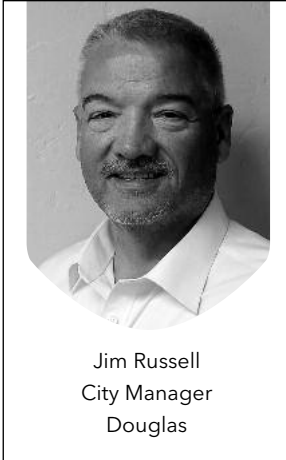
New single-family home permits in Douglas jumped from 6 in 2015 to 46 in 2016—an increase of more than 650 percent. New home permits in Douglas in 2016 were at their highest level since 2006 and the third highest on record (with records back to 1996). There were

111 homes sold by realtors in the Douglas area in 2016 (up 15.6 percent from 2015). The median home price in 2016 was \$87,000 (up 3.0 percent from the year prior).

New single-family home permits in Douglas jumped from 6 in 2015 to 46 in 2016—an increase of more than 750 percent. New home permits in Douglas in 2016 were at their highest level since 2006 and the third highest on record (with records back to 1996).



Embracing Our Heritage, Advancing Our Future



The City of Douglas continues to be a city that's advancing its future! Achieving success and reshaping the future of Douglas is simply not possible without community involvement. Though projects have been in progress before I came here, in the short time that I've been in Douglas this community has made great strides towards identifying and implementing meaningful solutions that address economic development. Priorities have been established by the mayor, council, and myself in advancing this beautiful community. The following are the priorities established for the coming year:

Focus on Renovating and Expanding the Raul H. Castro Port Of Entry

The Raul H. Castro Port of Entry is a binational gateway for Douglas and all of Cochise County on the Arizona side and for Agua Prieta on the Sonora side. The port is currently landlocked on the Mexican side, but has significant room for expansion on the U.S. side. According to a 2017 study conducted by Sierra Vista Metropolitan Planning Organization, the number one reason for crossing into the U.S. is shopping, with an average expenditure of \$196 (USD) per person. This brings over \$740 million into the City of Douglas and Cochise County each year. Commercially, the City of Douglas is processing an estimated value of \$4 billion in Douglas annually. This provides a significant opportunity for economic development to be captured in Douglas while bringing attention to the need to expand and modernize the port of entry. Through the support of U.S. Representative McSally and Senators McCain and Flake, the needed attention into this expansion/modernization effort is gaining national attention by the state and federal governments and their agencies. Plans are being identified that would provide these improvements within the next 3-5 years.

Explore New and Innovative Alternative Ways to Revitalize the Downtown Area

The recent designation of the downtown area as Douglas' Arts and Cultural District was made to attract small businesses to occupy many storefronts currently vacant with specialty stores and galleries. In addition, the space is becoming active with street concerts, festivals, and shows, with the goal of bringing visitors and tourists into the area, breathing new life into the heart of Douglas.



Closely Monitor and Evaluate Any Potential Community Impact Resulting from the Attainment of New Businesses to the Community

The efforts of our community leaders, congressional delegates, and local business leaders are building a successful strong partnership between the Douglas community and the mission of economic development. This partnership works hand-in-hand to bring attention to outside businesses as well as retail and dining establishments to make Douglas a community of consideration for their expansion needs. Discussion and site visits are already underway with many such enterprises.

Monitor the Fiscal Health of Our General Fund Budget and Finding Balance Between Demand, Productivity, and Efficiency of the City's Core Public Service Offerings

Although revenues have been down, city department heads have done a wonderful job reducing expenditures matching the reduction in revenues. Balancing services, needs, and costs against revenue is always challenging with any form of budget. City staff will continue to use new technology and increase productivity and efficiency to be able to provide the city's core public services to the residents of Douglas.

Build Lasting Relationships With Our Citizens and Community Partners Whether Governmental, Binational, State, Federal, Corporate, or Nonprofit Organizations

The investments into our community projects is both important and lasting. These types of projects propel the quality of life we all desire and deserve. As one example, the attainment of an Emergency Department within the city boundaries is a crucial step in ensuring the quality of health care our citizens need. More shopping opportunities and dining experiences meet the basic needs of any family and those projects are forthcoming. The city will continue to work diligently to improve upon customer service ideals and positive interaction with the public through a transparent government and increased information as it becomes available.

In closing, I am very encouraged by the many exciting possibilities and opportunities that lie before us. I have little doubt that, as a community, we will continue to adapt to the challenges that are ahead of us and capture the momentum needed to propel us into advancing our future success. This has been evident by the great strides that have been made in just the past year. Thank you for the opportunity to serve each of you and this community.



City of Douglas

Douglas, located along the U.S./Mexico border, is the second largest city in Cochise County. At an elevation of 4,000 feet, Douglas is 118 miles southeast of Tucson and 232 miles southeast of Phoenix, at the junction of State Route 80 and U.S. 191 (approximately 70 miles southeast of Interstate 10). Because of its location along the U.S./Mexico border, international commerce is an important part of the local economy. Douglas was founded in 1901 and incorporated in 1905. The city was established as a smelter site for copper mines in nearby Bisbee. Ranching and agriculture are also part of the area's history and continue today.

DOUGLAS TRANSACTION PRIVILEGE (SALES) TAX RATES

CATEGORY	COUNTY AND STATE (%)	CITY OF SIERRA VISTA (%)	TOTAL (%)
Retail	6.10	2.80	8.90
Retail (Single Item over \$10,000)	6.10	1.80	7.90
Hotel/Motel	6.05	4.80	10.85
Restaurant & Bar	6.10	2.80	8.90
Construction Contracting	6.10	2.80	8.90

Note: Rates as of April 1, 2017; includes selected categories only.
Source: Arizona Department of Revenue and Cochise College Center for Economic Research

COST OF LIVING

	SIERRA VISTA-DOUGLAS MSA*	TUCSON	PHOENIX	FLAGSTAFF	BULLHEAD CITY	PRESCOTT-PRESCOTT VALLEY	YUMA
2012	102.5	95.5	96.8	111.6	91.9	98.6	105.2
2013	98.0	95.6	96.0	113.3	93.4	98.1	104.2
2014	97.3	97.0	96.2	117.9	93.8	97.9	101.3
2015	95.3	92.8	95.9	116.4	92.4	96.3	99.8
2016	95.0	93.1	97.0	113.6	94.1	96.0	97.8

*Sierra Vista-Douglas MSA is a statistical area designation for all of Cochise County.
Source: Council for Community and Economic Research (C2ER), Cost of Living Index

COST OF LIVING INDEX

The Cost of Living Index, published by Council for Community and Economic Research, compares costs of more than 250 participating areas in all 50 states. The average for all participating places nationwide equals 100 and each participant's index is read as a percentage of the average for all places.

SIERRA VISTA/DOUGLAS MSA AREA COST OF LIVING

	COMPOSITE INDEX	GROCERY ITEMS	HOUSING	UTILITIES	TRANSPORTATION	HEALTH CARE	MISC. GOODS & SERVICES
2012	102.5	97.8	102.8	103.4	106.6	99.5	102.7
2013	98.0	91.3	95.4	99.2	101.1	97.4	101.4
2014	97.3	94.7	93.6	102.8	102.6	96.5	98.1
2015	95.3	94.3	93.7	103.8	99.3	94.7	93.2
2016	95.0	101.7	91.4	102.0	100.0	95.0	91.9

Note: Sierra Vista-Douglas MSA is a statistical area designation for all of Cochise County.
Source: Council for Community and Economic Research (C2ER), Cost of Living Index.

DOUGLAS PROPERTY TAX RATES PER \$100 ASSESSED VALUE (2016)

DISTRICT	PRIMARY	SECONDARY	TOTAL
City of Douglas	1.1949	•	1.1949
Douglas Unified School District	7.2900	1.1372	8.4272
Cochise Joint Technical District	•	0.0500	0.0500
Cochise County General Government*	2.6276	•	2.6276
Library*	•	0.1451	0.1451
Flood Control*	•	0.2597	0.2597
Cochise College*	2.2860	•	2.2860
Fire District Assistance Tax*	•	0.1000	0.1000
School District Assistance Tax**	0.5010	•	0.5010
TOTAL	13.8995	1.6920	15.5915

Note: Rates are established the third Monday in August.

*Rate applies to all property in Cochise County.

**Rate applies to all property in Arizona.

Source: Cochise County Treasurer and Cochise College Center for Economic Research

PROPERTY TAX ASSESSMENT RATIOS

- CLASS 1: Mines, mining claim property, and standing timber; local telecommunications, utilities, pipelines, and oil and gas producing; and commercial and industrial real property not included in other classes (*18 percent of cash value*)
- CLASS 2: Agricultural real property, golf courses, and vacant land (*15 percent of cash value*)
- CLASS 3: Owner-occupied residential property (*10 percent of cash value*)
- CLASS 4: Leased or rented residential property (*10 percent of cash value*)
- CLASS 5: Railroads, private car companies, and airline flight property (*21 percent of cash value*)
- CLASS 6: Noncommercial historic property, foreign trade zones, military reuse, environmental technology, and environmental remediation property (*5 percent of cash value*)
- CLASS 7: Improvements to commercial historic property (*1 percent of cash value for up to 10 years*)
- CLASS 8: Improvements to historic residential rental property (*1 percent of cash value for up to 10 years*)
- CLASS 9: Possessor interests (*1 percent of cash value for up to 10 years*)



Economic Development

Local Organizations

CITY OF DOUGLAS ECONOMIC DEVELOPMENT

The City of Douglas' Economic Development Team, in collaboration with state, regional, and community partners, assists with business attraction, retention, and expansion within the incorporated city limits through the administration of incentives and intensive assistance to primary job creators. The team assists with site selection, business relocation, and new business ventures. In 2017, the city launched its Douglas Border Business Case, a campaign to obtain input from business and community leaders to support development of strategic methods and an economic development plan for the city.

For more information, visit www.DouglasAZ.org.

GREATER DOUGLAS CHAMBER OF COMMERCE

Greater Douglas Chamber of Commerce is a 501(c)(6) nonprofit, membership organization with the mission of providing resources for businesses to succeed in and around Douglas. Services include business promotion, referrals, networking activities, sponsorship of events to promote tourism and commerce, member-to-member services, small business information, workshops and seminars, and representation on legislative matters that impact the business community.

For more information, visit www.GreaterDouglasChamber.com.

DOUGLAS HISPANIC CHAMBER OF COMMERCE

The Douglas Hispanic Chamber (an affiliate chamber of the Tucson Hispanic Chamber) is focused on the fast-growing Hispanic population in Arizona and business opportunities for trade with Mexico. The chamber hosts quarterly Fiesta Mixers at member locations and cafes to help promote member businesses. They also host workshops focused on international trade opportunities, along with the annual "State of Hispanic Market" event in Douglas.

For more information, visit www.TucsonHispanicChamber.org.

DOUGLAS INTERNATIONAL PORT AUTHORITY

Douglas International Port Authority is led by private- and public-sector executives from the area's trade and logistics business service sector, cross-border manufacturing, agribusiness industries, and community and economic development. Its primary mission is to promote trade and commerce with a focus on expansion and further development of the Douglas Port of Entry—the second largest commercial port in Arizona.

COCHISE COLLEGE CENTER FOR ECONOMIC RESEARCH

CER provides economic information, analysis, and forecasting to help leaders in the public, private, and nonprofit sectors make better-informed decisions.

For more information, see the 'About the Center for Economic Research' section of this publication or visit www.CochiseEconomy.com.

COCHISE COLLEGE SMALL BUSINESS DEVELOPMENT CENTER

SBDC is staffed with business counselors, analysts, and technology specialists who provide one-on-one confidential assistance for small businesses at every stage of development. SBDC provides counseling and assistance in planning, marketing, accounting, start-up, licensing, strategic planning, government procurement, technology, and sources of capital, with special initiatives in veterans' assistance, clean technology, and international trade. SBDC partners with U.S. Small Business Administration and Association of Small Business Development Centers to provide local access to nationwide resources.

For more information, visit www.Cochise.edu/SBDC.

SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION

SEAGO is a council of governments serving local and tribal governments in the four-county region (Cochise, Graham, Greenlee, and Santa Cruz counties) and is a designated Economic Development District (EDD) by U.S. Economic Development Administration (EDA). SEAGO's EDD program assists distressed areas, planning regions, cities, and counties in economic development planning, policymaking, and implementation. As an EDD, SEAGO has responsibility for developing the Regional Comprehensive Economic Development Strategy (CEDS)—a guide to economic development initiatives throughout the region. The CEDS process, which includes input from member entities, enables SEAGO members to apply for federal grant funding. In 2016, SEAGO completed and submitted its 5-year CEDS to EDA; EDA accepted the document making it the 'roadmap' for SEAGO's economic development support to communities in the region.

For more information, visit www.SEAGO.org.

ARIZONA@WORK—SOUTHEASTERN ARIZONA

Arizona@Work—Southeastern Arizona serves the Cochise, Graham, and Greenlee County region as part of the statewide workforce development network providing innovative workforce solutions at the local level. Arizona@Work assists employers with worker recruitment (including posting job announcements), development, and retention, as well as business closure. Assistance is also provided to job seekers, including pre-employment preparation, training programs, and job-search resources. All business and job-seeker services are provided at no cost through public and private partnerships. Veteran representatives are on staff and veterans receive priority service. Program partners with Vocational Rehabilitation. Arizona@Work is a partner of the American Job Center network.

For more information, visit www.ArizonaAtWork.com/SoutheasternAZ.

Major Assets

DOUGLAS MUNICIPAL AIRPORT

Douglas Municipal Airport (FAA Airport Identifier DGL) is a general aviation airport owned and operated by the city and located on 640 acres within Douglas city limits (approximately two miles from the central business district and adjacent the U.S./Mexico border). The airport is at an elevation of 4,173 feet. Runway 3/21 is 5,760 by 75 feet, constructed of asphalt. In 2016, City of Douglas began the process of updating the airport master plan to guide the long-term development of the airport and surrounding property. The master plan examines the airport's needs based on current and anticipated demand for aviation. In conjunction with the master plan, a business plan will also be developed for the airport.

For more information, visit www.DouglasAZ.org.

BISBEE-DOUGLAS INTERNATIONAL AIRPORT

Bisbee-Douglas International Airport (FAA Airport Identifier DUG) is a general aviation airport owned and operated by Cochise County and located on 3,000 acres approximately nine miles north of Douglas on U.S. 191 (approximately 55 miles south of Interstate 10). Facility usage is private and commercial airport operations, heavy and light industrial, warehouse/distribution, manufacturing, and state correctional facility operations. The airport is at an elevation of 4,150 feet. Runway 8/26 is 4,966 by 60 feet, constructed of asphalt.

For more information, visit www.Cochise.AZ.gov.

INDUSTRIAL PROPERTIES

Many of the manufacturing plants in Agua Prieta, Sonora, Mexico operate under the twin-plant (maquiladoras) model in which Douglas serves as the warehouse distribution center and Agua Prieta as the manufacturing center. Agua Prieta has more than 20 manufacturing plants with multiple warehouse operations in Douglas. The 75-acre Cochise Industrial Park has land available with utilities accessible upon request. Air and truck transportation are also available.

FOREIGN TRADE ZONE

Cochise County has industrial property designated as a foreign-trade zone (FTZ-139). Companies located in the FTZ can use special procedures that allow delayed or reduced duty payments on foreign merchandise. Other benefits include:

- no duties or quota charges on re-exports;
- deferred customs duties and federal excise tax on imports;
- in cases where manufacturing results in a finished product with a lower duty rate than the rates on foreign inputs (inverted tariff), finished products may be entered at the duty rate that applies to its condition as it leaves the zone (subject to public interest considerations);
- access to streamlined customs procedures such as weekly entry or direct delivery; and
- exemption from state and local inventory taxes for foreign and domestic goods held for export.

Merchandise in the zone may be assembled, exhibited, cleaned, manipulated, manufactured, mixed, processed, relabeled, repackaged, repaired, salvaged, sampled, stored, tested, displayed, and destroyed. Retail trade is prohibited in the zone. Before a firm may use the FTZ, it must obtain approval from U.S. Customs and Border Protection for activation of the space to be used, must meet CBP requirements for security and inventory control, and is responsible for all fees associated with activating and running the site.

For more information, visit www.AREDF.org.

Arizona Economic Development Incentives

For more information on these and other Arizona economic development incentives, visit www.AzCommerce.com.

ADDITIONAL DEPRECIATION

Accelerates depreciation schedules for prospective acquisitions of commercial personal property

ANGEL INVESTMENT

State income tax credit for capital investment in small businesses certified by Arizona Commerce Authority

COMMERCIAL/INDUSTRIAL SOLAR

State income tax credit for installation of solar energy devices in business facilities

COMPUTER DATA CENTER PROGRAM

Transaction privilege tax and use tax exemptions at state, county, and local levels on qualifying purchases of computer data center equipment

HEALTHY FOREST

Incentives for certified businesses primarily engaged in harvesting, processing, or transporting qualifying forest products

JOB TRAINING

Reimbursable grants up to 75 percent of eligible training expenses for employers creating new jobs

LEASE EXCISE

Reduces a project's operating costs by replacing real property tax with an excise tax

PRIVATE ACTIVITY BONDS

Securities issued by or on behalf of a local government to provide debt financing for projects used for a trade or business

QUALIFIED ENERGY CONSERVATION BONDS

Tax credit bonds originally authorized by Tax Extenders and Alternative Minimum Tax Relief Act of 2008

QUALIFIED FACILITY

Refundable state income tax credit for eligible companies making capital investment to establish or expand qualified facilities

QUALITY JOBS

Up to \$9,000 state income or premium tax credits spread over a three-year period for each net new quality job

RENEWABLE ENERGY TAX INCENTIVE

Up to 10 percent refundable state income tax credit and 75 percent reduction on real and personal property taxes for companies engaged in solar, wind, geothermal, and other renewable energy industries

RESEARCH & DEVELOPMENT

State income tax credit for increased research and development activities

SALES TAX EXEMPTIONS FOR MANUFACTURING

Sales tax exemption for various machinery and equipment

WORK OPPORTUNITY

Federal tax credit for hiring individuals from groups consistently faced with significant barriers to employment



Education

Douglas Unified School District

Douglas Unified School District encompasses 552 square miles in the southeast corner of Arizona bordering Mexico to the south and New Mexico to the east. DUSD serves nearly 3,800 students in grades pre-kindergarten through 12th and employs more than 200 certified staff (187 teachers, 18 administrators, 8 counselors, and 4 nurses) and 250 support staff (including 87 teaching assistants). DUSD consists of five elementary schools, two middle schools, and one high school.

For more information, visit www.DUSD.US.

PER PUPIL SPENDING (2016)

	DOUGLAS UNIFIED SCHOOL DISTRICT	PEER AVERAGE	ARIZONA AVERAGE
Instruction (classroom dollars)	\$3,626	\$3,915	\$4,145
Administration	938	791	806
Plant Operations	835	987	939
Food Service	464	402	415
Transportation	136	405	364
Student Support	587	588	633
Instruction Support	595	473	444
Total (operational)	\$7,181	\$7,561	\$7,746

Source: Arizona Office of the Auditor General.

SCHOOL ENROLLMENT

	2013	2014	2015
Douglas Unified School District	5,467	5,780	5,719
Clawson School (K-5)	340	318	304
Douglas High School (9-12)	1,288	1,323	1,323
Early Learning Center (Pre-K)	14	82	116
Faras Elementary School (K-5)	189	183	179
Joe Carlson Elementary School (K-5)	366	337	367
Paul H. Huber Middle School (6-8)	431	437	503
Ray Borane Middle School (6-8)	444	454	453
Sarah Marley School (K-5)	251	247	210
Stevenson Elementary School (K-5)	430	486	482
Charter Schools	1,470	1,435	1,438
Center for Academic Success #2 (9-12)	112	112	122
Center for Academic Success #3 (K-4)	315	310	293
Center for Academic Success #4 (5-8)	250	272	304
Liberty Traditional—Saddleback (K-4)	165	167	176
Omega Alpha Academy School (K-12)	484	429	412
PPEP TEC - Raul H. Castro Learning Center (9-12)	144	145	131

Note: Figures reflect enrollment as of October 1 each year.

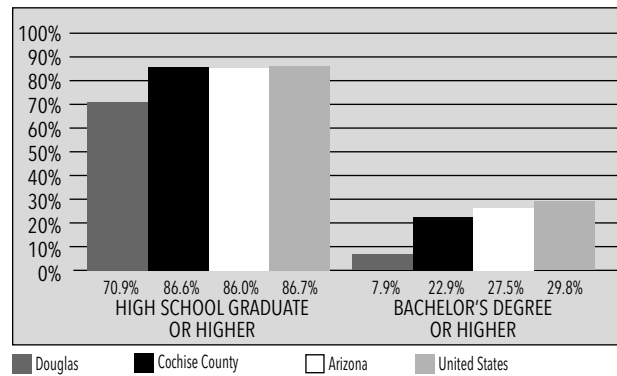
Source: Arizona Department of Education and Cochise College Center for Economic Research.

STUDENT AND TEACHER MEASURES (2016)

	DOUGLAS UNIFIED SCHOOL DISTRICT	PEER	ARIZONA
Attendance Rate (2015)	95%	92%	94%
Graduation Rate (2015)	86%	77%	78%
Poverty Rate (2015)	40%	42%	23%
Students per Teacher	22.4	15.6	18.6
Average Teacher Salary	\$42,009	\$45,126	\$46,384
Average Years Teacher Experience	12.2	12.6	11.0
Percentage of Teachers in First 3 Years	10%	15%	20%

Source: Arizona Office of the Auditor General.

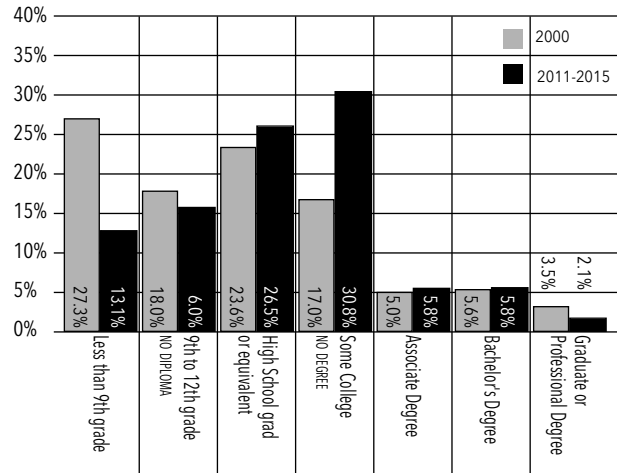
EDUCATIONAL ATTAINMENT



Note: Population 25 years and older.

Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

DOUGLAS EDUCATIONAL ATTAINMENT



Note: Population 25 years and older.

Source: U.S. Census Bureau (Census 2000 and 2011-2015 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

Charter Schools

Center for Academic Success (K-12) (www.CASschools.com)
 Liberty Traditional—Saddleback (K-4) (www.LTSArizona.org)
 Omega Alpha Academy School (K-12) (www.OAA-k12.org)
 PPEP TEC—Raul H. Castro Learning Center (9-12) (www.PPEPtechs.org)

Cochise College

Cochise College is a two-year community college with campuses in Douglas and Sierra Vista and learning centers in Benson, Willcox, and on Fort Huachuca. The college also offers classes online. Cochise College offers two-year degree and certificate programs in a variety of fields, noncredit personal enrichment classes, GED, English Language Acquisition, workforce training, and numerous other learning opportunities through its Center for Lifelong Learning, Adult Education Center, and Small Business Development Center. The college's Center for Economic Research tracks trends in the local economy and publishes local economic research.

For more information, visit www.Cochise.edu.

COCHISE COLLEGE TWO-YEAR DEGREE PROGRAMS

Administration of Justice	Fire Science Technology
Agriculture	General Requirements
Automotive Technology	General Studies
Aviation Dispatch	Humanities
Avionics Technology	Intelligence Operations Studies
Biology	Journalism and Media Arts
Building Construction Technology	Logistics Supply Chain Management
Business Administration	Mathematics
Business Management	Media Production Arts
Chemistry	Music
Cisco and Linux Networking	Network Technology
Communications	Nursing
Computer Information Systems	Paramedicine
Computer Programming	Philosophy
Computer Science	Physics
Culinary Arts	Professional Administrative Assistant
Cybersecurity	Professional Pilot Technology
Early Childhood Care and Education	Psychology
Economics	Remotely Piloted Vehicle Operations
Education	Respiratory Therapy
Electronics Technology	Social Sciences
Elementary Education	Social Work
Engineering	Theatre Arts
Engineering Technology	Unmanned Aerial Vehicle Flight Operator
English	Unmanned Aircraft Systems and Operations
Equine Science and Management	Unmanned Aircraft Systems Technician
Exercise Science, Health and Physical Education, Recreation and Wellness	Welding Technology
Fine Arts	

University of Arizona Douglas

UA Douglas is an official branch campus of University of Arizona with an office on Cochise College's Douglas Campus. UA Douglas offers upper-division courses for students to complete undergraduate degree programs in cooperation with Cochise College and other Arizona community colleges. Undergraduate degree programs at UA Douglas include administration of justice, commerce, early childhood education, elementary education, and psychology. Additionally,

undergraduate degree programs in cyber operations, human services, informatics, intelligence studies, meteorology, organizational leadership, and family studies/human development, as well as graduate degree programs in educational technology, are offered online. UA Douglas is a commuter campus with schedules designed to accommodate working adults and returning students.

For more information, visit www.UAS.Arizona.edu.



Healthcare

In addition to Copper Queen Medical Associates' Douglas Medical Complex and Chiricahua Community Health Centers, Douglas is home to numerous private-practice physicians and healthcare providers including Douglas Dialysis Center (www.DCIINC.org) and behavioral health care provider Cenpatico (www.Cenpatico.com).

Copper Queen Medical Associates–Douglas Medical Complex

Douglas Medical Complex services include Quickcare (for minor emergencies and illnesses; no appointments necessary), Coumadin Clinic, laboratory and diagnostic imaging (including ultrasound), onsite surgery clinic, physical therapy, and telemedicine (cardiology, concussions, and pulmonology). DMC recently completed a multimillion-dollar renovation and expansion to enhance diagnostic capabilities and expand physical therapy services. In April 2017, DMC opened its new, free-standing Douglas Emergency Department. The new facility provides 24-hour emergency services (including the Telestroke telemedicine program in partnership with Mayo Clinic), eight treatment and exam rooms, critical care and trauma room, radiology services, laboratory, computer tomography (CT) equipment, and helipad.

For more information, visit www.CQCH.org.

Chiricahua Community Health Centers, Inc.

CCHCI's Jennifer "Ginger" Ryan Clinic, located in downtown Douglas, focuses primarily on comprehensive care for adults and women (although children are also seen by family practice providers). GRC hosts a dental program for all ages, and offers behavioral health, insurance eligibility/enrollment, and other support services. CCHCI also runs the Pediatric Center of Excellence in Douglas, focused on health and wellness of infants, children, and adolescents. WIC (Women Infants Children), speech therapy, specialized clinics, insurance eligibility/enrollment, and other support services are also offered at PCE. In 2016, CCHCI began renovations on the 26,000-square-foot Douglas Unified School District's former Early Learning Center in the city. Upon completion, the building will become CCHCI's Early Childhood Center of Excellence, serving children with special physical, mental, and medical needs.

For more information, visit www.CCHCI.org.



Population & Demographics

The population of Douglas as of 2016 was 16,897. The city is expected to see average annual population growth of 0.3 percent in both the short and long term (to 2020 and 2050, respectively). The city's population figures include the state prison complex as the result of annexation. As of Census 2010, approximately 2,600 residents of Douglas were inmates at the prison. Douglas is part of a larger community with a total population of 19,772 (as of Census 2010) on the U.S. side of the international border, including Pirtleville and other unincorporated areas near the city. The daytime population is much larger than the census figures suggest due to the city's proximity to Agua Prieta, Sonora, Mexico, just south of the international border. With thousands of crossings into the United States each day at the Douglas Port of Entry, the city hosts many foreign shoppers, workers, and other visitors. As of 2010, Agua Prieta's population was just under 80,000, according to Mexico's Instituto Nacional de Estadística, Geografía e Informática.

POPULATION

	DOUGLAS		COCHISE COUNTY		ARIZONA	
	POPULATION	GROWTH %	POPULATION	GROWTH %	POPULATION	GROWTH %
1990	14,501	•	97,624	12.9	3,680,800	34.7
2000	14,312	-1.3	117,755	20.6	5,130,632	39.4
2010	17,378	21.4	131,346	11.5	6,392,017	24.6
2011	17,118	-1.5	130,537	-0.6	6,438,178	0.7
2012	16,673	-2.6	130,752	0.2	6,498,569	0.9
2013	16,953	1.7	130,906	0.1	6,581,054	1.3
2014	16,989	0.2	129,628	-1.0	6,667,241	1.3
2015	16,956	-0.2	129,112	-0.4	6,758,251	1.4
2016	16,897	-0.3	128,343	-0.6	6,835,518	1.1

Note: Growth rates shown for 1990, 2000, and 2010 reflect preceding 10-year period; rates for 2011 forward are annual.
Source: U.S. Census Bureau, Arizona Office of Economic Opportunity, and Cochise College Center for Economic Research.

POPULATION PROJECTIONS

YEAR	DOUGLAS	COCHISE COUNTY
2020.....	17,066	132,547
2030.....	17,632	141,122
2040.....	18,138	148,998
2050.....	18,784	157,897

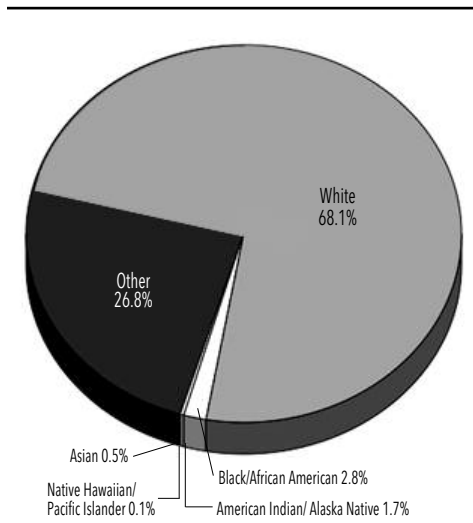
Source: Arizona Office of Employment and Population Statistics.

DOUGLAS AGE GROUP DISTRIBUTION

	2000	2010
Under 5	8.9%	7.5%
5 to 9	9.6%	7.9%
10 to 14	9.5%	7.5%
15 to 19	9.2%	8.5%
20 to 24	6.1%	7.2%
25 to 34	11.9%	14.9%
35 to 44	13.1%	13.3%
45 to 54	10.8%	12.5%
55 to 59	4.0%	5.0%
60 to 64	3.9%	4.2%
65 to 74	7.2%	5.9%
75 to 84	4.6%	4.0%
85 and over	1.3%	1.6%

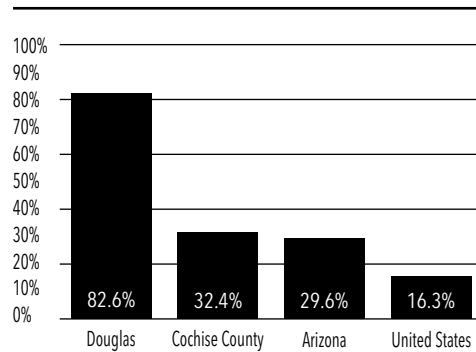
Source: U.S. Census Bureau (Census 2000 and Census 2010) and Cochise College Center for Economic Research.

DOUGLAS RACIAL COMPOSITION



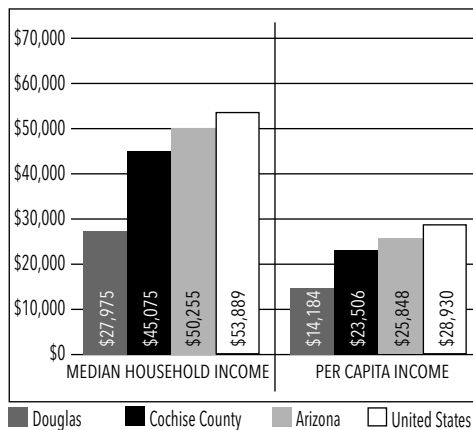
Source: U.S. Census Bureau (Census 2010) and Cochise College Center for Economic Research.

HISPANIC/LATINO POPULATION



Source: U.S. Census Bureau (Census 2010) and Cochise College Center for Economic Research.

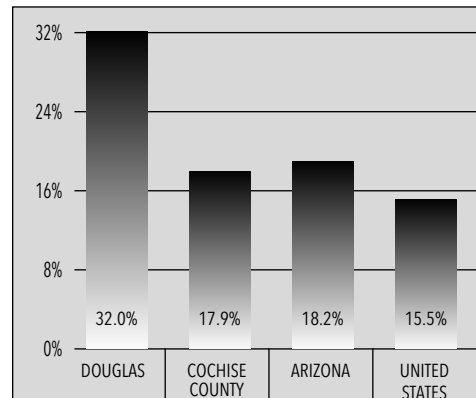
INCOME



Note: All figures expressed in 2015 dollars.

Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.

POVERTY LEVEL



Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.



Employment

Outlook

One factor that will help the Douglas labor market is the new Copper Queen Medical Associates' Douglas Medical Complex. A recent expansion, along with a new stand-alone emergency department added in 2017, supports health care jobs offsetting many of those lost with closure of Cochise Regional Hospital in 2015. The medical complex also serves as an economic development asset to help attract and retain businesses and residents.

Countywide, the largest threat to labor market improvement in recent years has been defense budget cuts impacting Fort Huachuca (approximately 55 miles northwest of Douglas) as the result of winding down wars in Iraq and Afghanistan. While the rest of the state and nation suffered through severe effects of the Great Recession, Cochise County was buffered from the worst of it due to increased defense spending on the fort and its missions. While defense cuts continue to have a dampening effect on the regional labor market, the Trump Administration's stated interest in increasing defense spending suggests an easing of pressures from recent years.

UNEMPLOYMENT RATE (%)

	DOUGLAS	COCHISE COUNTY	ARIZONA	UNITED STATES
2012	11.8	9.0	8.3	8.1
2013	12.0	9.0	7.5	7.4
2014	11.0	8.5	6.8	6.2
2015	9.8	7.4	6.1	5.3
2016	8.4	6.3	5.2	4.9

Source: U.S. Bureau of Labor Statistics, Arizona Office of Economic Opportunity, and Cochise College Center for Economic Research

DOUGLAS LABOR MARKET DATA

	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT
2012	4,923	4,340	583
2013	4,699	4,136	563
2014	4,632	4,124	508
2015	4,543	4,099	445
2016	4,535	4,156	379

Source: Arizona Office of Economic Opportunity and Cochise College Center for Economic Research

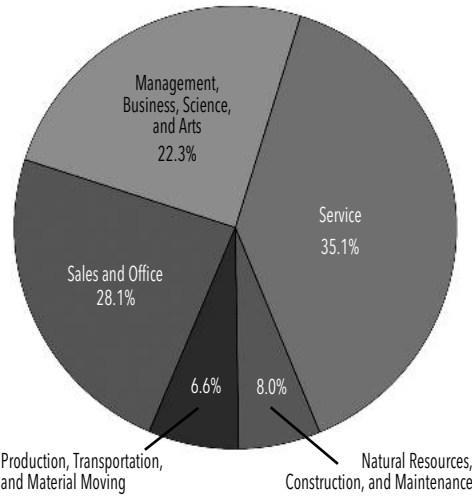
An increased emphasis on defense spending is likely to impact military intelligence, unmanned aerial systems, and cybersecurity missions at Fort Huachuca, which have long been three of the fastest-growing missions in the Army and Department of Defense.

Perhaps the most significant opportunity for long-term economic growth in Cochise County is the planned 28,000-home Villages at Vigneto retirement community in Benson, approximately 72 miles northwest of Douglas. The development, if successful in achieving and maintaining an ambitious 2,000 residential-unit annual absorption rate from 2020 to 2031 as anticipated by developer El Dorado Holdings, will spur economic activity, business development, and population growth, and potentially eliminate cyclical unemployment that has burdened the region for the past several years. Even if developers fall far short of their target, the project is likely to give a significant boost

to the Cochise County economy in coming years. Douglas can expect to benefit from potential day visitors and shoppers from the new development (including those looking to cross into Mexico).

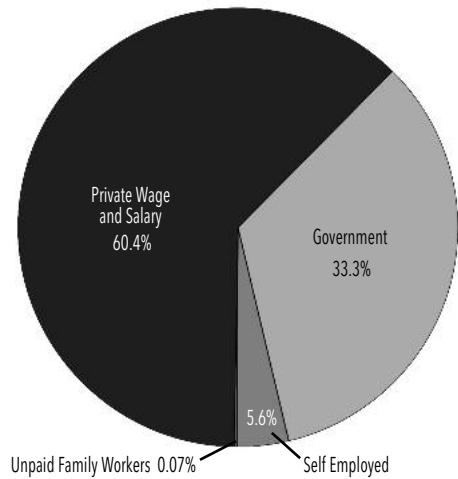
Employment data from late 2016 and early 2017 suggests Cochise County’s labor market hit bottom during 2016. In the nine months from July 2016 through March 2017, Cochise County saw year-over-year job gains in three months with stabilization in three months and modest declines in three months. That followed persistent job losses over the prior seven and a half years (from the beginning of 2009 through the middle of 2016). Looking forward, continued modest improvement seems likely through 2017 and beyond. The recovery could accelerate if the Trump Administration delivers on campaign promises to increase military spending and end sequestration for defense.

DOUGLAS OCCUPATIONS



Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research

DOUGLAS CLASSES OF WORKERS



Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research

INDUSTRIES IN DOUGLAS (BY SHARE OF WORKFORCE)

Agriculture, forestry, fishing and hunting, and mining	2.2%
Construction	3.8%
Manufacturing	4.5%
Wholesale trade	1.3%
Retail trade	13.0%
Transportation and warehousing, and utilities	3.7%
Information	1.4%
Finance and insurance, and real estate and rental and leasing	2.8%
Professional, scientific, and management, and administrative and waste management services	7.4%
Educational services, and health care and social assistance	28.1%
Arts, entertainment, and recreation, and accommodation and food services	9.2%
Other services, except public administration	5.6%
Public administration	16.9%

Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates).

DOUGLAS TOP EMPLOYERS

U.S. Department of Homeland Security

Arizona State Prison Complex-Douglas

Douglas Unified School District

Advanced Call Center Technologies

City of Douglas

Cochise College

Chiricahua Community Health Center, Inc.

Cochise Private Industry Council

Cochise County

Copper Queen Community Hospital

Walmart

DOUGLAS AREA EMPLOYER BUSINESS ESTABLISHMENTS (2015)

INDUSTRY	TOTAL	Number of establishments by employment-size class							
		1-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999
Agriculture, Forestry, Fishing and Hunting	2	0	1	0	0	0	1	0	0
Utilities	2	0	0	1	1	0	0	0	0
Construction	6	4	1	1	0	0	0	0	0
Manufacturing	3	2	0	0	1	0	0	0	0
Wholesale Trade	7	4	2	0	1	0	0	0	0
Retail Trade	65	30	17	12	4	1	0	1	0
Transportation and Warehousing	15	6	2	5	2	0	0	0	0
Information	5	4	1	0	0	0	0	0	0
Finance and Insurance	11	7	2	2	0	0	0	0	0
Real Estate and Rental and Leasing	13	11	2	0	0	0	0	0	0
Professional, Scientific, and Technical Services	6	4	1	1	0	0	0	0	0
Management of Companies and Enterprises	3	1	1	0	1	0	0	0	0
Admin, Support, Waste Mgmt, Remediation Services	3	1	1	0	0	0	0	0	1
Educational Services	5	2	0	2	0	1	0	0	0
Health Care and Social Assistance	18	2	5	6	3	2	0	0	0
Arts, Entertainment, and Recreation	2	2	0	0	0	0	0	0	0
Accommodation and Food Services	34	14	5	5	9	0	1	0	0
Other Services (except Public Administration)	20	14	5	1	0	0	0	0	0
Industries Not Classified	1	1	0	0	0	0	0	0	0
Total for all sectors	221	109	46	36	22	4	2	1	1

Note: Includes ZIP codes 85607 and 85608; does not include government sector.

Source: U.S. Census Bureau and Cochise College Center for Economic Research



DOUGLAS AREA EMPLOYERS, EMPLOYEES, AND PAYROLL

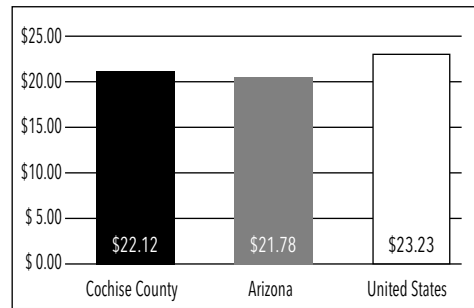
	2011	2012	2013	2014	2015
Employer Business Establishments	224	230	231	220	212
Number of Employees*	2,665	2,562	3,072	3,088	2,954
Annual Payroll (\$1,000)	60,295	58,566	78,732	81,635	78,147

*Paid employees for pay period including March 12.

Note. Includes only businesses located in zip code 85607. Does not include government sector.

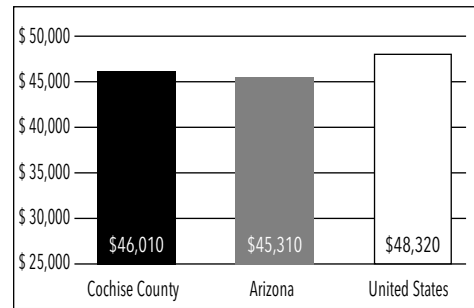
Source: U.S. Census Bureau.

AVERAGE HOURLY WAGE (2015)



Source: U.S. Bureau of Labor Statistics, Arizona Office of Economic Opportunity, and Cochise College Center for Economic Research.

AVERAGE ANNUAL WAGE (2015)



Source: U.S. Bureau of Labor Statistics, Arizona Office of Economic Opportunity, and Cochise College Center for Economic Research.

NONFARM PAYROLL EMPLOYMENT (COCHISE COUNTY)

	2016	2015	CHANGE	CHANGE %
Total Nonfarm	34,200	34,500	-300	-0.9
Total Private	22,700	22,900	-200	-0.9
Goods Producing	1,900	1,800	100	5.6
Construction and Mining	1,300	1,300	0	0.0
Manufacturing	600	600	0	0.0
Service-Providing	32,300	32,700	-400	-1.2
Private Service-Providing	20,800	21,000	-200	-1.0
Trade, Transportation, and Utilities	6,000	6,000	0	0.0
Information	400	500	-100	-20.0
Financial Activities	1,000	1,000	0	0.0
Professional and Business Services	3,800	4,000	-200	-5.0
Educational and Health Services	5,000	4,800	200	4.2
Leisure and Hospitality	3,600	3,800	-200	-5.3
Other Services	900	900	0	0.0
Government	11,500	11,600	-100	-0.9
Federal Government	5,000	5,100	-100	-2.0
State and Local Government	6,500	6,500	0	0.0

Note: Numbers are rounded to the nearest 100; discrepancies are due to rounding.

Source: Arizona Office of Economic Opportunity and Cochise College Center for Economic Research.



Commerce

Although the population of Douglas is just under 17,000, the city's retail market serves an estimated population of approximately 100,000, including Douglas, Pirtleville, and surrounding areas on the U.S. side of the border, and Agua Prieta, Sonora, Mexico south of the border. Douglas also attracts tourists, sightseers, shoppers, and other visitors from across the county, state, region, and nation due to its cultural heritage and easy access to Mexico.

AVERAGE ANNUAL DAILY TRAFFIC COUNT

ROUTE	LOCATION	2012	2013	2014	2015	2030*
SR80	Paul Spur Rd to US 191-West of Douglas	4,596	4,520	4,614	4,618	6,200
SR80	US 191-West of Douglas to Chino Rd	8,873	9,060	9,238	8,980	10,000
SR80	Chino Rd to Pirtleville Rd	6,952	6,740	6,487	6,462	7,700
SR80	Pirtleville Rd to US 191B/G Ave-Douglas	11,039	9,487	8,275	9,020	3,100
SR80	US 191B/G Ave-Douglas to A Ave/Leslie Canyon/Fairgrounds Rd	2,489	2,302	8,914	8,500	2,800
SR80	A Ave/Leslie Canyon/Fairgrounds Rd to Washington Ave-East of Douglas	2,668	2,031	1,687	1,619	2,400
SR80	Washington Ave-East of Douglas to New Mexico State Line	466	383	502	550	450
US191B	International Border and POE- Douglas to 5th St	11,495	6,862	8,149	8,882	14,000
US191B	5th St to 8th St	15,127	13,363	13,476	14,689	18,500
US191B	8th St to 10th St	15,951	14,298	13,445	14,655	17,500
US191B	10th St to SR 80	9,437	9,794	9,462	10,314	12,000

Note: Figures represent the average number of vehicles traveling each day in both directions.
Source: Arizona Department of Transportation.

*PROJECTED

Outlook

Growth trends toward the end of 2016 suggest continued instability in retail, hotel/motel, and restaurant/bar sales in Douglas. Monthly retail sales in the city alternated between positive and negative growth in year-over-year comparisons from 2013 through 2015 with sales down in all 12 months of 2016. The city's restaurant and bar sales, along with hotel/motel receipts, were down in 7 of 12 months ended in December 2016. Sales across industries, particularly retail and restaurant and bar, are influenced by exchange rates between

the Mexican peso and U.S. dollar; in recent years, a strong dollar has put downward pressure on cross-border spending in Douglas by visitors from Mexico. As of early 2017, there was little sign of a turnaround in commerce in the city. In the longer term, economic development efforts by the city and community partners can be expected to improve conditions (along with external influences including a potential increase in border security spending, as well as defense spending impacting nearby Fort Huachuca).

RETAIL SALES

YEAR	COCHISE COUNTY (\$)	CHANGE (%)	INFLATION ADJUSTED GROWTH (%)	DOUGLAS (\$)	CHANGE (%)	INFLATION ADJUSTED GROWTH (%)
2012	786,600,901	6.5	4.5	138,364,969	•	•
2013	810,061,630	3.0	1.5	140,492,502	1.5	0.1
2014	815,460,657	0.7	-1.0	140,706,444	0.2	-1.5
2015	836,291,935	2.6	2.4	140,863,188	0.1	0.0
2016	807,386,078	-3.5	-4.7	125,592,974	-6.9	-8.2

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U). Data shown are estimates. City-level sales for 2016 estimated using different methodology than prior years; change/growth levels for 2016 are based on same model applied to 2015 data.

Source: Arizona Department of Revenue, City of Douglas, and Cochise College Center for Economic Research.

RESTAURANT & BAR SALES

YEAR	COCHISE COUNTY (\$)	CHANGE (%)	INFLATION ADJUSTED GROWTH (%)	DOUGLAS (\$)	CHANGE (%)	INFLATION ADJUSTED GROWTH (%)
2012	131,290,836	-2.3	-4.4	15,286,312	5.3	3.2
2013	132,527,859	0.9	-0.5	15,702,798	2.7	1.3
2014	136,479,639	3.0	1.4	14,737,475	-6.1	-7.8
2015	142,027,235	4.1	3.9	14,594,001	-1.0	-1.1
2016	147,076,559	3.6	2.3	14,059,919	-3.7	-4.9

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U). Data shown are estimates.

Source: Arizona Department of Revenue, City of Douglas, and Cochise College Center for Economic Research.

HOTEL/MOTEL RECEIPTS

YEAR	COCHISE COUNTY (\$)	CHANGE (%)	INFLATION ADJUSTED GROWTH (%)	DOUGLAS (\$)	CHANGE (%)	INFLATION ADJUSTED GROWTH (%)
2012	34,680,677	-15.1	-17.2	2,670,099	-31.4	-33.4
2013	30,956,346	-10.7	-12.2	2,359,452	-11.6	-13.1
2014	31,277,373	1.0	-0.6	2,627,718	11.4	9.7
2015	33,885,154	8.3	8.2	2,871,582	9.3	9.2
2016	34,265,272	1.1	-0.1	2,778,541	-3.2	-4.5

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI-U). Data shown are estimates.

Source: Arizona Department of Revenue, City of Douglas, and Cochise College Center for Economic Research.

COCHISE COUNTY GROSS DOMESTIC PRODUCT (GDP)

YEAR	REAL GDP*	GROWTH (%)
2011	4,080	-0.8
2012	3,863	-5.3
2013	3,667	-5.1
2014	3,520	-4.0
2015	3,461	-1.7

*Millions of chained 2009 dollars.

Source: U.S. Bureau of Economic Analysis.

DOUGLAS AREA EMPLOYER BUSINESS ESTABLISHMENTS

INDUSTRY	2011	2012	2013	2014	2015
Accommodation & food services	33	33	37	31	34
Admin, support, waste mgt, remediation services	6	4	5	5	3
Agriculture, forestry, fishing & hunting	1	1	1	2	2
Arts, entertainment & recreation	1	1	2	2	2
Construction	9	9	7	6	6
Educational services	3	3	4	4	5
Finance & insurance	10	13	14	12	11
Health care & social assistance	25	23	22	20	18
Industries not classified	0	0	0	0	1
Information	5	6	6	6	5
Management of companies & enterprises	1	1	2	3	3
Manufacturing	6	4	3	3	3
Other services (except public administration)	22	21	22	20	20
Professional, scientific & technical services	6	8	6	6	6
Real estate & rental & leasing	14	15	14	13	13
Retail trade	66	71	68	71	65
Transportation & warehousing	15	15	17	15	15
Utilities	2	2	2	2	2
Wholesale trade	11	10	8	8	7
TOTAL	236	240	240	229	221

Note: Data for zip codes 85607 and 85608; includes only private-sector employer business establishments.

Source: U.S. Census Bureau and Cochise College Center for Economic Research



Real Estate

Outlook

Foreclosed homes offered at lower prices will continue to dampen demand for new home construction through 2017 and beyond. While Douglas saw a surge in new home permits in 2016, existing, lower-priced foreclosed homes will present a challenge maintaining that level into 2017 and 2018. Foreclosure sales will place continued upward pressure on sales volume for existing homes, but downward pressure on prices (although there has been some easing there). Although foreclosures as a share of total home sales declined in 2016, they remain stubbornly high from an historical perspective.

Along with the surge in new residential construction, Douglas also saw strong commercial construction in 2016 and into the first quarter of 2017 with the completion of the new Douglas Emergency Department along with a new CVS pharmacy and Circle K gas station and store. Underway in 2017 is remodeling of the former Douglas Unified School District's Early Learning Center building into the new Chiricahua Community Health

NEW HOME PERMITS (SINGLE FAMILY RESIDENTIAL)

	COCHISE COUNTY	DOUGLAS
2012	278	8
2013	162	3
2014	179	4
2015	136	6
2016	139	46

Source: U.S. Census Bureau, City of Douglas,
and Cochise College Center for Economic Research

Centers' Early Childhood Center of Excellence, serving children with special physical, mental, and medical needs. With no new further large-scale commercial development in the pipeline, the city is likely to see a decline in commercial construction for the second half of 2017 and into 2018. Some of that should be offset by planned infrastructure improvements by the city, including \$20 million in storm water, sewage, and street projects out to 2020. Less certain, though actively pursued by the city and community partners, is the potential expansion of the Douglas Port of Entry along with efforts to increase the flow of commercial traffic through the port. If successful, an expansion could create considerable transportation and warehousing opportunities in the Douglas area.

At the county level, the most significant opportunity for the long-term development of Cochise County is the planned 28,000-home Villages at Vigneto retirement community in Benson (approximately 72 miles northwest of Douglas). The development, if successful in achieving and maintaining a 2,000-residential-unit annual absorption rate from 2020 to 2031 as anticipated by developer El Dorado Holdings, will transform the economy of Cochise County spurring unprecedented growth. Even if developers fall far short of their target, the project is likely to give a significant boost to construction in the region in coming years.

HOME SALES (COCHISE COUNTY)

YEAR	VOLUME	CHANGE IN VOLUME (%)	MEDIAN PRICE	MEDIAN PRICE CHANGE (%)	AVERAGE SALE/ASKING PRICE (%)	AVERAGE PRICE SQ FT	AVERAGE PRICE SQ FT CHANGE (%)	AVERAGE DAYS ON MARKET	FORECLOSURES (% OF SALES)
2012	1,286	6.9	129,450	-8.9	93.3	77.86	-6.2	163	29.1
2013	1,428	11.0	120,800	-6.7	94.2	75.01	-3.7	156	29.3
2014	1,409	-1.3	118,000	-2.3	94.6	72.63	-3.2	151	25.5
2015	1,566	11.1	123,500	4.7	94.7	75.44	3.9	152	19.2
2016	1,726	10.2	\$125,000	1.2	95.6	77.93	3.3	141	16.7

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service.

Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research

HOME SALES (DOUGLAS)

YEAR	VOLUME	CHANGE IN VOLUME (%)	MEDIAN PRICE	MEDIAN PRICE CHANGE (%)	AVERAGE SALE/ASKING PRICE (%)	AVERAGE PRICE SQ FT	AVERAGE PRICE SQ FT CHANGE (%)	AVERAGE DAYS ON MARKET	FORECLOSURES (% OF SALES)
2012	81	-8.0	64,900	-13.5	93.3	48.97	-2.0	130	44.4
2013	104	28.4	77,300	19.1	93.7	49.89	1.9	179	38.5
2014	86	-17.3	90,000	16.4	93.6	53.40	7.0	174	18.6
2015	96	11.6	84,500	-6.1	92.2	53.22	-0.3	162	31.3
2016	111	15.6	87,000	3.0	93.9	54.25	1.9	125	24.3

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service.

Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research



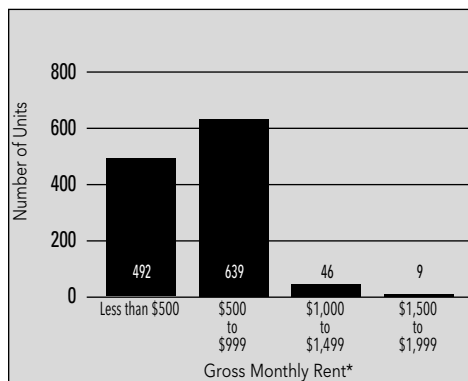
DOUGLAS HOUSING STATISTICS

Total Housing Units	4,141
Occupied Housing Units (%).....	79.3
Owner-occupied (%).....	61.2
Renter-occupied (%).....	38.8
Vacant Housing Units (%)	20.7
Homeowner Vacancy Rate (%)	3.3
Rental Vacancy Rate (%).....	11.5
Median Home Value (2015 dollars).....	86,300
Median Monthly Owner Cost (2015 dollars) *	824
Homeowners Paying 30% or More of Income for Housing (%) *	28.7
Median Monthly Gross Rent (2015 dollars)	564
Renters Paying 30% or More of Income for Housing (%).....	62.8

*Includes only homes with a mortgage.

Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates).

DOUGLAS RENTAL UNITS



*Gross rent includes contract rent plus utilities.

Note: Includes occupied rental units only; figures expressed in 2015 dollars.

Source: U.S. Census Bureau (2011-2015 American Community Survey 5-Year Estimates) and Cochise College Center for Economic Research.



Banking & Financial Services

Douglas is served by two banks: Wells Fargo (www.WellsFargo.com) and Washington Federal (www.WashingtonFederal.com), which acquired Bank of America's former Douglas branch in 2014. The area is also served by American Southwest Credit Union (www.ASCU.org), Southeastern Arizona Federal Credit Union (www.SEAFCU.com), and several financial services firms.

BANK DEPOSITS

YEAR	DOUGLAS		COCHISE COUNTY	
	AMOUNT (\$000)	CHANGE (%)	AMOUNT (\$000)	CHANGE (%)
2012	144,239	-8.3	1,082,302	4.7
2013	147,776	2.5	1,118,042	3.3
2014	120,522	-18.4	1,148,049	2.7
2015	74,199	-38.4	1,133,687	-1.3
2016	82,648	11.4	1,198,482	5.7

Note: Data reflect total deposits as of June 30 each year.

Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

CREDIT UNION DEPOSITS (COCHISE COUNTY)

YEAR	AMOUNT (\$000)	CHANGE (%)
2012	184,206	6.0
2013	193,193	4.9
2014	204,618	5.9
2015	213,285	4.2
2016	224,263	5.1

Note: Includes only credit unions whose main office is located in Cochise County; includes only deposits to Cochise County branches. Data reflect total deposits as of June 30 each year.

Source: National Credit Union Administration, American Southwest Credit Union, and Cochise College Center for Economic Research.

BANKRUPTCY FILINGS (PER 1,000 RESIDENTS)

YEAR	COCHISE COUNTY	ARIZONA	UNITED STATES
2012	1.79	4.39	3.89
2013	1.81	3.55	3.39
2014	1.70	2.98	2.94
2015	1.56	2.54	2.63
2016	1.51	2.27	2.46

Note: Includes all chapters.

Source: U.S. Bankruptcy Court, U.S. Census Bureau, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.



Mexico

REPRESENTATIVE EXCHANGE RATES: MEXICAN PESO TO U.S. DOLLAR

2015	January.....14.9885	2016	January.....18.1935	2017	January.....20.7908
	February.....14.9553		February.....18.1020		February.....19.9957
	March.....15.2647		March.....17.7691		March.....18.7955
	April.....15.2225		April.....17.1767		
	May.....15.3815		May.....18.4118		
	June.....15.6854		June.....18.4646		
	July.....16.0772		July.....18.7837		
	August.....16.7829		August.....18.8611		
	September.....16.9053		September.....19.3776		
	October.....16.5244		October.....18.8887		
	November.....16.5856		November.....20.5155		
	December.....17.2487		December.....20.6640		

Note: As of the last business day of each month; rates vary daily.
Source: International Monetary Fund.

Agua Prieta, Sonora

The City of Douglas shares an international border with Agua Prieta, Sonora, Mexico. As of 2010, Agua Prieta's population was just under 80,000 (according to Mexico's Instituto Nacional de Estadística y Geografía). Douglas is the second largest commercial port in Arizona measured by total value of imports and exports. Douglas Port of Entry is open 24 hours a day, 7 days a week to vehicle and pedestrian traffic. The port uses the Secure Electronic Network for Travelers Rapid Inspection (SENTRI) program to allow expedited entry into United States for preapproved, low-risk travelers. The SENTRI lane reduces wait times through streamlined customs and immigration processing.

INTERNATIONAL TRADE WITH MEXICO (DOUGLAS PORT)

YEAR	TOTAL (\$)	EXPORTS (\$)	IMPORTS (\$)
2012	2,328,182,718	1,228,944,450	1,099,238,268
2013	2,377,359,817	1,379,382,857	997,976,960
2014	2,256,787,626	1,239,621,435	1,017,166,191
2015	2,116,734,216	1,013,887,548	1,102,846,668
2016	1,879,732,505	832,642,196	1,047,090,309

Source: U.S. Department of Transportation and Cochise College Center for Economic Research.

US-MEXICO BORDER CROSSINGS (DOUGLAS PORT)

	TRUCKS	LOADED TRUCK CONTAINERS	EMPTY TRUCK CONTAINERS	BUSES	BUS PASSENGERS	PERSONAL VEHICLES	PERSONAL VEHICLE PASSENGERS	PEDESTRIANS
2012	31,636	17,419	11,836	2,065	19,670	1,405,122	2,610,492	1,198,838
2013	32,497	17,231	12,963	2,076	14,544	1,470,933	2,703,712	1,804,110
2014	33,104	17,701	13,032	2,267	13,442	1,571,929	2,821,853	1,011,664
2015	32,104	17,478	12,652	2,818	19,282	1,591,184	2,850,942	1,069,031
2016	30,815	17,366	12,904	2,787	30,029	1,614,882	2,908,282	851,997

Note: Includes only those crossing from Mexico into the United States.

Source: U.S. Department of Transportation.

There are more than 20 maquiladoras (twin factories with facilities on both sides of the border) in Agua Prieta and Douglas, with Agua Prieta serving as the manufacturing center and Douglas the warehouse distribution center. Major industrial employers in Agua Prieta include Levolor Kirsh, Commercial Vehicle Group, Takata, Velcro USA, Standex International, and Alstyle Apparel & Activewear.

A traveler survey conducted in 2016 by Lee Engineering, funded by Sierra Vista Metropolitan Planning Organization, concluded that 70 percent of visitors in the summer and 50 percent during fall, entering

the United States through the Douglas Port of Entry, did so for the purpose of shopping. The researchers concluded the seasonal variation was due to an increase in school and work trips during fall. The study also concluded more than 75 percent of cross border visitors spent less than five hours in the United States and visitors expected to spend \$146 per trip during summer and \$95 during fall. Most drivers crossing through the Douglas Port of Entry indicated that their final destination was Douglas (nearly 75 percent during summer and more than 90 percent during fall).

INTERNATIONAL TRADE WITH MEXICO (NACO PORT)

YEAR	TOTAL (\$)	EXPORTS (\$)	IMPORTS (\$)
2012	137,458,811	116,186,861	21,271,950
2013	144,601,341	119,145,333	25,456,008
2014	119,392,843	101,067,643	18,325,200
2015	115,838,459	105,436,790	10,401,669
2016	106,845,123	98,694,550	8,150,573

Source: U.S. Department of Transportation and Cochise College Center for Economic Research.

US-MEXICO BORDER CROSSINGS (NACO PORT)

	TRUCKS	LOADED TRUCK CONTAINERS	EMPTY TRUCK CONTAINERS	BUSES	BUS PASSENGERS	PERSONAL VEHICLES	PERSONAL VEHICLE PASSENGERS	PEDESTRIANS
2012	3,728	1,622	2,542	21	547	270,416	493,205	72,896
2013	3,947	1,882	2,397	17	554	284,677	509,178	81,146
2014	3,601	3,496	3,112	12	451	298,368	525,988	79,325
2015	2,988	3,041	1,952	3	140	297,174	514,875	75,267
2016	3,287	1,625	1,878	5	156	302,391	510,291	76,834

Note: Includes only those crossing from Mexico into the United States.

Source: U.S. Department of Transportation.

Naco, Sonora

The town of Naco, Sonora, Mexico shares an international border with Naco, Arizona, an unincorporated area of Cochise County that borders Bisbee. The population of Naco, Sonora as of 2010 was approximately 6,400 (according to Mexico's Instituto Nacional de Estadística y Geografía). The population of Naco, Arizona as of

Census 2010 was 1,046. Naco is the fourth largest commercial port in Arizona measured by total volume of trade (imports and exports). Naco Port of Entry is open 24 hours a day, 7 days a week, to vehicle and pedestrian traffic.

Douglas is the second largest commercial port in Arizona measured by total value of imports and exports



Photo: City of Sierra Vista

Fort Huachuca

Fort Huachuca, Cochise County's largest employer, is an active U.S. Army installation located in Sierra Vista (approximately 55 miles northwest of Douglas). The fort provides critical resources, infrastructure, and services to more than 50 unique tenant units and missions with national-level requirements, including three of the fastest-growing missions in the Army and Department of Defense: military intelligence, cybersecurity, and unmanned aircraft systems. The main and auxiliary installation properties cover more than 100,000 acres and the fort manages 964 square miles of restricted air space and 2,500 square miles of electronic ranges outside installation boundaries. The fort maintains, operates, or oversees more than 8.2 million square feet of operational facilities, 1,064 family housing units, three remote airstrips, and three accommodation schools. Libby Army Airfield with its 12,001-foot concrete runway is one of the Army's busiest continental U.S. airfields.

As of September 2016, approximately 2,300 active duty military personnel were assigned to Fort Huachuca. There are also approximately 2,600 military trainees (students) temporarily assigned to the fort for training on any given day with more than 8,000 trained on site each year. Fort Huachuca directly employs approximately 3,000 civilian workers with an additional 400 civilians employed by other agencies operating on the installation, including Department of Homeland Security, Fort Huachuca Accommodation Schools, Army & Air Force Exchange Service, and others. The fort also contracts with numerous area firms including General Dynamics, Northrup Grumman, ManTech International, Raytheon, TASC, Booz Allen Hamilton, and others employing more than 3,300 workers. The resident population of Fort Huachuca (those residing on post) was 5,679 as of January 2017, which includes 1,007 military personnel and 2,546 family members residing in on-post family housing, as well as 2,126 unmarried or unaccompanied military personnel residing in troop billets (including students assigned temporarily for training). Many military personnel and their families also reside off-post in Sierra Vista and surrounding communities.



Photo: City of Sierra Vista

For more information, visit www.Army.Mil/Huachuca.



Agriculture

Agriculture is a significant part of the Cochise County economy. Top crop items are forage land, corn for grain, pecans, dry edible beans, and cotton. Top livestock are cattle and calves, layers, sheep and lambs, bee colonies, and horses and ponies. Cochise County offers numerous agritourism opportunities including farmers markets throughout the county, U-PICK farms in the Sulphur Springs Valley area, and wineries and winetasting events.

For more information, visit www.ExploreCochise.com.

Cochise County Wineries

Wine production, sales, and tasting rooms have been a growing industry in Cochise County in recent years. According to Arizona Wine Growers Association (www.ArizonaWine.org), the Willcox area of Cochise County produces the largest quantity of grapes in Arizona. Vineyards are located in Willcox, Benson, Pearce, Cochise, and surrounding areas. Aridus Wine Company operates a custom crush facility in Willcox, which processes, ferments, and barrel-stores grapes from various vineyards. The Willcox Wine Trail has several vineyards supporting wine tours in the foothills of the Chiricahua Mountains. Tasting rooms are located in Sierra Vista, Bisbee, Willcox, and Tombstone.

For more information, visit www.ExploreCochise.com.

Cochise County Fair

The Cochise County Fair is held each September at Cochise County Fairgrounds (just north of Douglas) offering agricultural, commercial, educational, and entertainment activities including a live rodeo. Exhibits include livestock, buildings, dogs, small stock, and horses. The carnival at the fair offers rides, attractions, games, and food booths.

For more information, visit www.CochiseCountyFair.org.

COCHISE COUNTY AGRICULTURE

		2012	2007	CHANGE	% CHANGE
Farms	Number	1,093	1,065	28	2.6%
	Land (acres)	916,672	824,226	92,446	11.2%
	Average farm size (acres)	839	774	65	8.4%
Estimated market value of land and buildings	Average per farm (dollars)	1,175,308	1,475,858	-300,550	-20.4%
	Average per acre (dollars)	1,401	1,907	-506	-26.5%
Estimated market value: machinery and equipment	Average per farm (dollars)	81,234	77,792	3,442	4.4%
Farms by size	1 to 9 acres	182	122	60	49.2%
	10 to 49 acres	297	252	45	17.9%
	50 to 179 acres	232	285	-53	-18.6%
	180 to 499 acres	137	149	-12	-8.1%
	500 to 999 acres	56	76	-20	-26.3%
	1,000 acres or more	189	181	8	4.4%
Total cropland	Farms	496	496	0	0.0%
	Acres	123,311	141,156	-17,845	-12.6%
Irrigated land	Farms	374	368	6	1.6%
	Acres	65,483	67,598	-2,115	-3.1%
Market value of agricultural products sold	Total (\$1,000)	149,998	117,130	32,868	28.1%
	Average per farm (dollars)	137,235	109,981	27,254	24.8%
Farms by value of sales	Less than \$2,500	420	490	-70	-14.3%
	\$2,500 to \$4,999	159	119	40	33.6%
	\$5,000 to \$9,999	103	91	12	13.2%
	\$10,000 to \$24,999	133	120	13	10.8%
	\$25,000 to \$49,999	85	87	-2	-2.3%
	\$50,000 to \$99,999	48	50	-2	-4.0%
	\$100,000 or more	145	108	37	34.3%
Hired farm labor	Workers	1,375	1,382	-7	-0.5%
	Payroll (\$1,000)	16,195	10,359	5,836	56.3%

Source: U.S. Department of Agriculture and the Cochise College Center for Economic Research.



Tourism

Tourism is an important component of the Douglas and Cochise County economy. As an export-oriented industry it brings dollars to the local area from other regions, generating local jobs, income, and tax revenue.

COCHISE COUNTY STATE PARK VISITATIONS

YEAR	KARTCHNER CAVERNS STATE PARK		TOMBSTONE COURTHOUSE STATE HISTORIC PARK	
	VISITATIONS	CHANGE %	VISITATIONS	CHANGE %
2012	137,734	18.0	45,207	-1.8
2013	137,268	-0.3	45,790	1.3
2014	153,053	11.5	42,549	-7.1
2015	157,007	2.6	48,224	13.3
2016	160,461	2.2	49,023	1.7

Source: Arizona Office of Tourism and Cochise College Center for Economic Research.

COCHISE COUNTY NATIONAL PARK VISITATIONS

YEAR	CHIRICAHUA NATIONAL MONUMENT		CORONADO NATIONAL MEMORIAL		FORT BOWIE NATIONAL HISTORIC SITE	
	VISITATIONS	CHANGE %	VISITATIONS	CHANGE %	VISITATIONS	CHANGE %
2012	41,159	11.2	97,579	-36.2	7,966	-5.5
2013	40,646	-1.2	92,936	-4.8	8,082	1.5
2014	45,125	11.0	118,838	27.9	6,964	-13.8
2015	56,960	26.2	132,584	11.6	7,760	11.4
2016	51,227	-10.0	136,075	2.6	8,013	3.3

Source: Arizona Office of Tourism and Cochise College Center for Economic Research.

Area Attractions

- Cima Park Fire Guard Station
- Double Adobe Site
- Douglas Historic District
- Douglas Municipal Airport
- Douglas-Williams House
- Douglas Border Air Museum
- Douglas Residential Historic District
- Douglas Sonoran Historic District
- El Paso and Southwestern Railroad Passenger Depot—Douglas
- El Paso and Southwestern Railroad YMCA
- Gadsden Hotel
- Grand Theatre
- Rustler Park Fire Guard Station
- U.S. Post Office and Customs House—Douglas Main
- American Museum of Natural History’s Southwestern Research Station
- Amerind Foundation and Museum
- Arizona Folklore Preserve
- Arizona’s Sky Islands
- Arizona Trail
- Brown Canyon
- Butterfield Trail
- Chiricahua National Monument and Chiricahua Mountains
- Cities of Tombstone and Bisbee
- Cities of Naco, Agua Prieta, and historic Arizpe in Sonora, Mexico
- Cochise Stronghold
- Coronado National Monument and Coronado National Forest
- Dragoon Springs Butterfield Mail Station
- Fort Bowie National Historic Site
- Fort Huachuca (National Historic Landmark District)
- Fort Huachuca Historical Museum and Army Intelligence Museum
- Gammons Gulch Ghost Town Movie Set
- Geronimo Surrender Site
- Ghost towns of Charleston, Gleeson, Fairbank, and Dos Cabezas
- Holy Trinity Monastery
- John Slaughter Ranch
- Kartchner Caverns State Park
- Lehner Mammoth Kill Site and Murray Springs Clovis Site
- More than 24 Arizona wineries
- Numerous public and private observatories
- Our Lady of the Sierras Shrine
- Ramsey Canyon Preserve
- Rucker Canyon Archaeological District
- San Bernardino Wildlife Refuge
- San Pedro House
- San Pedro Riparian National Conservation Area
- Spooner’s Arboretum
- Texas Canyon
- Whitewater Draw Wildlife Area

For more information, visit www.VisitDouglas.com and www.ExploreCochise.com





Community Resources

CITY OF DOUGLAS

www.DouglasAz.org

DOUGLAS VISITOR CENTER

www.VisitDouglas.com

GREATER DOUGLAS CHAMBER OF COMMERCE

www.GreaterDouglasChamber.com

DOUGLAS HISPANIC CHAMBER OF COMMERCE

www.TucsonHispanicChamber.org

COCHISE COLLEGE CENTER FOR ECONOMIC RESEARCH

www.CochiseEconomy.com

COCHISE COLLEGE SMALL BUSINESS DEVELOPMENT CENTER

www.Cochise.edu/SBDC

COCHISE COUNTY

www.Cochise.Az.gov

COCHISE COUNTY ECONOMIC DEVELOPMENT

www.CochiseNow.com

SOUTHEAST ARIZONA GOVERNMENTS ORGANIZATION

www.SEAGO.org

ARIZONA@WORK-SOUTHEASTERN ARIZONA

www.ArizonaAtWork.com/SoutheasternAZ

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

www.AzDES.gov

ARIZONA COMMERCE AUTHORITY

www.AzCommerce.com

U.S. CUSTOMS AND BORDER PROTECTION AGENCY

www.CBP.gov

WASHINGTON FEDERAL

www.WashingtonFederal.com

WELLS FARGO BANK

www.WellsFargo.com

AMERICAN SOUTHWEST CREDIT UNION

www.ASCU.org

SOUTHEASTERN ARIZONA FEDERAL CREDIT UNION

www.SEAFCU.com

ARIZONA PUBLIC SERVICE (APS)

www.APS.com

CENTURYLINK

www.CenturyLink.com

COX COMMUNICATIONS

www.Cox.com/Arizona

SOUTHWEST GAS

www.SWGAS.com



About the Center for Economic Research

Cochise College Center for Economic Research (CER), founded in 1995, provides economic information, analysis, and forecasting to help leaders in the public, private, and nonprofit sectors make better-informed decisions. CER hosts economic outlook events each year in Sierra Vista, Douglas, Bisbee, and Benson, and publishes the annual *Sierra Vista Economic Outlook*, *Douglas Economic Outlook*, *Bisbee Economic Outlook*, and *Benson Economic Outlook* (released in conjunction with the events). CER is a member of Association for University Business and Economic Research (AUBER) and is a U.S. Census Bureau State Data Center affiliate receiving and disseminating Census Bureau data to local governments and nongovernmental data users at no charge or on a cost-recovery/reimbursable basis.

For more information, visit www.CochiseEconomy.com.

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