

City of Hobbs
HOBBS INDUSTRIAL AIR PARK
MASTER PLAN
HOBBS, NEW MEXICO



December, 2002

**HOBBS INDUSTRIAL AIR PARK MASTER PLAN
HOBBS, NEW MEXICO**

This Master Plan has been prepared for the City of Hobbs and its citizens, in conjunction with the Hobbs Industrial Air Park Board and the Economic Development Corporation of Lea County. The Preparation of this document would not have been possible without the participation of its residents and other organizations. The Larkin Group and Consensus Planning, Inc. extend a special thank you to the following for their assistance:

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I. EXECUTIVE SUMMARY

PURPOSE

The Hobbs Industrial Air Park Master Plan contains information, data, and recommendations designed to establish the guidelines that will help facilitate the development of the Park in a manner that brings about the highest and best use of the property. Interest in master planning the Park has been spurred by the desire for economic diversification in the area. The Permian Basin's economy has been largely dependant on the oil and gas industry, with the Hobbs and Lea County area being major players. While the oil and gas industry remains strong and employ many people in the Hobbs area, a desire for economic diversification has emerged in order to offset periods of decline in the extraction industries. The Hobbs Industrial Air Park (HIAP) represents a major asset in this effort given its network of internal streets, land area, and open runways left over from the Park's days as an Army Airbase in the 1940s. HIAP's relation to Hobbs follows on the next page.

Business and government leaders have recognized the potential of HIAP and have been proactive in marketing the Park to potential users. A number of businesses have already located in a portion of the park and others have expressed an interest in doing the same. At the same time, HIAP is home to important recreational leases and uses that contribute to the overall quality of life for City residents and also attract tourists. The recreational component of HIAP will not go away as the result of the Park's primary development as an industrial park, however, the Park's use as an industrial and business park remains paramount and a top priority. To ensure that the City realizes the greatest economic potential of HIAP without compromising the recreational areas, the City of Hobbs commissioned this study to master plan the Park. The purpose of this study is multi-faceted and includes:



HIAP Roadway

- Provide an update to the original Hobbs Industrial Air Park Master Plan. The original document was prepared in 1974 and contained useful development scenarios for the Park. This document seeks to provide an update of that Plan given today's market conditions for industrial and office properties;
- Recommendations for the development of HIAP in terms of land use, internal circulation, access points, infrastructure, and design for the areas designated for industrial development for HIAP South (EDC Leased Property) and HIAP North (City property);
- Establish flexible lot sizes that will appeal to a number of potential users. The Plan contains a Master Plan graphic that shows a variety of lot sizes that could be combined to form a larger lot or subdivided to form smaller lots;



- Provide an overview of the Hobbs and Lea County area that will help the City to market HIAP to potential users. The Hobbs market area has 1 million people within a 100 mile radius who could provide employment or act as potential customers or clients of HIAP uses;
- Integrate with the Hobbs Industrial Air Park Recreation Study to ensure compatibility between the numerous and important recreational leases and existing and potential industrial/office uses that locate in HIAP. The Recreation Study has been prepared concurrently with this document;
- Identify trends in industrial and business park development that can help to make HIAP more marketable;
- Identify critical infrastructure needs and estimate the costs for planning, development and construction; and
- Recommend a phasing plan, with associated costs in order to allow the City of Hobbs to establish priorities in HIAP's development.

PLANNING ISSUES

Planning Process

The Planning process for the development of the HIAP Master Plan involved a series of meetings with City of Hobbs staff, members of the Economic Development Corporation of Lea County (EDC), and the HIAP Board. These meetings involved discussions focusing on the recreational component and development of three different areas of the Park that will be used for industrial and business development. These three areas include:

- The area located to the north of the Runway Clear Zone;
- The area bounded by Avenue A on the west, McAdams park on the south, the Lovington Highway on the east, and the Runway Clear Zone on the north; and
- The area leased by the EDC (HIAP South I), located south of Ocotillo Golf Course.

From the three development scenarios that were presented, discussions gradually centered on choosing a preferred scenario.

Highlights of the Preferred Concept

The Preferred Concept is described in greater detail in Section IX of this Master Plan document. Highlights of the Preferred Concept include:

- Large lots ranging in size from 13.5 acres to 36.5 acres in the area north of the Runway Clear Zone;
- Lots ranging from 3.0 acres to a 60.8 acre site in the area north of McAdams Park. A small lot option has also been provided for this area with lots ranging from 2.5 acres to 12.8 acres. The 60.8 acre site is the proposed Sparton Leased property;



- Lots ranging from 3.3 acres to 12.1 acres in the EDC leased HIAP South area;
- Internal roadway network with connections off of Avenue A for each lot and the HIAP road;
- Reserve areas for potential expansion of McAdams Park and/or Ocotillo Golf Course;
- Relocation of the Hobbs Gun Club Trap Range;
- Green belt areas; and
- Cost estimates for critical infrastructure needed to spur development of the Park.

INFRASTRUCTURE ANALYSIS

Introduction

Infrastructure is essential to any development. The streets that bring goods services and people to the industrial park, the protection from flooding, and the utilities that support the industries all must be in place when the business opens. The areas proposed for future development at HIAP generally lack these facilities. It is generally accepted that industrial parks are more marketable if all infrastructure is in place.

In the case of HIAP, the infrastructure will be constructed by a combination of public and private effort. The private utility companies will supply gas, electricity, telephone, phone, and perhaps internet connectivity. The streets, water and sewers will be the City's responsibility. The City should start now to plan for extension of these facilities to the new areas of HIAP.

With this in mind an infrastructure improvement plan with cost estimates has been developed for the initial area of HIAP North and for the remaining undeveloped area of HIAP South. This plan will provide the City with the information needed to secure financing to construct the City infrastructure needed for this development.

Private utility companies we have met with indicate a willingness to construct their systems to serve prospective businesses, but only when the businesses have agreed to relocate to HIAP. This is usually satisfactory because these private companies can construct facilities more quickly than a public entity and will be able to meet the time frames of prospective businesses.

History

HIAP was a World War II Army Air Force base that was turned over to the City when the war was over. At the time it was an active base it no doubt had all of the infrastructure needed for such a base. However, over the years with no maintenance the infrastructure has become, for the most part unusable. The exceptions are the streets and utilities that have been used and maintained. These is also a sewer to the Sparton site that has recently been rehabilitated by the City.



The City has established a water supply well field and a reservoir at HIAP. This system provides a significant amount of water for the City's system. It also provides potable water supply to HIAP. However, distribution system for this water has been built only where there is existing development. Any new areas to be developed will have to have water mains constructed to them.

Although the base had a sewer system and a treatment plant, most of this system is no longer active. The treatment plant has been taken out of service and replaced by a pumping station. The remaining sewers are connected to the City sewer system either through this pumping station or by a direct connection across Highway 18 near the HIAP Entrance Road.



Runway Area at HIAP

Streets

The only original base street still in use is Avenue A. Other streets such as Jack Gomez Boulevard and the HIAP Entrance Road have been built to facilitate access into HIAP and to serve businesses now located there. However, the new areas to be developed are generally not served by streets and certainly do not provide sufficient street frontage for the proposed development.

A system of streets to serve the proposed new development areas of HIAP is shown on the Infrastructure Plan in the pocket at the end of this report. The cost to construct streets required to serve the development of HIAP is estimated in the report. It is recommended that these streets be constructed soon if financing is available. Their presence will enhance the marketability of these parcels.

Drainage

Like most of southeast New Mexico HIAP is crossed by several large flood plains. These flood plains have been designated by FEMA, and development in them is limited. These flood plains are caused by the general flow of water from northwest to southeast. Because the land is quite flat and the surface is somewhat porous, flow is very slow, and in most rains the water is held by depressions, infiltrates or evaporates before a substantial flow can develop. However, in very large rains these losses are not sufficient to eliminate the flow and large volumes of water flow slowly across the land. This causes the wide shallow flood plains of the area and of HIAP

We have evaluated several methods of reducing the area of flood plain in the developable areas of HIAP. The recommended method is to construct a diversion channel from the northeast corner of the property to the south west corner of the property. This will convey flows around the development and return them to a part of the drainage ways that they now use. The cost of this construction is estimated and set out in the report.

Area drainage within the developments will be controlled by using shallow swales



and culverts under the roadways. A very shallow system will be required because the existing culverts under Jack Gomez Boulevard, the railroad and Highway 81 are all small and shallow.

As mentioned in the introduction, the City has established a well field and reservoir at HIAP. This provides an adequate amount of potable water for proposed development. Water mains have been constructed to serve the existing development. However, the water main system will have to be extended to serve the proposed development.

The water main system should provide not only for the requirements of the industrial use, but for fire protection flows. Therefore, mains should not be sized smaller than 8 inch diameter and fire hydrants should be placed throughout the development.

Water

As mentioned earlier, the City has developed a well field and reservoir system in the northern part of HIAP as part of the supply for the City's water system. This system makes available chlorinated water at system pressure in the HIAP North area. Improvements required to serve new businesses in the area will consist of water mains in the proposed streets with valves, fire hydrants and appurtenances.

All water mains should be sized to provide fire protection flows for the businesses. The HIAP South area is currently served with City water mains to all existing businesses. These must be extended to new businesses. Again, all mains should be sized to provide fire protection flow for the industries.

Proposed water main extensions for HIAP North and HIAP South are shown on the Infrastructure Plan.

Sanitary Sewer

Sanitary sewers are generally available to the South HIAP area. However, the areas proposed for future development may not have direct access to the sewers. Sewers should be extended to serve all developable properties within this area. A proposed layout for sanitary sewers in this area is shown on the Infrastructure Plan in the Master Plan report.

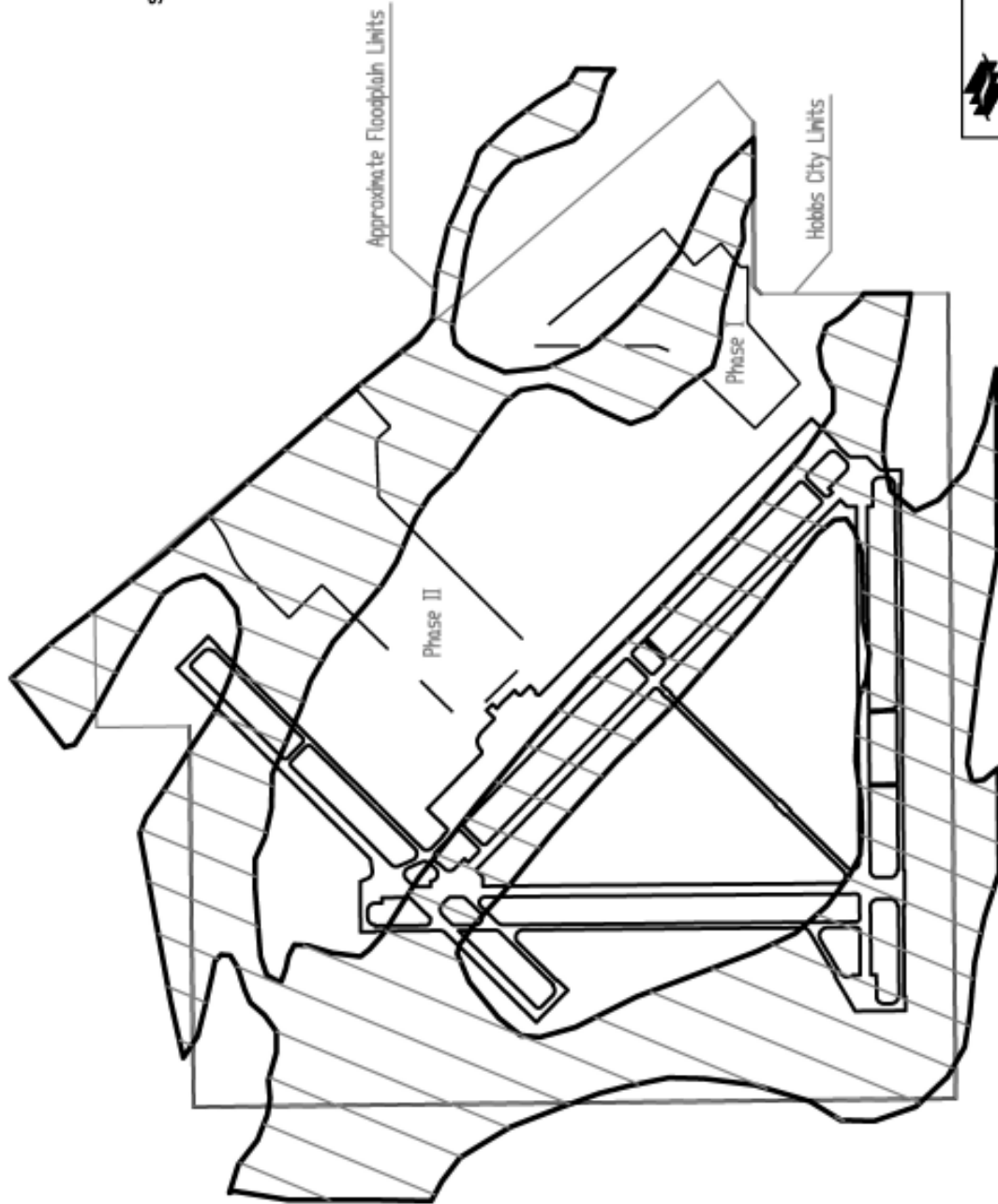
Providing sewer service for North HIAP will be somewhat more costly. The sewer lines in the south part of HIAP are not large enough to provide adequate service to all of HIAP. Therefore, it is recommended that a new 15 inch diameter sewer be constructed from an existing 21 inch diameter sewer on the east side of Highway 18 across from the Junior College. This 15 inch diameter sewer would be constructed along the easterly right-of-way of Highway 18 to a point near the crossing of Highway 18 by the water main. It would then be built across the highway and into North HIAP. This sewer will provide service for a significant amount of development.

However, if development continues filling the northwest part of HIAP it may be necessary to provide an additional connection to the City's sewer system. Because this is dependent on future development and on the amount of sewage discharged by future industries, no attempt is made to estimate when these facilities will be





SCALE: 1"=2500'



HOBBES INDUSTRIAL AIR PARK

needed or even if they will be needed.

Other Utilities

During the progress of this study, we have discussed utility service with representatives of the various private utility companies serving the area to determine if they would be able to provide service to new businesses or industries in these areas. In every case the utilities indicated they would be anxious to acquire new customers in this area and would extend their service at no cost to the city.

Zia Natural Gas currently has a 3-inch main that runs down Jack Gomez Boulevard and serves the prison. They believe they can serve most industries from this main. If an energy intensive industry proposed to move to HIAP that could not be served from this main, it would be a large enough customer that Zia would extend their service to that industry at no cost.

Leaco is the area wireless telephone provider and a major internet service provider. They have a fiber optic cable along NM 18. If new industries were added to the park that required this service they would like to extend a fiber optic loop through the park, extending west to serve the prison, then south to the Junior College and connecting to the main cable near the Junior College. Obviously this would be an advantage in marketing the park, because most businesses today depend on the internet for a major part of their communications.

Corridors have been provided in the plan for the construction of these utilities when their services are needed.

Cost Estimates

The cost of constructing the recommended facilities is developed more completely in the Master Plan Report. However, following is a summary of the City infrastructure costs for the development of North and South HIAP.

HIAP NORTH

Phase I

Sanitary Sewers	\$ 937,800
Water Mains	\$ 107,860
Streets	\$ 537,145
Engineering & Contingencies (15%)	\$ 235,320
Total Phase I	\$1,804,125

Phase II

Sanitary Sewers	\$ 122,600
Water Mains	\$ 94,600
Streets	\$ 466,860
Engineering & Contingencies (15%)	\$ 102,610
Total Phase II	\$ 786,670

Phase III

Drainage Diversion	\$2,506,000
Engineering & Contingencies	\$ 375,900
Total Phase III	\$2,881,900



Phase IV

Sanitary Sewers	\$ 328,450
Water Mains	\$ 230,400
Streets	\$1,048,540
Engineering & Contingencies (15%)	\$ 241,110
Total Phase IV	\$1,848,500

HIAP SOUTH

Phase I

Sanitary Sewers	\$ 124,300
Water Mains	\$ 99,900
Streets	\$ 449,100
Engineering & Contingencies (15%)	\$ 100,995
Total Phase I	\$ 774,295

Phase II

Sanitary Sewers	\$ 74,800
Water Mains	\$ 43,000
Streets	\$ 206,270
Engineering & Contingencies (15%)	\$ 46,610
Total Phase II	\$ 372,680

Conclusions of the Study

- The following conclusions have been reached regarding development of HIAP and helped to form the planning recommendations:
- The primary purpose for master planning HIAP is to use the property as an economic development engine. Lots have been laid out in order to take advantage of access points and existing infrastructure;
- Recreational activities at HIAP remain important and will not be negatively impacted by industrial and business development that occurs at the Park. Recreation, however is secondary to the industrial uses at HIAP;
- Infrastructure associated with the air base activities such as runways and hangars remain and will continue to be kept active. Future users of HIAP could potentially take advantage of the runways, thereby giving HIAP an advantage over other industrial parks in the region and State of New Mexico given its air, rail, and highway access;
- Many of the foundations left over from air base activities remain and present a temporary constraint to immediate development since they would have to be removed prior to development of the site;
- In addition to the recreational and business activities currently located at HIAP, there are other institutional type uses including State Police, Hobbs Fire Department Training, and National Guard activities. Some of the Taxiways and runways are used by the Hobbs Police Department for training purposes; and



- HIAP is home to several “destination” or specialty recreational uses, the majority associated with soaring, hang gliding, or aircraft. These users are so located take advantage of the runways and hangars at HIAP. In addition, the Ocotillo Golf Course and McAdams Park are located within the boundaries of HIAP. Other specialty recreational uses include a Trap Range and Shooting Range leased by the Hobbs Gun Club and the Hobbs Motor Sports Park.

Planning Recommendations

Based upon the analysis of existing conditions, the recommendations of the Recreation Study, input from each of the stakeholders, and engineering analysis, the following planning recommendations have been prepared. The recommendations are meant to help form policy in order for the City to follow through with the development of HIAP.

- Because business parks have been proven to be much easier to sell if they are developed to the point that prospective businesses can envision their finished location, it is recommended that the City proceed as financing allows to develop the infrastructure at HIAP. Because of the high cost of such development, the wisest approach will probably be to develop the park in phases or subphases sufficient in size to provide an adequate number of business sites for a few years at a time;
- This Master Plan identifies an area within HIAP North where development is most likely to occur first (Phase 1). It is recommended that infrastructure be provided for this area. In addition, interest has been expressed in providing infrastructure for the remaining undeveloped portion of HIAP South. An infrastructure plan for these two areas is presented in the Master Plan along with opinions of the probable construction cost of the public portions of these facilities;
- Coordination on cleaning up HIAP by removing the foundations, debris, junk, and weeds that could stand as impediments to fully marketing the Park. Discussions on cleaning up HIAP should begin as soon as possible ;
- Secure and earmark funding for infrastructure improvements and expansion such as roads, water/wastewater system improvements, and drainage improvements, particularly, for those areas where immediate phases of development are located;
- Preparation of a marketing booklet containing the preferred concept as well as community demographics to attract potential users to HIAP;
- Enhance safety features, such as lighting, within the Park;
- Relocation of the Hobbs Gun Club Trap Range to the area with other Gun Club related activities. These activities should be master planned in a manner that meets the needs of the various groups;
- Utilization of existing easements to form green belts and pedestrian ways;
- Maintenance of existing recreational uses with opportunities for expansion;



- The City of Hobbs should adopt design guidelines for HIAP development in order to ensure quality development, compatibility between uses, and protect property values.

These recommendations are described in greater detail in Section IX.



II. INTRODUCTION

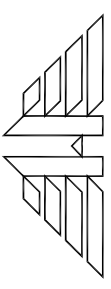
The Hobbs Industrial Airpark (HIAP) represents an important economic asset, not only for the City of Hobbs, but also for Lea County and indeed all of Southeast New Mexico. It's unique position as an area suitable for industrial and business development, combined with specialty recreational uses, and multi-modal access give HIAP many advantages that conventional industrial parks located in other parts of the State of New Mexico do not possess. Owned by the City of Hobbs and leased to a variety of industrial and recreational users, HIAP encompasses 2,800 total acres and is located on the far north side of the City. When viewed in a regional context, HIAP is located in an emerging activity/employment center important not only to the City of Hobbs but also to Lea County, given its proximity to the City of Lovington and highway access to Artesia, NM and Texas. The large employers already located at HIAP provide jobs for many of the County's residents. The recent decision by Sparton Electronics to locate in Hobbs and specifically at HIAP give added meaning to the Park as an economic development asset. Some facts about HIAP include:



HIAP Monument Sign

- HIAP is a former Army Airbase. It is located within the City of Hobbs municipal limits along State Highway 18 (Lovington Highway) and is located approximately 3 miles from the main part of the City;
- HIAP is divided into two primary areas: HIAP North, which is owned by the City and HIAP South, which is leased by the Lea County EDC (please see graphic on the following page);
- Approximately 1,400 acres of the 2,800 are occupied with Airport facilities like hanger and runways, Airport Clear Zones, or existing industrial, commercial, or recreational leases. This leaves approximately 1,400 acres available for development.;
- The HIAP property dedicated to economic development purposes is divided into two phase areas. HIAP South is currently leased by the Economic Development Corporation of Lea County. The HIAP South area has already been platted into lots and has a four lane industrial roadway (HIAP Road) providing access to the area; HIAP North consists of approximately 925 acres, primarily accessed off of Avenue A and Jack Gomez Boulevard;
- HIAP is an open airport containing four runways of which two are open for public use. The other two are permanently closed. The main HIAP runway (Runway 12-30) is a northwest to southeast runway with a 150 foot width and an 8,600 foot length. The second open runway (Runway 3-21) is a northeast to southwest runway with a 150 foot width and 7,000 foot length. Both runways



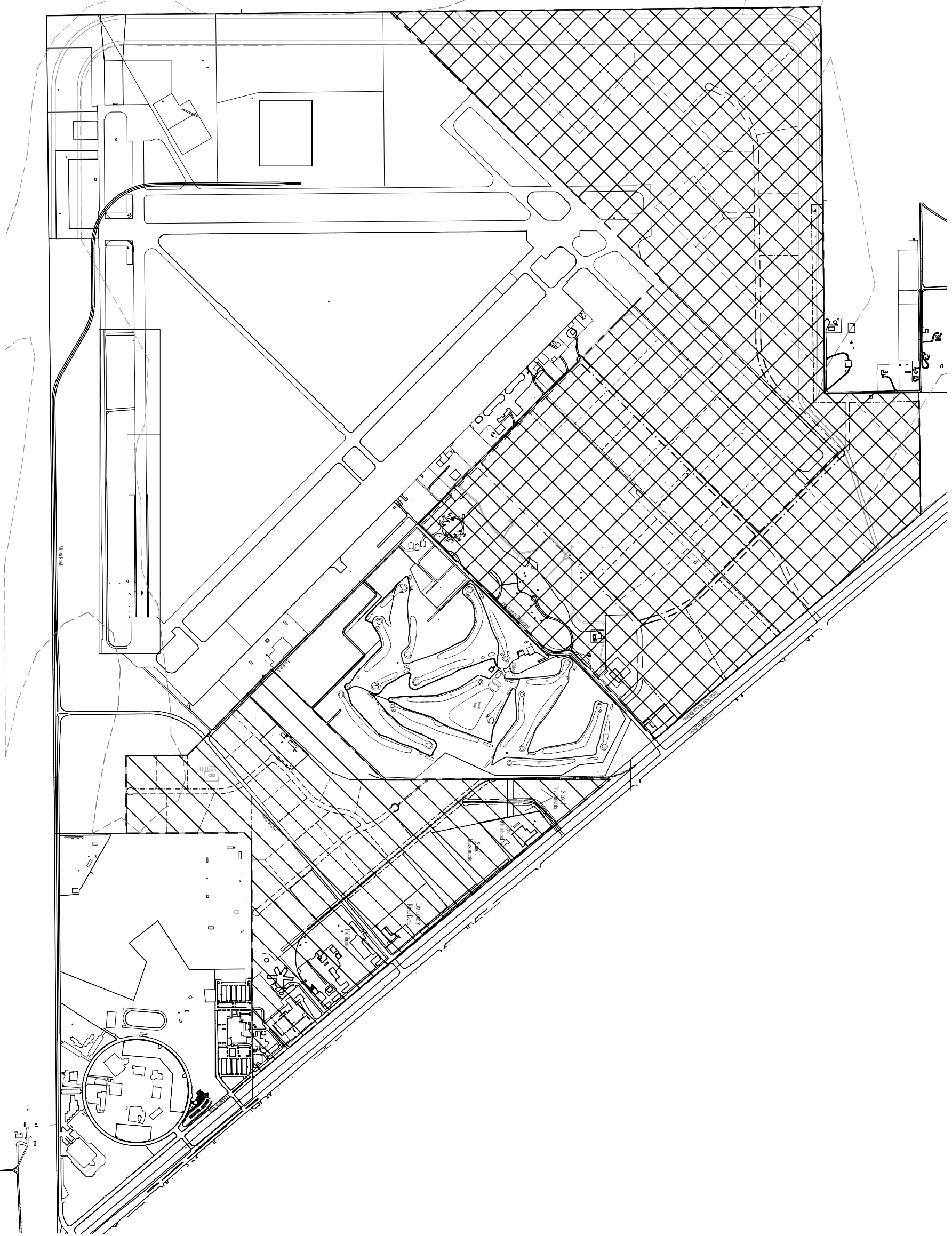


HOBB'S INDUSTRIAL AIR PARK

HOBB'S, NEW MEXICO

BOUNDARY MAP

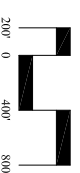
-  HIAP South (EDC)
-  HIAP North (City)



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Scale 1" = 400'



December 2002

are well maintained and in usable condition. The two closed runways are both 150' by 7,500'. One runway is being used as the Hobbs Motor Sports Park, and the other is closed due to proximity to the Lea County Prison;

- HIAP is a visual control airport, meaning it does not have a control tower or runway lighting. There are also no public fueling facilities available;
- Adjacent and parallel to Avenue A is the main Airport Ramp, which is 425 feet wide and 7,600 feet long. This area is presently used as a soaring launch/landing area. It is also used for special events;
- The land adjacent to the Ramp has been set aside for aviation related leases. Approximately half of the ramp frontage is still available for lease (35 acres). The maximum lot depth in this area is 425 feet;
- Access to HIAP is provided via two four lane entrance roads. One is designated primarily for industrial use access (HIAP Road) and the other for recreational use access (Jack Gomez Boulevard);
- HIAP is also served by a railroad spur; and
- Water and sewer service and facilities are currently available to a limited portion of the site.

The City of Hobbs leases property in the HIAP North area at reduced costs. Leasing is administered by the City and managed through the HIAP Board. The HIAP Board is appointed to oversee the leases and potential development that takes place in the Park. Leases are also available through the Lea County EDC for HIAP South properties.

HISTORY OF HIAP

HIAP was originally a US Army Airbase, during World War II. In 1948, the Army deeded ownership of the Park to the City with a reversion clause in the deed stating that in the event the City would cease to use the land for airport purposes, the land would revert back to the US Government. While there is some question whether that restriction still remains (it is doubtful that the Army would want to retain use of HIAP), two of the four runways have remained open and are still in use. In 1970, a local man made a request to create a cargo only airport at HIAP, however this did not occur. The airbase infrastructure in place at HIAP has lured aircraft related recreational activities such as soaring as well as golf, and shooting. These recreational activities have been established for more than 20 years at the same locations where they currently stand. As the years went by, other recreational uses appeared, most of them associated in some way to soaring or hang gliding. The Hobbs Motor Sports Park is located at the southern end of the Park in order to utilize the taxi ways for drag racing.

Access to the Lovington Highway, the principal northern entry into Hobbs from Lovington and Texas attracted industrial users also wishing to take advantage of existing infrastructure. Many other major users also located in the vicinity like the New Mexico Junior College, College of the Southwest, and the Lea County Hospi-



tal, thus establishing the HIAP area as a major activity and employment center. Those uses were followed by Ladishaw Explosives, Levi Strauss, and several other small light industrial users who actually located at HIAP. Some of those early industrial uses are no longer located at HIAP but have been replaced by others such as Haliburton. Recently, Sparton Electronics has expressed a strong interest in locating at HIAP, on a site located within HIAP North.

EXISTING CONDITIONS AT HIAP

Existing Land Uses

Currently, HIAP contains a mix of land uses. The entire Park is separated into different areas that are distinct in nature and in terms of uses. The southeast section of HIAP is EDC (HIAP South) and is used primarily as an area for economic development. HIAP South is comprised of 235 acres and contains most of the existing companies that are located at HIAP. Some of the users in HIAP South are Haliburton, Ladishaw Explosives, S&J Investments, the Lea County Road Department and Convenience Center. The HIAP Entrance Road bisects the property, providing access from the Lovington Highway and out to Millen Drive linking the northern portion of the Park to activities that take place on the southern portion, such as the Hobbs Motor Sports Park.

The north central portion of the Park is used primarily for recreational uses, containing the Ocotillo Golf Course, Harry McAdams Park and the headquarters of the Soaring Society of America. Other uses in this portion include a RV Park and an area formerly used by the Hobbs Girl Scouts.

The northwestern/northern portion of HIAP is the HIAP North Master Plan Study Area and is the subject of this planning effort. This Recreation Study is designed to compliment that planning study. The HIAP North Master Plan area is intended to be driven by its economic development potential and anchored by Sparton Electronics. Several users have leases on the site at present, including some recreational users. McAdams Park is located along the southeastern Boundary of the HIAP North Study area. The Hobbs Gun Club leases land to the west of the proposed Sparton lease. This is used as a Trap Shooting Range. A training facility used by the Hobbs Fire Department is adjacent to this site. The remainder of the HIAP North Study area is vacant, however, it is envisioned that the area will consist of a variety of lots suitable for use by companies and businesses in the future.

The southwestern portion of HIAP (the balance of the property located west of A Street) contains additional recreational uses and infrastructure associated with the Air Park. This infrastructure includes hangers and runways (a portion of the North/South runway is located within the boundaries of the HIAP North Master Plan area). The primary recreational use that is located in the southern portion is the Hobbs Motor Sports Park. The other recreational uses are located along the south side of Avenue A and are associated with soaring and hang gliding activities. These activities utilize the hangers and runways for their activities. The Hobbs Gun Club also leases land for their shooting range from Lea County in the area of the Park adjacent to the prison. The City has invested in amenities for the shooting range in this location. The Cloud Duster radio controlled airplane group makes use of this area as well. Several other uses are located on land leased by Lea County including the State Prison. Lea County also plans an expansion of its animal shelter at this location.



Industrial/Business Uses at HIAP

The areas set aside for industrial and business development are located in HIAP North and HIAP South. Most of the businesses existing at the Park are located in the southeast of the Park with one user occupying the HIAP South area.

Industrial/Business Uses in the Southeast Section of HIAP

The southeastern portion of the HIAP is the place where most of the current industrial and business development is located. Three primary users are located in this southeastern area. They include Haliburton, Ladshaw, and Lea County. Haliburton and Ladshaw are both private companies, while Lea County operates its road department and the Lea County Convenience Center, both of which are located off of HIAP Road. In addition to these industrial uses, there are several health care offices and facilities located at the far southeastern corner of the Park, which are linked to the Lea County Regional Hospital. Just south of the Lea County Regional Hospital is the New Mexico Junior College and Lea County Event Center. The mix of these uses, in addition to what occurs at HIAP, make the northern part of Hobbs, a major regional activity center.



Lea County Road Department

In addition to these uses, the southeastern section of the park, between the Lovington Highway and the EDC area, are leased to other industrial/business uses. Two vacant lots, approximately 10 acres in size are located in this area and could be used for industrial development. A rail line also is located in this area of the park and runs along the eastern boundary of Ocotillo Golf Course and ends prior to reaching Jack Gomez Boulevard.

Recreational Uses at HIAP

Several recreational uses are now present at HIAP. These uses are called “destination” or “specialty” recreational uses since they are unique in size, scope, and activities. For the most part, these uses do not take place in other parts of the City and the nature of their use makes HIAP a logical place for these recreational activities. The recreational component of HIAP is described in greater detail in the accompanying *Hobbs Industrial Air Park Recreation Study*. They are identified in this Master Plan document since the recreational component of the Park interfaces to a large degree with the industrial areas.

Ocotillo Park Municipal Golf Course

Ocotillo Park Golf Course is one of the principal recreational uses existing at HIAP and is considered to be one of the state’s premier courses. It is centrally located in HIAP bounded by Jack Gomez Boulevard on the west and on the east by EDC HIAP South area. The course is a municipal course, fully maintained and operated by the City of Hobbs. It includes an 18-hole layout as well as many ancillary uses. These ancillary uses such as a driving range, putting greens, and a sand/chipping



green. In addition, the complex also features a pro shop, snack bar, and tournament pavilion. A PGA professional serves the golf course.

Soaring Society of America/Soaring

Hobbs is considered to be the soaring capital of the world and appropriately, the Soaring Society of America (SSA) has chosen the City as its worldwide headquarters. The SSA is an entity composed of approximately 15,000 members worldwide and employs 11 full time staff at the Hobbs headquarters. The City has served as the host city for the National and World Soaring Championships and is considered to be a top gliding site given its ideal weather and wind patterns. Hobbs' abundant sunshine contributes to its setting as a world class location.



Soaring Society of America Headquarters

Soaring involves motorless flight, typically with a sailplane, however, other forms including hang gliders and paragliders. Individuals involved in this activity typically use two of the four runways located at HIAP to take off and land. Most of the users typically utilize HIAP for soaring activities on the weekends. In addition to the Soaring Society of America, the Hobbs Soaring Society utilizes some land toward the north end of runway apron.

Harry McAdams Park

Harry McAdams Park is a 40-acre regional park maintained by the City and located west of the Ocotillo Park Golf Course. The park offers a variety of destination recreational activities such as fishing (restricted to those under the ages of 12 and over 65). It also includes two small ponds, areas for horseshoes, sand volleyball pits, picnic shelters, BBQ grills, and ADA accessible playground. The park also provides opportunities for camping with tent sites and 15 sites for recreational vehicles. Showers and restroom facilities are also provided in association with the camping facilities.

Ocotillo Trail

There is a popular walking/jogging trail located within the HIAP, which runs along the perimeter of the golf course and A Street. In addition to the trail at HIAP, another is under construction along the Lovington Highway by the New Mexico State Highway and Transportation Department. Optimally, linking these two trails would be beneficial for the area as a whole since residents would have a pedestrian linkage to HIAP from other parts of the City and Lea County.

Model Aircraft Flying

In addition to soaring, HIAP is home to Cloud Dusters, a group involved in model aircraft flying.

Hobbs Motor Sports Park

The Hobbs Motor Sports Park is located on the far south end of the HIAP property and utilizes one of the Airpark's existing taxiways for its activities. Drag races are



held on weekends during certain times of the year and is a popular use for many City residents.

Hobbs Gun Club

The Hobbs Gun Club leases part of the HIAP to the west of the Sparton site. The site is used for individuals to take target practice with guns and crossbows.

Other Types of Uses at HIAP

In addition to the industrial/business and recreational leases located at HIAP, there are several other uses located at the Park. The Hobbs Fire Department has a small training facility currently located on HIAP North land. The training facility allows firefighters to practice putting out large structure fires, thus allowing firefighters to test both skills and equipment. In addition, the Hobbs Police Department uses part of the taxiway located at the southern end of the Park for driver training. Other uses include a State Police substation and National Guard Armory.

Several wells are also located within the HIAP boundaries. Two wells are located in the far northern area of the Park, while Well #5 is located on the southside, adjacent to Avenue A.

Interface Between Industrial and Recreational Uses

As described above, most of the current industrial/business related uses are located on the northeastern portion of HIAP or planned for the northwestern portion. With the exception of the Ocotillo Golf Course and McAdams Park, the entire northern portion of HIAP will be devoted to industrial and business related uses (all those areas located on the east side of A Street). For many companies that choose to locate at HIAP, the Golf Course and McAdams Park could be a tremendous incentive to locate at the site. Current trends in industrial and business expansion or locational decisions indicate that many companies desire to locate in campus-style business parks characterized by open space and nearby recreational opportunities such as golf courses, walking/jogging trails, parks, and exercise facilities. When the economy is strong, as it was during the late 1990s, competition for employees becomes stronger and employers must offer more to attract top job candidates. Locating in an area with recreational uses can help companies at HIAP become more competitive in attracting employees. In addition, the destination recreational activities located at HIAP could also benefit from the Park's development as a business/industrial park since it would give them added exposure and visibility.

Lease Analysis

Three different lease types are present at HIAP and are generally identified as Economic Development leases, recreational leases, and public/civic leases. As of January 2002, there are 25 leases that the City manages and the HIAP Board oversees for users at HIAP. The following table breaks down each lease type including total amount of acreage per lease type and the amount of estimated revenue that each lease type brings into the City coffers.



Lease Type	Number of Leases	Acres	Yearly Revenue
Economic Development/Business	13	+/- 356	\$15,280.00
Recreational	8	+/- 226	\$2,130.85.00
Public/Civic	4	+/- 7 Acres and two buildings	\$14,683.00

Table 1: Lease Types

As the table indicates, the majority of the leases at HIAP deal with economic development and also account for the most acreage. Each lease type is described in greater detail below.

Economic Development Leases

Economic Development leases account for approximately 356 acres, generating approximately \$15,280 for the City. The majority of the economic development leases at HIAP are located in the southeastern portion of the Park. The largest single user is Haliburton, which is located on a +/- 24 acre site. Many of the economic development leases are long term, with expiration dates ranging from 2021 to 2082, and those whose leases are up in the short term typically have renewable options. The Following Table illustrates the economic development leases at HIAP.

Lease	Acres	Terms	General Location
Economic Development Corp. of Lea County	235 acres	\$1 per year + \$24/year; Expiration 2085	Southern portion of HIAP
Lea County	5.05 acres	Expiration 2029; used for Convenience Center	Southern portion of HIAP
Lea Regional Hospital	7 acres	98 year lease	Southern portion of HIAP
Ladishaw Explosives	4.39 acres	Expiration 1/1/96 with three five year options	Southern portion of HIAP; on Phase I land
Halliburton	24.12 acres	30 year lease begun in 1975; two 25 year renewable options	Southeastern portion of HIAP
Horizon Health Care	4.25 acres	Expiration 7/31/2022 with 2 renewable options	Southern portion of HIAP
B&G Transportation	NA	NA	NA
QS Kapoor	1 acre	Expiration to 4/1/2021	Southern portion of HIAP
Texas – New Mexico Produce Co.	12.68 acres	Expiration 2043	Southern portion of HIAP off of Avenue A
Gene Whitehead	54 acres	Management of 5 subleases	Southeastern/Eastern portion of HIAP
Rudy Rohloff	Building	Expiration in May of 2001;	Eastern portion of HIAP
Incubator Building	NA	Management of 2 subleases	Southern Portion of HIAP
Hobbs Gun Club	9 acres	Expiration 2085	Located Throughout Property

Table 2: Economic Development Leases at HIAP

Recreational Leases

There are eight recreational leases located throughout the HIAP, which result in an annual revenue stream of \$2,198.95 per year. The total amount of acreage devoted to recreational uses totals approximately 226 acres, with the bulk being McAdams Park and the surrounding area (McAdams Park itself consists of 40 acres). This total does not include the Ocotillo Park Golf Course. The majority of the leases are related to soaring activities but other leases exist for the Hobbs Gun



Club and Motor Sports Park/Drag Strip. Recreational leases are scattered throughout the property, but many are located immediately south of the HIAP North Master Plan Study Area boundary near the hangers.

City of Hobbs Intent for the Development of HIAP

As previously stated, the primary purpose of the HIAP Master Plan is to guide the development of the Park as an industrial and business park. While the recreational uses are important to the Hobbs area, the driving force behind HIAP will continue to be its potential to attract economic development to the Hobbs area by providing a master planned park suitable for industrial and business uses. By master planning the Park, however, the City is ensuring smooth integration between all uses at HIAP.



III. HOBBS MARKET AREA DESCRIPTION

The purpose of the following section is to provide an overview of the Hobbs Market Area, which is generally defined as the area that companies will consider when deciding to locate in an area in terms of potential consumers and potential labor force. In evaluating the market area, community demographics and socio economics need to be analyzed to present a profile of the Hobbs community and its surroundings. Hobbs and its vicinity are shown on the following page.

DEFINITION OF THE HOBBS MARKET AREA

In 1998, a committee made up of key leaders and stakeholders commissioned a study of the City of Hobbs Retail Trade Zone (RTZ). The report, entitled *Retail Trade Zone Hobbs, New Mexico*, determined that the Retail Trade Zone for Hobbs radiates 55 miles in every direction and contains a population of 100,000 people. Hobbs provides the basic goods and services of groceries, medical services, and entertainment for the small towns and rural areas surrounding the City and is the first choice of many as a shopping destination, even before larger metropolitan areas like Midland-Odessa and Lubbock. According to the report, components that contribute to the fact that Hobbs enjoys a large retail draw include:

- Central Location/Population Center relative to smaller communities in the Southeast New Mexico/West Texas area;
- Smaller communities in the area have little or declining retail and service capacity
- Regional shopping behavior which means that residents of the smaller communities and rural area in the counties are already accustomed to driving long distances for goods and services.
- Strong Business ties to other regional communities throughout the Permian Basin. People in larger communities will travel to Hobbs, particularly for oil/gas related businesses.
- Migratory traffic routes Through Hobbs given the easy access to the City from surrounding communities, particularly through the east-west routes of US 62-180 and north-south from NM Highway 18. Hobbs is at the crossroads between other communities.

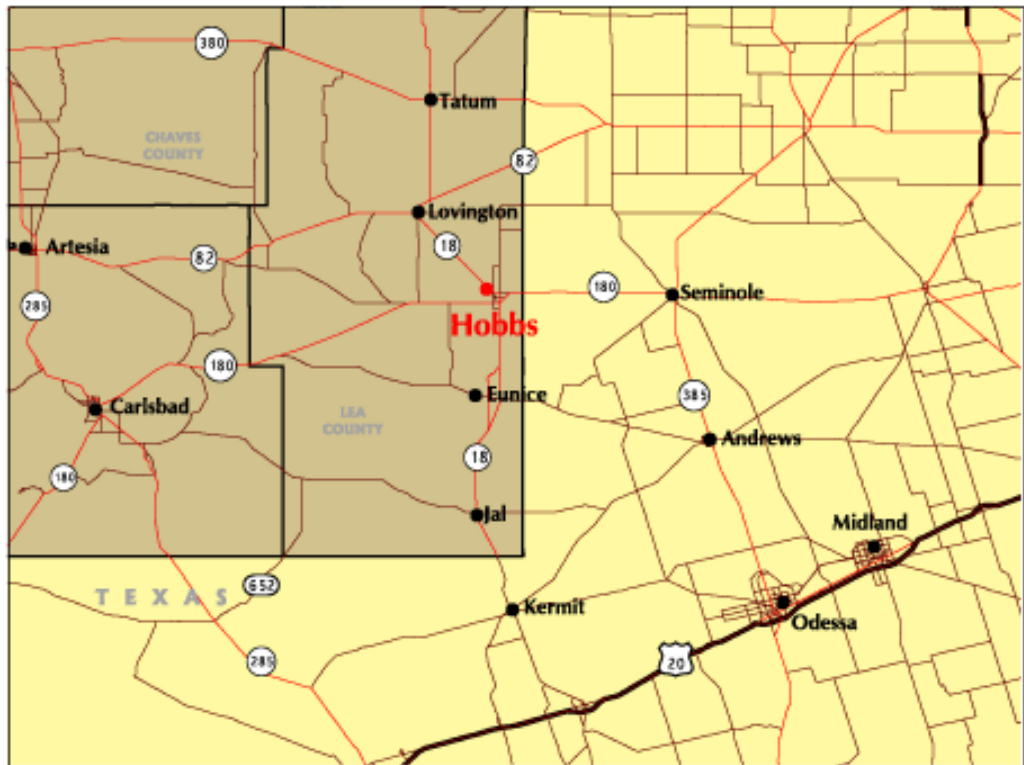
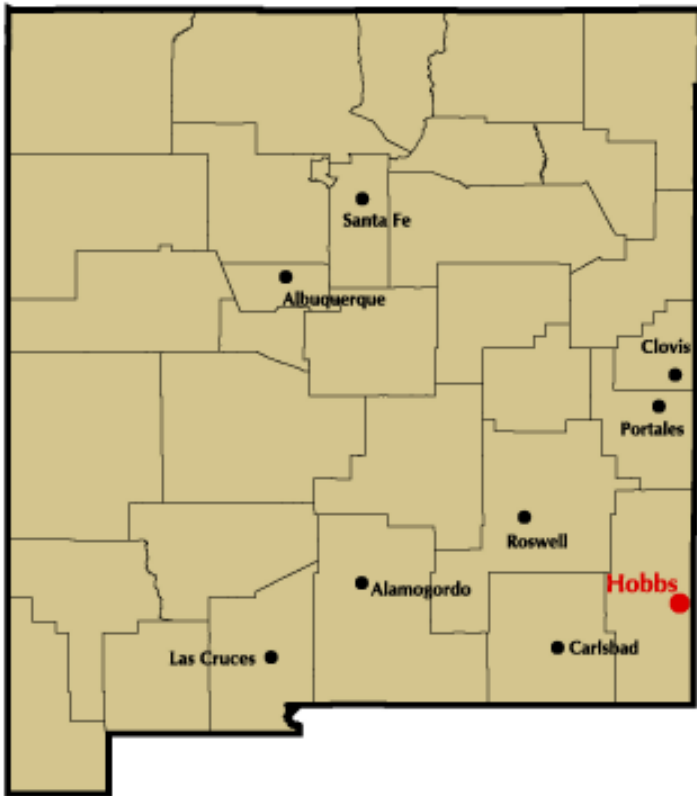
DEMOGRAPHICS OF THE HOBBS AREA

Population and socioeconomic demographics are important factors in describing the potential labor force that would be available to work in any of the businesses locating at HIAP. This section provides an analysis of the Hobbs and surrounding areas demographics.

Population Demographics of the City of Hobbs

Throughout its history as an incorporated municipality, Hobbs has seen a wide spectrum of population growth ranging from explosive growth between 1950 and 1960 to more of a steady growth from 1980 to 1990. For the most part, population growth in Lea County has mirrored the City's growth with similar periods of popu-





Site Vicinity



lation boom and periods of steady increase. The chart below illustrates historic population for both Hobbs and Lea County, dating back to 1930.

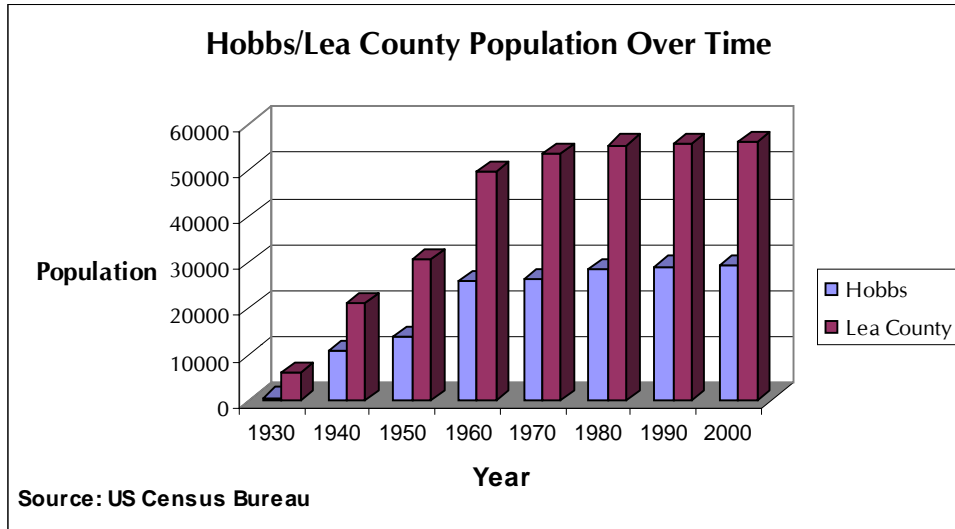


Chart 1: Hobbs/Lea County Population Over Time

The results of the 2000 US Census indicate that the City of Hobbs’ population stands at 28,657 persons (this figure represents the number within the Hobbs City Limits). This figure is down from the 1990 Census when the City’s population was recorded as 29,115 persons. This represents a decrease of 458 persons. According to the *Comprehensive Traffic Study for the Hobbs Area*, however, the study area population comprised a total of 36,227 persons (including the population within the City of Hobbs Limits). This indicates that there are a total of 7,112 people in the immediate vicinity of the City. It is a reasonable assumption that many of these people utilize City of Hobbs facilities and would be available for potential labor.

Population Demographics of Lea County Communities

The City of Hobbs is the primary population center in Lea County, accounting for 52% of the total population. In addition to Hobbs, there are four other incorporated municipalities in the County. Lovington is the next largest community in the County and accounts for 17% of the population. Eunice and Jal, both located south of Hobbs, have populations over 1,000 persons. The smallest community in the County is Tatum, with a population under 1,000. All of the Lea County communities are dependent on Hobbs for many goods, services, and employment. Table 3 shows the total population for all incorporated communities in the County.

Community	2000 Population
Hobbs	28,657
Lovington	9,471
Eunice	2,562
Jal	1,996
Tatum	683
Lea County Total Population	55,511

Source: US Census Bureau

Table 3: Lea County Incorporated Municipalities



Hobbs Within The Region

In addition to the Lea County communities, there are several smaller communities located in West Texas that are dependant on obtaining goods and services in Hobbs, including Andrews, Kermit, and Pecos. People in these communities are more dependant on Hobbs given their close proximity to Hobbs than the larger communities of Midland-Odessa and Lubbock. The following table shows Hobbs in relation to other regional cities in both West Texas and Southern New Mexico. Hobbs remains one of the more important communities given the role that oil and gas play in the regional economy.

Regional Communities - Southeast NM/West Texas	
Community	2000 Population
West Texas	
Lubbock	199,564
Midland	94,996
Odessa	90,943
Andrews	9,652
Pecos	9,501
Seminole	5,910
Kermit	5,714
New Mexico	
Roswell	45,293
Clovis	32,667
Hobbs	28,657
Carlsbad	25,625
Lovington	9,471
Source: US Census Bureau	

Table 4: Regional Population

SOCIOECONOMIC OF THE HOBBS AREA

Employment Characteristics of the Hobbs Area

The Department of Labor reports that the Labor Force in Lea County is comprised of 26,214 persons. The labor force is defined as total persons 16 years and over who are capable of having a part or full time job. According to the 2000 US Census, the majority of people in Hobbs are employed in the Educational/Health/Social Services Sector, which accounts for 22.3% of the labor force. The next largest industrial sector is the Agriculture/Forestry/Mining Sector, which accounts for 18% of labor force. The majority of people employed in this sector work in the oil and gas industry. Retail trade is another sector where a significant amount of people are employed, accounting for 13.1% of the total labor force. The following table breaks down employment by sector.

As of June 2002, the unemployment rate for Lea County stood at 6.5%, meaning that 1,696 people in the County did not have jobs. This rate represented an increase from May 2002, when the rate was recorded at 5.0%. The increase in un-



Industrial Sector	Number of Persons Employed	Percent of Labor Force (%)
Agriculture, Forestry, Fishing, Hunting, Mining	1,803	18.0
Construction	567	5.7
Manufacturing	363	3.6
Wholesale Trade	355	3.5
Retail Trade	1,313	13.1
Transportation, Warehousing, and Utilities	518	5.2
Information Technology	100	1.0
Finance, Insurance, Real Estate, Property Management	429	4.3
Professional, Scientific, Management, Administrative	475	4.7
Educational, Health, Social Services	2,230	22.3
Arts, Entertainment, Recreation, Accommodation, and Food Service	772	7.7
Other Services	580	5.8
Public Administration	497	5.0

Table 5: Hobbs Area Employment By Sector

employment rate for Lea County is consistent with other New Mexico Counties, the State of New Mexico, and the United States as a whole. The recent downturn in the economy characterized by recession, the aftermath of the September 11th attacks, and corporate scandal have all contributed in the growing unemployment rate.

For the most part, Lea County experienced some of the lowest unemployment rates in the State during the 1990s. The unemployment rate average for the year 2001, for example, was 3.2%, which was the fourth lowest in the State. The 2001 rate was also the lowest unemployment rate that Lea County recorded in 10 years. The highest unemployment rate average that the County has seen occurred in 1999, when the rate was 9.3%. The chart below shows the unemployment rate for Lea County for the time between 1990 and 2002.

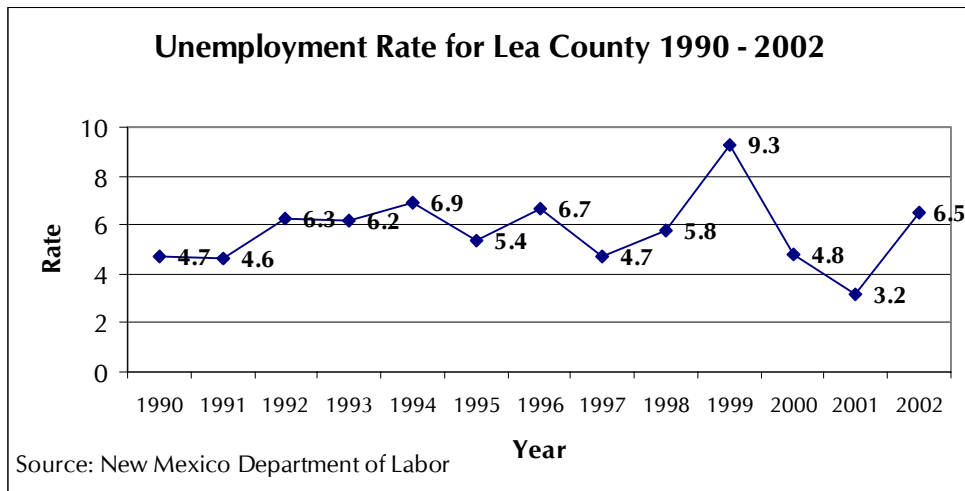


Chart 2: Unemployment Rate for Lea County, 1990 - 2002

Educational Attainment

Educational attainment for the City of Hobbs is measured for persons over the age of 25. The 2000 US Census reports that 19% of Hobbs residents over the age of 25 have some sort of college degree (associates, bachelors, and graduate). Another 21% have some college, meaning they have either taken college courses or are in the process of doing so. In all, 66.1% of the population are high school graduates.



Educational Opportunities in Hobbs

The Hobbs Public School District is comprised of 757 square miles. Statistics for the 2000 - 2001 school year indicate that a total of 7,653 students were enrolled in the Hobbs Public Schools. Approximately 1,652 students were enrolled in high school during this time period, accounting for 22% of the school population. The School System graduated 466 students for the 1999 - 2000 school year. In addition to the Hobbs Public Schools, the Lovington Public Schools served 2,886 students during the 2000 - 2001 school year, with 679 being in high school.

In addition to the public school system, the Hobbs area is in the unique position of having two post secondary institutions located in the City. The College of the Southwest campus is located across from HIAP and provides a liberal arts education based upon Christian values. Enrollment stands at 800 students from 11 states and at least five foreign countries. The College offers both graduate and undergraduate programs in Business Administration, Education, and Arts & Sciences. Within the Arts & Sciences program, the College offers degrees in History, Psychology, Criminal Justice, Math, Biology, and Human Relations. Available degrees in the Business Administration program include Bachelor of Administration Management, Bachelor of Administration Marketing, Bachelor of Administration Accounting, and Bachelor of General Business. Education Program degrees include programs in elementary education, special education, and secondary education.

New Mexico Junior College (NMJC) offers the other post secondary opportunity for the Hobbs area. The college plays an integral role in helping spur economic development for all of Lea County by offering a broad range of courses intended to help students prepare to make the transition to a four year institution, as well as provide training programs that help students enter the workforce immediately. NMJC is one of the largest community colleges in the State of New Mexico, both in terms of enrollment and size, boasting 3,239 full and part time students attending classes on a 243 acre site with over 331,400 gross square feet of building space.

Income and Earnings

The median household income for the City of Hobbs is \$28,100 and approximately 45% of the population earn between \$25,000 and \$74,999. The median income for Lea County as a whole is slightly higher at \$29,799. For the City of Hobbs, the primary source of income is derived from job earnings, however, other significant sources of income for people in the City comes from Social Security payments and retirement income.

ECONOMIC STRENGTHS OF THE HOBBS AREA

The Hobbs area enjoys many distinct advantages that greatly enhance the area's economic potential. Strengths are measured in terms of the characteristics that make the area desirable to live in and do business. Some of the strengths of the Hobbs area include:

Market Area: The Hobbs market area has already been discussed however, it should be emphasized that the City of Hobbs remains a dominant market that many of the smaller and rural communities in the area are dependant upon for goods and services.



Climate: The Climate of the area characterized by mild winter days balanced by hot summers provide an ideal climate for those wishing to leave colder climates. The area's lack of humidity make it more attractive than other areas. All of Southern New Mexico has seen an increase in retirees and snowbirds who leave the colder climates in the winter. The amount of cloudless days is one of the primary reasons that the Soaring Society of America chose Hobbs as its national headquarters.

Recreational Opportunities: The Hobbs area is home to some of the premier recreational opportunities in the State of New Mexico. As previously mentioned, the Soaring Society of America has its headquarters in Hobbs and located at HIAP. The Society oversees a variety of competitions, many of which have been hosted in Hobbs and bring in people from all over the world. HIAP specifically is used for events like soaring and hang gliding because of the availability of runways and hangers needed for these activities. In addition, Ocotillo Park Golf Course is considered to be one of the top municipal courses in the area. The City is also in close proximity to Carlsbad Caverns National Park and Guadalupe National Park. The climate mentioned above enhances the area's recreational opportunities.

People: People are considered to be a key strength in the Hobbs area given their hard work ethic, high level of educational attainment, and friendly nature.

Post Secondary Institutions: In addition to NMJC and College of the Southwest, Hobbs is in close proximity to Texas Tech in Lubbock, Eastern New Mexico University in Portales and Roswell Branch, NMSU-Carlsbad, and the University of Texas of the Permian Basin in Odessa. Not only do these institutions provide the opportunity for advanced education, they also provide important business support services including:

- Interactive Television (New Mexico Junior College) - This program provides the opportunity for distance education so that people can take classes available from each of the public educational institutions in Lea County and the College of the Southwest without traveling. A variety of programs and classes are available.
- Small Business Development Center (New Mexico Junior College) - The Small Business Development Center provides the business community in Lea County with technical assistance, counseling, and resources. The primary focus of the Center is to provide small businesses with the tools needed to run a successful enterprise and includes assistance related to marketing, accounting, computer systems, and business start-up to name a few.

Economic Incentives and Finance Programs

Businesses locating to the Hobbs area can take advantage of the incentive programs available from the State of New Mexico. These programs include:

- Investment Tax Credit: Program that allows a credit equal to 5% that can be applied to the purchase of equipment used in a manufacturing operation. Companies wishing to use this program must employ one full time employee for each \$100,000 of qualified equipment.



- New Mexico Industrial Development Training Program: In-Plant training program that provides on-the-job training for manufacturing related businesses. The company is responsible for selecting the employees it wants to go through the training program.
- Rural Jobs Tax Credit: Program that allows a 6.25% credit to be applied against personal income tax or corporate income tax for a company that creates and maintains jobs in rural areas of New Mexico.
- Industrial Revenue Bonds (IRBs): IRBs have been used successfully in other parts of New Mexico. IRBs are bonds issued for a certain project and are paid for by revenue derived from the project rather than it being an obligation of the municipality or county where it is used. Essentially, the IRB financing is available for land, buildings, and equipment for headquarter office buildings, warehouses, manufacturing facilities, and service related facilities. IRB financed projects are exempt from ad valorem tax for as long as the bonds are outstanding.
- Tax Credit Programs: The State of New Mexico allows two types of tax credits to be applied against corporate income tax liability. The first is a child day care credit of 30% of eligible costs of providing or paying for certain childcare for employees children. The other tax credit available can provide up to \$25,000 or 50% of the costs of restoring or rehabilitating property listed in the New Mexico Register of Cultural Properties.
- Community Development Revolving Loan Fund: The revolving loan fund enables political subdivisions in the State of New Mexico to construct or implement projects devoted to encouraging the location of industry to the area.

The programs listed above are just some of the many incentive programs that are available for businesses locating in New Mexico communities.



IV. TRENDS OF INDUSTRIAL/BUSINESS PARK DEVELOPMENT

The following section outlines various national trends that have been observed in the development of industrial parks and industrial buildings. Many of these trends have been observed in the industrial development that has taken place in New Mexico. In general, industrial properties need good access to highways, adequate loading docks, tall clear height, and effective warehouse management systems. However, more buildings are being designed to be flexible, enabling them to accommodate one or more users at a time and easily convertible should the needs of the user change. While this document describes national trends, further research specific to the Hobbs area and to potential users of the HIAP, such as those identified in the Economic Development Plan grid, should be undertaken. The data used in this section came from the National Association of Industrial and Office Properties (NAIOP), and the Urban Land Institute.

National Trends in Industrial Building Design

Another important note in the current development of industrial parks involves the current state of the US economy as of July 2002. The trends identified in this section have been seen in industrial and business park development during the late 1990s, when the economy was strong and companies were expanding at a fast rate. After undergoing a recession in 2001, the US economy appears to be rebounding. In 2001, many companies turned to downsizing in order to cope with the declining demand for factory orders and other services. In some places, companies building new facilities halted construction and many spec buildings were not leased or sold. As the economy recovers, companies are now cautiously looking forward to expansion and economic growth. The City of Hobbs and Lea County Economic Development Corporation should do careful research to determine whether these trends are still viable and whether the market for spec buildings is strong in the next few years.



Campus Style Industrial/Technology Park

In the past decade, the way tenants use industrial buildings has changed dramatically. The typical box building does not appeal to a growing number of industrial tenants who use the buildings as more than a place to store goods. Industrial buildings are now being used for many more functions such as call centers, light assembly, and computer operations. As a result, the need for flexible design, creative architecture, and other amenities needs to be considered when building a speculative building or designing a building for a specific tenant.

There are two key trends that have been observed in industrial building design. The first is the need for increased flexibility in order to expand actual office size/configuration and the second is to meet with the changing density of employees. In order to meet this trend, developers must consider several factors. The first is an increase in parking ratios, with 5 to 6 spaces for every 1,000 employees being



typical. Buildings must also have increased heating and ventilation capacities and power sources for office and computer uses, such as printers/plotters, copiers, and faxes. Buildings should be designed for good heat and air circulation. In addition, (and as discussed earlier), there is a critical need for high speed telecommunication connections for each office within the building, so access to data ports must be readily available.

The other trend is that buildings are being designed to accommodate increases in office area percentages. Typical industrial buildings have been designed with 5 – 10% office space. Since tenants are demanding increased office space, industrial buildings are now being designed so that office space accounts for 10 – 25% of the total building area. Because the greater emphasis in industrial buildings are now on office activities, there is now more separation of car and truck traffic (truck traffic associated with industrial activities) with loading activities directed to the back and away from office areas and building entrances. This trend will have an impact on front-loaded buildings, which will not be as attractive to future industrial tenants.

Tenant Requirements in Industrial Buildings

Over the last five years, tenants have indicated that they would like an increase of office functions in industrial buildings. With the increased need for office space, industrial buildings need to come equipped with increased computer and information service requirements. Proper wiring for network and high-speed telecommunications such as DSL or T1 lines are typically desired by the majority of tenants looking for industrial buildings. Another result of tenant desire for more office space within industrial buildings is the need for an increased percentage of air-conditioned space since an increasing number of people have sit-down jobs.

In terms of leases, the national trend has been for tenants to demand increased flexibility in terms, given the dynamic nature of their businesses. The trend has been for tenants to ask for shorter lease terms but with a great deal of flexibility to expand and/or renew their lease contracts as needed. Tenants also desire early termination options in the lease contracts as well as options to purchase the building when the lease term comes due. Most industrial users still tend to want to own their building. Ownership of space is required for users to qualify for the various tax incentive programs offered by the State.

When a tenant makes a decision about a building location, the primary issue impacting such a decision is the availability of highly skilled and qualified labor. Nationally, the labor has been in short supply for industrial tenants and they have made locational decisions based on the supply of labor in an area. For some industrial tenants, the shortage of labor in many areas has been a limiting factor for growth in various major distribution markets. Hobbs does have in advantage in that its labor force is well educated and the presence of the New Mexico Junior College and College of the Southwest in the area also helps.

Finally, for some users of industrial space, there still needs to be an ideal layout for automation and material handling systems. Tenants will focus on buildings that have good circulation and dimensions that conform to ideal racking layouts and material handling systems. Ideal buildings for these types of activities consist of a



deeper, square type of design with thirty-foot ceiling height and flat floors. However, when it comes to the determination of specific building designs, tenants must still be consulted about their needs. Other elements of building design are described below.

Warehouse/Distribution Trends

Many different trends are now shaping the way that warehouse distribution centers are being constructed. The growth of the global economy, spurred by programs such as NAFTA, changes in the distribution pattern, and the growth of the high tech firms. According to NAIOP, there will always be a need for the “box” building with 30 plus feet clear heights. Warehouses/Distribution Centers are utilizing new designs built around speed. Tenants are requiring designs intended to move goods out at a high rate of speed and buildings that have high-speed communication lines. Some features in new buildings include:

- Cross-dock capabilities (with shallower decks)
- High door ratios (2,500 feet per dock)
- High speed communication capabilities
- Large truck courts (125 feet plus)
- Adequate trailer storage
- Customized/automated materials handling

The building design itself, like the other types of industrial products, must be designed to be flexible and attractive. Amenities such as landscaped open areas, day care centers, break rooms/workout rooms are becoming more of a necessity in warehouse/distribution centers.

Industrial Park Design

According to the Urban Land Institute, the physical layout of a business/research park depends highly on marketing, engineering, and planning studies for the sight. The most important development parameter for a business/industrial park is to ensure flexibility since office user needs may differ dramatically from the needs of manufacturing or warehouse needs. Typical parks have a range of lot sizes and shapes in order to accommodate a diverse range of uses, something that is also typified in many of these developments in other New Mexico cities. Most of these parks are not planned with standard lot sizes but the vast majority of users desire lots that are 200 – 300 feet deep, although parks should also be planned with lots that are 500 feet deep for a large user but also allows for subdivision if a large user does not materialize. R&D users such as laboratories, engineering, manufacturing, assembly and those designed for a single user typically require differently shaped lots from multi-tenant and industrial buildings. They also require deeper lots with less emphasis on the lengths of frontage than office and industrial facilities.

The recreational uses at HIAP, especially the golf course and jogging/walking trail, creates a major advantage for the industrial/business park portions. Amenities like the golf course and trail have increased the marketability, attractiveness, and value of business park development.



Locational Guidelines

Buildings and users that are the least industrial in their appearance, such as R/D and Office buildings, should be placed in the areas of the park with the highest visibility. Warehouses, manufacturing, and assembly facilities are typically placed in the less prominent areas of the Park. The heavier industrial uses typically require the largest lots since more land is needed for truck loading/unloading and turnaround. Truck access for these uses should also be provided along a secondary entrance in order not to interfere with employee or visitor traffic arriving and departing the Park.



Ocotillo Park Golf Course Provides an Amenity for HIAP Users

Speculative Buildings

The market for speculative buildings has been strong throughout the State. The recent slow down in the national economy could affect demand for speculative buildings, however, these buildings are still being sought by companies on a tight timetable. Various cities throughout the State have lost out on companies because of lack of spec buildings. The recommended square footage for a spec building would be a minimum of 50,000 square feet.



V. INFRASTRUCTURE, UTILITIES, AND DRAINAGE

Infrastructure

Infrastructure to support HIAP development will generally be supplied either by the City of Hobbs or by the private utilities serving Hobbs. All required infrastructure is generally available in the HIAP area, but it has not been extended into the North HIAP area. The developed areas of South HIAP are served, but usually only to the extent required by existing businesses.

There is a recognition that the marketability of HIAP would be improved if infrastructure were put in place to support the construction of additional businesses. If the area could be shown to prospective businesses as completed lots ready for building, businesses would be assured that their time frames could be met and would be more likely to choose HIAP for relocation.

With this in mind an infrastructure improvement plan with cost estimates has been developed North HIAP and for the remaining undeveloped area of South HIAP. This plan will provide the City with the information needed to secure financing to construct the City infrastructure needed for this development.

Private utility companies we have met with indicate a willingness to construct their systems to serve prospective businesses, but only when the businesses have agreed to relocate to HIAP. This is usually satisfactory because these private companies can construct facilities more quickly than a public entity and will be able to meet the time frames of prospective businesses.

History

HIAP was originally an Army Air Corps bomber base during World War II. As such it had the infrastructure required to support such a base. This included a water system, sewer system with a treatment plant and streets. Probably some drainage facilities were constructed with the base also. However, this infrastructure was constructed in the 1940's and has generally not been maintained since the base was abandoned. Exceptions to this are some of the sanitary sewers and some of the streets that serve existing business or recreational leases.

With no maintenance the streets have mostly disappeared, the sewer lines are in poor condition, and the water mains are no longer useable. Some of the sewer lines have been maintained for existing businesses. One line has recently been rehabilitated for the proposed Sparton plant. These lines have been connected to the City of Hobbs system and now serve the area adjacent to the original flight line and the developed part of South HIAP.

The City of Hobbs has developed a water supply well field and reservoir on the north part of HIAP. This system is connected to the City water system and supplies a significant part of the water for the City. The reservoir is located in the HIAP North area. Water mains have been extended to serve the existing businesses within HIAP, and to connect this system with the main City system.

Of the original streets only Avenue A has been paved and maintained to serve the original flight line area. Other streets such as Jack Gomez Boulevard and HIAP



Entrance Road have been constructed between Avenue A and NM 18 to provide access into the park and to serve development. These streets provide access into the interior of HIAP; however, they do not provide sufficient frontage for the efficient development of the property.

Gas, electricity, cable TV, and telephone facilities have been constructed as required to serve the existing development.

Recommendations

Because business parks have been proven to be much easier to sell if they are developed to the point that prospective businesses can envision their finished location, it is recommended that the City proceed as financing allows to develop HIAP. Because of the high cost of such development, the wisest approach will probably be to develop the park in phases or subphases sufficient in size to provide an adequate number of business sites for a few years at a time.

This Master Plan identifies an area within North HIAP where development is most likely to occur first (Phase 1). It is recommended that infrastructure be provided for this area. In addition, interest has been expressed in providing infrastructure for the remaining undeveloped portion of South HIAP. An infrastructure plan for these two areas is presented in the Master Plan along with opinions of the probable construction cost of the public portions of these facilities. The Infrastructure Plan is in the pocket at the back of this report.

Streets

North HIAP is not currently served by streets. However, the City has committed to constructing Avenue A to the Sparton site, if Sparton agrees to build their facility on this site. This street would intersect with Jack Gomez Boulevard just north of the National Guard Armory and run west then south along the east side of the Sparton site. This street would provide access to Phase 1, but would not provide suitable frontage for development of the area. Therefore we recommend that an additional street be constructed extending from the Sparton Road to the west to a future intersection. This street will serve as access and the beginning of the street system for North HIAP. This recommended street is shown on the Infrastructure Plan.

South HIAP is currently served by HIAP Entrance Road, which runs north to south through the area. However, additional streets should be constructed in this area to provide suitable frontage for development. Because of the triangular nature of the remaining area west of HIAP Entrance Road, a loop road following the general shape of the property is recommended. It will connect with HIAP Entrance Road at two points. This area west of HIAP Entrance Road has been selected by the City as the next area in South HIAP for development. Therefore, construction of this road and other infrastructure to serve this area is recommended.

Approximations of construction cost for these streets follow this section.

Drainage

HIAP is crossed by flood plains as designated by the Federal Emergency Management Authority (FEMA). FEMA flood plains are based on the anticipated flow



from a 100 year storm event. The Flood Plain is shown on the Flood Plain Map located in the pocket at the back of the document. That is a rainfall event of such magnitude that it has a one percent probability of occurring in any given year. These flood plains are quite wide although the flow anticipated in a 100 year storm is not expected to be deep. This is typical of the southeastern New Mexico area where there is typically a very gentle slope to the southeast and the shallow cap rock keeps significant streams from forming. The result is that there surface typically drains slowly to the southeast primarily as sheet flow.

Floods plains are a hindrance to development because of Federal regulations on development within flood plains and because of flood insurance requirements. Therefore, it is desirable to remove as much of the developable part of HIAP from the flood plain as possible.

Because these water sheds extend several miles, the flows in very large storms are quite large although no flow at all results from normal rainfall. To remove the flood plains from HIAP these flood flows must be either detained entirely, retained and allowed to discharge at a slow rate that can be handled by the site drainage system, or diverted around the site. In this case the volumes of water to be handled are so large that both detention and retention are quite expensive.

However, the flows can be diverted around the prime development sites and discharged on the southern part of the HIAP property. This will require a combination of berms and channels to intercept the flow and carry it to the west and south. This system is shown on the Drainage Diversion Plan in the pocket in the back of this report.

As mentioned before, grades in the Hobbs area are typically quite gentle. In order to divert the flow around so much of the site, the grades of the channel will be approximately 0.01%. This will result in very slow flow, but will require a large channel. The channel will vary from 200 feet wide at the northeast corner of the property to 300 feet wide as it crosses to the west side of the property. The proposed channel will discharge the water into one of the flood plain areas that now cross the site. This flood plain continues across undeveloped land to the southeast crossing the bypass and Highway 62/180. Before this diversion is constructed, an analysis of its potential effect on these developed areas should be made. Internal drainage will be accomplished by a system of shallow swales and culverts to convey the runoff to existing culverts under Jack Gomez Boulevard, the railroad, and Highway 18.

Water

As mentioned earlier, the City has developed a well field and reservoir system in the northern part of HIAP as part of the supply for the City's water system. This system makes available potable water at system pressure in the North HIAP Improvements required to serve new businesses in the area will consist of water mains in the proposed streets with valves, fire hydrants and appurtenances. All water mains should be sized to provide fire protection flows for the businesses.



South HIAP is currently served with City water mains to all existing businesses. These must be extended to new businesses. Again, all mains should be sized to provide fire protection flow for the industries. Proposed water main extensions for North and South HIAP are shown on the Infrastructure Plan.

Sanitary Sewers

Sanitary sewers for the South HIAP area can be constructed to drain to existing sanitary sewers near Avenue A and HIAP Entrance Road. This is in the vicinity of the original sewage treatment plant for HIAP. This plant has been removed from service and a sewage pumping station has been constructed near its site. This pump station pumps to the southeast to the City of Hobbs sewer system. It is likely that suitable capacity to serve the Phase 1 area is available in this system. Sanitary sewer extensions to serve the Phase 1 area are shown on the Infrastructure Plan.

The Phase 2 area will be somewhat more difficult to sewer. Because the line serving Phase I are relatively small, they do not have sufficient capacity to serve this additional area. The most adequate source of sanitary sewerage service in the area is the 21 inch diameter sewer on the northeast side Highway 18 from the south side of New Mexico Junior College to the south. The existing sanitary sewer north of this point is a 15 inch diameter sewer and extends northward along the east side of the highway to the north side of the hospital where it crosses the highway into the southern portion of HIAP. A new 15 inch diameter sewer should be constructed, beginning at the existing manhole where the 15 inch diameter sewer turns to cross the highway, northeast in east side of the highway right-of-way to the location of the water main crossing east of the HIAP reservoir. This is a distance of approximately 2.2 miles. The sewer line would then cross the highway, parallel to the 24" water main, into the North HIAP area. From the intersection of the first street with this 15 inch sewer, a system of mains would extend to serve the future industries.

If development occurs as planned the 15" diameter sewer from the north side of the hospital south to the south side of the junior college may become overloaded. If so, a relief sewer could be constructed parallel to the existing 15" diameter sewer extending south to the beginning of the 21" diameter sewer, near the south side of the junior college.

Other Utilities

During the progress of this study, we have discussed utility service with representatives of the various private utility companies serving the area to determine if they would be able to provide service to new businesses or industries in these areas. In every case the utilities indicated they would be anxious to acquire new customers in this area and would extend their service at no cost to the city.

Zia Natural Gas currently has a three inch main that runs down Jack Gomez Blvd. and serves the prison. They believe they can serve most industries from this main. If an energy intensive industry proposed to move to HIAP that could not be served from this main, it would be a large enough customer that the company would extend their service to that industry at no cost.

Leaco is the area wireless telephone provider and a major Internet service Provider. They have a fiber optic cable along NM 18. If new industries were added to



the park that required this service they would like to extend a fiber optic loop through the park to serve these industries extending west to serve the prison, then south to the Junior College and connecting to the main cable near the Junior College. Obviously this would be an advantage in marketing the park, because most businesses today depend on the internet for a major part of their communications.

Corridors have been provided in the plan for the construction of these utilities when their services are needed.

Cost Estimates

The following pages contain estimated project costs for the City utilities recommended.



**Hobbs Industrial Air Park
Infrastructure Improvements Costs**
Larkin Group NM, Inc.
December 18, 2002

HIAP NORTH

**HIAP North - Phase I
Sanitary Sewers**

Item	Unit	Quantity	Unit Price	Extension	
1. 15" SAS Complete (10' to 14' deep)	LF	11600	\$ 53.00	\$ 614,800.00	
2. 8" SAS Complete (8' to 10' Deep)	LF	2700	\$ 31.00	\$ 83,700.00	
3. 4' Dia. MH (10' to 14' deep)	Ea	39	\$ 2,200.00	\$ 85,800.00	
4. 6' Dia. MH (10' to 14' deep)	Ea.	2	\$ 3,500.00	\$ 7,000.00	
5. Highway Crossing	LS	1	\$ 40,000.00	\$ 40,000.00	
6. Railroad Crossing	LS	1	\$ 20,000.00	\$ 20,000.00	
7. Conn. To Exist, MH	Ea	1	\$ 1,500.00	\$ 1,500.00	
8. Mobilization	LS	1	\$ 85,000.00	\$ 85,000.00	
Subtotal					\$ 937,800.00

Water Mains

Item	Unit	Quantity	Unit Price	Extension	
1. 8" Main Complete Including Fittings	LF	3970	\$ 18.00	\$ 71,460.00	
2. 8" Gate Valve and Box CIP	Ea	5	\$ 850.00	\$ 4,250.00	
3. Hydrant Branch, CIP	Ea	7	\$ 2,750.00	\$ 19,250.00	
4. 8" Wet Tap of 24" Main	Ea	1	\$ 2,200.00	\$ 2,200.00	
5. 8" Connection to 6" Main	Ea	1	\$ 700.00	\$ 700.00	
6. Mobilization	LS	1	\$ 10,000.00	\$ 10,000.00	
Subtotal					\$ 107,860.00

Streets

1. Clearing and grubbing	S.Y.	25000	\$ 2.00	\$ 50,000.00	
2. Lin. Grading	LF	3850	\$ 4.50	\$ 17,325.00	
3. 12" thick Subgrade Preparation, CIP	S.Y.	23000	\$ 1.00	\$ 23,000.00	
4. Std concrete Curb and Gutter, Includir L.F. Subgrade compaction	L.F.	7700	\$ 10.25	\$ 78,925.00	
5. 10" Base Course	T	8700	\$ 14.00	\$ 121,800.00	
6. 3.5" Asphaltic concrete surface course	T	3470	\$ 45.00	\$ 156,150.00	
7. Tack coat	S.Y.	19300	\$ 0.30	\$ 5,790.00	
9. Finish grading	S.Y.	9850	\$ 2.00	\$ 19,700.00	
10. Seeding	S.Y.	9850	\$ 0.30	\$ 2,955.00	
11. Mobilization	LS	1	\$ 47,500.00	\$ 47,500.00	
Subtotal					\$ 523,145.00
Subtotal HIAP North Phase I Const.					\$ 1,568,805.00
Engineering & Contingencies (15%)					\$ 235,320
Total HIAP North Phase I					\$ 1,804,125.00



HIAP North Phase II

Sanitary Sewers

Item	Unit	Quantity	Unit Price	Extension	
1. 8" SAS Complete (8' to 10' Deep)	LF	3000	\$ 31.00	\$ 93,000.00	
2. 4' Dia. MH (10' to 14' deep)	Ea	8	\$ 2,200.00	\$ 17,600.00	
3. Conn. To exist. MH	Ea	1	\$ 1,000.00	\$ 1,000.00	
3. Mobilization	LS	1	\$ 85,000.00	\$ 11,000.00	
Subtotal					\$ 122,600.00

Water Mains

Item	Unit	Quantity	Unit Price	Extension	
1. 8" Main Complete Including Fittings	LF	3600	\$ 18.00	\$ 64,800.00	
2. 8" Gate Valve and Box CIP	Ea	2	\$ 850.00	\$ 1,700.00	
3. Hydrant Branch, CIP	Ea	6	\$ 2,750.00	\$ 16,500.00	
4. 8" Connection to 8" Main	Ea.	2	\$ 800.00	\$ 1,600.00	
5. Mobilization	LS	1	\$ 10,000.00	\$ 10,000.00	
Subtotal					\$ 94,600.00

Streets

1. Clearing and grubbing	S.Y.	22000	\$ 2.00	\$ 44,000.00	
2. Lin. Grading	LF	3300	\$ 4.50	\$ 14,850.00	
3. 12" thick Subgrade Preparation, CIP	S.Y.	16200	\$ 1.00	\$ 16,200.00	
4. Std concrete Curb and Gutter, Including Subgrade compaction	L.F.	6600	\$ 10.25	\$ 67,650.00	
5. 10" Base Course	T	8870	\$ 14.00	\$ 124,180.00	
6. 3.5" Asphaltic concrete surface course	T	3100	\$ 45.00	\$ 139,500.00	
7. Tack coat	S.Y.	14700	\$ 0.30	\$ 4,410.00	
9. Finish grading	S.Y.	5900	\$ 2.00	\$ 11,800.00	
10. Seeding	S.Y.	5900	\$ 0.30	\$ 1,770.00	
11. Mobilization	LS	1	\$ 42,500.00	\$ 42,500.00	
Subtotal					\$ 466,860.00

Subtotal HIAP North Phase II Const.					\$ 684,060.00
Engineering & Contingencies (15%)					\$ 102,610.00
Total HIAP North Phase II					\$ 786,670.00

HIAP North Phase III - Drainage Diversion

Drainage

1. Diversion Channel Excavation	CY	1208000	\$ 2.00	\$ 2,416,000.00	
2. Mobilization	LS	1	\$ 90,000.00	\$ 90,000.00	
Subtotal HIAP North Phase III Const.					\$ 2,506,000.00
Engineering & Contingencies (15%)					\$ 375,900.00
Total HIAP North Phase III					\$ 2,881,900.00

HIAP North - Phase IV

Sanitary Sewers

Item	Unit	Quantity	Unit Price	Extension	
1. 8" SAS Complete (8' to 10' Deep)	LF	7850	\$ 31.00	\$ 243,350.00	
3. 4' Dia. MH (10' to 14' deep)	Ea	21	\$ 2,200.00	\$ 46,200.00	
4. Conn. To exist. MH	Ea	1	\$ 1,000.00	\$ 1,000.00	
3. Mobilization	LS	1	\$ 37,900.00	\$ 37,900.00	
Subtotal					\$ 328,450.00

Water Mains

1. 8" Main, complete including fittings	LF	10750	\$ 18.00	\$ 193,500.00	
2. 8" Gate Valve and Box CIP	Ea	4	\$ 850.00	\$ 3,400.00	
3. Hydrant Branch, CIP	Ea	4	\$ 2,750.00	\$ 11,000.00	
4. Connection to exist. 8" main	Ea.	2	\$ 1,000.00	\$ 2,000.00	
5. Mobilization	LS	1	\$ 20,500.00	\$ 20,500.00	
Subtotal					\$ 230,400.00



Streets

1. Clearing and grubbing	S.Y.	52700	\$	2.00	\$	105,400.00	
2. Lin. Grading	LF	7900	\$	4.50	\$	35,550.00	
3. 12 " thick Subgrade Preparation, CIP	S.Y.	38600	\$	1.00	\$	38,600.00	
4. Std concrete Curb and Gutter, Includir	L.F.	15800	\$	10.25	\$	161,950.00	
Subgrade compaction							
5. 10" Base Course	T	19300	\$	14.00	\$	270,200.00	
6. 3.5" Asphaltic concrete surface course	T	6750	\$	45.00	\$	303,750.00	
7. Tack coat	S.Y.	19300	\$	0.30	\$	5,790.00	
9. Finish grading	S.Y.	14044		\$2.00	\$	28,088.00	
10. Seeding	S.Y.	14044		\$0.30	\$	4,212.00	
11. Mobilization	LS	1	\$95,000.00		\$	95,000.00	
Subtotal							\$ 1,048,540.00
Subtotal Construction HIAP North Phase IV							\$ 1,607,390.00
Engineering & Contingencies (15%)							\$ 241,110.00
Total HIAP North Phase IV							\$ 1,848,500.00

HIAP SOUTH

HIAP South Phase I

Sanitary Sewers

1. 8" SAS Complete (8' to 10' Deep)	LF	2850	\$	31.00	\$	88,350.00	
2. 4' Dia. MH (10' to 14' deep)	Ea	9	\$	2,200.00	\$	19,800.00	
3. 6' Dia. MH (10' to 14' deep)	Ea	1	\$	3,500.00	\$	3,500.00	
4. Pavement Patch	S.Y.	55	\$	30.00	\$	1,650.00	
5. Mobilization	LS	1	\$	11,000.00	\$	11,000.00	
Subtotal							\$ 124,300.00

Water Mains

1. 8" Main Complete Including Fittings	LF	3800	\$	18.00	\$	68,400.00	
2. 8" Gate Valve and Box CIP	Ea	4	\$	850.00	\$	3,400.00	
3. Hydrant Branch, CIP	Ea	6	\$	2,750.00	\$	16,500.00	
4. Pavement Patch	S.Y.	40	\$	30.00	\$	1,200.00	
5. 8" Connections	Ea.	2	\$	1,000.00	\$	2,000.00	
6. Mobilization	LS	1	\$	8,400.00	\$	8,400.00	
Subtotal							\$ 99,900.00

Streets

1. Clearing & Grubbing	S.Y.	24000	\$	2.00	\$	48,000.00	
2. Lin. Grading	LF	3600	\$	4.50	\$	16,200.00	
3. 12 " thick Subgrade Preparation, CIP	S.Y.	16000	\$	1.00	\$	16,000.00	
4. Std concrete Curb and Gutter, Includir	L.F.	7200	\$	10.25	\$	73,800.00	
Subgrade compaction							
5. 10" Base Course	T	7200	\$	14.00	\$	100,800.00	
6. 3.5" Asphaltic Surface Course	T	2900	\$	45.00	\$	130,500.00	
7. Tack coat	S.Y.	16000	\$	0.30	\$	4,800.00	
8. Finish grading	S.Y.	8000		\$2.00	\$	16,000.00	
9. Seeding	S.Y.	8000		\$0.25	\$	2,000.00	
10. Mobilization	LS	1	\$	41,000.00	\$	41,000.00	
Subtotal							\$ 449,100.00
Subtotal Construction HIAP South Phase I							\$ 673,300.00
Engineering & Contingencies (15%)							\$ 100,995.00
Total HIAP South Phase I							\$ 774,295.00



HIAP South Phase II

Sanitary Sewers

1. 8" SAS Complete (8' to 10' Deep)	LF	1800	\$ 31.00	\$ 55,800.00
2. 4' Dia. MH (10' to 14' deep)	Ea	5	\$ 2,200.00	\$ 11,000.00
3. Conn. To exist MH	Ea	1	\$ 1,000.00	\$ 1,000.00
4. Mobilization	LS	1	\$ 7,000.00	\$ 7,000.00
Subtotal				\$ 74,800.00

Water Mains

1. 8" Main Complete Including Fittings	LF	1500	\$ 18.00	\$ 27,000.00
2. Hydrant Branch, CIP	Ea	4	\$ 2,750.00	\$ 11,000.00
3. 8" Connections	Ea.	1	\$ 1,000.00	\$ 1,000.00
4. Mobilization	LS	1	\$ 4,000.00	\$ 4,000.00
Subtotal				\$ 43,000.00

Streets

1. Clearing & Grubbing	S.Y.	10700	\$ 2.00	\$ 21,400.00
2. Lin. Grading	LF	1600	\$ 4.50	\$ 7,200.00
3. 12" thick Subgrade Preparation, CIP	S.Y.	7800	\$ 1.00	\$ 7,800.00
4. Std concrete Curb and Gutter, Includir Subgrade compaction	L.F.	3200	\$ 10.25	\$ 32,800.00
5. 10" Base Course	T	3900	\$ 14.00	\$ 54,600.00
6. 3.5" Asphaltic concrete surface course	T	1365	\$ 45.00	\$ 61,425.00
7. Tack coat	S.Y.	7100	\$ 0.30	\$ 2,130.00
8. Finish grading	S.Y.	2850	\$2.00	\$ 5,700.00
9. Seeding	S.Y.	2850	\$0.25	\$ 712.50
10. Mobilization	LS	1	\$12,500.00	\$ 12,500.00
Subtotal				\$ 206,270.00

Subtotal Construction HIAP South Phase II				\$ 324,070.00
Engineering & Contingencies (15%)				\$ 48,610.00
Total HIAP South Phase II				\$ 372,680.00



VI. TRANSPORTATION

This section is intended to supplement the information on streets contained in the Infrastructure/Utilities Section. Access to HIAP is considered to be excellent since the Park is accessible by roadway, railway, and air, making the Park unique among other industrial parks in the area. The Park is located along NM 18 (Lovington Highway), which is a four-lane divided roadway ideal for truck traffic . There are two access points into the Park off of NM 18, which both provide full access to the highway. The access points are located at the Jack Gomez Blvd. entrance to HIAP and HIAP Road entrance. The Jack Gomez Blvd. entrance provides access to the north-central part of HIAP, including many of the recreational uses like Ocotillo Golf Course, McAdams Park, the Soaring Society Building, and the hangars used for soaring activities. The HIAP Road entrance provides access to the HIAP South EDC leased area, Ladishaw, the Lea County Convenience Center, and some of the other businesses fronting along NM 18. Within HIAP, there is an established roadway network. Both Jack Gomez Boulevard and HIAP Road link to Avenue A, the major north south road that ties the Park together. The airport related infrastructure like hangars and runways are fronted on Avenue A.

Rail access to HIAP is provided from a rail line entering the property just south of Jack Gomez Boulevard, in the eastern part of the Park. The rail line proceeds to run along the eastern boundary of Ocotillo Park Golf Course and splits into two separate lines. The western split ends at the Ladishaw site, while the eastern split curves along the southern portion of the Haliburton site before linking to the primary rail line that links to the City of Hobbs. Although truck and air freight continues to be the primary choice for product distribution for many companies, other still rely heavily on rail.

Another form of access could occur potentially through the air given the fact that HIAP remains an open airport with four runways (two of which are currently open). Although the runways are used primarily for soaring activities, they could potentially be used to land planes capable of transporting goods to and from the area. In order for the HIAP to be used as an Airpark capable of serving future industrial and business development, public fueling facilities would need to be constructed on the site.



VII. MASTER PLAN CONCEPT

The Hobbs Industrial Air Park Final Master Plan Concept, located on the next page, provides a graphic view of future development of HIAP by showing lot sizes, an internal roadway network, access points, and areas of interface with recreational uses. There are two primary areas where industrial/business development can take place. They include:

- HIAP South (Including Phase 1 and Phase 2 Master Plan Areas)
- HIAP North (Including Phase 1, Phase 3, and Phase 4 Master Plan Areas)
- Drainage improvements are identified as Phase 2

In addition, the Final Master Plan concept shows recreational areas including reserve areas north of McAdams Park and south of Ocotillo Park Golf Course. These reserve areas could potentially be used for future park or golf course expansion. Each area is described in greater detail below. Possible expansion of the golf course is found on page 45. Please see the next section for more details on the Phasing Plan.

HIAP South Master Plan Area

Phase I Master Plan Area is located in the southeastern part of HIAP and consists of 235 acres. Currently, the only private industrial users located in HIAP South is Haliburton and facilities associated with Lea Regional Medical Center. Proposed lot sizes ranging from 3.3 acres to 11.3 acres are located within HIAP South, with the majority of lots averaging approximately four acres. Each lot has access either from HIAP Road or via a future road network accessed off of HIAP Road. Two roadways extend from HIAP road, both running north and south in order to provide access to lots north and south of the Road. The two roads are linked on the north by another east/west road, which provides access to the lots located immediately south of the Ocotillo Reserve Area and provides additional frontage to the Ladishaw site.

HIAP South, Phase 1

Avenue A provides direct access to the lots that front along that street. In addition, there are three other proposed roadways proposed for the Phase 1 area. Two east/west roads extend off of Avenue A. As previously stated, Phase 1 contains an area, which has been identified as the area most likely to develop first. Phase 1 also includes the future Sparton site. The proposed street to the Sparton site runs along the it's southern boundary connecting Jack Gomez Boulevard to Avenue A. This road will run along the northern boundary of the National Guard site. Another north/south road is located off the Sparton Road and provides access to the large lots north of the Runway Clear Zone.

HIAP South, Phase 2

HIAP South, Phase 2 is located across from HIAP South, Phase 1 (southside of the HIAP Entrance Road). It consists of smaller lots.

HIAP North Master Plan Area

The HIAP North Master Plan Area is located immediately north of Jack Gomez Boulevard and McAdams Park. A variety of lots sizes are located within the HIAP





**HOBBS
INDUSTRIAL
AIR PARK**

HOBBS, NEW MEXICO

MASTER PLAN

LOT INFORMATION

MAP SOUTH		MAP NORTH	
Lot #	Area	Lot #	Area
1	0.00	101	0.00
2	0.00	102	0.00
3	0.00	103	0.00
4	0.00	104	0.00
5	0.00	105	0.00
6	0.00	106	0.00
7	0.00	107	0.00
8	0.00	108	0.00
9	0.00	109	0.00
10	0.00	110	0.00
11	0.00	111	0.00
12	0.00	112	0.00
13	0.00	113	0.00
14	0.00	114	0.00
15	0.00	115	0.00
16	0.00	116	0.00
17	0.00	117	0.00
18	0.00	118	0.00
19	0.00	119	0.00
20	0.00	120	0.00
21	0.00	121	0.00
22	0.00	122	0.00
23	0.00	123	0.00
24	0.00	124	0.00
25	0.00	125	0.00
26	0.00	126	0.00
27	0.00	127	0.00
28	0.00	128	0.00
29	0.00	129	0.00
30	0.00	130	0.00



December 2011



North area, ranging from 3 acre lots to a variety of larger lots, including a 60 acre site that has been reserved for Sparton Electronics. The variety of lot sizes is intended to provide ample choice for companies looking to move into the Park. On the east side of HIAP North are four large lots ranging in size from 18.8 acres to 25.4 acres. The Final Master Plan, however, shows this same area with a small lot option showing lots sized from 2.6 acres to 12.8 acres. This provides HIAP with a great deal of flexibility should larger lots not be in demand.

HIAP North, Phase 1

HIAP North, Phase 1 is located to the north of HIAP North, Phase 1. Phase 1 contains seven lots, averaging 11 acres in size, however, a larger 27.6 acre site is located on the far east of the Unit, fronting the Texas/New Mexico railway.

HIAP North, Phase 2

Drainage improvements throughout the HIAP North area are identified as Phase 2.

HIAP North, Phase 3

This Phase is located north of North, Phase 1. It consists of 13 lots ranging in size from 13.5 acres to 27.6 acres. There are three access points to the lots located in Phase 3, including the proposed northern road coming off of Jack Gomez Blvd. Access is also provided by a proposed road leading east from Avenue A.

HIAP North, Phase 4

HIAP North, Phase 3 consists of very large lots north of the Runway Clear Zone. It is accessed by the proposed north/south roadway mentioned above. These lots would be suitable by users desiring larger lots for heavier industrial activities. This area is impacted by a drainage way that runs the length of the runway clear zone area and extends to the southwest of the park and terminating at the area reserved for the gun club activities.

Non-Industrial Areas

Recreational Areas

Although the HIAP Master Plan pertains to HIAP North and HIAP South areas, it is important to mention the recreational uses that abut these two areas, particularly McAdams Park and Ocotillo Golf Course. As previously discussed, development of business and industrial uses is the driving force behind development of HIAP, particularly the HIAP North Master Plan Area. The area has already developed as a major employment and activity center for the Hobbs area, which is likely to continue, especially if the City is able to attract suppliers and distributors of the firms already located at HIAP. Certain recreational uses such as Ocotillo Park Golf Course and McAdams Park will remain in the same place, while others could potentially be relocated to different parts of HIAP or other parts of the City.

It remains likely that HIAP will remain an area for destination or specialty recreational uses, given the fact that other recreational needs of Hobbs residents such as ball fields and park land will be accommodated at existing facilities. The development of Del Norte Park will actually provide the City with additional playing fields and an aquatic center. Should Hobbs face an upsurge in growth in the next 20 years, there may be a need for additional community facilities at locations closer to the residential areas of the City.



PLANNING ISSUES RELATED TO HIAP DEVELOPMENT

Nature of Development

The trends in industrial park development were discussed earlier in this Master Plan document. The prevailing view of industrial parks have been large areas where warehouses or factories are located, which in turn give off noise, emissions, and require a great deal of space for large machines. Industrial and business parks have gradually evolved into campus style environments shifting the changing nature of the work that is typically done in modern industrial parks. The increase in electronics manufacturing has grown, creating a “light” type of industrial development characterized by production requiring smaller machines that do not give off significant emissions. This is not to say that the more “traditional” type of industrial park is not needed, as many users are still considered to be heavy industrial development.

At HIAP both a “traditional” style industrial park combined with a campus style park are possible. The HIAP South area is located in close proximity to more intensive industrial users such as Haliburton and Ladishaw. In addition, it is close to the Lea County Convenience Center and Lea County Road Department. Heavier industrial users should be located in this section of the Park to ensure greater compatibility with the uses that currently exist.

The HIAP North area is currently undeveloped, however the potential is strong for it to develop as a campus style industrial/business park. This is recommended because this area is in close proximity to Ocotillo Park Golf Course, the Soaring Society of America Headquarters, and McAdams Park. The potential exists for trails to be developed that link the HIAP North industrial areas to these recreational amenities, creating a pleasing work environment. According to the Master Plan, HIAP North includes easements that can be left as green belts, that will provide an open space amenity. The area north of the Runway Clear Zone can be used for more intense and heavy industrial users should demand for this type of industrial development be great.

Design Guidelines/Standards

In order to ensure a high quality development, it is advisable for the City of Hobbs to develop design guidelines for HIAP. As previously stated, the trend among industrial and business park users is to locate in campus-style environments. HIAP is in the unique and advantageous position in that there is enough land to develop both a campus style environment that is integrated with the Park’s recreational amenities and the development of a more traditional industrial park where intensive uses can locate. The vision for the Park is that HIAP South would be set aside for more intensive uses, given the fact that these type of uses already exist in close proximity. HIAP South, for the most part, separated from HIAP North recreational amenities.

Conversely, HIAP North would be an ideal location for development of a campus-style industrial or business park. HIAP North, more than any other part of HIAP is closely linked to the recreational amenities, a characteristic desired by companies choosing to locate in campus-style parks. Design guidelines and standards for HIAP North will help accomplish the following:



- Create an attractive built environment that promotes opportunities for personal interaction through the use of pedestrian oriented development.
- Define a common image for architectural and landscape design.

Architectural Control Committee

In order to ensure that the design guidelines adopted for HIAP North, the City should further define the role of the HIAP Board as the Architectural Control Committee for the Park. While the HIAP Board already acts in this way, their role would be to review development plans to ensure that they comply with the design guidelines/standards.

Elements of the Design Guidelines/Standards

Design guidelines/standards should be established for the following elements:

Streetscape: The development of a bold and dynamic entry and streetscape can define an image for the HIAP. The streetscape will provide a unifying element that weaves its way through, and ties together the vast development potential of the project.

Parking: The intent of guidelines/standards for the development of parking areas is to mitigate heat/glare through the provision of landscaping; minimize the visual impact of parking areas, and provide accessible, safe circulation within and adjacent to parking areas.

Bicycle Facilities: Providing convenient bicycle facilities to encourage non-vehicular travel to HIAP will be integral to the development of the HIAP North area as a campus-style Park. This is also important given the trail located on the Lovington Highway, which will connect HIAP to the City of Hobbs.

Site Landscape: The landscape environment serves to enhance the visual dynamic of the development and aid in reinforcing the street edge and pedestrian environment. The plant palette chosen for HIAP should provide for year-round color and reflect the natural beauty of southeast New Mexico. Landscape elements, such as street furniture, lighting, bollards, and graphic pylons should be used to reinforce the street edge.

Common Areas: The Commons Areas are intended to be attractive, lively, pedestrian-friendly, and useful asset to the community. Common areas could contain pedestrian areas, bicycle storage, ATMS, kiosks, and/or other activities to promote a community friendly environment.

Setbacks: The use of building and parking area setbacks is required to provide space for the creation of visually attractive streetscapes throughout HIAP.

Lighting: A consistent theme for the lighting fixtures within the streetscape and common areas of the Park will contribute significantly to the Park's overall aesthetic character. Safety and security should be the primary design consideration, as well as the daytime appearance of the light fixtures.



Signage: Signage should create a sense of arrival to the development and establish a quality impact.



VIII. PHASING PLAN

The graphic on the following page shows the Phasing Plan for development at HIAP. The Phasing Plan is contingent on the amount of demand for space at HIAP. Companies desiring certain conditions at HIAP such as bigger lots might help to facilitate Park development. The Phasing Plan consists of the following:

Short-Term Development Phasing (1 to 5 years)

HIAP South, Phase I: EDC leased area, which would be suitable for more intensive industrial development. This area is most likely to be developed first, given the fact that there are companies already located in close proximity.

HIAP South, Phase 2: This area is located south of the the HIAP South, Phase I area. It is also located west of the Lea County Convenience Center.

HIAP North, Phase 1: This is the area focused around the proposed Sparton lease site. The north/south boundaries would be the two proposed roadways shown on the graphic. The likelihood of this area developing quickly remains strong, especially if another strong user initiates development in this area.

Intermediate-Term Development Phasing (5 - 10 years)

HIAP North, Phase 3 is the area just north of Phase 2, Unit 1. It is bounded by the north taxiway and the proposed new road. Although it is closely linked to the HIAP North, Phase 1 area, it should be considered for development after HIAP South has started, especially given the fact that a new road would need to be constructed linking Phase 1 and 3 to Phase 4.

Long-Term Development Phasing (10 years and over)

HIAP North, Phase 4 area should be considered for long-term development. It would be the most costly to develop since new infrastructure would be needed such as a new road and the drainage way structure. These facilities would be easier to finance once the other parts of the Park are developed.

The following page shows the Phasing Plan for HIAP.






**HOBBS
INDUSTRIAL
AIR PARK**
HOBBS, NEW MEXICO

PHASING PLAN

- HIAP South**
- Phase 1
 - Phase 2
- HIAP North**
- Phase 1
 - Phase 3
 - Phase 4

Note:
Drainage improvements throughout the HIAP North area are identified as Phase 2.






IX. PLANNING RECOMMENDATIONS

This section contains a summary of all the planning recommendations, including the rationale for each recommendation. The recommendations provide a framework for the City to pursue in development of HIAP for economic development and recreational purposes.

- Because business parks have been proven to be much easier to sell if they are developed to the point that prospective businesses can envision their finished location, it is recommended that the City proceed as financing allows to develop HIAP. Because of the high cost of such development, the wisest approach will probably be to develop the park in phases or subphases sufficient in size to provide an adequate number of business sites for a few years at a time;
- This Master Plan identifies an area within HIAP North where development is most likely to occur first (Phase 1). It is recommended that infrastructure be provided for this area. In addition, interest has been expressed in providing infrastructure for the remaining undeveloped portion of HIAP South. An infrastructure plan for these two areas is presented in the Master Plan along with opinions of the probable construction cost of the public portions of these facilities.
- Coordination on cleaning up HIAP by removing the foundations, debris, junk, and weeds that could stand as impediments to fully marketing the Park. According to the Lea County Economic Development Corporation, marketing of the Park has been difficult given the present physical appearance of certain areas of HIAP. The City should create an action strategy in coordination with the Lea County EDC and HIAP Board that identifies funding for clean up as well as sets a time table for the work to be completed. Discussion regarding clean up should occur in early 2003;
- Secure and earmark funding for infrastructure improvements and expansion such as roads, water/wastewater system improvements, and drainage improvements, particularly, for those areas where immediate phases of development are located. Development of critical infrastructure demonstrates a commitment to potential users that the City has made HIAP a priority;
- Prepare a marketing booklet containing the preferred concept as well as community demographics to attract potential users to HIAP. A marketing booklet is a logical step to begin marketing of the Park. The EDC has already prepared a marketing brochure for HIAP, however, it should be revised to show the new concept as well as the latest demographic figures.;
- Enhance safety features such as lighting within the Park. Since the Park is currently being used for numerous activities, lighting can greatly enhance the Park's attractiveness not only to potential users of HIAP North and South areas but to recreational users as well. As the Park develops, the safety of employees might become a critical issue for employers looking to locate in the Park. Lighting may also reduce the attractiveness of the Park for persons using the property for illegal and illicit behavior such as underage drinking;



- Relocation of the Hobbs Gun Club Trap Range to the areas with other Gun Club related activities. These activities should be master planned in a manner that meets the needs of the various groups. Currently, the Hobbs Gun Club Trap range is located in the HIAP North area. The City of Hobbs has spent money to improve and enhance the Gun Club facilities located on the west side of the Park. As HIAP develops as an Industrial/Business Park, the current location of the Trap Range will no longer be compatible with surrounding uses;
- Utilization of existing easements to form green belts and pedestrian ways. Development of green belts, pedestrian, and open space amenities will help form a campus style environment that will appeal to high technology users;
- Maintenance of existing recreational uses with opportunities for expansion. While the driving force behind development of HIAP is for it to be used as an economic development engine, HIAP is still home to important regional and national recreational amenities. These uses should remain at HIAP given their importance to the community in terms of tourism and recreational facilities, however, every effort should be made to ensure smooth interface between the industrial and business uses that develop at the Park. Users of these recreational facilities should also be consulted closely to make sure that these uses are kept viable and enhanced;
- A spec. building should be considered for HIAP at a minimum of 50,000 square feet. Discussions should begin at a later date in order to devise a strategy for spec. building development; and
- The area around Ocotillo should be kept in reserve in the event that golf course or recreation uses need to expand in the future. Expansion of Ocotillo is certainly feasible and expansion could provide Ocotillo and Hobbs a tremendous advantage over other public and private courses in the area and in fact, in the State of New Mexico/West Texas Region. Ultimately, the decision as to whether expansion of Ocotillo or the development of a new course at another location should be made with public involvement and as part of a comprehensive planning process; and
- Adoption of design guidelines for park development in order to protect property values and recreational areas. Design guidelines will ensure that development at HIAP remains the highest quality that will protect property values. These guidelines can regulate everything from landscaping of parking areas to the plant palette to be used at HIAP.

