

Chandler sites near airpark go industrial

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Harsch Investment Properties, with projected assets of \$2.3 billion by the end of the year, is bringing its industrial-space building expertise to the Chandler Airpark.

Loop 202, city hall grit and the desire for a diversified job base have created the time and opportunity for the Portland, Ore.-based company's arrival.

"The purpose of our company is to build business parks that help create a diversified job base for the communities we come to," said Harsch Investment Properties President Jordan Schnitzer.



Jordan Schnitzer

His company spent \$18.6 million for 93 acres in four parcels next to the Chandler Airpark, just south of the Cardinal Health facility and Vestar's Crossroads Towne Center.

Schnitzer said a 10-acre parcel at Ryan Road and Stearman Drive likely will be the first developed, with a groundbreaking next year. The other parcels — 10 acres at Queen Creek and Cooper roads, 34.5 acres at the juncture of Queen Creek and the Union Pacific Railroad, and 38 acres at Ryan and

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AIRPARK: Portland, Ore., company planning major development for Chandler

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McQueen roads — will be built over the next four to six years depending on the leasing market.

That's fine with the city of Chandler, which purposely preserved land in this area for job-creating businesses.

"It's good news that the company has a strategic vision," said Christine Mackay, economic development specialist with the city, "as opposed to glutting the area with industrial space."

Intentionally warding off single- and multi-housing developments in the area to reserve it for job- and revenue-producing opportunities, Chandler Director of Planning and Development Doug Ballard said city leaders have been consistent in their vision to attract and maintain a strong job market.

It started with the Priece Road area referred to as The High Tech Bio Tech Financial Services Corridor, which boasts 23,000 employees from companies such as Motorola Inc., Avnet, Freescale Semiconductors Inc., Microchip Technology and others.

"That corridor is unique in the Southwest," Mackay said. "Its success plays into the type of development Harsch brings — diversified job creation." Of the 2,000 acres in the airpark area, Mackay said only 740 acres are not in a planning stage.

Now, Ballard said, "the airport is coming of age. This is the last major development horizon in the city."

Schnitzer said he appreciated the city's "pro-business with appropriate growth" strategy, adding that "if the community is



MATT DEPINTO/THE BUSINESS JOURNAL

Harsch Investment Properties purchased 93 acres in four parcels near the Chandler Airpark for industrial development.

healthy, our business will be healthy."

Harsch develops flex space of 3,000 square feet to 10,000 square feet for such distribution businesses as janitorial, pool and medical supplies. "Our niche is working with smaller businesses," he said.

Arizona House Pro Tem Bob Robson, R-District 20, Chandler, called the Airpark area the last "major employment area for the city and tax generator for the Chandler Unified School District."

Interest in the airpark area comes from local investors as well as those on the West Coast, East Coast and Midwest.

Mackay, Ballard, Robson and Schnitzer agree that freeways are a driving force for development in the Airpark area.

Loop 202 connects I-10 and Loop 101. The Santan Freeway-Loop 202 connects U.S. 60 from the south and is scheduled to complete the north connection from the U.S. 60 to Red Mountain Freeway-Loop 202 next year.

"We've been watching the Chandler market," Schnitzer said, "and with the freeways, now is the right time to build."

Schnitzer said he has been in love with Arizona since his parents bought the Stardust

Motel in Yuma when he was 7 years old. He's now 55. So, he said, he's been keeping his hand on the pulse of the Phoenix metro area for a long time.

Phoenix "still has a can-do attitude, and people are still polite in that cowboy gentleman, cowboy lady way," he said.

He said he probably could have bought land at any time in the past five years, however, he was monitoring how far out the metro area would spread because that's where the competition is for comparatively cheaper land. He was attracted to Chandler because it is landlocked, which provided him a chance to get in a place where land was scarce and density high, he said.

"(Those factors) help in a real estate acquisition of existing land and new properties to maintain value and hopefully increase in value in the future," Schnitzer said.

In addition to Portland, Harsch Investment Properties has offices in Seattle, San Francisco, Sacramento, Las Vegas and San Diego. A Phoenix office is planned for opening after the first of the year.

Paul Siczekowski, senior vice president, and Rob Martensen, vice president, with Colliers International reprised Harsch Investment. Palo Verde Associates, Phoenix, sold the two 10-acre parcels; Queen Creek XXXV LLC, Scottsdale, sold the second largest parcel; and Ray Property Ventures LLC, Phoenix, sold the largest.

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