



## IMPACT AWARDS

# Developer Tapped Into Hot Market for Cold Storage

ViaWest's Central Logistics Center Named Redevelopment of the Year for Phoenix



ViaWest acquired the 76,000-square-foot building in June 2019 at 291 E. Buckeye Road as part of a larger package, a full city block in south central Phoenix. (CoStar)

**By Clare Kennedy**  
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By the time ViaWest Group bought the aging buildings that would become the Central Logistics Center, its key piece — a cold storage facility — had been on ice for more than a decade.

ViaWest acquired the 76,000-square-foot building in June 2019 at 291 E. Buckeye Road as part of a larger package, a full city block in south central Phoenix. The complex, which included a mix of 1940s-era structures and land, was sold by its longtime owner, an entity controlled by Linda K. Bayless, according to Maricopa County records. She is an heir of Arthur Joseph Bayless, founder of A.J. Bayless, a dominant grocery chain in the Phoenix area from the 1930s through the 1970s. Environmental records with the state of Arizona show that the site was a company hub until it closed in the late 1990s.

The purchase was a rare prize: a prime, 24.9-acre industrial site one mile south of downtown Phoenix, in the thick of urban core and surrounded by a dense transit network. It is within 10 minutes of two major rail yards, four miles west of the region's international airport and sits in the quadrant of the city formed by Interstates 10 and 17.

Turning the property into a standard logistics hub would have been easier, and in mid-2019 the need for climate-controlled facilities tailored to the flow of perishable foodstuffs was growing, but not yet acute. Nevertheless, ViaWest sensed opportunity.

"After analyzing the market for cold storage availability, ViaWest Group realized the growing demand in this sector and judiciously decided to uniquely renovate one of these distinctive assets into a cold storage building," the team wrote in its narrative about the project.

ViaWest decided to renovate the three existing structures at the site, a plan that included a near total upgrade of the cold storage facility, and construct a new building as well.

The company's purchase and strategy proved to be fortuitous. Within the year, the coronavirus pandemic arrived and consumer adoption of internet-based grocery shopping blew up. The e-grocery business is heavily dependent on the availability of cold storage, and though the building was not yet operational at the height of the outbreak it found plenty of suitors when it re-entered the market in 2022. The facility, now known as Building D North, is fully leased to a Michigan company, Bay Logistics.

The other buildings at the Central Logistics Center have also found success. The newly-constructed Building E East is now leased to Ferguson, a plumbing supply company that

previously occupied one of the older buildings there. Meanwhile, the autonomous rideshare company, Waymo, has taken all of Building D South.

Because of all of the above, ViaWest's Central Logistics Center has been selected by a panel of local industry professionals as the winner of the 2023 CoStar Impact Awards for Redevelopment of the Year for Phoenix.



Pictured from left to right, ViaWest's Alex Boles, Partner Danny Swancey, Alesha Karlsson, Alex Briestensky, Erin Yazzie and Founding Partner Steven Schwarz. (CoStar)

**About the project:** ViaWest's Central Logistics Center involved the redevelopment of three existing industrial buildings: a 166,000-square-foot structure called Building B, a 72,300-square-foot structure called Building D South and the rehabilitation of the 76,000-square-foot cold storage facility, Building D North. ViaWest used open land at the site to construct new industrial building, a 95,000-square-foot property called Building E East.

**What the judges said:** "Fabulous job by ViaWest in retrofitting a dilapidated freezer cooler building to modern day standards, and maximizing the highest and best use of the residual

accompanying land site," said Jeff Foster, vice president and market officer for the San Francisco-based industrial giant, Prologis. He added that such modern industrial facilities are "much needed" in the area near Phoenix Sky Harbor International Airport, where supply is low compared to demand and buildable land is hard to come by.

**They made it happen:** The team from Phoenix-based ViaWest Group included Danny Swancey, Todd Weiss, Alex Boles, Tom Glissmeyer, Danny Plapp and Alesha Karlsson.

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**CoStar's Impact Awards** highlight the commercial real estate transactions and projects that have transformed their markets over the past year. The winners are chosen by independent panels of industry professionals who work in the markets they judge. Learn more about the awards [here](#).

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