

Commercial Real Estate

Sub-Zero unveils newly built West Valley manufacturing, distribution center

Wisconsin kitchen appliance maker has invested more than \$200M for Goodyear facilities




Sub-Zero celebrated the opening of its new manufacturing and distribution center in Goodyear in August 2024.

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When high-end kitchen appliance company Sub-Zero Group Inc. decided to grow its manufacturing presence with two new facilities, the company started with a search initially spanning 900 communities across the U.S.

Phoenix developer ViaWest Group pitched a large site alongside Scottsdale Investment Management in 2021 as a potential landing spot for the Wisconsin-based manufacturer, which had been eyeing a dozen locations across the Valley.

The 36-acre property, located at Camelback Road and Cotton Lane in Goodyear, won over Sub-Zero, which celebrated the opening of [its new manufacturing and distribution center](#) earlier this month, about a year and a half after construction started. It's among the largest industrial buildings [to be delivered in the Valley](#) so far this year and adds to the growing number of [build-to-suit projects driving](#) industrial development in Arizona.

The \$118 million project is the second location Sub-Zero has opened in Goodyear after its initial expansion [to the West Valley city](#) in 2011 as one of the first manufacturers at the PV 303 industrial corridor that's now home to dozens of employers. It subsequently added on to its Goodyear factory in 2015 with 240,000 square feet of additional space.

The 600,000-square-foot expansion at Sub-Zero's second Goodyear location is set to create at least 143 new jobs with average annual wages of \$52,000 over five years. Between the two West Valley locations, Sub-Zero has invested [at least \\$220 million](#).

"We have our track record here, so we know the workforce, the talent and people, everywhere else you go is an unknown," said Scott Wareing, senior vice president of operations and product for Sub-Zero, which has associated brands Wolf and Cove.

On top of attracting high-quality talent, Sub-Zero liked the proximity to its nearby Goodyear plant and the opportunity for those facilities to work together.

Goodyear City Council approved supporting a foreign trade zone designation for Sub-Zero at its Aug. 26 meeting, adding to its existing FTZ designation at its first Goodyear facility. The new location is expected to have a nearly \$600 million economic impact and produce \$5.6 million in property tax revenue over 10 years.

Construction hurdles along the way

Getting the Sub-Zero facility across the finish line took long nights of problem-solving as a host of challenges popped up throughout the development process.

The property itself was one that ViaWest Group had owned for nearly 20 years, but they had to work with the neighboring property owner, Scottsdale Investment Management, to create a site that could accommodate Sub-Zero.

"Having a partner with another landowner, that creates a totally unique set of circumstances," said Danny Swancey, a partner at ViaWest Group. "On the front end it was trying to figure out with two adjacent land parcels – could we get our partner aligned with what we saw the vision of this being."

Sub-Zero initially only wanted a 400,000-square-foot building, but was convinced to expand that to 600,000 square feet for future growth and because it would cost less to expand the footprint of the building in the short term.

While construction was underway, Brian Johnson, Phoenix market leader for Willmeng, the general contractor for Sub-Zero, said additional capacity was being added to the facility, so they had to work closely with the architect and city of Goodyear while maintaining the construction schedule. DLR Group and Kimley-Horn were also involved in the project for design and engineering.

Hurdles also popped up during the development process with the removal of a floodplain, coordinating power and securing a sewer line for the site. It was one of the "most complicated projects that any of us have come across," said Alex Boles, senior vice president of investment and development at ViaWest Group.