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Hangars

With two new jumbo-size hangars replacing its long-standing terminal, Scottsdale Airport clears the runway for a new era.

By Jimmy Magahern

Rarely do you see a group of men in hardhats and reflective safety vests pausing to appreciate fine art. But that was the scene May 16 when, after six months of construction on the two new executive hangars at the Scottsdale Airport, workers took a break to watch 150 gallons of foam concentrate pour from the ceiling to fill one of the 30,000-square-foot concrete buildings with an ocean of bubbles.

The construction workers stood silently in awe of the brief spectacle, although it's likely many of them had seen such an exhibition before. The exercise was, after all, merely a standard fire suppression test, required by federal aviation regulations and city fire codes for structures built to house aircraft. But with high-expansion foam raining down from wide-mouthed generators suspended nearly 40 feet above the ground to create an 18-foot-deep pool of snow-white suds,

the special effects were on a grander scale than anything previously seen at the airport, currently in the midst of a \$27 million redevelopment. One local TV news anchor airing video of the test giddily compared it to the Ibiza-style foam rave parties of the '90s.

It was a fitting "soft" opening for the new facility, one of two connecting hangars at the airport that together stretch over 60,000 square feet, earning the duplex the distinction of being the largest hangar structure

This new 12,500 square-foot private hangar with close access to gate 2 is available for lease from developer John Levitz.

Timothy Carpay, CEO of Gemini Air Group, says he's been getting a lot of calls from large aircraft owners as word of the huge hangars makes the rounds.

(Photo by Jordan Christopher)

On!

(Photo by Kimberly Carrillo)

in the Airpark. In North Scottsdale, where hangars house the private jets and collector cars and host the lavish parties of a select handful of the Valley's wealthiest, that's a highly sought-after status.

"Isn't it massive? I know!" enthuses Sarah Ferrara, aviation planning and outreach coordinator at Scottsdale Airport, whose office was relocated to the new Airport Operations Center, itself an architectural standout. Designed by Carefree's August Reno, the long but narrow two-story building, all rusted steel siding topped with wraparound windows, sits for the moment on its own fenced-in peninsula just north of the construction zone.

"All of the hangar doors are 28-foot tall by about 130-foot wide," Ferrara says. "That's big enough to accommodate the

larger-sized jets – the Gulfstream 650, Falcon 7X or even a Global Express. Fortunately, people who own those types of aircraft want to come into Scottsdale, and we want to be able to meet that demand."

But the addition of the hangars adds more than just bragging rights for whoever can afford to lease space in them. The new structure, together with a still-under-construction aviation business

center, also sits on the grounds of what used to be the Scottsdale Airport terminal building and adjacent offices, demolished last summer. And the replacement of the old terminal with the mammoth hangars symbolizes the airport finally coming to terms with what it's become, while saying goodbye to its original vision.

"The terminal building was built in 1969, with the idea that it would be used for scheduled passenger flights," Ferrara says. But commercial airline service never took off at the airport, even after the terminal was expanded in 1994 to add more than 4,800 square feet for a passenger boarding lounge and baggage claim area. Instead, the airport became one of the busiest corporate jet facilities in the nation, facilitating nearly 170,000 takeoffs and landings of privately-owned

aircraft in 2017 alone.

"When we looked at the land being taken up by the terminal, we thought it would be great to transform this into something that's a lot more usable," Ferrara explains. "And we saw a need to accommodate the larger jets that visit the airport, because we really didn't have hangars that size that are readily available."

The new twin hangars will be operated by Airpark-based Gemini Air Group, an aircraft charter and maintenance business which was awarded a 20-year lease on the facility with an option to renew for another 10. Gemini president Tim Carpay says his company will be moving its operations into the building along with its fleet of five airplanes, but that it will also be leasing space for about seven or eight other big planes – with the emphasis on "big."

"We've got a Falcon 7X coming in," Carpay says, referring to the spacious three-engine business jet with an 86-foot wingspan that currently sells for around \$54 million, "along with a few other planes. We're probably about 80 percent full right now. I expect we'll be filled up by September."

Planes vs. automobiles

According to John Meyer, principal and designated broker for Airport Property Specialists, there are currently 106 hangars in the Airpark, all of which have what's

called “through-the-fence” access to the airport runway via private taxiways leading up to six gates. But only a little more than half of them are being used to house aircraft.

“There are currently 66 aircraft operating out of Scottsdale Airpark,” Meyer says. Still, he adds, “One would be hard-pressed to find accommodations for a mid-size jet in the current hangar market. Vacant taxiway land parcels are also becoming scarce. There are currently just seven taxiway lots available in the Airpark.”

The reason for the low vacancy, Meyer says, is because many of the available hangars got leased out during the recession to non-aviation customers. “A lot of the hangars are being used today by antique car collectors and auto restoration companies.” That leaves a shortage of hangars available to the growing list of actual aircraft owners looking to park their planes in the Airpark.

“Gate 1 has access control of 45 hangars, but is only used by 15 aircraft,” he says. “Some of the hangars are used for antique automotive restoration as well as aircraft assembly.” Ditto for Gate 2, which is accessed by 30 hangars but only four of those contain aircraft.

Do owners of private aircraft resent all the would-be Jay Lenos filling up that valuable hangar space with cars? Meyer says no. “They all know each other and work together, you know? They also understand what the market has been and where it’s going.”

But developer John Levitz, who’s currently offering for lease a newly constructed 12,500-square-foot hangar with close access to Gate 2, contends that airplane owners might be upset if they actually knew what was in all those occupied hangars.

“For somebody looking for an airplane hangar today, I think if they knew a lot of them were occupied by vehicles, they probably would not appreciate that,” says the son of the late furniture industry icon Leon Levitz. “Personally, I am looking to lease to an aircraft owner because I’ve gone to the trouble of putting in a 15,000-gallon fuel farm. Plus I get an override on any fuel sales, so that would be over and above rent.”

Levitz says one additional benefit of his hangar is that it’s a “non-condo,” meaning the lessor doesn’t have to share the building,



The new twin hangars will be operated by the Airpark-based Gemini Air Group, an aircraft charter and maintenance business.

(Photo courtesy Sarah Ferrara)



Construction crews watch as the new executive hangars undergo a fire-suppression test.

(Photo courtesy Sarah Ferrara)

parking lot or ramp with anybody else. “With a lot of the hangars for rent, you’re sharing the ramp with somebody or you’re sharing the fuel. There’s other people in and around your airplane, and when you want to leave, you may have to wait for somebody else to pull out on the taxiway first.”

Levitz says that kind of arrangement is often a deal-breaker for the more elite members of the jet-set. “It’s all kind of a private thing,” he says. “People who have jets tend to keep to themselves.”



The new executive hangars were filled with foam in May for a fire-suppression test.

(Photo courtesy Sarah Ferrara)

Bigger things

Ferrara admits there were some tears among airport staffers when the nearly 50-year-old terminal building was torn down last July.

"I think a lot of people have memories of how the airport was in the old days," says the longtime Valley resident, who's worked for the City of Scottsdale for over 23 years, the last six at the airport. "We actually did a little 'bricks of remembrance' ceremony, where we gave people a piece of the terminal building as keepsakes. But I think a lot of people are more excited about what's to come."

That's especially true of corporate jet owners, who'd been less than charmed by the airport's preservation of an unnecessary passenger terminal in the face of a growing demand for larger aircraft housing. "I met with a couple of California-based clients yesterday who've been flying in to Scottsdale for a while," Carpay says. "And they saw this building going up, but they initially thought it was just going to be another terminal. When I told them it was going to be a hangar, they were like, 'Oh, wow! We've got to get some space in there!'"

Carpay says he's been getting a lot of calls from large aircraft owners as word of the huge hangars makes the rounds. "We've had interest from people all over the country," he says. "We've had people from overseas that spend



Construction workers finished the final touches on the new executive hangars in late May.

(Photo courtesy Sarah Ferrara)

a lot of time here, European aircraft owners that just want the privacy and the security of a private hangar for their bigger planes. Historically, a lot of the hangars behind the fence in the Airpark have all been smaller hangars. Big airplanes can't even taxi through the gates. This changes all that."

Ferrara agrees, adding that airport officials hope having those massive hangars

on-site will encourage even larger corporations to move some of their operations to the Airpark.

"Hopefully that'll happen," she says. "This gives big aircraft owners the benefit of being able to fly in and out of a city that gives them a lot of other opportunities and economic benefits, too. So we're pretty excited about the possibilities." ■

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