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Sky's the Limit on Skyplex

Lee County Port Authority's 1,150-acre business park is landing major office users

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The hottest Class A office development in Southwest Florida isn't a well-manicured suburban park or a downtown redevelopment district primed for a gleaming new skyscraper.

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SkyPlex Commercial Park, an 1,150-acre tract adjacent to Southwest Florida International Airport, is fast becoming a magnet for upscale office projects.

In the past two years, owner Lee County Port Authority has landed a pair of multibuilding office deals with major employers that combined could total 680,000 square feet — roughly equivalent to the 42-story Bank of America Plaza in downtown Tampa.

To date, SkyPlex has been the site of more than \$100 million worth of development, and negotiations with another significant tenant are ongoing that could add even more space, officials say.

“Like many airports, we’re always looking for opportunities to develop revenue sources,” says Jeff Mulder, the executive director of the Lee County Port Authority.

“And in this case, Skyplex makes a lot of sense because we have a lot of the infrastructure already in place, and the benefit of a commercial acreage of some size.”

Although commercial, non-aviation-related development at airports in Florida is hardly unusual — Tampa International is in the midst of a \$2 billion transformation that will add commercial space including 158,000 square feet of net office space, and Charlotte County’s Punta Gorda Airport sold land to food distributor Cheney Bros. Inc. for a major distribution hub, among others — the Lee Co. example is unique in its structure and offerings.

Ben Siegel, the authority’s deputy executive director, notes Skyplex land is strictly for lease — not for sale, the result of Federal Aviation Administration guidelines. The authority has been charging tenants between 15 cents and 25 cents a square foot, or between about \$6,500 and \$11,000 per acre.

And although roughly 280 acres has been set aside for aviation-related uses, such as corporate airplane hangers, freight and cargo shipping operations and airplane maintenance, the authority has consciously decided to go after Class A office users for its park.

“We’ve been very specific in targeting higher-end facilities and users,” Mulder says. “We’re focused on luring Class A office development and we’re content to let others develop retail and related amenities elsewhere.”

Skyplex’s advantages are many.

In addition to sheer size — Southwest Florida International is the third-largest airport in the U.S. in terms of land mass, at 13,500 acres — and its location within a Foreign Trade Zone, the airport and the business park have direct access to Interstate 75 and a road network that includes Daniels Parkway, Tamiami Trail and the Paul J. Doherty Parkway.

The park also is in close proximity to a thick cluster of residences and retail space nearby in the Gateway area, and near the JetBlue Park at Fenway South, the spring training home of the Boston Red Sox.



COURTESY RENDERING — Skyplex, a 1,150-acre business park adjacent to Southwest Florida International Airport, wants to lure Class A office users.

“The workforce is here, and people want to live nearby to where they work, when they can,” Mulder says. “And we’re trying to be unique. There’s plenty of retail space around us, and we don’t want to saturate the market by adding to that. We want to develop in a way that’s compatible with the surrounding area, so we’re okay in taking our time with this.”

Even so, the deals have been seemingly fast in coming.

In 2017, event planner and business consultant Gartner Inc. — one of Lee County’s largest private employers — agreed to build a trio of office and amenity buildings on Skyplex land totaling 240,000 square feet.

The third and final building is now under construction in the roughly \$50 million project by Atlanta-based TPA Group and should be completed later this year.

Siegel says that Gartner's rocket-like growth from acquisitions could propel further development at Skyplex, too. The company has an option for an additional 12 acres of land — on top of the 15 acres it is now leasing — that could accommodate another 250,000 square feet of office space.

Siegel notes the company first looked at Skyplex to alleviate a crowded parking situation at four buildings it occupies in Gateway nearby.

"They're a dynamic company," Siegel says. "We want to see them grow here."

The project has been significant for Skyplex, as well. With Gartner, the park's leasing activity has been more than triple that of the second-largest competitor in Fort Myers over the past 12 months, according to data compiled by real estate research firm CoStar Group.

More recently, Alta Resources Corp. last month committed to develop a 90,000-square-foot office project in Skyplex to house as many as 1,000 workers.

The Wisconsin-based outsourcing support company is applying for permits now for its three-story, \$21 million building.

Like Gartner, Alta Resources could also expand on the authority's property. The company maintains an option to lease additional land for a second 90,000-square-foot structure if its growth warrants it.

The activity wasn't always so frenzied at Skyplex, however.

When the park was christened in 2006, in the wake of the opening of the authority's new \$438 million terminal at the airport and subsequent demolition of the old one, the park drew little attention.

Developers accustomed to buying property balked at the idea of leasing land.

Then the recession hit, and commercial construction in Southwest Florida came to a pernicious halt.

Eventually, the authority put in place a policy that pays real estate agents a 5% commission on deals of 10 years and longer, based on rental rates.

Still, the authority's phone didn't ring.

"Not selling our land has been a major hurdle to some developers, so especially in the beginning it was a challenge to do deals," Siegel says.

It wasn't until 2012, shortly after JetBlue Park opened, that North American Properties approached the authority about developing a Publix Super Markets Inc.-anchored retail center that things began to gel.

Though it wasn't a corporate office project, Siegel and the authority sensed having a grocery store and other service retail nearby could be a valuable amenity for eventual office users.

Skywalk, a 66,000-square-foot center on 10.4 acres, debuted in 2013.

"We were aware that new homes were, and would be, coming to the surrounding area, and we and the folks at Publix thought that the area needed a shopping center and other services," says Dale Hafele, North American Properties' managing partner in Fort Myers.

"The goal was to show the community that the airport and Skyplex were open to, and welcomed, business," Hafele says. "And the authority was very creative in finding solutions to issues that worked for all of us."

Last year, Publix acquired the center from North American Properties.

In August, a new \$15 million road bisecting Skyplex will open and open up even more of the park for business.

"Skyplex Boulevard will serve as a grand entrance to the park and support further Class A office development," Mulder says. "With the momentum we

"The vision is to grow what we have here.

Developments like Gartner and Alta position the airport well, and we're taking a longer-term approach." — Jeff Mulder, executive director, Lee County Port Authority.

have now, it'll be completed at a good time."

Skyplex also should help support the self-sustaining airport's ambitious development activities, too.

In May 2018, the authority announced plans for a \$150 million upgrade to terminal facilities, on top of some \$450 million worth of upgrades that will add another runway and air traffic control tower next year.

"The vision is to grow what we have here," Mulder says of Skyplex.

"Developments like Gartner and Alta position the airport well, and we're taking a longer-term approach."