[**HonorHealth to build hospital at new Surprise commercial center**](https://www.bizjournals.com/phoenix/news/2023/08/15/honor-health-asante-surprise-retail.html)

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By Audrey Jensen
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A long-vacant site within the Asante master-planned community has received approval for a major commercial center anchored by an HonorHealth hospital campus, one of the latest health care providers to make plans for facilities in the West Valley.

Called Asante Trails, the 101-acre mixed-use property is expected to include a proposed hospital campus and medical office buildings, an employment area with flexible office and business space, a new hotel and numerous shops and restaurants to support the surrounding community in Surprise.

Surprise City Council on Tuesday evening approved a major change to the Asante Trails planned area development by redesignating the site from commercial to mixed use. This will allow for commercial development across 70 acres and housing across about 26 acres with a maximum of 282 multifamily units.

Several members of council expressed excitement during the meeting for the new HonorHealth hospital, new jobs and the substantial amount of commercial space as opposed to previous plans for the site that included more housing.

"Those implementations will provide the impetus to have people moving into that neighborhood feel like there is a neighborhood for them, not just that they're left out there in the middle of nowhere," said Councilmember Aly Cline during the meeting.

The 101-acre property is located along Grand Avenue at the southwest corner of Pat Tillman Boulevard and 163rd Avenue. It's located about 45 minutes northwest of downtown Phoenix and near the future BNSF Railway Co. industrial complex.

Across the Valley, hospital systems have been increasingly competing for land to expand their reach for the growing population, investing hundreds of millions of dollars in the process. Last year, Scottsdale-based HonorHealth won a bid for state land in north Phoenix in an attempt to block Phoenix-based Banner Health from building a hospital at the site.

A few miles south of the area, Dignity Health is in the process of developing a 502,744-square-foot hospital campus and 240,000-square-foot medical office building within the burgeoning Prasada area along the Loop 303. It paid nearly $15 million for 22 acres in June, according to Maricopa County records.

The team developing the Asante commercial project includes New York-based Kimco Realty Corp., **GTIS Partners** and Clyde Capital. Withey Morris Baugh PLC is the attorney representing the developers. SRS Real Estate Partners is the leasing brokerage.

The developers first met with the city about two years ago to discuss a major change to the Asante zoning regulations to allow for a mixed-use project.

Early plans called for most of the site to be developed with residential uses and some commercial, but after multiple meetings with the city and residents and postponed council votes, the developers amended their plans to reflect mostly commercial buildings.

"What was once a predominantly residential plan, 85%, now is an amazing commercial opportunity," said Adam Baugh, partner at Withey Morris Baugh, during Tuesday's meeting. "This will be the largest commercial center in the northern part of Surprise."

Plans for the Asante Trails property were first approved in the 2000s for a regional commercial power center with nearly 800,000 square feet of space with shops and restaurants.

But limited access to Grand Avenue made it unrealistic for this type of center, Baugh, partner at Withey Morris Baugh previously told the Business Journal.

"It was an impossible site for us to work with given our limitations with the rail line and Grand Avenue and no access on the west side," Baugh reiterated during the meeting. "We were able to change that impossibility to a possibility largely because we could finalize our deal with HonorHealth."

With HonorHealth as an anchor, Baugh said it gives them the confidence to bring in more retail, office, hotel and small business spaces. He said at the meeting that construction could start on the project in the next two years with some space delivering in three to five years.

Instead of having a regional draw, Baugh said the commercial components of the proposed project moving forward will focus on neighborhood amenities that have been missing from the Asante community.

North of the Asante Trails property, Phoenix-based Barclay Group developed a Fry's Marketplace at the northwest corner of Pat Tillman Boulevard and 163rd Avenue with additional retail spaces.

The Asante master-planned community is expected to include more than 14,000 homes at full build-out. It's located just northwest of the Loop 303 and Grand Avenue interchange, an area that is quickly growing as more housing is developed farther outward in the city.