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TOP STORY

Great Plains gets legislative victory

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Legislation that could boost efforts to develop the Great Plains Industrial Park east of Parsons passed through the Legislature this week and is on its way to Gov. Jeff Colyer's desk.

The proposed bills were separately developed in the House and Senate and combined into Senate Bill 185, which passed the Senate, it's final legislative hurdle, on a 39-0 vote Thursday.

The bill would give Great Plains Development Authority, which oversees the industrial park, the ability to issue bonds for improvements and acquire debt. The bill also gives Great Plains the ability to receive up to a 6 percent franchise fee on utilities at the park and use that money for improvements and management.

The authority is responsible for any debt created and that debt won't fall back on the state or Labette County governments in case of default, according to the bill.

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"These are game-changers for us," said Daniel Mann, CEO at Great Plains. "These are big tools for our redevelopment efforts."

In the past, Great Plains had difficulty getting favorable low-interest loans from the federal and state governments.

"Even having a requirement as simple as providing a bank letter of credit," Mann said.

A letter of credit was like Great Plains assuming debt, which it isn't allowed to do until these bills become law.

Mann said the bill would help when working with business prospects in creating project financing.

"It allows us to put the full picture together," Mann said.

Mann hopes the bill will help future projects. He said there are no current projects ready to go for such bond financing, though the franchise fee would be a welcome boost when it becomes law.

"This is an immediate revenue stream that will come into Great Plains," Mann said, for capital improvements and redevelopment, management and marketing.

He said the Labette County Commission will need to take action related to the franchise fee, which would be collected on electrical bills. Westar Energy would collect the fee and give that money to the county, which would then give the money to Great Plains, he said.

Great Plains has its own water and sewer utility, but Mann didn't know if the franchise fee would be collected on that. Fees could be collected on other utilities if they are offered in the park, including fuel and natural gas.

Parsons Fertilizer, which plans to make a slow-release fertilizer at Great Plains, benefited from legislation approved by the 2017 Legislature. In January, the State Board of Tax Appeals granted a 10-year property tax exemption for the company. This tax exemption is now allowed on leased property at Great Plains. Previously, such exemptions applied only to property owned by a company.

The company is remodeling a building in the park and hopes to move equipment in by April 20, Mann said.

Mann said the Legislature has been supportive of Great Plains, including Rep. Richard Proehl and Sen. Dan Goddard, both Parsons Republicans.

"So there's been a tremendous amount of support, not just our local state representatives but also the full state body," he said.

Proehl and Goddard were pleased that the bill passed through the Legislature.

"The ball will be in their court," Proehl said.

"Both of those bills provide a tool. There might be revenues available for infrastructure improvement and those type of things that would make the industrial park more attractive to potential customers," said Goddard, a former Great Plains CEO.

Colyer is expected to sign SB 185, and Mann is asking that the governor sign the bill in Labette County.