

Great Plains takes step closer to trade zone

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OSWEGO — The Sedgwick County Commission on Wednesday authorized an application to be sent to the federal government for operation of a foreign trade zone at Great Plains Industrial Park east of Parsons.

Watco of Pittsburg submitted the application to the commission in Wichita. The U.S. International Trade Office will receive the application and place it on the docket of the Foreign Trade Zone board, which will decide if the subzone can operate at the industrial park. The subzone would give businesses a place to store products free of the tariffs or quotas applied to foreign goods coming into the country. These cannot be applied in an FTZ, as these zones are considered outside the United States, though they exist within its borders. The FTZ provides companies the advantage of buying at a mass quantity and the items will be warehoused in an FTZ for a year or so before the product is moved. At that time companies would have to pay the tax, but they would have had the benefit of those funds remaining in their accounts an additional year.

Brad Reams, director of the industrial park, hopes to have a decision on the FTZ application by mid-August.

“This is another positive step forward taken by GPDA (Great Plains Development Authority) in the development of Great Plains Industrial Park. Obtaining FTZ subzone status opens up substantial opportunities for investment at GPIIP. It also allows foreign and domestic companies to capitalize upon GPIIP’s valuable infrastructure assets and central location in the United States,” Reams said in a statement Wednesday.

Reams and Becky Dantic, Great Plains property manager, spoke to Labette County commissioners this week about the subzone’s progress.

Originally, Watco worked with the Greater Kansas City FTZ on the subzone in Parsons. But Reams told county commissioners that Kansas City could only consider applications inside the metro area and zones outside of Kansas City go through the Sedgwick County Commission.

“The International Trade Office has looked at our draft application. The only thing that’s changed on it is Kansas City to Sedgwick County in probably the last four or five months,” Reams said.

He said there’s a need for multi-tenant warehousing in this area and in the four state region. “So we’ll be able to provide that to different companies,” he said.

Commissioner Lonie Addis asked what facilities were available at the park and if new construction would be needed for warehousing.

“It’s going to really depend on what we have as far as demand. Right now, the 1400 area warehouses are all full. Most of those will be full for another year until next September,” Reams said.

There is space for a laydown yard if goods could be stored that way, he said.

Commissioner Brian Kinzie asked about square footage available at the park.

Reams said the park has 650,000 square feet available for storage, not counting acreage available for a laydown yard. He said Great Plains would have to have a conversation about funding for new construction if that’s necessary in the future. Most modern warehousing needs include 30-foot ceilings and these buildings may need to be 500,000 to 1 million square feet. He said there are 28 acres available east of the 1400 area for a laydown yard that has easy access to rail, but it’s pretty deep in the park.

Another option is the 100 area, where the former administration building was at the former Kansas Army Ammunition Plant.

“There’s a couple of different options, but we have to find those clients first. And I think probably the more optimal thing for people in this area would be smaller like

2,500 square foot to store things that they are importing to help their bottom line," Reams said.

He said the FTZ application shows 138 acres available in the park for FTZ status. The requirement is to have 50 acres.

Reams said Great Plains is ahead of the game as far as security measures in tall fencing around properties in the park but building-level security measures may have to be looked at depending on the product.

Broadband Study

Jim Zaleski, the economic development director for Parsons, asked commissioners for permission to send out a request for quotations to companies that could conduct a study of broadband internet service in Labette County and how existing or new companies could improve a fiber-based service countywide.

There are four companies that provide fiber-based internet access in the county, he said. But fiber connectivity isn't available to all. Wave Wireless is in the process of building its fiber network for certain rural areas of the county.

He said he will submit a request for proposals through Grow Labette, which markets Parsons, the county and Great Plains.

Zaleski hopes to find companies that have done studies on fiber-based internet service and find out how much such a study would cost.

He said the upcoming American Rescue Plan, which is the next stimulus package coming to the states, will include a broadband option so he thinks the RFQ will position the county to take advantage of that potential funding stream.

Zaleski said funding for the actual study is a conversation for when the RFQs come in. Commissioners agreed to allow Grow Labette to send out the requests.