

GREAT PLAINS DEVELOPMENT AUTHORITY

21101 Scott Road, Parsons, KS 67357

Phone: (620) 421-1228

Fax: (620) 421-1205

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Testimony before Senate Commerce Committee on SB 185 Senator Julia Lynn, Chair

Thank you Chairman Lynn for the opportunity to appear as a proponent for SB 185. I am Michael Johnston and am here on behalf of Great Plains Development Authority. Great Plains Development Authority is a quasi-governmental entity chartered by law by the Labette County Commission. Its mission is the economic development of what was formerly the Kansas Army Ammunition Plant near Parsons. With me today is Daniel Mann, the CEO of the development authority.

Since the Army suspended its operations at the plant in 2005, the Defense Department's Office of Economic Adjustment has made annual payments to help cover the administrative costs associated with managing and developing the property. The authority has been notified by the Office of Economic Adjustment that this is the final year of those administrative payments.

Simply put, SB 185 would authorize the Labette County Commission, by resolution, to impose a franchise fee not to exceed 6% on utilities that provide service to customers within the redevelopment district. Since natural gas service is not currently available on the property, this fee would apply primarily to electrical service.



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This revenue would go to the Great Plains Development Authority to assist in the costs of developing and maintaining the property. While Great Plains currently provides and

charges for sewer and water service throughout the redevelopment district, it also provides a roadway network and gate security for the property as well at no cost to tenants. With the impending withdrawal of federal administrative funding support, revenue from this source would be valuable in the ongoing efforts to develop and add jobs in an area of the state that we all know struggles economically.

Thank you for your consideration and Mr. Mann and myself would be pleased to answer your questions.

