

Frequently Asked Questions

Q: What is Proximity Park?

A: Proximity Park is approximately 300 acres north of Kingman Road and west of Montana Road just south of I-35. The land was acquired about ten years ago for the purpose of creating a site for future industrial development to grow Ottawa's tax base and provide opportunities for more jobs for the area. The project was a joint venture between Franklin County and the City of Ottawa and was supported by voters through the adoption of a sales tax in 2015 to extend infrastructure and make the park attractive to a buyer.

Q: Why is it being sold?

A: Proximity Park has been listed for sale for ten years. Numerous companies have looked at the site over that period and some have come close to making an offer, however they did not. Now, the City of Ottawa has an interested buyer who wants to develop the site, build buildings, and hire employees.

Q: Who is the buyer?

A: The buyer is Lightfield Energy, LLC, a Nevada limited liability company.

Q: What do they want to use the site for?

A: The buyers want to create a data campus that will house data processing facilities to meet the demand for AI products such as those used in cell phones, home computers, and by large companies.

Q: Why is an energy company considering this project?

A: Data processing facilities use a large amount of power. Recently companies like Google and Microsoft have developed plans to build facilities with onsite power generation as they are unable to effectively purchase power from the surrounding grid. The City and surrounding utilities cannot generate and sell enough power to meet the demand for data processing centers in this project, so this company is planning to generate power onsite to serve their facilities, much like the companies above.

Q: How will they generate power?

A: Lightfield proposes to build a natural gas power plant to generate the majority of their power at the site. These turbines are similar to ones the City uses at its powerplant on Second Street. They may also make use of other generation and storage as can any other owner in the City, but they are not generating power to sell or transmit offsite.

Q: Is this company connected to the recent attempts to build a solar farm in Franklin County?

A: No, they are not. This company is not connected with any recent attempts to build energy facilities in the county and this project is not connected to, nor dependent on the approval of any other project.

Q: Why didn't the voters decide who would buy Proximity Park?

A: The law does not provide for a public vote each time land is sold. In the past several years, the City has sold several parcels of land, including the remainder of the Coves subdivision on the north side of town. The people's elected representatives, the City Commission, make the decision on when and to whom property is sold.

Q: Will the company have to pay taxes?

A: Yes. The contract specifies that the project is not eligible for a 100% tax abatement. This means the purchaser will pay taxes from day 1 of their ownership. They may apply for no more than a 75% abatement and that can be no longer than 10 years in duration.

Q: How many jobs could this project bring?

A: The proposed project is projected to bring over 100 permanent jobs in the first phase and closer to 200-300 at full build-out. Those jobs range from construction jobs in the beginning, to ongoing maintenance and security jobs, to power plant jobs, to computer engineering and technology jobs. All proposed jobs are to be competitive with or exceed local median wages.

Q: What safeguards exist to ensure the project is built as proposed?

A: The next step in the process will require the developer to apply for economic development incentives with the City and the State of Kansas. Those incentives require the execution of a development agreement that contains all the terms of the deal. Those terms include what the project is and what the developer will build. If the developer does not build the project they promised, then the incentives are not provided. The City approved this sale because the project itself will generate jobs for our community and investment to help expand our tax base and keep costs down. If the proposed project is changed, the sale can be cancelled, and no incentives would be available. The City also negotiated a provision that it can block the assignment of the purchase contract if the developer seeks to assign its rights to any other party that is not building data processing facilities.