Mega industrial park planned for Cedar Rapids

Center intended to increase chances of attracting major employers

Traffic moves along Edgewood Rd. SW near the intersection of 76th Avenue SW next to land that will be occupied by the soon-to-be developed Big Cedar Industrial Center located near The Eastern Iowa Airport in southwest Cedar Rapids, Iowa, on Friday, Nov. 25, 2016. The area marks the southeastern boundary of the industrial park. Iowa Land and Building, a subsidiary of Alliant Energy Corp., is developing the more than 1,300-acre industrial park. (Jim Slosiarek/The Gazette)

CEDAR RAPIDS — A major industrial park under development on the southwest edge of Cedar Rapids — a first of its kind for Iowa — is expected to give the state a better shot at recruiting businesses that usually bypass it.

George C. Ford
Iowa Land and Building, a subsidiary of Alliant Energy Corp., will develop the 1,300-acre Big Cedar Industrial Center, the state’s first certified Mega industrial park and located not far from The Eastern Iowa Airport and Interstate-380.

The farmland within the boundaries planned for the industrial park is under option for potential sale directly to companies that opt to locate in the industrial park. Pricing starts at $30,000 an acre, according to Alliant officials.

The industrial park site is bounded by Edgewood Road SW along the east, 76th Avenue SW on the south, Lefebure Road SW on the west and, in part, along the southernmost CRANDIC rail line to the north.

**Big Cedar Industrial Center**

With nearby CRANDIC railroad, Eastern Iowa Airport and Interstate 380
Alliant, state and local officials will announce the project today at a 1:30 p.m. news conference at Cedar Rapids Metro Economic Alliance offices downtown.

“There are some organizations looking at large projects who say, ‘If you don’t have a certain number of acres available for development, we’re not even going to look at you,’” said Scott Drzycimski, senior manager of economic development and community relations at Alliant Energy.

“We’re going to meet that criteria and put ourselves in competition for those projects. It puts us in a whole new realm.”

Debi Durham, Iowa Economic Development Authority (IEDA) director, said the industrial center will elevate the state’s stature when competing for major corporate expansions.

“The thing that we are missing from our portfolio is truly a Mega site and this is Mega site-plus,” Durham said by phone from her Des Moines office last week. “Not only the 1,300 acres that has been assembled for certification, but also the nearby Cedar Rapids Land and Air Super Park, which really puts the area in a class all its own.”

Joanne Chadima, who represents one of the 10 families committed to selling their land for the industrial park, said the decision to part with the land was not easy.

“My father passed away in 2008 and my mother in 2014, so they will not bear the heartfelt loss of the home place,” Chadima said in a statement. “My only sibling lives out of state.

“Good farm land will be given up for progress. We are assured that it is for the greater good of the community.

"All I ask is that it be acknowledged that all the farmers, everywhere, who have given up their fertile land for progress, be thanked for the heart wrenching decisions they make for the greater good of their communities."

Chadima plans to attend the afternoon news conference.

Much work already done

The industrial-park certification process can take up to 18 months to complete, but Durham expects a shorter timeline.

“So much of the work has already been done (with the Super Park), and there is a commitment by Alliant to move this as quickly as possible,” she said. “One of the reasons it usually takes so long for certification is getting a commitment by the local utility.”

Durham said the IEDA quietly has been marketing Big Cedar in advance of attaining certification to companies looking for 400-acre or 800-acre parcels of development-ready land with air, rail and highway access.
“I think the best and highest uses for that land from the standpoint of capital investment and employee base would be advanced manufacturing — some kind of auto assembly plant — and warehouse/distribution,” Durham said. “I think that’s what we should be targeting strategically for that area.”

“We’re in the process of completing a marketing study, which will help us in terms of workforce numbers and related information,” Drzycimski said. “We will be doing some work to prepare a master site plan, but we will not begin to develop it until a company buys land and starts building on it.”

Drzycimski said work has begun to get Big Cedar certified as a Mega industrial park, which typically offers more than 1,000 acres of land ready for development. The park will offer natural pads of 400 contiguous acres for development — but pads of 800 acres or more could be created with additional site engineering.

No state funding

There is no national standard of criteria for Mega industrial parks. McCallum Sweeney Consulting of Greenville, S.C., a nationally recognized site-selection company hired by IEDA to design and implement its certified site program, classifies Mega parks as those with 1,000 or more contiguous acres ready for development.

Mega industrial parks must have adequate electric, natural gas, water and wastewater capacity, as well as access to interstate highways, air and rail service.

Companies planning to build new facilities also want land relatively risk in terms of unknown expenses.

No state funding will be involved in the development of Big Cedar, other than the usual incentives that would be offered to businesses bringing capital investment and jobs to the state, IEDA’s Durham said.

“A company could qualify for incentives through our High Quality Jobs Program,” she said. “Several years ago, the Iowa Transportation Commission made a decision to reimburse infrastructure costs at a higher rate in the certified sites.

“We also have committed to do enhanced marketing of certified sites.”
Durham said the state’s first Mega industrial park is not expected to compete with the nearby Super Park, developed by The Eastern Iowa Airport, which IEDA also is marketing to prospective tenants.

“We see it totally as a complementary park,” she said.

Marty Lenss, director of the airport, agreed with Durham’s assessment.

“Having the state’s only Mega and Super parks in Eastern Iowa is ultimately good for the airport,” Lenss said. “It will benefit from cargo shipments and passenger enplanements as economic activity increases in this region.

“We have a great relationship with Alliant Energy. If a prospective tenant coming into town doesn’t make sense for the Mega park, I would expect them to make the prospect aware of our Super park.”

Jeanine Penticoff, Alliant vice president of customer engagement and solutions, said Iowa Land and Building will use corporate funds to develop Big Cedar to attract large energy users that in turn can mute future cost increases for all customers. No utility revenue will be involved.

“The opportunity to disperse energy costs for our customers and remain competitive will continue to feed more economic development,” Penticoff said.

She pointed out earlier Iowa Land and Building development efforts in the 1990s that helped attract American Profol, DuPont Industrial Biosciences (formerly Genencor). International Paper and Heinz (Quality Chef).

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