

# Limon FTZ



News Release - For Immediate Release

June 15, 2015

Contact: Town of Limon  
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## Limon Foreign Trade Zone Approved by U.S. Department of Commerce

On June 11, 2015 the U.S. Secretary of Commerce, Penny Pritzker, approved the application for the Town of Limon, Colorado - Foreign-Trade Zone under Alternative Site Framework as Foreign Trade Zone No. 293. This approved Foreign Trade Zone (FTZ), submitted by the Town of Limon and Lincoln County, includes a Service Area including all of the counties of Adams and Arapahoe and major portions of the counties of Lincoln, Elbert and Morgan. This will be the first primarily rural zone in the state of Colorado. The Limon FTZ will also be able to serve sub-zones outside the service area in the state of Colorado and looks to serve all of eastern Colorado.

"I am excited about the potential for economic growth this opportunity will provide to Limon and Lincoln County," said Julie Coonts, Mayor of the Town of Limon. "Having received the FTZ designation we are moving forward with great enthusiasm to bring worldwide trade to our rural community."

The application received strong support from the Colorado Office of Economic Development, Governor John Hickenlooper, Senators Michael Bennet and Cory Gardner as well as eastern Colorado counties and local economic development organizations.

"The creation of a Foreign Trade Zone for Limon and Lincoln County will attract new investment and create new jobs," said Colorado U.S. Senator Michael Bennet. "In addition to boosting the local economy, the zone will provide opportunities for growth for the rest of the eastern plains as well. We are happy that we were able to work with the Department of Commerce and support the town of Limon's efforts to achieve this designation and look forward to seeing future successes."

"Trade creates jobs and grows economies," said U. S. Senator Cory Gardner. "As a longtime advocate for rural Colorado, I'm glad to that the Limon Foreign Trade Zone has been approved, and I look forward to the many economic benefits that it will bring to Limon and Lincoln County as well as Adams, Arapahoe and Morgan counties."

"Congratulations and job well done, Limon," said U.S. Representative Ken Buck. "Earning Foreign Trade Zone status for the Hub City and surrounding area is an accomplishment of which you should be proud."

"I am pleased that Arapahoe and Adams counties will be included. It will increase opportunities to grow their economies and attract jobs for the region," said U.S. Representative Mike Coffman.

"The Limon Foreign Trade Zone is a great additional economic development tool for the eastern plains," said Governor John Hickenlooper. "This new designation further strengthens the region and helps

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attract new businesses to the area, as well as grow existing businesses and create jobs in eastern Colorado.”

The Town of Limon FTZ provides an additional tool for these primarily rural areas to attract global businesses to their communities.

“It’s exciting to think about the impact that this designation will have for this region of Colorado,” said Adams County Commissioner Charles “Chaz” Tedesco. “With access to every Interstate, rail lines and two airports, Adams County has a lot to offer businesses that will benefit from this designation.”

"Lincoln County Economic Development Corporation couldn't be happier to see the official approval for the Town of Limon Foreign Trade Zone!" said Troy McCue, Executive Director. "This important step represents the beginning of great progress and development as our region becomes eligible to host import partners making their products readily available to the U.S. and global markets while creating jobs in our rural communities. We look forward to the countless economic benefits to be realized in the region!"

“This foreign trade zone designation is about increasing the competitiveness of Colorado companies in the global marketplace. We will continue to give our businesses every advantage to succeed,” said Ron von Lembke, Chair, Adams County Economic Development.

"This FTZ designation adds another tool to our ‘economic development tool box’ in Morgan County! It is a step in the right direction in helping us be more competitive in attracting and retaining business. Thank you to the Town of Limon and Lincoln County for taking the lead on this initiative, it is a true win for Colorado when counties join forces to make things happen!" Kari Linker-Nation, Executive Director, Morgan County Economic Development Corporation.

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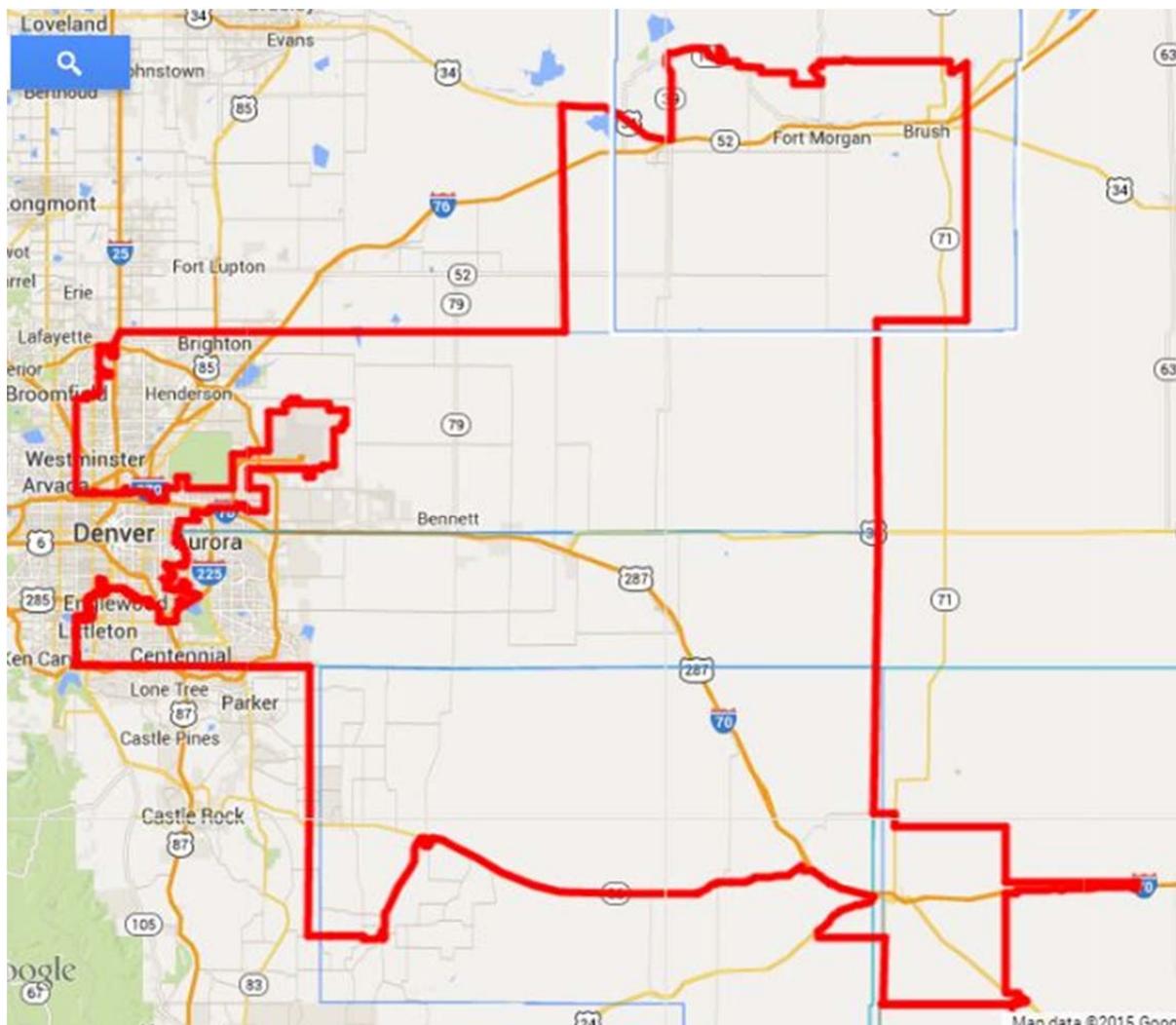
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## Background on FTZ

The FTZ approval opens up the possibility that any property or portion of property within the service area can benefit. The local goal is to create jobs in rural communities that otherwise remain outside the United States.

- **Service Area**

The service area includes all of Adams and Arapahoe counties and major portions of Elbert, Lincoln and Morgan counties.



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FTZs allow users to defer, reduce, or eliminate CBP duties:

- Defer: import a product to the site, hold it for a designated amount of time, and then transport it within the US, paying duties only when the good exits the FTZ site
- Reduce: import different products to the site, combine these products to make one finished product and then transport that product within the US/export it, paying lower duties on the finished product than the sum of the individual duties
- Eliminate: import a product to the site and then export, paying no duties

**Alternative Site Framework (ASF)** is designed to serve zone projects that want the flexibility to both attract users/operators to certain fixed sites and to serve companies at other locations where the demand for FTZ services is expected to arise in the future. The ASF:

- Improves the Grantee's ability to bring competitive benefits of their FTZ to a broad range of companies
- Front-loads 90% of the leg work for designation of a site, reducing paperwork when a site needs to be designated as an FTZ and shortening the boundary modification process to roughly 30 days
- Allows the zone/site to become flexible for operation and administration

### **Types of Sites under Limon FTZ No. 293**

- **Service Area**: An area authorized by the FTZB and designated through the ASF process to expedite the activation of Zone Sites with a simplified Minor Boundary Modification form
- A single warehouse, industrial park, or an air or port complex whose facilities are available for use by the general public
- Must be available to more than one company
- Generally used for warehousing, but manufacturing authority may be obtained by a single company via a separate application to the FTZ Board
- Must be located within 60 statute miles or 90 minutes driving from the outer limits of the nearest Port of Entry boundary
- **Usage-Driven Site**
  - A property consisting of a warehouse, a portion of a warehouse or multiple closely located warehouses run by ONE Operator for the specific purpose of creating immediate usable space for ONE or MULTIPLE pre-determined users.

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- **Subzone**
  - Subzone (Special Purpose) is a single-purpose sites for one company when the operations cannot feasibly be moved to, or accommodated in, a General-Purpose Zones, with no strict limits on location (though it should be within a reasonable distance of FTZ). Other counties in Colorado, outside the Service Area may be considered for Subzone status.
- **Magnet Site**
  - A larger property, often consisting of multiple warehouses (i.e. industrial park), used on an as-needed basis where users act as renters and do not need to apply for zone status. A Magnet Site can have ONE or MULTIPLE Operators with each catering to ONE or MULTIPLE Users.

The Town of Limon identified two magnet sites in its application: East Airport and Big Sandy magnet sites. The Limon FTZ is creating a FTZ Guidebook to assist interested businesses in understanding the process for site approvals.

If you have additional questions, please contact the Town of Limon FTZ Director Joe Kiely at 719-775-2346 or [jkiely@townoflimon.com](mailto:jkiely@townoflimon.com) or Town Manager Dave Stone at 719-775-2346 or [dstone@townoflimon.com](mailto:dstone@townoflimon.com).

APPENDIX F: GRANT OF AUTHORITY

FOREIGN-TRADE ZONES BOARD  
WASHINGTON, D.C.

**GRANT OF AUTHORITY**

**ESTABLISHMENT OF A FOREIGN-TRADE ZONE  
UNDER THE ALTERNATIVE SITE FRAMEWORK  
TOWN OF LIMON, COLORADO**

WHEREAS, the Foreign-Trade Zones Act provides for “. . . the establishment . . . of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes,” and authorizes the Foreign-Trade Zones Board to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs and Border Protection ports of entry;

WHEREAS, the Board adopted the alternative site framework (ASF) (15 CFR Sec. 400.2(c)) as an option for the establishment or reorganization of zones;

WHEREAS, the Town of Limon, Colorado (the Grantee), a public organization, has made application to the Board (B-54-2014, docketed 08/07/2014; amended 03/11/2015), requesting the establishment of a foreign-trade zone under the ASF with a service area of Adams and Arapahoe Counties, Colorado and portions of Elbert, Lincoln and Morgan Counties, Colorado, as described in the amended application, within and adjacent to the Denver, Colorado U.S. Customs and Border Protection port of entry, and proposed Sites 1 and 2 would be categorized as magnet sites;

WHEREAS, notice inviting public comment has been given in the *Federal Register* (79 FR 47088, 08/12/2014); and,

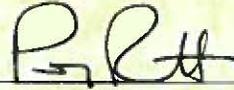
WHEREAS, the Board adopts the findings and recommendations of the examiner’s report, and finds that the requirements of the FTZ Act and the Board’s regulations are satisfied;

NOW, THEREFORE, the Board hereby grants to the Grantee the privilege of establishing a foreign-trade zone, designated on the records of the Board as Foreign-Trade Zone No. 293, as described in the amended application, and subject to the FTZ Act and the Board’s regulations, including Section 400.13, to the Board’s standard 2,000-acre activation limit, and to an ASF sunset provision for magnet sites that would terminate authority for Site 2 if not activated within eight years from the date of approval.

APPENDIX F: GRANT OF AUTHORITY

Signed at Washington, DC, this 11<sup>th</sup> day of June 2015.

FOREIGN-TRADE ZONES BOARD



\_\_\_\_\_  
Secretary of Commerce  
Chairman and Executive Officer

ATTEST:   
Elizabeth Whiteman  
Acting Executive Secretary

U.S. DEPARTMENT OF COMMERCE  
Foreign-Trade Zones Board  
Order No. 1977

Grant of Authority

Establishment of a Foreign-Trade Zone  
under the Alternative Site Framework  
Limon, Colorado

Pursuant to its authority under the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a-81u), the Foreign-Trade Zones Board (the Board) adopts the following Order:

WHEREAS, the Foreign-Trade Zones Act provides for "...the establishment... of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes," and authorizes the Foreign-Trade Zones Board to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs and Border Protection ports of entry;

WHEREAS, the Board adopted the alternative site framework (ASF) (15 CFR Sec. 400.2(c)) as an option for the establishment or reorganization of zones;

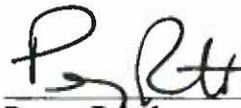
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WHEREAS, notice inviting public comment has been given in the *Federal Register* (79 FR 47088, 08/12/2014) and the application has been processed pursuant to the FTZ Act and the Board's regulations; and,

WHEREAS, the Board adopts the findings and recommendations of the examiner's report, and finds that the requirements of the FTZ Act and the Board's regulations are satisfied;

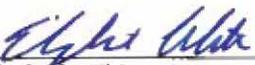
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Signed at Washington, DC, this 11<sup>th</sup> day of June 2015.



\_\_\_\_\_  
Penny Pritzker  
Secretary of Commerce  
Chairman and Executive Officer  
Foreign-Trade Zones Board

ATTEST:

  
\_\_\_\_\_  
Elizabeth Whiteman  
Acting Executive Secretary