MS Offers $60M In Incentives For Proposed Plant

The Associated Press

COLUMBUS, Miss. (AP) — The state of Mississippi is offering $60 million in incentives and Lowndes County is kicking another $16 million for infrastructure improvements to support an operation that will melt gravel into silicon for everything from cosmetics to cellphones and computer screens.

In return, the company, called SiliCorr, would invest $500 million in the plant and hire 950 workers. It would be located on 240 acres in the Lowndes County industrial park

County officials tell WCBI-TV (http://bit.ly/ybqNAl) that in case the company doesn't make it, the deal protects taxpayers.

The company is headed by John Correnti, who is no stranger to Northeast Mississippi. He was the driving force behind what is now Severstal Steel and the 600 jobs it brought to Lowndes County. He also promised a steel rebar mill that hasn't materialized in Amory.

SiliCorr's operation would melt gravel into silicon in phase one and a second phase would further purify the product.

"Well it's like any other project, you know I've been doing this for 25 years, and until they stick a shovel in the ground, build the plant, hire the people, you know there's always a chance a project might not happen and we feel pretty comfortable that phase one of the project is going to start about June," Joe Higgins, CEO of the Columbus-Lowndes Development Link told the Lowndes County Board of Supervisors on Monday.

Lowndes County supervisors approved a memorandum of understanding and other agreements calling for as much as $16 million in site, road, railroad and utility improvements.

The county already owns 90 acres east of Severstal and if the company follows through with plans for Phase 2, the county will buy another 150 acres at $7,500 an acre to accommodate the project. The county already has funds from a bond issue to buy the land and some of the infrastructure expansion also already is funded, but the expenses will be charged to SiliCorr.

In exchange, the company will pay the county more than $25 million in property taxes during the next 10 years. That's about a third of the normal rate under a fee-in-lieu taxing program designed to land projects carrying an investment of more than $100 million.

The company promises 200 jobs within three years for Phase 1 and another 750

jobs within three years for Phase 2. If it doesn't meet its promised employment each year, the taxes could increase to 50 percent of the normal rate.

The incentive offers to the company are only good through September.

"We believe the county taxpayers are very well protected," Higgins said of the arrangement.

The property will be leased for 10 years and then the company can buy it for a dollar and start paying regular taxes.

Source URL (retrieved on *12/21/2014 - 11:41pm*):
http://www.impomag.com/news/2012/03/ms-offers-60m-incentives-proposed-plant?qt-digital_editions=0&qt-most_popular=0&qt-recent_content=1