Nissan Plant Will Not Be Annexed

The Associated Press

CANTON, Miss. (AP) — The city of Canton's efforts to annex the nearby Nissan manufacturing plant have failed.

The Clarion-Ledger reports (http://on.thec-l.com/Kwq9M9 [1]) the city's lawsuit seeking the right to annex the plant was dismissed Tuesday by U.S. District Court Judge Carlton Reeves.

City attorney Barbara Blackmon said the city will not appeal the decision.

Canton officials had alleged the law that prohibited the city from annexing the plant for 30 years without the automaker's written consent violates the equal protection clauses of the U.S. and state constitutions. That law protects the plant from annexation through 2030.

"It may be that the city of Canton, as it is constituted in 2012, wishes that its predecessors had made a better deal, but that is not the question at hand," Reeves said in the order of dismissal. "The question is whether the agreement is so one-sided as to be illegally oppressive, and that question can be answered only in the negative."

Reeves ruled in Nissan's favor after Nissan filed motions seeking that the suit be dismissed. A jury trial was scheduled for this summer.

Reeves dismissed the suit with prejudice, meaning Canton will not be allowed to file another suit with the same claims.

"The city was trying to determine what its rights were under the terms of the agreement," Blackmon said. "And since the court answered the questions, the city is ready and prepared to move on."

H. Mitchell Cowan of Jackson, the attorney for Nissan, said he couldn't comment "since it's a matter that's still technically in litigation."

"We're pleased with the court's outcome," is all Nissan would say through spokesman Steve Parrett.

Nissan has operated the $1.4 billion Canton plant since May 2003. Company officials recently announced plans to increase production from four to six vehicles at the plant, which has 3,300 employees.

Instead of a 10-year property tax exemption, the company pays a fee to the Canton Public School District and county.

Before the plant was built, the city had wanted to annex the land, but Nissan threatened to back out of the deal if it did.

Source URL (retrieved on *07/28/2014 - 8:45pm*):
http://www.impomag.com/news/2012/05/nissan-plant-will-not-be-annexed

Links:
[1] http://on.thec-l.com/Kwq9M9