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## **\$5.6M deal may attract 225 jobs**

***By Master site admin***

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Piecing together the largest incentives package in San Angelo history, the City Council and its economic development board offered more than \$5.6 million in cash, tax rebates and waived fees to a European company looking to build its first North American wind-turbine manufacturing plant.

The extraordinary offer Tuesday to Martifer Energy Systems, one of 120 companies owned by the Portugal-based Martifer Group, reflects both the significant investment the company would bring to the area and the significant benefits San Angelo would reap from its presence here.

"This may be the most encouraging prospect for San Angelo in 25 years," Mayor J.W. Lown said.

"It's a lot of incentives, certainly. It's unprecedented for this council."

Martifer plans to build a \$40 million wind-turbine tower manufacturing plant, possibly in San Angelo, that would employ 225 people within four years at an average salary of more than \$33,000. In jobs and capital, it's easily the largest proposed infusion of manufacturing investment to San Angelo in at least 15 years.

The incentives package, approved first by the City of San Angelo Development Corp., would pay Martifer \$6,000 for every job up to 225 - a total potential outlay of \$1.35 million. It also would pay Martifer \$280,000 to buy 28 acres along Old Ballinger Highway at the city's northernmost edge and \$1 million for the construction of a Texas Pacifico railroad extension across the two-lane road into the site.

"It's a large amount because it's a large project," said COSADC business liaison Kathy Keane, adding that the plant would attract additional wind energy-related jobs and have an estimated 10-year economic impact in San Angelo of nearly \$150 million.

The council then approved that package and accepted COSADC recommendations that it add \$3 million in 10-year tax abatements, permit fees and utility connection costs.

The Tom Green County Commissioners' Court is expected to meet next week to approve an additional round of tax abatements, as well. The standard county abatement is generally \$812,000, but Keane said she will ask for an enhanced abatement.

Money for the city incentives will come from the city's half-cent sales tax, which the development corporation administers.

"If there's a reason why we passed the half-cent sales tax in 1999," Pat Malloy, Chamber of Commerce vice president for economic development, told the council, "it's this project."

The Martifer Group, a fast-growing holding company founded in 1990 that has become one of Europe's largest

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construction firms, is choosing between San Angelo and two other North American cities for the plant, which would build wind-turbine towers.

Discussions began in November and have since involved as many as 40 people from City Hall, the Chamber of Commerce, COSADC and the City Council. Martifer initially saw Tom Green County as one of several potential Texas sites in a continentwide search for a suitable location, Malloy has said. Recently, it told the city it is the lone finalist in the state and one of three in the U.S. and Mexico.

Although city officials were unwilling to say San Angelo is the favorite to land the plant, they expressed optimism in the city's standing.

"They've asked us to put an offer forward," Lown said, "and we have put what we feel is a very aggressive offer on the table."

Visits by company officials to the area seemed to boost San Angelo's standing in the search, said District 4 Councilman Emilio Perez Jimenez, whose district includes the commercial and industrial corridor north of U.S. Highway 67 where the plant would be.

"They were very comfortable with our way of life," he said, "and the reception they had."

#### **In other business**

Also Tuesday, the San Angelo City Council:

- Unanimously approved authorizing the City of San Angelo Development Corp. to issue nearly \$10.2 million in bonds for the second phase of projects funded by the half-cent sales tax.
- Unanimously approved on first reading an ordinance to change all downtown timed parking zones to three-hour zones.
- Unanimously approved rent increases for new residents of the Forest Park duplexes to \$300 per month and increases of no more than \$25 for existing residents from the current rate of \$225.
- Approved, 5-2, on first reading an ordinance establishing regulations for the erection of wind turbines for personal use on property within the city limits. District 3 Councilman Daniel Cardenas and District 5 Councilman Jon Mark Hogg opposed.
- Unanimously approved a contract with San Antonio-based Killis Almond & Associates Inc. for the creation of a master plan for the renovation of the City Hall basement.
- Approved, 5-1, a variance from alcohol regulations to allow Pizza Hut on Sherwood Way to sell beer despite its proximity to McGill Elementary School. Dwain Morrison opposed.