

Pilot Rock Newsletter

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Editor reserves the right to edit any and all articles for content

CITY HALL IS AVAILABLE TO

ASSIST THE COMMUNITY

MONDAY-FRIDAY 8 AM-5 PM

Progress, Pride & Possibilities

July 27, 2012

Mayor: Virginia Carnes

City Council:

Mike Baleztena, Ray

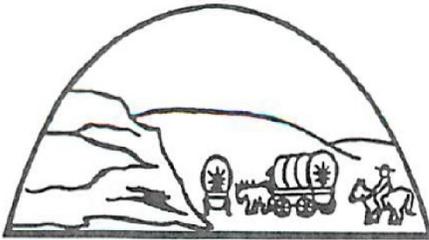
Shawna Kirk, Kacie Moss,

Misty Rowe, and Annie

SPECIAL EDITION

Masonite Sold to A & V Investments





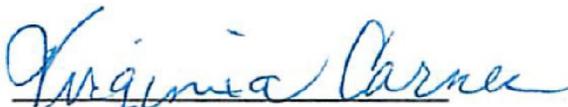
CITY OF PILOT ROCK

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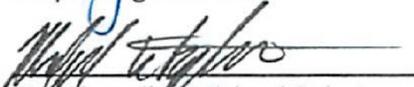
The City of Pilot Rock has signed a sales contract to sell a portion of the Industrial Property, most commonly known as "Masonite", to A&V Investments. The property sold for \$650,000 with \$150,000 as a down payment. The City is to carry the contract for 20 years at 5% interest. This will give the City a grand total of \$941,952 by the end of the contract.

International Paper donated the industrial plant site plus 125 acres to the City of Pilot Rock in April of 2004. The industrial plant site included several buildings that were in need of repair as well as some equipment that was left behind. The City saw this acquisition as an opportunity to create revenue for the City. In June of 2004 the City held an auction to sell off the equipment which generated enough revenue to purchase the remaining 300 acres of property. Also in 2004 the City began leasing out the pasture for \$4,750 annually, as well as leasing 5 acres to the Bark Co. at \$200 a month per acre, since then the acreage has increased to 15 acres at \$300 per acre. The City annexed the entire property and changed the zoning to Heavy Industrial in 2005. The City then leased the plant site to Kinzua Resources, LLC. at \$12,000 a month plus \$20,000 a year for 5 years. Before selling to Boise Cascade, Kinzua Resources, LLC. failed to make its rent payment for the year prior (a lawsuit is pending). As you can see this generous donation has created quite a bit of revenue over the years. The City still owns 425 acres of the industrial property and will continue to lease the pasture property.

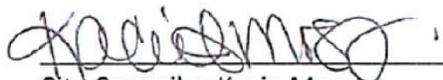
Since the donation in 2004, the existing buildings have deteriorated even more and need extensive renovation. Rather than invest in the repairs and continue to act as property managers, the City chose to sell the industrial site and get it back on the tax rolls. The property had been on the market for 8 years with very few interested buyers. July 23, 2010, A&V Investments signed an Option to Purchase agreement with the City. July 23, 2012, marked the 2 year anniversary that the City Council has been in negotiation with A&V. The sale closed on Friday July 27, 2012. The Council is hopeful that with A&V's success there is potential for new jobs. Please join us in welcoming A&V Investments to our community.



Mayor Virginia Carnes



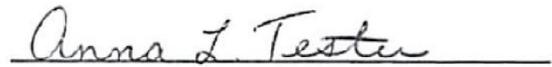
City Councilor Michael Baleztena



City Councilor Kacie Moss



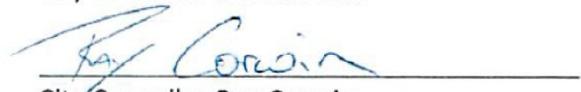
City Councilor Misty Rowe



City Councilor Anna Tester



City Councilor Shawna Kirk



City Councilor Ray Corwin