

CITY OF PLAINWELL



The Island City

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For Immediate Release

Contact: Erik J. Wilson
City Manager
(269) 685-6821

City of Plainwell Acquires Former Plainwell Paper Mill Site

Plainwell, MI – City Manager Erik Wilson announced today that the City of Plainwell now owns the former Plainwell Paper Mill site. City officials closed on the former Plainwell Paper site at 2:00 p.m. in Grand Rapids, an official from Plainwell Paper was present.

Plainwell's acquisition costs included paying the tax obligation dating back to winter of 2000; the net cost totaled \$411,455. Wilson stated "the City has been anticipating the acquisition for some time now and has put itself in a financial position to pay cash for the property." Wilson cited Allegan County's cooperation as an important factor in the acquisition. "The County agreed to the compromising of all interest, penalties, and administration fees through the bankruptcy process; this saved the City approximately \$270,000.

On November 6, 2000 the company notified the City that it would close its facility due to "unprofitability." The mill was originally founded in 1886 and at one point employed over 400 people. In 1998, before the company's decline, the mill consisted of over 18% of the City's taxable value.

Plainwell Mayor Rick Brooks stated that the next step is to seek a developer. "We have received inquiries from several developers but it is the City's intention to go through a formal process that will enable the community to participate." Mayor Brooks stated that the staff is working on an economic development section for the City's web page (www.plainwell.org) that will provide useful information and updates on the mill site to residents and potential developers. Mayor Brooks was quick to stress patience. "While we all want the property to be developed sooner rather than later, it is more important that the development is done right."

City Manager Wilson stated that the City Council deserves a lot of credit for putting us in a position to purchase and control the mill site. "As disappointing as the mill closing was, how often does a community have the opportunity to redevelop 36 acres of downtown property; it's exciting,"

For more information please contact City Manager Erik Wilson at 269-685-6821.