

*J.D.C.
may.
Alton Box*

May 1, 1966

Mayor and City Council
Jonesboro, Arkansas

Gentlemen:

When Alton Box Company located their plant in Jonesboro, the City procured the land under the provisions of Act 9. A street or drive was laid out to the plant, and an agreement was made with the Alton Box Company that there would be no other structures fronting on the drive between their plant and Kathleen Street. In 1963, Leo Parker, who owned the corner lot on Kathleen Street and the drive to the Alton plant, procured from the City Planning Commission permission to split his lot into two lots for the purpose of constructing a building facing the Alton Box plant drive. This was granted by the City through the City Planning Commission without realization of the City's prior commitment to Alton Box Company. Alton Box officials objected strenuously, and, for the purpose of permitting Jonesboro and the Jonesboro Industrial Development Corporation to keep faith and comply with their original promise to Alton Box, JIDC borrowed the money, assumed the debt already on the property, and stopped the construction.

The land was purchased by JIDC on September 23, 1963. Since that time the one house remaining has been rented part of time at \$40.00 a month, but repairs and insurance, together with payments on the principal and interest to Jonesboro Building & Loan of the mortgage that was on the premises at the time of purchase, and interest on additional money, has more than equaled the rents, and will continue to be more than the rental. Several hundred dollars has been obtained from the Chamber of Commerce and otherwise scrounged, and the debt has been placed with one bank, then another, until ways to carry it have run out.

It is urgently requested that the City purchase the property, adding it to the surrounding property already owned by the City, and holding it for industrial purposes or whatever purposes the City should decide. The total debt, principal and interest, as of March 28, 1966, is \$7,555.47. \$3,605.00 of this is to the Jonesboro Building and Loan, and the Mercantile Bank now carries the balance of \$3,950.47. Neither of the banks are in position to carry the loan any longer. It is the thought of the Jonesboro Industrial Development Corporation that the City can now assume this and pay out of the Capital Notes issue you have approved.

You realize that the JIDC has no funds of its own, and only under the statute administered the industrial funds, and that the necessity of acquiring this property grew out of the administration of the City's subdivision ordinance.

Very truly,
A. M. Heringer, Jr.
Al Heringer, Jr.
President, JIDC