

TREE
CITY
USA

CITY OF KASSON

401 FIFTH STREET SE
KASSON, MINNESOTA 55944-2204
PHONE: (507) 634-7071
FAX: (507) 634-4737

May 14, 2008

To: Kasson Alliance for Restoration (KARE)

From: City Council

KARE continues to seek a response from the City of Kasson ("City") regarding its request to form a partnership with the City to conduct a reuse study for the Old Elementary School ("School"). Due to the pending legal action brought by KARE against the citizens of Kasson, responses to KARE's requests will be, and have been, provided through the City's legal counsel. However, in the interest of streamlining communication regarding this matter, the City will respond.

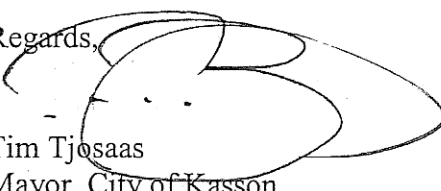
The City's position is that since the November 2006 referendum to renovate the School for government uses (i.e. Library, City Hall, council chambers, etc.) failed, no public monies shall be spent to renovate, rehabilitate or modernize the School. The residents of our City did not authorize the expenditure of city tax dollars for this project; thus, in declining to partner with KARE at this time, the City Council is following the majority of our residents' wishes.

Moreover, any relationship between the City and a private party interested in renovating the School is subject to the City's guidelines. Those include, but are not limited to, a business plan, a financing plan, an action timeline and a clarification/justification for the City's involvement. These plans cannot be just "we want to" or "we think we can" plans. Instead, they need to be concrete, workable plans that can be financed and implemented within a reasonable amount of time. Given the escalating costs to renovate the School (upwards of \$6 million dollars today per KARE's website), having a definite plan of action and the knowledge that the plan of action can and will be financed, is vital.

Finally, the City agreed to KARE's request to postpone legal action and meet to discuss a settlement. The City Council took the settlement request seriously. KARE has yet to respond to the City's settlement offer even though residents, non-residents, and KARE members had requested that we try to work out a settlement.

At this point in time, it appears that the fate of the School Building will rest with the judicial system. However, if KARE is willing to provide a serious and workable settlement counterproposal, the City Council will give it consideration.

Regards,


Tim Tjosaas
Mayor, City of Kasson
for the City Council