

# Kennedy Klips

## A "Go-Green" Business Incubator Update

Maybe the Kennedy Go-Green Business Incubator will get a tenant or two within the next three months, cash flow to the tune of about \$36,000 per year, and work out to be all that we had hoped. The city council is working hard with the numbers, the time-line, and the "School Steering Committee" to make this happen.

Additionally, the city council and staff are working with regional agencies looking for any possible avenue of success we can find. We are reaching out countywide, as well as advertising with a national commercial real estate broker. The Kennedy Center will not turn away any realistic, viable options or solutions. However, to make this work we will need two large (1,500-2,500 sq. ft.), long-term (3-5 year) tenants. We had one small, long-term tenant interested, but that's it.

### Go-Green Center Status Today:

- The original three tenants (see "Go Green..." enclosure) never signed a lease or letter of intent and never made any non-refundable or even refundable deposits. As one member of the Steering Committee commented, "It ain't real until pen meets paper." Apparently, occupancy was dependent on the success of a completely separate wind farm project, which, to date, has not come to be. So, when the tenants failed to materialize, the city was left with an empty building.
- The projected \$1,200/year green system operating cost was also never realized. Instead, in the eight months of Go-Green Center occupancy, the operating cost has been \$12,088.76 for electricity, \$4,212.17 for propane, and \$3,916 for insurance.

- The \$20,216.93 total is the bare-bones operating cost for eight months and does not include any building maintenance, such as roof repairs, window replacements, insulation, or any of the many incidentals it takes to keep a 57-year-old, 50,000 sq. ft. building operational.
- The total above also does not include the employee cost. The city maintenance worker spends a minimum average of 5% of his time at the Go-Green Center—sweeping and scrubbing floors; fixing leaks; replacing light bulbs, toilet paper, soap and paper towels; setting-up tables and chairs, taking down tables and chairs, moving tables and chairs, and washing tables and chairs; locking and unlocking doors; cleaning sidewalks; and completing all maintenance from the tunnels to the roof. All of which takes him away from general city maintenance.
- And, finally, the \$20,216.93 total does not reflect the money the city put into the project during the construction phase. We have included the project impact on city reserves on the back of this page.

### Conclusion:

This was an ambitious project that fell short of its goals. We must assess the current situation, face the financial facts, and work together to make some tough decisions.

As a council, our number one responsibility is to make decisions that are in the best interest of the City of Kennedy and all of its citizens. We must protect the city's remaining financial reserves. We are asking for your input in the weeks ahead to help determine our best options.

### Immediate Action Being Taken:

- Mayor and City Council have given up their salaries.
- No over-time for city employees. The accumulated 300 unpaid hours, averages 5 unpaid hours each/week.
- The city will have no summer help and no street repairs this year.
- Summer rec will be privately funded.
- **A citizens forum will be held June 20th to discuss options.**
- **The future of the building/project will be put to a citizen vote by mail.**

## Calendar

### **Summer Rec (K-4) Begins**

June 1, 2011

Wednesday, 8:00 a.m. (1st Practice)

Kennedy Ball Park

Fees = \$25/each

### **Pet Clinic**

June 2, 2011

Thursday, 5:30-7:30 p.m.

At the City Shop

### **City Council Meeting**

June 6, 2011

Monday, 7 p.m.

At the City Office

Public is encourage to attend.

### **Citizens Forum**

#### **The Future of the School**

June 20, 2011

Monday, 7:00 p.m.

At the School Cafeteria

## Odds and ends...

### **Adopt a Lot**

Greg Mitziga encourages city residents to "Adopt a Lot" this summer. Select a lot, mow it, and call it your own.

### **Thank You**

Randy Jansen says, "Thank you," to his winter customers. He's looking forward to hearing from you again this winter.