

Subject Duluth School District; Facilities Levies

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Date March 11, 2020

Overview

School boards have authority to levy for certain capital purposes. One program, called the Long-Term Facilities Maintenance (LTFM) Revenue Program, allows school districts to levy for deferred maintenance and building health and safety needs. For many districts, the revenue is capped at a per pupil amount, but for larger districts that were formerly included in the alternative facilities program, including Duluth, the revenue is sufficient to cover any necessary deferred maintenance project.

H.F. 3992 authorizes the Duluth school district to do three things:

- 1) sell the Historic Old Central High School;
- 2) construct and remodel new spaces for the district, including for the programs housed at Historic Old Central High School, demolish the 1971 Duluth Central High School building, and build a bus garage and bus maintenance facility; and
- 3) redirect a portion of the estimated levy savings that would have been necessary to make the payments for the deferred maintenance improvements at the Historic Old Central High School toward repaying school board-approved general obligation bonds that would be sold to underwrite the construction and remodeling activities listed above.

Section	Description
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1	School building efficiencies; Duluth school district.
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Subdivision 1. Plan. Requires Independent School District No. 709, Duluth, to develop a plan to sell Historic Old Central High School to a third party. Requires the plan to detail the expected deferred maintenance costs of that facility and to outline the new construction proposed by the district. Requires the plan to be submitted to the commissioner of education.

Subd. 2. Public hearing. Requires a public hearing, including public testimony, on the proposal before the plan is submitted to the commissioner of education.

Section	Description
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Subd. 3. Review and comment. Requires the proposed projects to be submitted to the commissioner of education for a review and comment.

Subd. 4. Bond authorization. Authorizes the Duluth school board, without voter approval, to sell up to \$31.5 million of general obligation bonds to fund the building projects outlined in the district's plan.

Subd. 5. Long-term facilities maintenance revenue. Requires the commissioner of education to adjust the school district's long-term facilities maintenance revenue to reflect the savings outlined in this section.

Subd. 6. Report. Requires the Duluth school district to report to the commissioner of education and the legislature during each even-numbered year about the outcomes and efficiencies achieved from activities authorized under this section.



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