



PUBLIC HEARING -

Property Tax Abatement for Parking Lot Construction  
& Improvement Projects

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JUNE 22, 2026 - 6:30 PM

## Statutory Authority

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## Minnesota Statutes, Sections 469.1812 to 469.1815

- Authorizes political subdivisions to issue abatement bonds for certain uses
- Minnesota Department of Education has interpreted the statute to allow school districts to issue abatement bonds only for the construction or renovation of parking lots and parking structures
- Debt service payments may not exceed the greater of 10% of the net tax capacity of the district or \$200,000

# Tax Abatement Process

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1. Parcels identified for abatement
  - School property tax amounts sufficient to cover annual debt service levies
  - Property owners still pay taxes in the same manner and at same rates
  - District adds a levy to offset amount of “abated” taxes
2. School Board adopts resolution calling for abatement hearing
3. Hearing notice published in newspaper
- 4. *Hearing held***
5. School Board adopts resolution granting abatement and authorizing the sale of bonds
6. School district adds estimated amount of abated taxes to proposed tax levy starting with taxes payable 2027
7. Proposals on bonds are received, School Board awards the sale of bonds, and provides annual tax levies to Minnesota Department of Education



# Abatement Bonds & Property Tax Levy Information

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Amount of Tax Abatement Bonds to be Authorized is \$2,300,000

- Includes estimate of bond issuance costs
- 8 Years (number of annual property tax abatements/debt service levies, beginning with taxes payable in 2027)
- Debt service levies are eligible for School Building Bond Agricultural Credit



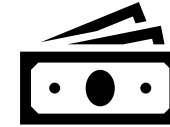
## June 22, 2026 - Regular School Board Meeting

School Board: Resolution to Approve the Tax Abatement and Authorize the Issuance of General Obligation Tax Abatement Bonds, Series 2026A



## September 2026

School Board: Resolution to Award the Sale of General Obligation Tax Abatement Bonds, Series 2026A



## October 2026

Bond Closing – District Receives Bond Proceeds



## Summer 2027 & 2028

Construction for Parking Lot Projects is Completed

# Next Steps

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# PUBLIC COMMENTS

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