

Special School Board Meeting

Duluth Public Schools, ISD 709

Agenda

Thursday, March 31, 2016

District Services Center

709 Portia Johnson Dr.

Duluth, MN 55811

7:00 PM

1. **Call to Order**
2. **Roll Call**
3. **Audience - Related to Agenda Item Listed Below**
4. **Resolution B-3-16-3355 – Suspension of Policies:** 2
 - 3195 - Disposal of School District Property
 - 8120 - Disposal of School Board Properties
 - A. *If Suspension of Policies Passes (Yea):* 5
 - (1) Resolution B-3-16-3356 - Executive (Closed) Session
 - (2) Recess to Executive (Closed) Session - Discussion Related to Property Disposals [Minn. Stat. 13D.05, subd. 3.(c)]
 - (3) Reconvene to Special School Board Meeting - Action, If Any, Related to Executive Session
 - (4) Proceed to Item 5. - Adjournment
 - B. *If Suspension of Policies Fails (Nay):*
 - (1) Proceed to Item 5. - Adjournment
5. **Adjournment**

RESOLUTION

Suspension of Policy 3195 – Disposal of School District Property and Policy 8120 – Disposal of School Board Properties

WHEREAS, Pursuant to District Policy 3195 – Disposal of School District Property – *All property sold shall contain a deed restriction prohibiting the property’s future use as a school or other E-12 educational facility.*

WHEREAS, Pursuant to District Policy 8120 – Disposal of School Board Properties – *Property shall not be released without knowledge of its proposed utilization, and no property is to be released for the purpose or subsequent purpose of usage as a school other than ISD 709. By contract, such violation shall result in the property reverting back to ISD 709. Property shall not be released if the proposed utilization may be of a nature that is inconsistent with the public interest as determined by the School Board.*

WHEREAS, The School Board of ISD 709 has received a proposal from Tischer Creek Duluth Building Co., a nonprofit entity affiliated with Edison Charter Schools, for the Central High School site.

WHEREAS, In order to consider offers to purchase School District property for the utilization as a E-12 educational facility, the School Board must suspend District Policies 3195 and 8120.

THEREFORE, BE IT RESOLVED THAT the School Board of Independent School District 709, St. Louis County, Minnesota shall suspend District Policies 3195 and 8120 in order to consider the current offer from Tischer Creek Duluth Building Co. for the Central High School site.

B-3-16-3355

March 31, 2016

3195 DISPOSAL OF SCHOOL DISTRICT PROPERTY

When it is necessary for the School District to divest itself of buildings and real property (hereinafter referred to as "property") which are no longer of significant importance to the School District, the following process and sequence shall be followed:

1. The City of Duluth and County of St. Louis government units shall be informed of the availability of the subject property and given the opportunity to negotiate a purchase, trade, or free conveyance of this property.
2. A market appraisal of the property shall be obtained.
3. Requests for proposals shall be sought, indicating the intended use and the amount offered to purchase the property.
4. A financial analysis of the proposals shall be conducted to assess the viability of such disposal.
5. All property sold shall contain a deed restriction prohibiting the property's future use as a school or other E-12 educational facility.

References: MN Statute 123B.51

Adopted: 05-14-1974 ISD 709

Revised: 03-10-1981

06-20-1995

07-16-2002 ISD 709

8120 DISPOSAL OF SCHOOL BOARD PROPERTIES

1. The School District administration will provide the School Board with an updated official appraisal, in a timely manner, of all property to be disposed.
2. The School Board will provide other units of government with the initial opportunity to acquire such property with the right reserved to be reimbursed for 80% of any profit another public body may make on the properties sales should the government body sell the property.
3. Property shall not be released without knowledge of its proposed utilization, and no property is to be released for the purpose or subsequent purpose of usage as a school other than ISD 709. By contract, such violation shall result in the property reverting back to ISD 709.
4. Property shall not be released if the proposed utilization may be of a nature that is inconsistent with the public interest as determined by the School Board.
5. If property is advertised for sale on a bid basis, the School Board shall reserve its right to reject any or all bids.
6. The School Board may choose to negotiate the sale of properties, seeking to obtain in the transaction the fair value of the properties.

Legal References: MSA 123.36
 MSA 123.37
 MSA 471.345

Opinion of Schools' Attorney, dated February 21, 1974, is quoted as follows: "...the School Board need not advertise for bids for real estate of the school district which it desires to dispose of, but that such sale may be negotiated by the School District with any prospective buyer, assuming that adequate consideration is paid by the buyer for the property."

Adopted: 04-20-1976 ISD 709
 Revised: 04-12-1977
 08-17-1993
06-20-1995 ISD 709

RESOLUTION**Executive (Closed) Session**

WHEREAS, Pursuant to Minnesota Statute 13D.05 Subd. 3.(c) allowing a closed meeting for discussion related to the purchase or sale of real property.

RESOLVED, By the School Board of Independent School District 709, St. Louis County, Minnesota, that the School Board shall meet in Executive (Closed) Session on Thursday, March 31, 2016, at approximately 7:15 p.m. in the Board Conference Room of the Historic Old Central High School for the purpose of discussion related to property disposal as recorded on the attached *List of Properties for Discussion*.

B-3-16-3356

March 31, 2016

EXECUTIVE (CLOSED) SESSION MARCH 31, 2016
Resolution B-3-16-3356
List of Properties for Discussion

TYPE	PROPERTY / ADDRESS	DESCRIPTION
SALE	Central High School / STC Site 800 East Central Entrance, Duluth, MN	Central High School campus property and buildings