

Joint City Council and School Board Work Session
November 16, 2022

The Fergus Falls City Council held a joint work session on Wednesday November 16, 2022 at 7:00 am in the City Council Chambers. City Council members in attendance were Hagberg, Thompson, Arneson, Fish, Schierer, Hicks, Kvamme and Rufer. Gustafson joined via Google Meets. School Board members in attendance were Hermes, Lemke, Vigesaa, Anderson, and Cole. Knutson joined via Google Meets.

Fergus Falls Schools Superintendent Jeff Drake explained the McKinley and Adams School buildings were built in 1939 and are no longer meeting the needs of public education. The School Board has been considering the construction of a new grades 1-3 elementary school. This would bring the Kindergarten classes to Lincoln School, make Cleveland School a 4-5 grade building and Kennedy Secondary School would be a 6-12 grade facility. He reflected on the changing nature of education, the need for more flexible learning space and the special services utilized by many students and families within the district. The creation of this new facility would provide an opportunity to improve the school's facilities, benefit the students, teachers, parents and community. If the bonding was tied into the 2028 expiration of the current school project and restructuring of debt, it would not be as impactful on the district's taxpayers.

The school submitted a letter of intent to the city for approximately 15 acres on two parcels located within Kirkbride Park on the former Regional Treatment Center campus. They have looked at the farm property contiguous to Lincoln School, the parcel near Fleet Farm/Goin' Postal, the land across the bypass from the Prairie Wetlands Learning Center and the Norgren property owned by the Port Authority. The acquisition costs and lack of infrastructure at these sites would not make the project financially feasible. The school has requested the city consider selling them the Kirkbride Park parcel because of its central location within the community, the infrastructure is already in place for an elementary school, it is aesthetically pleasing and it offers the constituents the opportunity to save money rather than purchasing private parcels. The McKinley and Adams Schools could be repurposed into additional housing/assisted living, childcare center or a Boys/Girls Club. The letter of intent would be contingent upon the school district successfully passing a bond referendum vote for a new elementary school.

Community Development Manager Klara Beck said the city has spoken to representatives from the State Historical Preservation Office (SHPO) about selling the land, building a new school, and the potential impact on the National Registration of the campus. They cannot provide a definitive process for the city to follow and suggested working with the Department of Interior for the standards of a new building. City Administrator Andrew Bremseth spoke about the historic designation noting up until 2016, only the building was on the National Register. The parkland was added to the register at that time. Additional conversation is needed with SHPO to understand the impact on the historic registry and tax credits if the land is sold to the school district. The city has also been working with lobbyist Joel Carlson because the land was the result of state bond funds for both preservation and demolition projects. The current legislation calls for any money from the land sale would revert back to the state as the property must be sold at market rate. Carlson feels the legislation could be rewritten to override the market rate provision and allow the city to sell the property to the school for a nominal fee, thus saving the local taxpayers. Drake was asked about the size of the potential school and how much of the space it would require. A K-3 structure would require 120,000 square feet, while a grades

1-3 building would need 105,000 square feet. The district is considering a 1 ½ story building to reduce the footprint of the needed space. The school confirmed community activities such as SummerFest, the classic car show, and ski trails could still be accessed by the public. Drake confirmed the school has not considered the 27 acres of land at the former dairy site. Rufer shared of his support of the project and asked if this would further congest traffic in the area. City Engineer Brian Yavarow said the city and county have already done preliminary work to implement a roundabout in this area at an estimated cost of \$3.5 million.

Mayor Schierer said his initial reaction to this project was this was not the right location, but his opinion has changed when he thought more about the benefits to the community and the opportunity to honor the historical significance of the of the campus. He spoke about the additional traffic the Government Services Center, Concerts in the Park and other community events have brought to the campus and despite the city's best efforts, no viable development of the horseshoe structure has been made over the past 15 years. Melanie Cole agreed her first impression was also this is the wrong location, but the benefits of the school using this space for a community asset, an elementary school, have changed her mind and she is now supportive of the project. She spoke about the constant revolving needs of upgrading school facilities and the timing required with public referendums and bonds.

The school could put a ballot question to a public vote in November of 2023 or spring of 2024 as there is a window of opportunity with the debt window. There were questions about the historic tax designation and the impact on other projects. Bremseth said the historic tax credits are based on the occupancy of the building and each project varies in their timeline. He said the school's timeline is not likely to negatively affect any project. The current housing on the RTC campus was able to develop their projects because they were not a part of the original campus. Schierer believes the city, school and SHPO can work together for a positive solution as the elementary school project in his opinion is the best use of the property and it is the most likely catalyst to spur on further development of the RTC.

Beck and Otter Tail County Historical Director Chris Schuelke have spoken to the New History Company about positioning projects towards the redevelopment of the RTC. A holistic redevelopment plan linking the RTC master plan, school plans and tax credits could be connected to help with the entire RTC campus. Cole felt further discussions between the city and school are needed and should encourage unity within the community. Laurie Mullen did not feel this is the right location for an elementary school and encouraged the school to look at other sites, regardless of the cost of the land acquisition and infrastructure construction. She felt the Kirkbride Tower deserves its parkland, and a school would restrict future development of the main buildings. Scott Kvamme also felt this is the wrong location for a school and his opinion the city needs to do what is best for the city rather than giving up the property for the school's benefit. He said a new school at the outskirts of town would spur on more housing development so the city would see a benefit. He also felt it was prudent to wait and see what type of development proposals come forward after completing the Phase III preservation projects in 2023. Even though no development has occurred yet, the city should not give up this site or future opportunities by taking away the parkland. He suggested the school look reconsider other sites including the M-State campus. Thompson agreed there may be other properties better suited for a new school and not considering the Kirkbride Park would avoid a "fight" with SHPO. Schierer disagreed and again commented on why he feels this is the best location citing the walkability, bike ability and existing infrastructure of the site for a new school. He felt the cost to acquire land, install

the required infrastructure and inconvenience of a location outside the city limits would deter voters from approving a project. Knutson talked about the logistics of dropping off/picking up children from all over town and the convenience the Kirkbride site would provide families. Fish commented on the cost of the city's maintenance of the parkland. The city is mowing the land now under the park budget and only \$14,000 of the original \$1 million the state gave the city for maintenance in 2007 remains available.

Considering the results of the recent election, it was suggested the city and school have additional conversations once the new council members have been sworn in. Drake recapped the school district's interest in the Kirkbride Park and said they would consult their architect to review the Department of Interior Standards for a new building while considering other sites. The city will continue working with SHPO and after the new year the city and school will reconvene with updates.

The meeting adjourned at 7:59 am

Lynne Olson