

July 15, 2021

Kevin Fitton, Director
Art and Science Academy, #4227-07
903 6th Avenue Ct NE Ste A
Isanti, MN 55040-3229

Dear Director Fitton:

Minnesota Statutes, section 123B.71, requires a review and comment statement on the educational and economic advisability of your proposed school construction project. Information supplied by your school and from Minnesota Department of Education sources is the basis of this review and comment. With this positive review and comment, charter school board approval is required for Art and Science Academy, #4227-07, to proceed with the proposed projects.

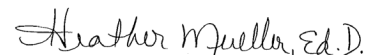
The charter school shall publish a summary of the review and comment statement (the final page) in the legal newspaper of the school at least 20 days, but not more than 60 days, prior to soliciting any bids for the construction, expansion, or remodeling of an educational facility. The department may request a statement certifying the publication, and require the submission, review and approval of preliminary and final construction plans.

Minnesota Statutes, section 123B.71, requires the commissioner include comments from local residents in the review and comment. As of the date of this letter, no public comments have been received. In addition, Minnesota Statutes, section 123B.71, ***requires the charter school board to hold a public meeting to discuss the review and comment prior to soliciting any bids for the construction, expansion, or remodeling of an educational facility.***

Minnesota Statutes, section 123B.72, ***requires a school, prior to occupying a new or renovated facility after July 1, 2002, to submit a certification prepared by a system inspector to the commissioner and the building code official that will provide an occupancy permit.*** The certification must verify that the facility's installed or modified heating, ventilation, and air conditioning system operates according to design specifications and code, a system for monitoring outdoor airflow and total airflow of ventilation systems has been installed, and any installed or modified heating, ventilation, or air conditioning system provides an indoor air quality filtration system that meets ASHRAE (American Society of Heating, Refrigerating and Air-Conditioning Engineers) Standard 52.1.

If you have any questions, please contact Chris Kubesh, Education Finance specialist, at 651-582-8319 or chris.kubesh@state.mn.us. Thank you for working with us to improve school facilities for Minnesota students.

Sincerely,



Heather Mueller, Ed.D.
Commissioner

Enclosure

cc: Roberta Provost, School Board Chair

**The Commissioner of the Department of Education
Review and Comment on the School Construction
Proposal of Art and Science Academy, #4227-07**

A review and comment must be provided on a school construction project proposal before the school solicits bids, or issues bonds for the project. A project proposal has been submitted for review and comment according to requirements set forth in Minnesota Statutes, section 123B.71, subdivisions 9 and 10, and Minnesota Statutes, section 123B.72. Pursuant to the statute, the school shall provide the following information:

1. The geographic area and population to be served
 - a. preschool through grade 12 student enrollment for the past five years, and
 - b. student enrollment projections for the next five years.
2. A list of existing school facilities
 - a. by year constructed,
 - b. their uses, and
 - c. an assessment of the extent to which alternate facilities are available within school district boundaries and in adjacent school districts.
3. A list of specific deficiencies of the facility
 - a. demonstrating the need for a new or renovated facility to be provided,
 - b. the process used to determine the deficiencies,
 - c. a list of those deficiencies that will and will not be addressed by the proposed projects, and
 - d. a list of specific benefits that the new or renovated facility will provide to students, teachers, and community users served by the facility.
4. A description of the project, including:
 - a. specifications of site and outdoor space acreage,
 - b. square footage allocations for classrooms, laboratories and support spaces,
 - c. estimated expenditures for major portions of the project,
 - d. estimated changes in facility operating costs, and
 - e. dates the project will begin and be completed.
5. A specification of the source of project financing, including:
 - a. applicable statutory citations,
 - b. the scheduled date for a bond issue or school board action,
 - c. a schedule of payments, including debt service equalization aid, and
 - d. the effect of a bond issue on local property taxes by property class and valuation.
6. Documentation obligating the school district and contractors to comply with the following items:
 - a. Minnesota Statutes, section 471.345, governing municipal contracts,
 - b. sustainable design,
 - c. school facility commissioning under Minnesota Statutes, section 123B.72, certifying the plans and designs for heating, ventilating, air conditioning and air filtration for an extensively renovated or new facility meet or exceed current code standards, including ASHRAE air filtration Standard 52.1,
 - d. American National Standards Institute (ANSI) acoustical performance criteria, design requirements and guidelines for schools on maximum background noise levels and reverberation times,
 - e. state fire code,
 - f. chapter 326B governing building codes, and
 - g. consultation with affected government units about the impact of the project on utilities, roads, sewers, sidewalks, retention ponds, school bus and automobile traffic, access to mass transit and safe access for pedestrians and cyclists.

Description of Proposed School Construction Project

Art and Science Academy (ASA), #4227-07 is currently leasing two school facilities, located at 903 Sixth Avenue Court Northeast and 1005 Seventh Avenue Northeast in Isanti, Minnesota from an unaffiliated landlord. ASA serves K-8th grade students. Through their affiliated building company, ABC Building Services (ABBCBS), ASA is proposing the purchase of both properties.

The estimated cost of the proposed facility acquisitions, including financing, is estimated to be \$6,511,676 and would be financed with a loan of 75% of the project amount (approximately \$4.8 million) from First Bank and Trust and a secondary loan constituting 25% of the project amount (around \$1.7 million) from another lender. The proposed property acquisition would occur in calendar year 2021. Estimated project cost components are as follows:

Estimated Project Costs	
Existing Building / Property Purchase	\$ 6,378,976
Financing Costs	\$ 132,700
	\$ 6,511,676

ABBCBS will be responsible for the annual debt service payments associated with the two loans and will, in turn, lease the proposed facility on a long-term basis to ASA. The charter school will use lease aid under Minnesota Statutes, section 124E.22, and unrestricted general fund dollars, if necessary, to fund the annual lease payments.

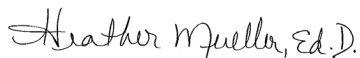
ASA has supplied enrollment and operating cost projections, showing they will have sufficient pupils and financial resources to fund the lease cost associated with the proposed facility acquisitions. The proposed property acquisitions, under the authority of Minnesota Statutes, section 124E.13, Subdivision 3, appear to be in the best interest of the charter school and addresses both current and long-term facility needs.

Review and Comment Statement

Based on the department's analysis of the charter school's required documentation and other pertinent information from sources of the Minnesota Department of Education, the commissioner of education provides a positive review and comment.

Additional Information is Available

Persons desiring additional information regarding this proposal should contact the administrative office of Art and Science Academy (ASA), #4227-07.



Heather Mueller, Ed.D.
Commissioner

July 15, 2021