

Corvallis 5-Year Building Reserve Levy Election Fact Sheet

Purpose: For the purchase of 21.23 acres from the Ravalli Electric Cooperative (REC)

Date and Place: Tuesday, November 7, at the Corvallis High School Gym

Why?

- ❖ This purchase will mean that the district will own and will not risk losing 5.69 acres of land it has leased for more than 30 years from REC. The district's two ball fields and middle school playground area are located on the leased property.
- ❖ This purchase will guarantee that when the time comes for the School District to expand facilities it will be able to expand on land that adjoins existing facilities, maintaining efficiency of operations.
- ❖ Existing buildings on the purchased property could be put to immediate use for storage as well as office and meeting space. By moving these functions and bus parking to the purchased property, space would be freed up on the high school/middle school campus for much-needed parking and for the potential future expansion of existing buildings.
- ❖ This is a singular opportunity to purchase the only suitable property adjacent to existing school property. The opportunity may never come again.

Frequently Asked Questions

What is the price and how was it determined? The sale price of \$1,725,000 is the value that was determined by an appraisal jointly commissioned earlier this year by the REC and the Corvallis School District.

How much does the School District pay in rent for the 5.69 acres it leases from REC? The district pays a nominal \$500 per year, an amount that has not been raised in three decades. The REC has been a generous and civic-minded neighbor to the school district.

When does REC plan to relocate? The Cooperative hopes to complete its relocation to new facilities by June 2019. If the purchase is approved by voters on November 7, the REC would pay rent to the School District for the portion of the property it uses until it is able to vacate.

Has the soil and water been tested for industrial contamination? Both the REC and the School District have contracted to have extensive testing done and are awaiting results. Should any contamination be detected, both the REC and the School District are fully committed to ensuring that all parts of the property are safe for school use.

Are voters being asked to approve a long-term bond for the purchase of this property? No. The request is for a Building Reserve Levy in the amount of \$345,000/yr (an estimated 26.26 mills) for 5 years. The School District would borrow the full purchase amount of \$1,725,000 from the Montana State Board of Investments and pay back the 5-year loan with the revenue from the Building Reserve Levy. At the end of 5 years the loan would be fully paid off and the tax obligation would end.

What is the expected tax impact of the 5-year levy? Based on the current taxable valuation of the school district, taxes would increase by \$35.46 on a home with a taxable market value of \$100,000 and by \$70.91 on a home with a taxable market value of \$200,000. These amounts will decrease somewhat over the 5-year duration of the levy, as the taxable value of the district as a whole increases.

Does the School District have other debt? No. The School District has no bonded indebtedness or any other form of debt.

Does the School District have immediate plans to build additional facilities? No. However, the School District began a process of long-term planning several years ago. There are acute and growing crowding issues at the Primary School, where five portable, modular classrooms have been in use for 10 years. These temporary buildings are approaching the end of their useful life. The Middle School and the High School also need to plan for future expansion to accommodate growing numbers of students. Other district needs, including performing arts facilities, storage, and office space, are also identified in a planning document available on the district website. It is certain that expansion of facilities will be necessary in the future and acquisition of the REC land will ensure that any future expansion will take place on adjacent property close to existing school facilities.

Has Corvallis enrollment been increasing? Yes. Enrollment has risen steadily for three years in a row, especially creating crowding issues at the Primary School.

Don't see the answer to your question here? Please contact one of us!

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