

## **805 Disposition of Land or Facilities**

Adopted: March 24, 2004

Revised: May 26, 2010

### **Policy**

The School District may dispose of property owned or administered by the Board including land and improvements, leases (short-term and long-term), rights of way and easements under the authority of the *School Act* and related Ministerial Orders. The authorization for disposal of land or improvements must include consideration of the future educational needs of the District, disposition through a public process, and Ministry approval where necessary. Disposition will typically be made for fair market value unless the Board's goals, principles or criteria suggest disposition at a lower value is appropriate.

In order to protect the long-term interests of the school system and make the best possible use of surplus facilities (including land, improvements and surplus classrooms), the Board will consider each case and will choose from among all options available one that best suits the particular site and the needs of the school district.

### DISPOSITION OF SURPLUS LAND OR FACILITIES

#### **Definitions**

*Disposition* means sale or lease of land or facilities

*Fair market value* means the amount, price, consideration or rent that would be obtained by a school board in an arm's length transaction in the open market between willing parties acting in good faith.

*Lease* means every agreement whereby the school board, as landlord, confers upon another person, as tenant, the exclusive right to occupy land, a building, a portion of land or a building

- a) for a term of at least 12 months, or
- b) in the discretion of the school board, for a term of less than 12 months.

*Licence* means an agreement whereby the school board, as landlord, confers upon another person the non-exclusive right to occupy a site or property, but does not convey a legal interest in land.

*Rental agreement* means an ad hoc agreement to use land, a building, or a portion of land or a building, between the school board and a third party where use is non-exclusive (i.e., the Board may permit others to also use the land or building and/or the Board may move the group to other space to accommodate school programming needs).

#### **Administrative Procedures**

Where the School District has determined that surplus classrooms, an entire facility or other property is no longer required to serve the educational needs of the School District, the District may, through an open process, offer the classrooms for lease, the facility or land for lease or sale. An open process may include a Request for Expression of Interest (EOI), Notice of Intent, or Request for Proposal (RFP).

For surplus classrooms or whole school sites to be considered for leasing, it is not necessary that they never be required for future educational purposes, only that they are not required for a period of time that makes leasing financially viable for the School District.

Surplus classrooms with licence or lease potential will be reviewed with the respective school principal prior to being offered for other purposes. Schools will be reimbursed for reasonable additional costs of having a tenant in their school. The school principal should consult with their PAC and school staff, as necessary.

Rental agreements that constitute only a licence to occupy and that are for a term of one year or less, for other than a complete school facility will be arranged directly by staff.

Licences to occupy that are:

- a) intended for child care operations
- b) for a term of less than ten years
- c) for less than an entire school facility

will be arranged directly by staff and do not require a disposition by-law.

If an existing licence or lease for a previously closed school or space within an existing school comes due, Administration may either seek a new tenant through a request for proposals or recommend to the Board that a new licence or lease be granted directly to the existing tenant where there is direct benefit to the Board.

If renewal of a licence or lease is approved in principle by the Board without an RFP, then Administration will advertise the intended licence or lease renewal through a public Notice of Intent.

Approval of the Ministry of Education must be obtained for dispositions when Ministry policy or legislation requires such approval.

The School District may engage the services of a qualified agent or broker to assist with the public process.

Any purchaser or lessee must satisfy the Board that it has the ability to meet the financial obligations to the Board.

The Board may place any operational restrictions on appropriate property usage on all leases. These restrictions will be specified in the lease agreement.

The Board may offer the surplus land or facilities for sale or long term lease to the municipality for fair market value.

The Board shall not be bound to accept any proposal for the facilities, regardless of the amount of any bid.

The Board may apply to the municipality for rezoning of surplus land prior to the sale or long term leasing of land.

The Board will inform and may, when deemed appropriate, consult with local residents and community groups regarding land or facilities disposition plans and opportunities or where there is a significant change of use of the land or facilities.