

Administrative Procedure 519

ACQUISITION AND DISPOSITION OF REAL PROPERTY

Background

School buildings and property are valuable public assets which will be allocated, retained or disposed of only in the best interests of the District as directed by the Board and in accordance with the School Act and applicable Ministerial Orders.

The District may dispose of land or improvements deemed surplus providing:

- All Ministry conditions are met,
- Future educational needs of the District have been considered,
- Disposition of land or improvements is conducted through a public process, and
- Disposition of land or improvements is at fair market value.

Procedures

1. Acquisition

- 1.1 The Superintendent, or designate, is responsible for identifying the requirement for new school sites through a review of the Official Area Community Plan and Area Plans, as well as consultation with the City of Delta.
- 1.2 Site acquisition projects will be included in the Five Year Capital Plan.
- 1.3 The School Site Acquisition Agreement between the Board and the City of Delta will be utilized to minimize site acquisition costs.
- 1.4 Approval by the Minister is required prior to any site acquisition.

2. Disposal

- 2.1 The Board has the responsibility for the disposal of its real property, defined as lands, buildings and other improvements, leases, rights-of-way, easements and land dedications.
- 2.2 The Board may, after considering future educational needs and school space requirements of the District, deem a property as no longer required for school purposes and decide to dispose of such property.
- 2.3 In accordance with the School Act and subsequent Ministerial Orders, the Board must not dispose of land or improvements by sale and transfer in fee simple or by way of lease of ten (10) years or more unless such disposal is to another board or an independent school for educational purposes, or is approved by the Minister.

- 2.4 Any disposal by sale and transfer in fee simple must be through a public tender or other public bidding process which will ensure that a fair market value is obtained.

3. Surplus Property

- 3.1 If the property disposal is due to:
- 3.1.1 School Closure and/or Consolidation: In accordance with Board Policy 14, the Board shall first pass a bylaw and notify the Minister in writing of its decision to close and/or consolidate a school. The bylaw shall contain a resolution instructing District staff to proceed with the real property disposal process.
 - 3.1.2 Surplus Lands: The Board shall pass a resolution declaring the property surplus to the needs of the District and instructing District staff to proceed with the real property disposal process. The Minister shall be notified in writing of the Board's resolution.
- 3.2 The notification letter to the Minister shall contain a request for support in the disposal of the subject property.
- 3.3 District staff shall, upon written receipt of the Minister's support of the property disposal:
- 3.3.1 Undertake necessary steps to create the legal entity of the property to be disposed, if it is to be sub-divided from a "parent" property to remain in the ownership of the District;
 - 3.3.2 Arrange for the preparation of a legal survey plan showing the boundaries of the property to be disposed;
 - 3.3.3 Initiate the disposal process normally through a public Request for Offer, unless the property is to be sold to another government, school board, independent school or tax-supported body, under which circumstances staff shall negotiate the sale to recover at least fair market value; and
 - 3.3.4 Establish that the sale of the disposed property shall be accounted for as required by Section 100 of the School Act and Generally Accepted Accounting Principles (GAAP).
- 3.4 Upon successful negotiation of a conditional sale agreement by District staff, the Board shall adopt a bylaw authorizing the disposal of the real property. The bylaw must include:
- 3.4.1 Reference to the school closure bylaw previously passed, if applicable;
 - 3.4.2 Confirmation that the Board will not require the land or improvements for future educational purposes;
 - 3.4.3 The name and facility number, if any;
 - 3.4.4 The allocation of the gain/loss from the sale of the property (Capital Reserve versus Local Capital Reserve versus Land Capital Reserve);

- 3.4.5 The address and legal description of the property; and
- 3.4.6 A reduced size copy of the legal survey plan referred to in 3.3.2 above, with the boundaries of the property to be disposed outlined in red.
- 3.5 Upon adoption of the real property disposal bylaw by the Board:
 - 3.5.1 The Minister shall, without delay, be provided the following documentation:
 - 3.5.1.1 A copy of the Board's bylaw authorizing disposal of the property; and
 - 3.5.1.2 Written notification of the disposition and allocation of the proceeds as required under Section 100(2) of the School Act and as described in 3.3.4 above.
 - 3.5.2 The transfer of title shall be completed in accordance with the conditional sale agreement.
 - 3.5.3 The sale of real property shall be accounted for as required by Section 100 of the School Act and Generally Accepted Accounting Principles (GAAP).
- 4. Property Transfers for Roads and Utilities
 - 4.1 For road and utility dedications required as a condition of the District's development of a property, the Board shall pass a bylaw authorizing the dedication(s) and shall, without delay, notify the Minister through delivery of a copy of the bylaw. The bylaw must include:
 - 4.1.1 The name of the requester (i.e. the City of Delta) and the reason(s) for the dedication(s);
 - 4.1.2 Confirmation that the dedication(s) will have no adverse affects on the delivery of educational programs in the District now and in the foreseeable future;
 - 4.1.3 The name and facility number of the school property; and
 - 4.1.4 A plan showing the boundaries of the dedication(s), outlined in red.
 - 4.2 If a segment of a property is required for road or utilities improvements, but not a condition of the District's development of that property:
 - 4.2.1 District staff shall negotiate the sale to recover at least fair market value for the segment.
 - 4.2.2 The Board shall pass a bylaw authorizing the disposal of the segment and shall, without delay, notify the Minister through delivery of copy of the bylaw. The bylaw must include:
 - 4.2.2.1 The name of the purchaser (i.e. the City of Delta) and sale value of the segment,
 - 4.2.2.2 Confirmation that the segment will have no adverse effects on the delivery of educational programs in the District now and in the foreseeable future,

- 4.2.2.3 The name and facility number of the school property, and
- 4.2.2.4 A plan showing the boundaries of the segment, outlined in red.

5. Land Leases

- 5.1 All land leases of ten (10) years or more shall be considered as a disposal of real property and treated the same as surplus property.
- 5.2 The Board may dispose of land or improvements by way of lease, other than a lease of ten (10) years or more, if such disposition is to an agency or organization for an alternative community use, or is approved by the Minister for other use.
- 5.3 The Secretary-Treasurer is the District's authorized signatory for land leases of less than ten (10) years.
- 5.4 Leases shall be negotiated on a site-by-site basis with public and private interests.
- 5.5 Leases to private organizations shall maximize financial benefit to the District.

Reference: Sections 22, 23, 65, 85, 106.3, 106.4, 100, 110, 111, 112, 112.1, 113, 114, 115, 117, 118
School Act

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