

# DISPOSITION OF REAL PROPERTY

## Background

The District may dispose of property owned or administered by the District 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 District's goals, principles or criteria suggest disposition at a lower value is appropriate.

In order to protect the long-term interests of the District 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 District.

## 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 District in an arm's length transaction in the open market between willing parties acting in good faith.

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

- For a term of at least 12 months, or
- In the discretion of the District, for a term of less than 12 months.

License means an agreement whereby the District, 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 District and a third party where use is non-exclusive (i.e., the District may permit others to also use the land or building and/or the District may move the group to other space to accommodate school programming needs).

## Procedures

1. Where the District has determined that surplus classrooms, an entire facility or other property is no longer required to serve the educational needs of the 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).

2. 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 District.
3. Surplus classrooms with license or lease potential will be reviewed with the respective Principal prior to being offered for other purposes. The Principal is to consult with their PAC and school staff, as necessary.
4. Approval of the Ministry of Education must be obtained for dispositions when Ministry policy or legislation requires such approval.
5. The District may engage the services of a qualified agent or broker to assist with the public process.
6. Any purchaser or lessee must satisfy the Board that it has the ability to meet the financial obligations to the Board.
7. The Board may place any operational restrictions on appropriate property usage on all leases. These restrictions will be specified in the lease agreement.
8. The Board may offer the surplus land or facilities for sale or long term lease to the municipality for fair market value.
9. The Board shall not be bound to accept any proposal for the facilities, regardless of the amount of any bid.
10. The Board may apply to the municipality for rezoning of surplus land prior to the sale or long term leasing of land.
11. 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.

Reference: Sections 22, 23, 65, 85, 96, 100, 106.2, 106.3, 106.4, 110, 111, 112, 112.1, 113, 114, 115, 117,  
118 School Act  
Ministerial Order M193/08

Adopted: October 28, 2014

Revised: June 25, 2019