

DISPOSAL OF REAL PROPERTY AND IMPROVEMENTS

PREAMBLE

Real property and improvements will be allocated, retained or disposed of in the best interest of the district as directed by the Board and in accordance with the School Act.

POLICY

WHERE THE BOARD DETERMINES THAT REAL PROPERTY AND IMPROVEMENTS OWNED BY THE DISTRICT SHOULD BE DISPOSED OF, THE SECRETARY-TREASURER SHALL TABLE WITH THE BOARD PROCEDURES TO BE FOLLOWED THAT ARE CONSISTENT WITH GOOD BUSINESS PRACTICES AND THE PROVISIONS OF THE SCHOOL ACT AND MINISTERIAL ORDER M16/2003 (JANUARY 17, 2003). ANY REAL PROPERTY AND IMPROVEMENTS APPROVED FOR DISPOSAL MUST BE SURPLUS TO THE CURRENT AND FUTURE EDUCATIONAL NEEDS OF THE DISTRICT AND SHALL GENERALLY BE DISPOSED OF THROUGH A PUBLIC PROCESS AND AT FAIR MARKET VALUE.

OBJECTIVES

1. To ensure ownership of real property and improvements is managed in the best interest of the district, as directed by the Board.
2. To obtain fair market value for any real property and improvements that have been declared unnecessary for current and future educational needs of the district.
3. To dispose of real property and improvements through a public process.

REGULATIONS

When real property and improvements ("property") are deemed to be unnecessary or unsuitable for current and future educational needs of the district, the Board will consider the sale, exchange or long-term lease of the property on the recommendation of the Committee of the Whole. The Secretary-Treasurer shall recommend to the Board procedures for the disposal of any property approved for disposal. The procedures to be followed for the sale of property will at a minimum include:

1. The Secretary-Treasurer shall obtain two appraisals of the property by an independent, licensed, professional appraisers who shall make written reports.

2. A notice of sale shall be advertised in two separate publications. The notice shall set out the terms and conditions of sale. The board may permit the bidders to specify conditions. The notice shall state that bids will be received on a specified date and that the bids shall be effective for a period not to exceed 60 days.
3. The Secretary-Treasurer will present a report and submit a recommendation on the bids received to the Board's Committee of the Whole.
4. The Board may sell the property to the highest and best bidder or may reject all bids. The Board may not sell property for less than 90 per cent of the average appraised value, but may order a reappraisal.
5. Following final Board approval of the sale, the Board shall adopt a bylaw containing the following information:
 - a. Name and facility number of the property;
 - b. Address and legal description of the property; and
 - c. Confirmation that the property will not be required for current and future educational purposes.
6. Any net proceeds resulting from the sale of real property shall accrue to the benefit of the school district and must be allocated between the Board and the Ministry of Education based on their respective contributions to the capital value of the property.
7. The Secretary-Treasurer may execute all documents reasonably necessary to complete the transaction.
8. Following disposal, the Secretary-Treasurer must, without delay, provide the Ministry of Education with:
 - a. A copy of the bylaw referred to in Section 5 above; and
 - b. Written notification of the disposition and allocation of the proceeds as required under Section 100(2) of the School Act.

EXCHANGE OF PROPERTY

In general, any exchange of property shall follow as closely as possible the procedures for the sale of property, but may be altered as best fits the circumstances surrounding the proposed exchange. Any exchange of property with the City of Burnaby or other public entity may not be subject to public tender; however, these exchanges must be undertaken at fair market value.

LONG-TERM LEASE OF PROPERTY

For purposes of this policy, any lease for a term, including the cumulative total of all options and rights to extend or renew the lease for a period of more than five years and/or which provide for an option or right to purchase, shall be treated as a disposal. Any such disposal shall follow as closely as possible the procedures for the sale of property.

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Date Adopted: 2006-02

Date(s) Revised:

Cross References:

Statutory: Ministerial Order 16/2003, School Act 96 (3), 100 (2), 168 (2) (p) (t), Ministerial Order 193/08 (Repeal M233/07)

Other: