

## AP 650.1: Disposal of Real Property and Improvements

1. Prior to the disposition of surplus property, the District will:
  - 1.1. Consider future enrolment growth in the District, including Kindergarten to Grade 12, adult programs, and early learning;
  - 1.2. Consider alternative community use of surplus space in school buildings and other facilities;
  - 1.3. Complete full title search;
  - 1.4. Request an independent appraisal of the property; and
  - 1.5. Seek approval from the Minister as required.
2. The method of disposition of surplus properties will be through a public process that may include:
  - 2.1. Public advertising;
  - 2.2. Public tender;
  - 2.3. Public auction;
  - 2.4. Request for proposals; or
  - 2.5. Listing with real estate agencies.
3. The District will apply the following criteria regarding disposals:
  - 3.1. The decision to sell or lease the property is consistent with Ministry policy, orders and regulations;
  - 3.2. The business case for selling the property is demonstrable and supportable after consideration of future enrolment growth, alternative community use and input, environmental issues, title searches, independent appraised value, and offers;
  - 3.3. The disposition will be at fair market value, except as set out below. Fair market value means the amount, price, consideration or rent that would be obtained by the District of Education in an arm's length transaction in the open market between willing parties acting in good faith;
  - 3.4. That considerations regarding market value and highest and best use could be superseded at the discretion of the District if:
    - 3.4.1. The property could generate ongoing funding for the district through an educational partnership, or the property could generate ongoing funding, savings, or provide shared services to the District through partnership with other public bodies (e.g. lease arrangement with BC Transit),
    - 3.4.2. The property has a history of a community relationship and past-usage with a committed organization in the community,

- 3.4.3. The property is the only public facility in the community that is suitable for community use;
  - 3.4.4. The planned use of the property would have significant positive effect on a large number of citizens that could not be gained in other ways;
  - 3.4.5. The property would be used by another District (including the Conseil Scolaire Francophone) or independent school for educational purposes; or local government or community organization for alternative community use.
- 3.5. The Board of Education will adopt a by-law approving the disposition;
  - 3.6. The District will provide the Minister of Education with a copy of the Disposition By-law and written notification of the disposition and allocation of the proceeds.
4. Subject to section 5, if the District receives funds in respect of the disposition of any asset that was the subject of a capital expenditure, the funds must be allocated between the District and the minister according to the District's contribution and the minister's contribution to the capital expenditure.
  5. The Minister may allocate the money between the minister and the District if:
    - 5.1. The minister is not able to determine the District's contribution or the minister's contribution to the capital expenditure, or
    - 5.2. In the opinion of the minister, the allocation is not appropriate in the circumstances.
  6. Money allocated to the minister must be used by the District only
    - 6.1. for capital projects, and
    - 6.2. with the minister's approval.
  7. Money allocated to the District must be used by the District only for capital projects, and allocated by Board motion.
  8. The District may allocate money received in respect of a lease to either operating or capital expenditures if the lease
    - 8.1. is for a term, including the cumulative total of all options and rights to extend or renew the lease, of not more than ten (10) years, and
    - 8.2. does not provide for an option or right to purchase.