

LODI UNIFIED SCHOOL DISTRICT

Business and Non-Instructional Operations

Policy 3280

Sale or Lease, Rental of District-Owned Real Property

The Board of Education believes that the district should utilize its facilities and resources in the most economical and practical manner. To that end, the Superintendent or designee shall periodically study the current and projected use of all district facilities in order to ensure the efficient utilization of space and the effective delivery of instruction.

Prior to the sale or lease of any surplus real property, the Board shall appoint a district advisory committee to advise the Board regarding the use or disposition of schools or school building space which is not needed for school purposes.

Upon determination that district property is no longer needed, or may not be needed until some future time, the Board shall first submit a report to the local planning agency as to what real property the district intends to offer for sale or lease. Not less than 40 days after issuance of the report to the local planning agency, and prior to entering into any agreement for sale or lease of district real property, the Board shall offer to sell or lease district-owned real property in accordance with priorities and procedures specified in applicable law including, but not limited to Education Code 17230, 17387-17391, 17457.5, 17464, 17485-17500; Government Code 54222, 65402

In addition, when selling real property purchased, constructed, or modernized with funds received within the past 10 years from a school facilities funding program, the Board shall consider whether any of the proceeds from the sale will need to be returned to the State Allocation Board (SAB) pursuant to Education Code 17462.3

Resolution of Intention to Sell or Lease

Before ordering the sale or lease of any real property, the Board shall adopt a resolution by a two-thirds vote of all of its members at a regularly scheduled open meeting. The resolution shall describe the property proposed to be sold or leased in such a manner as to identify it, specify the minimum price or rent, describe the terms upon which it will be sold or leased, and specify the commission or rate, if any, which the Board will pay to a licensed real estate broker out of the minimum price or rent. The resolution shall fix a time, not less than three weeks thereafter, for a public meeting, held at the Board's regular meeting place, at which sealed proposals to purchase or lease will be received and considered.

The Superintendent or designee shall provide notice of the adoption of the resolution and of the time and place of the meeting that will be held to consider bids by posting copies of the resolution, signed by the Board, in three public places not less than 15 days before the date of the meeting. In addition, the notice shall be published at least once a week for three successive weeks before the meeting, in a newspaper of general circulation published in the county in which the district is located, if such a newspaper exists.

The superintendent or designee shall take reasonable steps to provide notification to the former owners of the property of the district's intent to sell it in accordance with Education Code 17470.

Acceptance/Rejection of Bids.

At the public meeting specified in the resolution, the Board shall open, examine, and declare all sealed bids. Before accepting any written proposal, the Board shall call for oral bids in accordance with law.

The Board may reject any and all bids, either written or oral, and withdraw the properties from sale when the Board determines that rejection is in the best public interest. If no proposals are submitted or the submitted proposals do not conform to all the terms and conditions specified in the resolution of intention to lease, the Board may lease the property in accordance with Education Code 17477.

Of the proposals submitted by responsible bidders which conform to all terms and conditions specified in the resolution of intention to sell or lease, the Board shall finally accept the highest bid, after deducting commission, if any, to be paid to a licensed real estate broker, unless the Board accepts a higher oral bid or rejects all bids.

The final acceptance of the bid may be made either at the same meeting specified in the resolution or at any adjourned / continued meeting held within 10 days. Upon acceptance of the bid, the Board may adopt a resolution of acceptance that directs the Board president, or any other Board member, to execute the deed or lease and to deliver the document upon performance and compliance by the successful bidder of all of the terms and conditions of the contract.

The superintendent or designee shall ensure that proceeds from the sale, or lease with an option to purchase, of district surplus property are used in accordance with law.

Pursuant to the authorization in Education Code 17463.7, the district may expend proceeds from the sale of surplus real property, along with the proceeds from any personal property located on that real property, for any one-time general fund purpose(s). Before the district exercises this authority:

1. The Board shall submit documents to the SAB certifying that:
 - a. The district has no major deferred maintenance requirements not covered by existing capital outlay resources.
 - b. The sale of real property pursuant to Education Code 17463.7 does not violate the provisions of a local bond act.
 - c. The real property is not suitable to meet projected school construction needs for the next 10 years.
2. The superintendent or designee shall present to the Board, at a regularly scheduled meeting, a plan for expending these one-time resources. The plan shall identify the source and use of the funds and shall describe the reasons that the expenditure shall not result in ongoing fiscal obligations for the district.

Legal References: Education Code
17219-17224 Acquisition of property not utilized as school site;
nonuse payments; exemptions
17230-17234 Surplus property
17385 Conveyances to and from school districts
17387-17391 Advisory committees for use of excess school
facilities
17400-17429 Leasing property
17430-17447 Leasing facilities
17453 Lease of surplus district property
17455-17484 Sale or lease of real property; especially:
17457.5 Offer to Charter School
17462.3 State Allocation Board program to reclaim funds
17463.7 Proceeds for general fund purposes
17485-17500 Surplus school playground (Naylor Act)
17515-17526 Joint occupancy

17527-17535 Joint use of district facilities

33050 Request for waiver

38130-38139 Civic Center Act

Government Code

55220-54232 Surplus Land, especially:

54222 Offer to sell or lease property

54950- 54963 Brown Act, especially:

54952 Legislative body, definition

Public Resources Code

21000-21177 California Environmental Quality Act

Code of Regulations, Title 2

1700 Definitions related to surplus property

Policy

adopted: 05/20/97

revised: 05/01/07

revised: 02/16/10

revised: 09/18/12

revised: 05/19/15