

Policy 3280: Sale Or Lease Of District-Owned Real Property

Status: ADOPTED

Original Adopted Date: 07/01/2011 | **Last Revised Date:** 12/01/2024

Last Adopted Date: 02/12/2025

The Governing Board believes that district facilities and resources should be utilized in an economical and practical manner. The Superintendent or designee shall periodically study the current and projected use of all district facilities to ensure the efficient utilization of space for 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. The Board may elect not to appoint a district advisory committee for any of the following: (Education Code 17388, 17391)

1. A rental of property for a period of time not exceeding 30 days
2. A lease or rental of surplus property to a private educational institution for the purpose of offering summer school
3. A sale, lease, or rental of surplus property to be used for teacher or other employee housing

In addition, to ensure that the proposed disposition of the property conforms with any general plan adopted by the local planning agency that affects or includes the area where the surplus property is located, the Board shall submit a report to the local planning agency describing the location of the surplus property and the purpose and extent of the proposed sale or lease. (Government Code 65402)

The Board shall determine whether the sale or lease of the surplus property is subject to review under the California Environmental Quality Act. (Public Resources Code 21000-21177; 14 CCR 15061-15062)

The Board may meet in closed session with its real property negotiator prior to the sale or lease of real property by the district in order to grant its negotiator authority regarding the minimum price or rent and terms of the sale or lease. (Government Code 54956.8)

Before taking action to dispose of any land, the Board shall declare, at a regular meeting, supported by written findings that, under the Surplus Land Act, the land is either (1) surplus land or (2) exempt surplus land. (Government Code 54221)

However, if the land involved is exempt surplus land as specified in Government Code 54221(f)(1), the Board, at its discretion, may decide not to make such a declaration. Instead of the declaration, the Board may identify the land as exempt surplus land in a notice that is published and available for public comment and to the entities identified in Government Code 54222 at least 30 days

before the exemption takes effect. (Government Code 54221)

Additionally, at least 30 days prior to disposing of exempt surplus land, the district shall provide the Department of Housing and Community Development (HCD) a copy of the Board's declarations and findings supporting the Board's determination that the land is exempt surplus land using the form prescribed by HCD. (Government Code 54221)

If the district has received notification from HCD that the district has violated the Surplus Land Act pursuant to Government Code 54230.5, the Board shall not pursue a final action to ratify or approve the proposed disposal of surplus land unless the Board holds an open and public meeting in compliance with Government Code 54230.7 to review and consider the substance of the notice.

When selling or leasing district real property, the Board shall comply with applicable procedures and give priority to specified public agencies as required by law. (Education Code 17230, 17464, 17485-17500; Government Code 54221-54234)

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. (Education Code 17466)

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. (Education Code 17469)

At least 60 days prior to the public meeting, the Superintendent or designee shall take reasonable steps to provide written notification of the public meeting, by certified mail, to the former owner from whom the district acquired the property. (Education Code 17470)

Acceptance/Rejection of Bids

At the public meeting specified in the resolution of intention to sell or lease property, the Board shall open, examine, and declare all sealed bids. Before accepting a written proposal, the Board shall call for oral bids in accordance with law. (Education Code 17472, 17473)

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. (Education Code 17476, 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 the commission, if any, to be paid to a licensed real estate broker, unless the Board accepts a higher oral bid or rejects all bids. (Education Code 17472)

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. (Education Code 17475-17478)

Use of Proceeds

The Superintendent or designee shall ensure that the proceeds from the sale or lease with an option to purchase of surplus district property are used for one-time expenditures and not for ongoing expenditures such as salaries and general operating expenses. (Education Code 17462; 2 CCR 1700)

Proceeds from a sale of surplus district property shall generally be used for capital outlay or maintenance costs that the Board determines will not recur within a five-year period. Proceeds from a lease of district property with an option to purchase may be deposited into a restricted fund for the routine repair of district facilities, as defined by the State Allocation Board (SAB), for up to a five-year period. (Education Code 17462)

However, if the Board and SAB determine that the district has no anticipated need for additional sites or building construction for the next 10 years and no major deferred maintenance requirements, the proceeds from the sale or lease with an option to purchase may be deposited in a special reserve fund for the future maintenance and renovation of school sites or in the district's general fund. (Education Code 17462)

Whenever the district sells real property that was purchased, improved, or modernized with funds that were received from a state school facilities funding program within the previous 10 years, the district shall notify OPSC within 90 calendar days of the sale of the property if the proceeds from the sale are not used for capital outlay and the property is not sold to a charter school, another school district, a county office of education, or an agency that will use the property exclusively for the delivery of child care and development services. If SAB subsequently makes a finding that the sale is subject to Education Code 17462.3, the district shall return the funds to the SAB within 90 calendar days of the finding. (2 CCR 1702)

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the Governing Board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State	Description
14 CCR 15061-15062	Preliminary review of projects and conduct of initial study
2 CCR 1700-1702	Surplus property; use of proceeds
Ed. Code 17219-17224	Acquisition of property not utilized as school site; nonuse payments; exemptions
Ed. Code 17230-17234	Surplus property
Ed. Code 17387-17391	Advisory committees for use of excess school facilities
Ed. Code 17400-17429	Leasing of school buildings
Ed. Code 17430-17447	Leasing facilities
Ed. Code 17453	Lease of surplus district property
Ed. Code 17455-17484	Sale or lease of real property
Ed. Code 17462.3	State Allocation Board program to reclaim funds
Ed. Code 17485-17500	Surplus school playground (Naylor Act)
Ed. Code 17515-17526	Joint occupancy
Ed. Code 17527-17535	Joint use of district facilities
Ed. Code 17536	Exchange of district property
Ed. Code 33050	Nonwaivable provisions
Ed. Code 38130-38139	Civic Center Act
Gov. Code 50001-50002	Definitions
Gov. Code 54220-54234	Surplus land
Gov. Code 54950-54963	The Ralph M. Brown Act
Gov. Code 54952	Legislative body; definition
Pub. Res. Code 21000-21177	California Environmental Quality Act of 1970
Management Resources	Description
Attorney General Opinion	94 Ops.Cal.Atty.Gen. 82 (2011)
Attorney General Publication	Guidance Regarding Laws Governing School Closures and Best Practices for Implementation in California, April 2023
CA Dept of Housing & Community Development Pub	Updated Surplus Land Act Guidelines, August 2024
California Department of Education Publication	Best Practices Guide for Potential School Closure, 2024
Court Decision	San Lorenzo Valley Community Advocates for Responsible

	Education v. San Lorenzo Valley Unified School District (2006) 139 Cal.App.4th 1356
Office of Public School Construction Publication	Unused Site Program Handbook, December 2015
Website	CSBA District and County Office of Education Legal Services
Website	Department of General Services, Office of Public School Construction
Website	Coalition for Adequate School Housing
Website	CSBA
Website	California Department of Education, School Facilities

Cross References

Code	Description
1100	Communication With The Public
1220	Citizen Advisory Committees
1220	Citizen Advisory Committees
1330	Use Of School Facilities
1330	Use Of School Facilities
1431	Waivers
3100	Budget
3100	Budget
3311.2	Lease-Leaseback Contracts
3460	Financial Reports And Accountability
3460	Financial Reports And Accountability
3580	District Records
3580	District Records
5148	Child Care And Development
5148	Child Care And Development
5148.2	Before/After School Programs
5148.2	Before/After School Programs
5148.3	Preschool/Early Childhood Education
5148.3	Preschool/Early Childhood Education

6020	<u>Parent Involvement</u>
6020	<u>Parent Involvement</u>
7110	<u>Facilities Master Plan</u>
7111	<u>Evaluating Existing Buildings</u>
7160	<u>Charter School Facilities</u>
7160	<u>Charter School Facilities</u>
7210	<u>Facilities Financing</u>
9130	<u>Board Committees</u>
9320	<u>Meetings And Notices</u>
9321	<u>Closed Session</u>
9321-E(1)	<u>Closed Session</u>
9321-E(2)	<u>Closed Session</u>
9323.2	<u>Actions By The Board</u>
9323.2-E(1)	<u>Actions By The Board</u>

MOUNTAIN UNION ELEMENTARY SCHOOL DISTRICT

Regulation 3280: Sale Or Lease Of District-Owned Real Property

Status: ADOPTED

Original Adopted Date: 09/01/1990 | Last Revised Date: 12/01/2024

Last Adopted Date: 02/12/2025

Definitions

Dispose means either (1) the sale of surplus land or (2) the lease of surplus land for a term longer than 15 years, inclusive of any extension or renewal options included in the terms of the initial lease. Dispose does not include the entering of a lease for surplus land on which no development or demolition will occur, regardless of the term of the lease. (Government Code 54221)

Under the Surplus Land Act, *exempt surplus land* means land, as described in Items #1-10 below, that is: (Government Code 54221)

1. Less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes
2. Being exchanged for another property necessary for the district's use, including easements, pursuant to Education Code 17536
3. Subject to the district advisory committee pursuant to Education Code 17388
4. Jointly occupied by the district and any private person, firm, local governmental agency or corporation pursuant to Education Code 17515
5. Being transferred to a local, state, or federal agency, or to a third-party intermediary for future dedication for the receiving agency's use, or to a federally recognized California Indian tribe
6. A former street, right of way, or easement, and is conveyed to an owner of an adjacent property
7. Developed for low- or moderate-income housing development that meets specified criteria
8. Subject to a valid legal restriction that is not imposed by the district and that makes housing prohibited, such as a conservation easement
9. Transferred to a community land trust, and meets certain specified conditions
10. Included in any of the other exemptions specified in Government Code 54221

District Advisory Committee

The district advisory committee, which may be referred to as a "7-11 Committee," on use or

disposition of surplus school buildings or space shall consist of not less than seven or more than 11 members representative of each of the following: (Education Code 17389)

1. The district's ethnic, age group, and socioeconomic composition
2. The business community, such as store owners, managers, or supervisors
3. Landowners or renters, with preference to representatives of neighborhood associations
4. Teachers
5. Administrators
6. Parents/guardians of students
7. Persons with expertise in environmental impact, legal contracts, building codes, and land use planning, including, but not limited to, knowledge of the zoning and other land use restrictions of the cities and counties in which the surplus property is located

This committee shall: (Education Code 17390)

1. Review projected school enrollment and other data to determine the amount of surplus space and real property
2. Establish and circulate throughout the attendance area a priority list for use of surplus space and real property that will be acceptable to the community
3. Hold hearings, with community input, on acceptable uses of space and real property, including the sale or lease of surplus real property for child care development purposes
4. Make a final determination of limits of tolerance of use of space and real property
5. Send the Governing Board a report recommending uses of surplus space and real property

The district advisory committee shall comply with open meeting requirements of the Brown Act. (Government Code 54952)

Policy Reference Disclaimer:

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State

14 CCR 15061-15062

2 CCR 1700-1702

Ed. Code 17219-17224

Description

[Preliminary review of projects and conduct of initial study](#)

[Surplus property; use of proceeds](#)

[Acquisition of property not utilized as school site; nonuse](#)

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