

EDMONTON PUBLIC SCHOOLS

February 8, 2011

TO: Board of Trustees

FROM: E. Schmidt, Superintendent of Schools

SUBJECT: Declaration of Surplus Schools

ORIGINATOR: B. Smith, Executive Director

RESOURCE
STAFF: Jyde Heaven, Roland Labbe, Lorne Parker, Cindy Skolski

RECOMMENDATION

1. That the declaration of the Prince Rupert School building as surplus to district need, be approved.
2. That the declaration of the Ritchie School building as surplus to district need, be approved.
3. That the declaration of the Wellington School building as surplus to district need, be approved.

* * * * *

The District currently has an inventory of 20 closed school buildings. A list of the buildings and their current status is provided as information (Appendix I). This report outlines the rationale behind recommendations to declare three of the buildings as surplus to district need. The three buildings are Prince Rupert, Ritchie, and Wellington schools (Appendix II). These three buildings will not be needed to accommodate local students. Community demographics do not indicate a significant increase and are not expected to increase (Appendix III). Future potential student population can be served using existing schools in adjacent neighbourhoods (Appendix IV and Appendix V). The community league presidents of Athlone, Wellington, Ritchie, and Prince Rupert and the Edmonton Federation of Community Leagues, were invited to provide input on the Declaration of Surplus Schools report. A copy of the letter is attached (Appendix VI). The Planning department did not receive any official responses.

Development plans have been in effect in these communities since 1998 or earlier (Appendix VII). There is a potential use or disposition proposed for each of the three buildings.

1. **Prince Rupert:** District use of this facility has recently been discontinued and the building is vacant. There have been recent inquiries from the Prince Rupert Community League as to the possibility of using the site for a new community centre.

2. **Ritchie:** Excluding the 1913 building, which remains vacant, the Conseil scolaire Centre-Nord (francophone school district) leases the remainder of the facility to house École Joseph-Moreau. The francophone school district has indicated that they may be interested in acquiring the operating side of the facility if access to provincial capital support for acquisition and modernization can be achieved.
3. **Wellington:** The City of Edmonton has indicated it is interested in acquiring this property. The City is the current tenant and they sub-lease portions of the building to the Winifred Stewart Association and the Council of African Canadians.

Disposition of school property is subject to the provincial *Disposition of Property Regulation* under the *School Act* (Appendix VIII). A direct sale can be negotiated with a not-for-profit group or a government agency; otherwise, a sale must occur through public tender or auction. There are also requirements under the *Joint Use Agreement: Land* to provide opportunities to Edmonton Catholic Schools or the Conseil scolaire Centre-Nord and the City of Edmonton that must be met. This includes the City's first-right-to-purchase surplus school property if a closed school is of no interest to the three school districts that are signatories in the *Joint Use Agreement: Land*. This protects civic interests to retain open space in older neighbourhoods (Appendix IX).

The major steps involved in the disposition of a closed school are:

- The facility is declared surplus to district need by the Board of Trustees;
- Notice is given of the Board's intention to dispose to the Province, other school jurisdictions (Edmonton Catholic Schools and the francophone school district) and the City of Edmonton;
- Notice is given to any district tenants in the building;
- Appraisals of land and building value are commissioned;
- Terms and conditions of use are negotiated if there is interest in the property by another school jurisdiction or if the Province identifies a possible use;
- Terms of sale are negotiated if the Province or another school jurisdiction wish to acquire a closed building and land;
- If there is no interest by the Province or the other school jurisdictions, the City of Edmonton must review whether it will exercise its first-right-to-purchase the building and/or land under the provisions of the *Joint Use Agreement: Land*;
- Response from the City is received regarding its first-right-to-purchase;
- A sale is agreed on to:
 - the City of Edmonton;
 - a not -for-profit group;
- A meeting is held with community representatives to identify or review concerns (potentially in conjunction with the City's consultation process);
- A public tender is initiated if there is no interest in the building and land identified by the Province, the City of Edmonton, or the not-for-profit sector;
- Purchaser conducts thorough analysis of the property (due diligence period);
- Any sale agreement or tendered offer-to-purchase is first approved by the Board of Trustees and; subsequently, by the Minister of Education;
- Subdivision or rezoning application is commenced; if required;
- Sale closes or transfer is completed;

- Proceeds are placed in district capital reserves upon closing.

The *Joint Use Agreement: Land* gives the City of Edmonton a first-right-to-purchase schools and school land. The City has 180 days to notify the Board of their intent to exercise that right. If the City chooses to purchase a portion of the property; for example, the playing fields only, the Board and the City have 120 days to subdivide the land. During the same period, the City and the Board come to an agreement on the value of the property to be purchased by the City. If the City chooses not to exercise its first-right-to-purchase, the Board may sell it in accordance with the provincial regulations.

Closed schools will be disposed of in accordance with provincial regulations and the *Joint Use Agreement: Land*. Terms of leases will be honoured and satisfactory alternate accommodation for district programs will be found, if required. Affected communities will be provided opportunity for input.

All dispositions will be subject to approval by the Board of Trustees and ministerial approval. Each of the four closed schools planned for disposition is located on non-reserve land. This is land the Board purchased for full market value, and is entitled to seek full market value in return. Declaration of these properties as surplus to district need will allow administration to move forward with potential disposition.

ES;jh

- Appendix I - Use of Closed Schools
- Appendix II - Description of Closed Schools
- Appendix III - Community demographics from 1984-2010
- Appendix IV - Operating and surplus school sites 1.6 kilometer radius from surplus site
- Appendix V - Comparable community in Calgary
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- Appendix VII - Plans in Effect
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- Appendix IX - *Joint Use Agreement: Land* - Section 7.0 Surplus Non-Reserve School Sites

Use of Closed Schools (year closed)

District Use

Bennett School (1973) serves as the Bennett Environmental Centre, offering overnight school programs, day programs, environmental lessons and outdoor activities since 1981.

Idylwyld School (2002) serves as a Metro Continuing Education ancillary site. A wide range of courses are offered to adults and community members in this location.

McCauley School (2010) serves as:

- one of two sites for the District's *Transition Centre for Immigrant and Refugee Students and Families*;
- the continued site for the City Centre Education Partnership - Early English Language Learner (ELL) centre;
- the continued and expanded lease to the Multi-Cultural Health Brokers Co-op;
- established as a Community Hub in partnership with the City of Edmonton to provide supports and services to immigrant and refugee students and their families;
- the continued lease to Alberta Child Services.

McKay Avenue School (1983) serves as the District Archives and Museum.

Newton School (2007) serves as a site housing three different teams of Educational Consultants employed by the District since September 2008.

Queen Mary Park School (2001) serves as a District facility accommodating Resource Development Services, Student Information Services, and the Employee Assistance Program which provides services to district employees as well as other Northern Alberta school districts on a contract basis.

Terrace Heights School (2005) serves as the Argyll Home Education Centre at Terrace Heights, providing support and services to families and students enrolled in distance learning programs.

Woodcroft School (2008) serves as a Languages Centre housing consultants and resources in each of the numerous languages taught in the District; providing teacher support and resources.

Vacant

Eastwood School (2010) potential future use is being explored.

Prince Rupert School (1995) recently vacated.

Used as an Educational Facility by Others

Capilano School (2010) is leased by Suzuki Charter School Society effective September 2010.

Ritchie School (2008) is leased to the Conseil scolaire du Centre-Nord (francophone school district).

Sherbrooke School (2003) is leased to the Aurora Charter School Society.

Leased

Alex Taylor School (2001) has served as the centre for Edmonton City Centre Church Corporation (E4C) since September 2001.

Donald Ross School (1974) is leased to Sun and Moon Visionaries Gallery and Studio to provide support to Aboriginal youth and artisans.

Fulton Place School (2010) serves as a community hub with a variety tenants that include The Victorian Order of Nurses, The Alberta Caregivers, The Learning Disabilities Association of Alberta – Edmonton Chapter, and the S.S. Dance Experience.

Parkdale School (2010) a portion is leased to Alberta Health Services for staff training.

Wellington School (2005) is leased to the City of Edmonton, who sub-lease to the Winnifred Stewart Association to provide services to adults with developmental disabilities, and to the Council of African Canadians who deliver a wide range of services to Edmonton immigrant families who are originally from Africa.

Sale Pending

Bellevue School (2003) has served as the site for Distinctive Education and Counseling Services Association (DECSA) since December 2003, primarily serving new Canadian and Aboriginal women.

North Edmonton School (2005) is leased to the Excel Society. The site is being redeveloped as a seniors assisted-living centre for adults living with Alzheimer's disease, dementia and brain injuries.

Description of Closed Schools Planned for Disposition

Prince Rupert (built 1954, closed 1996, 1 094 m²): This facility served as the program site for the Rites of Passage program which has been relocated to Amiskwaciy Academy leaving the building vacant. The building is functional; however, renovations/upgrades/repairs to the building would be required to bring it up to Edmonton Public School Board's standards for future student accommodation. The site is a 5.11 acre parcel of non-reserve land. The Administration will pursue direct sale to the City of Edmonton to purchase site for the Prince Rupert community league or will initiate a public tender.

Wellington (built 1957, closed 2005, 6 217 m²): This large facility and 9.8 acre site is leased to the City of Edmonton. The City of Edmonton leases this site to two groups. The Winnifred Stewart Association provides services to adults with developmental disabilities and the Council for Advancement of African Canadians in Alberta who deliver a wide range of services to Edmonton families originally from Africa. The City of Edmonton has indicated that they would be interested in purchasing the building and site to continue their ability to share space with the community. Initial discussions have occurred with the City of Edmonton.

Ritchie (built 1913, 1954, 1956, 1975, closed 2008, 7 243 m²): The 1913 portion is vacant and would require significant capital to bring it up to Edmonton Public School Board's standards for student accommodation. The remaining portion of the building is leased to the Francophone School District. This site is a 6.6 acre parcel of non-reserve land.

Current Leases in Schools to be Sold

Prince Rupert:

Tenant Name	Term of Lease	Gross Area Leased (m ²)	Annual Revenue	Space Used For
Vacant				Vacant as of September 2010, all costs paid by DU 307

Wellington:

Tenant Name	Term of Lease	Gross Area Leased (m ²)	Annual Revenue	Space Used For
City of Edmonton				Winnifred Stewart Association and the Council for Advancement of African Canadians in Alberta

Ritchie:

Tenant Name	Term of Lease	Gross Area Leased (m ²)	Annual Revenue	Space Used For
Francophone School District				Education

Community Demographics

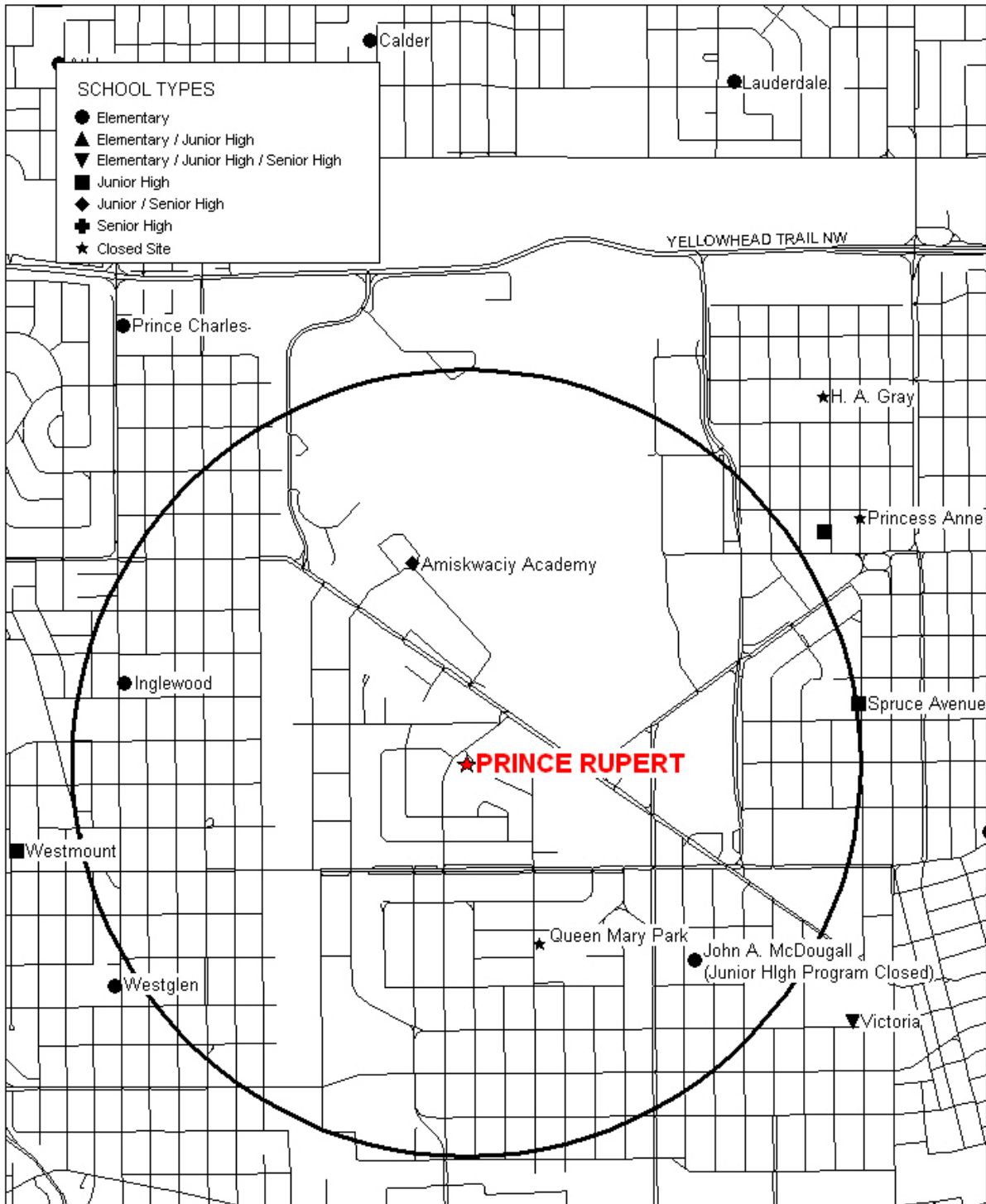
Elementary Students by Neighbourhood																											
Neighbourhood	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Prince Rupert (Closed 1995)																											
Prince Rupert	87	89	100	82	88	97	96	104	62	46	39	27	37	39	38	42	38	43	48	48	47	50	45	52	47	46	37

Junior High Students by Neighbourhood																											
Neighbourhood	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Ritchie (Closed 2008)																											
Argyll	28	23	22	19	19	17	12	14	16	15	14	10	16	18	16	15	22	24	25	29	32	28	20	19	20	18	20
Hazeldean	74	71	60	63	57	51	42	48	55	54	53	62	70	81	93	85	104	112	107	103	85	74	78	81	71	65	64
King Edward	49	43	44	47	53	57	63	68	61	73	83	85	71	77	72	78	79	91	71	75	68	72	69	62	64	66	68
Mill Creek(Ritchie)	83	60	56	51	57	53	48	44	59	60	59	54	55	63	59	54	63	65	66	62	51	51	50	47	43	42	31
Total	234	197	182	180	186	178	165	174	191	202	209	211	212	239	240	232	268	292	269	269	236	225	217	209	198	191	183
Wellington (Closed 2005)																											
Athlone	80	71	62	51	44	48	43	52	47	67	88	65	65	82	92	84	80	85	79	77	85	78	73	73	86	67	60
McArthur	91	91	99	96	99	90	84	79	70	91	85	81	68	69	70	68	70	66	64	59	70	69	61	49	39	46	57
Calder West	57	61	64	57	55	50	52	62	47	52	55	67	68	60	70	68	79	88	75	99	73	72	65	74	56	51	32
Kensington West	44	45	34	24	25	28	32	35	41	33	40	46	52	43	38	47	48	45	47	39	51	46	43	33	35	38	31
Total	272	268	259	228	223	216	211	228	205	243	268	259	253	254	270	267	277	284	265	274	279	265	242	229	216	202	180

Edmonton Public Schools
December 2010

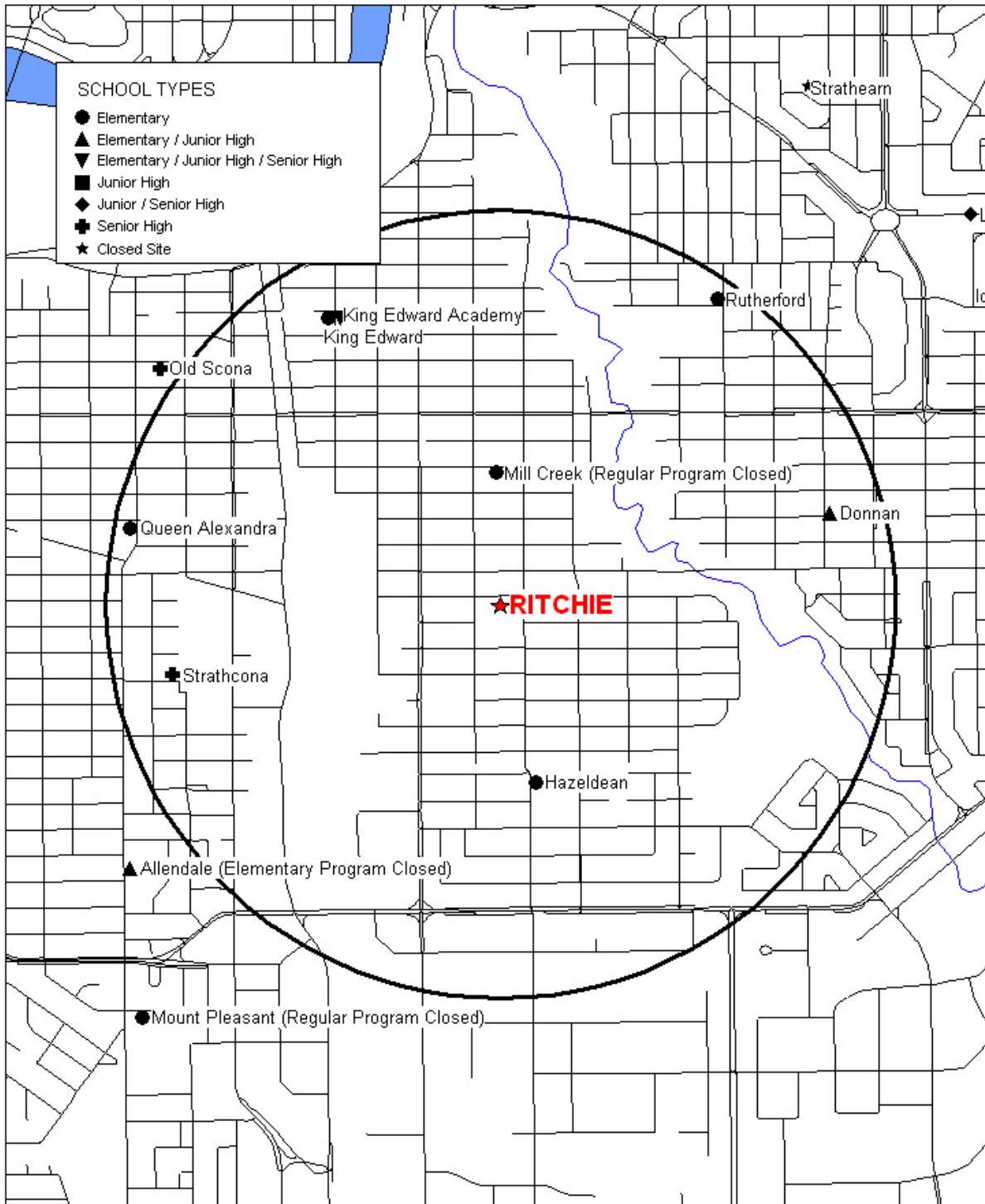


1.6 km Radius Around Prince Rupert School - Declared Surplus



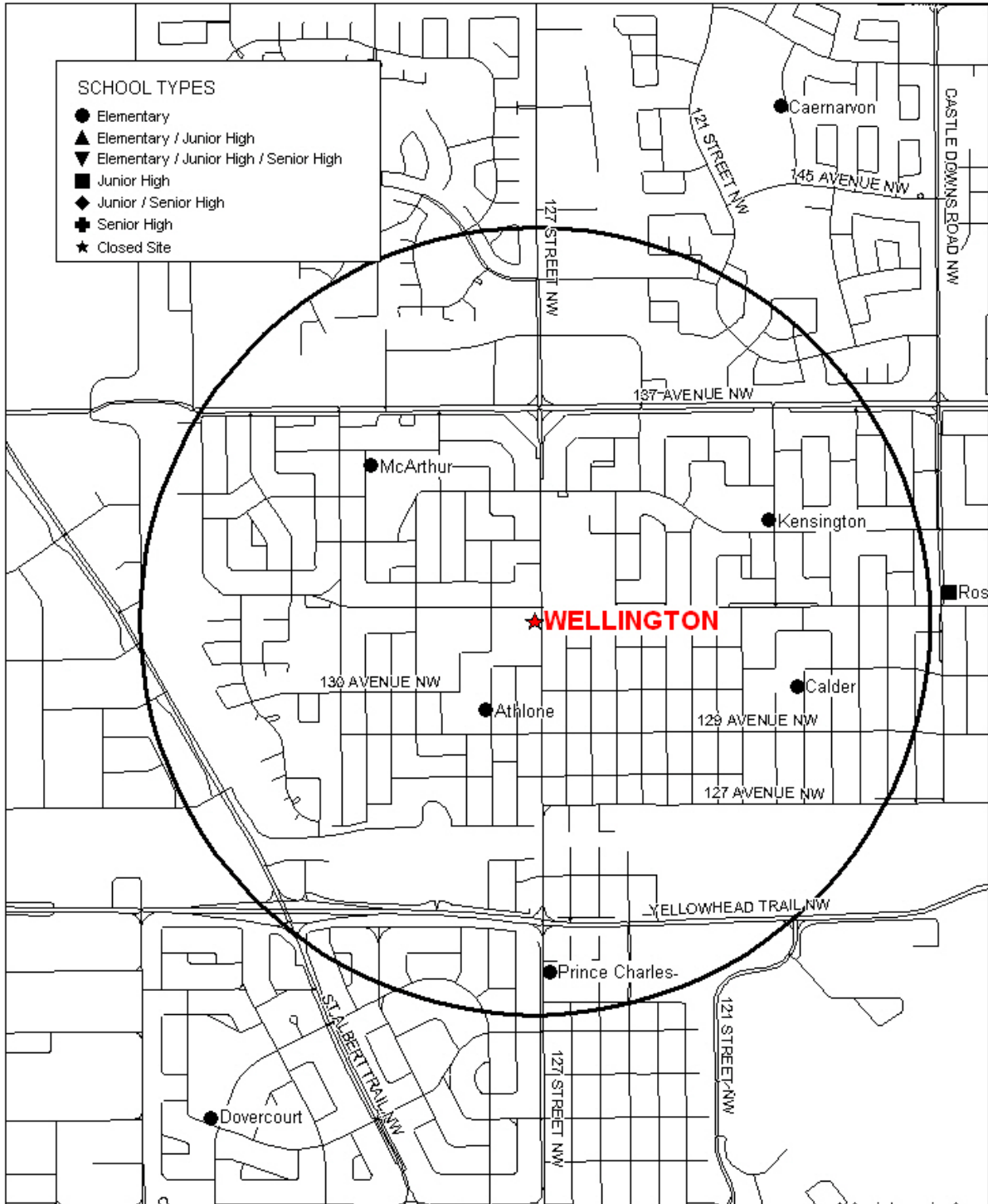
Prepared by Planning, Edmonton Public Schools
 Prince Rupert 1.6 km radius.wor
 December 2010

1.6 km Radius Around Ritchie School - Declared Surplus



Prepared by Planning, Edmonton Public Schools
 Ritchie 1.6 km radius.wor
 December 2010

1.6 km Radius Around Wellington School - Declared Surplus



Prepared by Planning, Edmonton Public Schools
 Wellington 1.6 km radius.wor
 December 2010

Comparable Brown Field Developments to City Centre Airport

Edmonton Public Schools has reviewed Demonstration Plans, provided by the City of Edmonton, for the Edmonton City Centre Airport (ECCA) lands in terms of student generation potential. If redevelopment occurs in a relatively short period of time we would anticipate the following maximum student generation:

	Net Residential Area	Elementary	Junior High	Total K-9
Medium Density	95.7 ha	192	96	288
High Density	120.1 ha	240	120	360

This student generation would require medium and high density housing to be attractive to families with school-aged children in terms of affordable rent or purchase options.

ECCA lands comprises approximately 217 ha of developable land. The City of Edmonton has not completed a formal neighbourhood structure plan for the ECCA lands. No timelines have been established on the neighbourhood structure plan or the full closure of the airport. Any information comparing the ECCA lands to other brown field sites is hypothetical. It is important to note that it is difficult to compare development to another city's development pattern, as each large urban region has unique characteristics and influencing factors, including geography, regional governance, demographics, economy, real estate market, policies, and history. These all play important roles in development patterns.

CFB Calgary

CFB Calgary lands comprise approximately 313.2 ha of developable land. CFB West Master Plan, the guiding document for the CFB Calgary development, was approved December 2000. CFB West is nearly 75 per cent developed. The last phase of development is currently being marketed.

CFB Calgary was developed using the principles of New Urbanism. The developer, Canada Lands Corporation, worked with its private sector partners to create a compact, pedestrian-friendly community. The goal was to build a space where residents are never more than a few minutes away from parks, schools, green space and access to public transit. The development has 1,600 housing units ranging from single-family homes to townhouses and apartments, as well as retail shops and services located on the property.

Neither the Calgary Board of Education nor the Calgary Catholic Separate School Board required land for school buildings in CFB West. They determined future populations can be served using existing schools in adjacent neighbourhoods.

January 14, 2011

{First Name} {Last Name}
President, {Community League Name} Community League
{Address}
Edmonton, AB {Postal Code}

Dear {Title} {Last Name}:

I am writing to inform you, as President of {Community League Name} Community League, that Edmonton Public Schools has recommended that the closed school site located in {Community Name} community be declared surplus to district needs.

The District administration has conducted a detailed review of four closed school buildings across the district and have recommended that the sites be declared surplus. This process will ensure that the surplus sites will be properly used for the benefit of communities and the City. The review was based on assessment criteria that considered:

- Existing student residency;
- Student residency history;
- Potential for future student residency and development;
- Potential program need; and
- Excess sector capacity.

If the Board of Trustees approves the surplus declaration recommendation of the {School Name} facility, Edmonton Public Schools administration will begin negotiations with interested parties which will include community consultation. Future sales require approval by the Board of Trustees and the Minister of Education.

The recommendation report is available and can be accessed from the following link:
http://www.epsb.ca/board/january1111_agenda.shtml

If you have any questions regarding the District's proposed surplus site recommendation please contact me by email at lorne.parker@epsb.ca or by phone at 780-429-8426. All inquiries or input should be received by Friday, January 21, 2011.

Sincerely,

Dr. Lorne E. Parker, EdD, CD
Managing Director
Planning and Student Transportation

LP:jh

cc: Allan Bolstad, Executive Director, EFCL

Plans in Effect

Prince Rupert School Building

West Ingle Area Redevelopment Plan (ARP): Approved by resolution of City Council May 1985. In January 2009 the ARP was consolidated to incorporate the following amendments:

Bylaw 7469 Approved May 14, 1985 (ARP Approval) Bylaw 9764 Approved May 28, 1991, Bylaw 11421 Approved February 10, 1997, Bylaw 12110 Approved August 24, 1999, Bylaw 12380 Approved August 21, 2000 Bylaw 12457 Approved February 6, 2001, Bylaw 12504 Approved February 6, 2001, Bylaw 12551 Approved April 2, 2001, Bylaw 12925 Approved January 9, 2002, Bylaw 14974 Approved December 15, 2008, Bylaw 15140 Approved April 29, 2009.

Central McDougall/Queen Mary Park Area Redevelopment Plan (ARP): Adopted by City Council March 1998. In June 2009 the ARP was consolidated to incorporate the following amendments:

Bylaw 11648 Approved March 5, 1998 (ARP approval) Bylaw 12350 Approved July 12, 2000, Bylaw 12526 Approved March 14, 2001, Bylaw 12890 Approved November 19, 2001, Bylaw 12925 Approved January 9, 2002, Bylaw 13549 Approved December 9, 2003, Bylaw 13839 Approved June 22, 2005, Bylaw 14141 Approved December 6, 2005, Bylaw 14176 Approved January 11, 2006, Bylaw 14391 Approved October 24, 2006, Bylaw 14452 Approved January 9, 2007, Bylaw 15107 Approved February 2, 2009, Bylaw 15125 Approved February 23, 2009.

Wellington School Building

Dunvegan Area Structure Plan (ASP): Adopted by City Council May 1985. In March 2006 the ASP was consolidated to incorporate the following amendments.

Bylaw 9644 Approved July 17, 1991, Bylaw 11021 Approved August 11, 1995, Bylaw 11969 Approved March 8, 1999, Bylaw 13478 Approved September 15, 2003.

Ritchie School Building

Ritchie Neighborhood Improvement Plan (NIP)/Area Redevelopment Plan (ARP): Adopted by City Council April 1979. In May 2006 the NIP/ARP was consolidated to incorporate the following amendments:

Approved February 1979, Bylaw 5531 Approved April 11, 1979, Bylaw 7430 Approved January 24, 1984, Bylaw 12925 Approved January 9, 2002.

Strathcona Area Redevelopment Plan (ARP): Adopted by City Council December 1998. In June 2009 the ARP was consolidated to incorporate the following amendments:

Bylaw 11890 Approved December 15, 1998, Bylaw 12416 Approved October 11, 2000, Bylaw 12801 Approved May 30, 2001, Bylaw 12925 Approved January 9, 2002, Bylaw 13173 Approved September 10, 2002, Bylaw 13184 Approved October 17, 2002, Bylaw 13436 Approved November 21, 2003, Bylaw 13838 Approved November 2, 2004, Bylaw 13859 Approved December 8, 2004, Bylaw 14507 Approved March 12, 2007, Bylaw 14680 Approved December 12, 2007, Bylaw 15174 Approved May 11, 2009, Bylaw 15256 Approved October 13, 2009, Bylaw 15352 Approved December 14, 2009.

APPENDIX
School Act
DISPOSITION OF PROPERTY REGULATION

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Interpretation

1(1) In this Regulation,

- (a) "Act" means the *School Act*;
- (b) "board" includes
- (i) a Regional Authority of a Francophone Education Region, and
- (ii) except in sections 2 to 7, an operator of a charter school;
- (c) "Government contribution" means money provided by the Government to a board for a school building project and includes all money paid to a board from the former School Foundation Program Fund;

- (d) "municipal and school reserve" means a municipal and school reserve within the meaning of the *Municipal Government Act*;
 - (e) "municipal reserve" means a municipal reserve within the meaning of the *Municipal Government Act*;
 - (f) "school reserve" means a school reserve within the meaning of the *Municipal Government Act*.
- (2) A reference to "Minister" in this Regulation is to be read as a reference to the Minister of Education.

Part 1 Establishment of Policies

Board policy respecting use of school buildings

2(1) A board must establish a policy respecting the criteria and process used to determine whether the board has use for a school building that has been closed pursuant to the *Closure of Schools Regulation* (AR 238/97).

(2) A policy referred to in subsection (1) must include, but is not limited to, the consideration of

- (a) demographic factors,
- (b) other public educational uses for the school building, and
- (c) any other criteria the board considers necessary.

Policy set by Minister

3(1) Despite section 2, the Minister may establish a policy respecting the criteria and process that a board must apply to determine whether a board has use for a school building that has been closed pursuant to the *Closure of Schools Regulation* (AR 238/97).

(2) If a policy established by the Minister under subsection (1) differs from a board's policy under section 2, the Minister's policy governs.

Board policy respecting surplus reserve land

4(1) A board must establish a policy respecting the criteria and process used to determine for the purposes of section 672 of the *Municipal Government Act* whether its interest in a school reserve,

municipal and school reserve or municipal reserve is surplus to the board's needs.

(2) A policy referred to in subsection (1) must include, but is not limited to, the consideration of

- (a) enrolment trends within the area intended to be served by the school reserve, municipal and school reserve or municipal reserve,
- (b) student accommodation and transportation issues,
- (c) whether a school on the school reserve, municipal and school reserve or municipal reserve is included in the board's capital plan,
- (d) consultation with other boards with respect to their needs for the school reserve, municipal and school reserve or municipal reserve, and
- (e) any other criteria the board considers necessary.

Policy set by Minister

5(1) Despite section 4, the Minister may establish a policy respecting the criteria and process that a board must apply to determine whether its interest in a school reserve, municipal and school reserve or municipal reserve is surplus to the board's needs.

(2) If a policy established by the Minister under subsection (1) differs from a board's policy under section 4, the Minister's policy governs.

Declaration of surplus reserve land

6(1) If a board is of the opinion that a school reserve, municipal and school reserve or municipal reserve in which the board has an interest is surplus to the board's needs, the board must provide the Minister with a declaration to that effect.

(2) A declaration under subsection (1) does not take effect until it is approved in writing by the Minister.

(3) The Minister may refuse to approve a declaration under subsection (2) if the Minister is of the opinion that the board's interest in the school reserve, municipal and school reserve or municipal reserve should be used for public educational purposes.

(4) If the Minister refuses to approve a declaration under subsection (2), the Minister may require the board to transfer its interest in the school reserve, municipal and school reserve or municipal reserve to another board in accordance with the Minister's direction.

Declaration by Minister

7 Despite section 6, if the Minister has established a policy under section 5, the Minister may by order declare a board's interest in a school reserve, municipal and school reserve or municipal reserve to be surplus to the board's needs.

**Part 2
Lease, Sale or Transfer of
Real Property**

Lease of real property

8(1) Notwithstanding section 200(2) of the Act, a board may, without the approval of the Minister,

- (a) lease any real property that is neither a school building nor a portion of a school building,
- (b) lease a school building or portion of it for less than 12 months, and
- (c) lease a school building or portion of it for 12 months or more if the lease contains a termination provision allowing the board to terminate the lease on 12 months' notice.

(2) On leasing a school building or portion of it for 10 days or longer, the board shall

- (a) keep the lease agreement on file at the board's offices, and
- (b) provide to the Minister any information related to the leasing of the school space that the Minister requires.

(3) When, in the opinion of the Minister, space is available in a school building, the Minister may direct the board operating the school to make that space available to another board.

Method for sale of property

9(1) If a board intends to sell

- (a) an item of real property that has a value of more than \$50 000, or
- (b) an item of personal property that has a value of more than \$10 000,

the board must conduct the sale in accordance with this section.

(2) Prior to selling the property, the board shall obtain 2 or more current independent appraisals of the market value of the property.

(3) The sale must be conducted by tender or public auction.

(4) The board shall advertise the sale at least twice in a newspaper circulating in the district, division or Francophone Education Region prior to the sale.

(5) The board may only sell the property if

- (a) the bid or tender received is reasonable, in the opinion of the board, having regard to the appraisals it received, and
- (b) in the case of real property, the Minister approves the sale after the bid or tender is received.

(6) If the board selling the property obtains the approval of the Minister, subsections (2) to (5) do not apply where the sale is to

- (a) another board,
- (b) a municipality,
- (c) a community association,
- (d) a charitable or non-profit organization,
- (e) the Crown in right of Canada or its agent, or
- (f) the Crown in right of Alberta or its agent.

(7) Subsections (3) to (5) do not apply to

- (a) a sale of a teacherage by a board if the board selling the teacherage obtains the prior approval of the Minister for a procedure for selling the teacherage that is different from that set out in this section, or
- (b) a sale of a property to which an agreement under section 197(b) of the Act applies if the board selling its interest in

the property obtains the prior approval of the Minister for a procedure for selling the property that is different from that set out in this section.

(8) If a board offers real property for sale in accordance with subsections (3) to (5) but does not receive a reasonable bid or tender, the board may, with the prior approval of the Minister, list the property with a real estate agent.

Sale of real property

10(1) If a board sells real property,

- (a) the board must repay all the outstanding debt relating to that real property, and
- (b) any proceeds remaining from the sale of the real property must be divided into 2 amounts so that
 - (i) one amount bears the same ratio to the remaining proceeds as the Government contribution bears to the total amount of the project for which that contribution was made, and
 - (ii) the other amount bears the same ratio to the remaining proceeds as the contribution by the board bears to the total amount of the project for which that board's contribution was made.

(2) The remaining proceeds referred to in subsection (1)(b) that are attributable

- (a) to the Government contribution under subsection (1)(b)(i) are to be retained by the board and, together with the interest earned, applied only
 - (i) to the cost of a future school building project approved by the Minister, or
 - (ii) to the current operations and maintenance of existing buildings with the prior approval of the Minister.
- and
- (b) to the board under subsection (1)(b)(ii) may be applied only
 - (i) to a future capital expenditure, or

- (ii) to the current operations and maintenance of existing buildings with the prior approval of the Minister.

Transfer of real property

11(1) If, with the approval of the Minister, a board agrees to transfer to another board ownership of real property on which a school building is located,

- (a) the amount payable to the transferring board must bear the same ratio to the current independent appraisal of the market value of the land, together with the depreciated value of the school building as set out in the board's most recent audited financial statements, as the contribution by the transferring board bears to the total amount of the project for which that board's contribution was made, and
- (b) it is not necessary for the transferring board to repay any outstanding debt on the school building.

(2) The amount payable under subsection (1)(a) is to be paid by the Government but if the board that is receiving the real property has any school building capital reserves, those reserves must be used to pay the amount payable under subsection (1)(a) and the shortfall, if any, is to be paid by the Government.

Part 3 Repeal, Expiry and Coming into Force

Repeal

12 The *Disposition of Property Regulation (AR 3/2001)* is repealed.

Expiry

13 For the purpose of ensuring that this Regulation is reviewed for ongoing relevancy and necessity, with the option that it may be repassed in its present or an amended form following a review, this Regulation expires on July 31, 2018.

Coming into force

14 This Regulation comes into force on the coming into force of sections 4 to 11 of the *Municipal Government Amendment Act, 2008 (No. 2)*.

**SECTION 7
SURPLUS NON-RESERVE SCHOOL SITES**

7.1 **City's Right to Purchase** — If after the steps and procedures set out in Section 6 have been followed, it is determined that no other Board will be buying the subject Surplus Non-Reserve Land and provided the Selling Board has received the approval of the Minister pursuant to the *School Act*, the Selling Board shall provide written notice to that effect to the City (the "First Notice to City") and the City shall have the right to purchase the Surplus Non-Reserve Land at the price and on the terms and conditions set out in this Section 7 (the "City's RP").

7.2 **Purchase Price for Whole Site** — Within 60 days of giving the First Notice to City, the Selling Board shall advise the City in writing of the purchase price (the "Price Notice") for the whole of the Surplus Non-Reserve Land which shall be based on an independent, formal and full appraisal of the Surplus Non-Reserve Land conducted by an Accredited Appraiser. The purchase price (the "City RP Purchase Price") shall be the aggregate of:

7.2.1 the Market Value of the Lands, including School Playing Field(s) and the School Building Land;

plus

7.2.2 the Depreciated Value of the School Building;

less

7.2.3 a credit in favour of the City for the amount of money, if any, the City has invested in the upgrading of the School Playing Field(s) and the School Building depreciated in the same manner as contemplated in the definition of "Depreciated Value", as set out in paragraph 1.1.13.

7.3 **Exercise of City Right to Purchase** — The City RP shall be open for exercise by the City for a period ending 180 days after the date of receipt by the City of the First Notice to City (the "City RP Period"). The City shall exercise the City RP by delivering to the Selling Board its written notice to that effect prior to 3:00 p.m. on the last day of the City RP Period. In exercising the City RP, the City shall indicate in writing whether it wishes to purchase the whole of the Surplus Non-Reserve Land or only a portion thereof and if a portion, which portion.

7.4 **Extension** — If, prior to the expiry of the City RP Period, the City has determined it wishes to purchase all or a portion of the Surplus Non-Reserve Lands, but it has not yet obtained all necessary budgetary and financial approvals for the purchase, then:

7.4.1 the City may extend the City RP Period for up to 45 days, or

- 7.4.2 the City may request an extension of the City RP Period for a period in excess of 45 days and the Selling Board may, in its discretion, grant the requested or other extension and if it does, the Selling Board shall indicate in writing the new expiry date for the City RP Period.

In the event of an extension the Selling Board may require a new appraisal which shall be at the cost of the City. The City RP Purchase Price shall be the higher of the price determined in accordance with subsection 7.2 and the price determined by the new appraisal obtained pursuant to this subsection 7.4.

7.5 **Whole Site** — Upon the exercise by the City of the City RP for the whole of the Surplus Non-Reserve Land as aforesaid, there shall be constituted a binding contract of purchase and sale whereby the Selling Board shall sell and the City shall purchase the Surplus Non-Reserve Land at and for the City RP Price set out in subsection 7.2 on the terms and conditions and in the manner set out in Section 10 hereof.

7.6 **Partial Site Conditions Precedent** — Upon the exercise by the City of the City RP for only a portion of the Surplus Non-Reserve Land as aforesaid, the binding contract of purchase and sale thereby constituted shall be, and the obligation of the Selling Board to sell and the City to purchase the requested portion of the Surplus Non-Reserve Lands is, subject to and conditional upon the following conditions precedent (the “Conditions Precedent”):

- 7.6.1 the City Administration determining within **30** days of the date of receipt by the Selling Board of the written notice given by the City exercising the City RP that it supports the proposed subdivision and rezoning of the subject Surplus Non-Reserve Land;
- 7.6.2 obtaining the required subdivision of the Surplus Non-Reserve Land to create that portion of the Surplus Non-Reserve Land that the City wants to purchase within **180** days after the date of receipt by the Selling Board of the written notice given by the City exercising the City RP; and
- 7.6.3 the rezoning of that portion of the Surplus Non-Reserve Land that the City does not wish to purchase (the “Remaining Lands”) to a zoning designation satisfactory to the Selling Board acting reasonably taking into consideration reasonable development and planning principles and the existing zoning designation and use or anticipated use of the Neighbouring Lands, within **180** days after the date of receipt by the Selling Board of the written notice given by the City exercising the City RP.

Both the subdivision and the rezoning shall be on terms and conditions satisfactory to each of the Selling Board and the City. The Conditions Precedent shall be satisfied prior to 3:00 p.m. on the dates for satisfaction specifically set out above. The Selling Board may in its sole discretion extend the time for satisfying any one or more of the Conditions Precedent by written notice to that effect setting out the specific date by which such Conditions Precedent must be satisfied (the

date by which the Conditions Precedent must be satisfied, whether initial or extended, is herein called the "Condition Date").

The process, the principles and the cost-sharing arrangements for obtaining subdivision and rezoning are set out in and governed by the provisions of Section 9.

7.7 **Partial Site Conditions Precedent Not Satisfied** — If the Conditions Precedent are not satisfied on or before the Condition Date, the contract of purchase and sale constituted by the exercise by the City of the City's RP for only a portion of this Surplus Non-Reserve Land shall be deemed to be at an end and null and void for all purposes and the City's RP with respect to all or any portion of the subject Surplus Non-Reserve Land shall be deemed to have absolutely expired. Thereafter either:

7.7.1 the City shall, in its discretion, purchase the whole of the Subject Surplus Non-Reserve Land by notice to that effect given to the Selling Board within 30 days of the applicable Condition Date whereupon there shall be constituted a binding contract of Purchase and Sale pursuant to which the Selling Board shall sell and the City shall purchase the entire Surplus School Site at and for the City RP price determined in accordance with subsection 7.2, or subsection 7.4, as the case may be, or, at the option of the Selling Board, the greater of the aforementioned price or a price based on a new appraisal; or

7.7.2 if the City does not given written notice that it will purchase the whole of the Surplus Non-Reserve Land pursuant to paragraph 7.7.1, then, the Selling Board shall be free to sell or otherwise dispose of the Surplus Non-Reserve Land immediately or at any time in the future without reference to the City or any RP in favour of the City, and for clarification, the City shall be deemed not to have any further right, title or interest in or to the subject Surplus Non-Reserve Land nor shall it have any first right to purchase or other interest therein.

7.8 **Purchase Price for Partial Site** — The purchase price for a portion of the subject Surplus Non-Reserve Land shall be based on the Market Value of the Lands (determined in accordance with paragraph 7.2.1 (as may be increased pursuant to subsection 7.4) and then calculated based on the size of the Lands to be acquired on a pro rata basis to the nearest one one-thousandth of a hectare plus the Depreciated Value of the School Building determined in accordance with paragraph 7.2.2 (as may be increased pursuant to subsection 7.4) if the School Building is included in the acquisition by the City.

7.9 **Decision Not to Exercise the First Right to Purchase** — In the event that the City decides not to or otherwise fails to exercise the City RP with respect to the Surplus Non-Reserve Land as provided in Section 7, then the Selling Board may dispose of the Surplus Non-Reserve Land and may in its discretion, apply for the rezoning of the Surplus Non-Reserve Land from its current land use designation to an appropriate land use designation. If the Selling Board makes application for a rezoning of the subject Surplus Non-Reserve Lands, the City shall, using its best efforts, rezone the subject property to the zoning designation requested by the Selling Board, acting reasonably, with both the City and the Selling Board taking into

consideration reasonable development and planning principles and the use or anticipated use of the Neighbouring Lands.