

REVISED POLICY - VOL. 28, NO. 1

DISPOSITION OF REAL PROPERTY

The School Board believes that the efficient administration of the Corporation Career Center requires the disposition of property and goods no longer necessary for the maintenance of the educational program or the operation of the School Corporation Career Center.

The Board shall direct the periodic review of all Corporation Career Center property and authorize the disposition by sale, donation, trade, or discard of any property not required for school purposes.

~~[] All written offers on real property under consideration for disposition shall be presented as an item on the agenda of a public School Board meeting. A preliminary review of offers to purchase or lease shall include: source of offer, date of offer, expiration date of offer, and intended use of property.~~

~~[] Written offers shall be referred to the Board Finance Committee for review and recommendations. Offers, when received, will be distributed to the members of the Board.~~

~~[] All property considered for disposition (sale) shall be subjected to two (2) current, outside, professional appraisals prior to the solicitation of offers.~~

~~[] All property considered for lease or sale shall be reviewed by the Board prior to solicitation of offers. The solicitation of offers by the Board shall include an expiration date.~~

[X] The authorized agents of the Board to review all purchase or lease offers pertaining to sale or lease of property shall be the Superintendent Executive Director and the Board Finance Committee. The Board shall give final approval of all contracts.

[X] In consideration of the best interest of the Corporation Career Center and of the residents and taxpayers, the Board reserves the right to reject any and all offers at its sole discretion, regardless of price and terms.

~~[] Potential purchasers or lessees shall demonstrate financial capability to meet the terms and conditions of their purchase or lease offer.~~

[X] Potential purchasers shall demonstrate reasonable likelihood of obtaining necessary city/township approvals and/or compliance with city/township zoning ordinances.

[X] Money derived from the sale or exchange of property that is no longer needed for school purposes shall be placed in any school fund established by law that the Board considers appropriate.

Lease or Sale of Property to Charter School:

[NOTE: The following section does not apply to a school building that on or before July 1, 2011, was leased on loaned by the Corporation Career Center to another entity if the entity is not a building corporation Career Center or other entity that is related in any way to, or created by, the Corporation Career Center or the Board.]

Except as specified below, before the Board may dispose of real property previously used for instruction, the Board shall make available for lease or purchase to any charter school any school building owned by the Corporation Career Center or any other entity that is related in any way to, or created by, the Corporation Career Center or the Board, including but not limited to a building corporation Career Center, that either is not used in whole or in part for classroom instruction at the time the charter school seeks to lease the building or appears on the list compiled by the State Department of Education (SDOE) of available properties described below in order for the charter school to conduct classroom instruction.

No later than August 1 each calendar year, the Board shall inform the SDOE if a school building that previously was used for classroom instruction is closed, unused, or unoccupied. The SDOE shall maintain a list of such closed, unused, or unoccupied school buildings and make the list available on its Internet website.

A school building that appears for the first time on SDOE's list shall be designated as "Unavailable until (a date two (2) years after the school building first appears on the list)" if the Board indicates to the SDOE, on a form prescribed by the SDOE, that the school building may be reclaimed during that period for classroom instruction. If the Board does not indicate that a school building may be reclaimed, the Board shall designate the school building as "Available" on the SDOE's list. The Board may change the designation of a building from unavailable to available at any time. If a school building that is designated as unavailable on the SDOE's list remains unused for classroom instruction one (1) year after being reclaimed, the Board shall designate the school building as "Available" on the SDOE's list. The Board may reclaim a school building only one (1) time.

Within thirty (30) days after receiving notification from the SDOE that a charter school wishes to use a school building, the Board shall lease the school building to the charter school for one dollar (\$1.00) per year for as long as the charter school uses the school building for classroom instruction or for a term at the charter school's discretion, or sell the school building to the charter school for one dollar (\$1.00). The charter school must begin to use the school building for classroom instruction not later than two (2) years after acquiring the school building. If the school building is not used for classroom instruction within two (2) years after acquiring the school building, the school building shall be placed on the SDOE's list. If during the term of the lease the charter school closes or ceases using the school building for classroom instruction, the school building shall be placed on the SDOE's list.

If a Corporation Career Center school building is sold to a charter school pursuant to this procedure, and the charter school or any entity related to the charter school subsequently sells or transfers the school building to a third party, the charter school or related entity must transfer an amount equal to the gain in the property minus the adjusted basis (including costs of improvements to the school building) to the Corporation Career Center. Gain and adjusted basis shall be determined in the manner prescribed by the Internal Revenue Code and the applicable Internal Revenue Service regulations and guidelines.

During the term of a lease under this section, the charter school is responsible for the direct expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and remodeling. The Corporation Career Center is responsible for any debt incurred for or liens that attached to the school building before the charter school leased the school building.

Notwithstanding anything to the contrary in this section, and with the sole exception of a waiver referenced below, when a school building is designated as "Available", the school building must remain designated as "Available" and may not be sold or otherwise disposed of for at least two (2) years. When the two (2) year period has elapsed, the Board may sell or otherwise dispose of the school building in accordance with I.C. 36-1-11.

The Board may request from the SDOE a waiver from the requirement to make a school building available to a charter school. In order for the Board to receive a waiver, the Board must apply to the SDOE for the waiver on a form prescribed by the SDOE. The application must include a statement that the Board believes that a charter school would not be interested in leasing or purchasing the vacant or unused school building.

A charter school may submit a written qualified objection to the Board's request for a waiver to the SDOE. In order to be considered a qualified objection, it must include:

- A. the name of the charter school that is interested in leasing or purchasing the vacant or unused school building; and
- B. a time frame, which may not exceed one (1) year from the date of the objection, in which the charter school intends to begin providing classroom instruction in the vacant or unused school building.

If the SDOE received a qualified objection, the school building will remain on the SDOE's list. If the SDOE does not, it will grant the waiver, and the Board may sell or otherwise dispose of the unused or vacant school building in accordance with I.C. 36-1-11.

~~[NOTE: The following section applies only to a consolidated school corporation.]~~

~~[] Limitations on Disposal of Property Received from City, Town, or Township~~

~~When a consolidated school corporation decides that property acquired from a city, town or township is no longer needed for school purposes, the Board shall offer the property as a gift to the city, town or township that owned the property before the school was consolidated.~~

~~If the property contains a structure that the Board wishes to demolish, the Board shall give written notice of the proposed demolition to the city, town or township, as applicable. Within ninety (90) days after receiving the notice, the city, town or township shall inform the Board in writing as to whether it wishes to retain the structure. If the city, town or township wishes to retain the structure, the Board may not demolish the structure before transferring the property.~~

~~If the city, town or township accepts the offer, the Board shall give it a quitclaim deed to the property. If the city, town or township refuses the offer, the Board may sell the property pursuant to I.C. 20-23-6-9(e).~~

~~[END OPTION]~~

I.C. 20-23-6-9

I.C. 20-26-5-4

I.C. 20-26-7-1

I.C. 36-1-11

~~I.C. 20-26-5-4~~

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