



Administrative Directive 8.70.043-AD

Process for Disposing of Surplus Real Property

I. Scope and Application

This administrative directive establishes the process that the District will follow in developing recommendations and making decisions to dispose of surplus real property.

This directive guides the analysis, process, and decision-making that occurs when real property is identified that no longer meets the needs and mission of the District. It acknowledges that property sales in the future will be the result of unique circumstances, will occur infrequently, and only on rare occasions will occur without replacement with an equivalent or better real property.

II. General Provision

The Superintendent is responsible for making recommendations to the Board of Education that certain properties should be declared surplus and sold or otherwise conveyed, including a thorough analysis of the implications of any real property sale on the fulfillment of the District's educational mission over the long term.

III. Public Process

(A) Public notification. The process for declaring property surplus begins with public notification that the District is considering a declaration of surplus. The process includes at a minimum the following steps:

- (1) Notification to the School Board.
- (2) Notification to the City of Portland and Multnomah County, and any other public agencies that the District knows may have an interest in the property as appropriate.
- (3) Notification to the appropriate local neighborhood association.
- (4) Notification to the public at large.



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Such notices shall allow a minimum of 60 days before finalizing a recommendation to the School Board.

(B) Public hearing: In addition to the opportunity for public agency response and public comment, the Board shall hold at least one public hearing on a surplus property proposal prior to declaring any real property or portions thereof for sale.

IV. Superintendent's Recommendation

The Superintendent's recommendation to declare property surplus must contain the following information and assessment:

- (A) The property information, including such factors as size, location, improvements, value, and other relevant information appropriate to the recommendation.
- (B) The impact, if any, the property surplus will have on PPS operations and/or third party tenants of PPS, including the cost and savings associated with the relocation of ongoing operations and any legal obligations PPS would have to its tenants.
- (C) The current short-term and long-term PPS enrollment projections.
- (D) PPS short- and long-term space needs, program considerations and Long-Range Facility Plan objectives.
- (E) A market evaluation, including conditions for a sale.
- (F) An overview of the public input process, including any issues raised during that process.



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V. Surplus Property Sale Process

If real property is declared surplus by the School Board, the Superintendent, or such persons as may be designated by the Superintendent, shall establish and conduct a process for sale or other conveyance of the property.

The sale process may include one of the following methods:

- (A) A Request for Qualifications (RFQ) to select a qualified purchaser with whom to negotiate a sale agreement.
- (B) A Request for Proposal (RFP) to select a proposal for the most advantageous sale terms, or to specify future use or conditions attached to the property.
- (C) A marketed sale for the highest value.
- (D) A directed sale to a specific purchaser.
- (E) Any other action necessary to accomplish a timely sale benefiting the District.

Unless the Board makes an express finding that the disposition of District real property for less than market rate confers significant benefit to the District and the communities it serves, all sales of District real property should be at maximum market value.

All purchase and sale agreements shall be submitted to the Board for final approval.

Policy Implemented: 8.70.040-P

History: Approved: 10/28/02; Amended 12/09; 12/19