Financing, Purchasing & Selling Real Property



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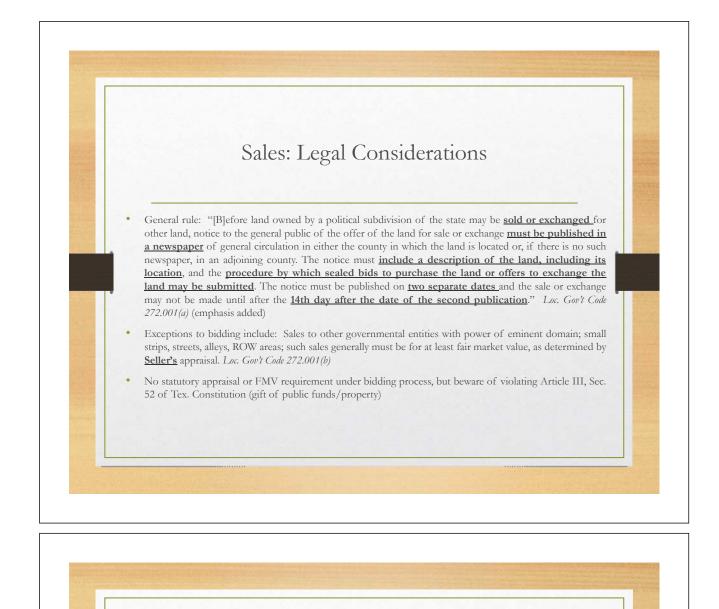
UT School Law Conference February 23, 2017

General Legal Considerations

- The Board may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the Board's position in negotiations with a third person. *Gov't Code 551.072*
- If Board is taking action, agenda item must be sufficiently specific to give public adequate notice of transaction
- The District may employ, retain, contract with, or compensate a licensed real estate broker or salesperson for assistance in the acquisition or sale of real property. *Education Code 11.154*
- Exceptions exist under TPIA for documents related to the location of real property prior to announcement of a project; appraisals or price of real property prior to award of contracts. *Gov't Code 552.105*

Durchasing: Legal Considerations • "be acquisition of real property interests are not "goods" or "services" and are not subject to procurement laws; however, programs • A district may, by the exercise of the right of eminent domain, acquire title to real property on which to construct school buildings or for any other public use necessary for the district. Education Code 1(155/a)





Sales: Legal Considerations (cont'd)

No FMV requirement for a sale to higher education institutions or for a sale to another political subdivision who will carry out school district's public purpose (however property reverts back to school district if public purpose use ceases)

"The board of trustees of an independent school district that intends to sell, lease, <u>or allow use for a purpose other than a district purpose</u> of an unused or underused district facility must give each open-enrollment charter school <u>located wholly or partly within the boundaries of the district</u> the opportunity to make an offer to purchase, lease, or use the facility, as applicable, in response to any terms established by the board of trustees, <u>before offering</u> <u>the facility for sale or lease or to any other specific entity</u>." *Education Code* 11.1542(*a*) (emphasis added) Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the <u>UT Law CLE eLibrary (utcle.org/elibrary)</u>

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