

SCHOOL SALE EQUITY

HB 2460 CHARTER SCHOOLS; VACANT BUILDINGS; EQUIPMENT

EXECUTIVE SUMMARY

Charter and private schools provide a valuable educational opportunity for children in our state, and they should be afforded the opportunity to buy or lease vacant property that school districts have placed on the market. This bill ensures that private schools are given the opportunity to bid on vacant district school property. It also prohibits school districts from withdrawing a property from sale or lease solely because the highest bidder happens to be a charter or private school.

OVERVIEW

In 2008, Desert Christian School in Tucson was looking for property on which to build an elementary school. As they searched for property, the Tucson Unified School District closed down a nearby elementary school and sought to sell it. Desert Christian repeatedly approached the District for a year and a half trying to purchase the school for two million dollars. The District would not even discuss the possibility. The school remained closed for another year until the District eventually sold it to a developer for 1.6 million dollars.

Under A.R.S. § 15-189, if a school district decides to sell or lease a vacant and unused building or a vacant and unused portion of a building, the school district cannot prohibit a charter school from negotiating to buy or lease like any other potential buyer or lessee. HB 2460 extends this opportunity to private schools so that they have the chance to buy or lease the property as well.

A.R.S. § 15-189 also states that district schools must attempt to obtain the highest possible value for the sale or lease, though the statute does not require the school district to sell or lease to a charter school, any other school, or to any other prospective buyer or tenant. HB 2460 prohibits school districts from accepting an offer from a potential buyer or lessee that is less than an offer from a charter or private school. The bill also prohibits school districts from withdrawing the property from sale or lease *solely* because a charter or private school is the highest bidder.

Finally, A.R.S. § 15-189 allows district schools to sell used equipment to charter schools before the school district attempts to sell or dispose of the equipment. HB 2460 authorizes school districts to sell used equipment to private schools as well.

TALKING POINTS

1. Private schools provide a valuable educational opportunity for children in our state, and they should be afforded the opportunity to buy or lease vacant property that school districts have placed on the market.

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2. According to the 2017 Vacant Space Report from Arizona School Facilities Board, district schools in Arizona have over 1.4 million square feet of vacant facilities,¹ some of which districts could sell or lease. If a district decides to sell or lease the unused facilities, this bill will increase the number of potential buyers or leasees, which in turn could increase the possible value the district could get for the property.
3. School buildings were built with taxpayer money for the purpose of educating children in our state; obviously, unused school buildings do not further this purpose. By selling or leasing the unused facilities to charter or private schools, the buildings can once again be used for their intended purpose.

CONCLUSION

The Arizona legislature has prioritized the expansion of educational choices for children in our state. School districts throughout the state have vacant property to sell or lease. This bill gives charter and private schools the opportunity to buy or lease vacant school district property, thereby enhancing the educational opportunities in Arizona.

¹ Arizona School Facilities Board, [2017 Vacant Space Report](#), 18.