



**APPENDIX A**  
**Approved Operating Procedures**

**Name:** **Surplus Properties Program**

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**Scope:** This process addresses the mandatory steps necessary for ensuring surplus properties are managed according to Core Policy and the Inventory Policy for Real Property for both the Ministries as well as the Broader Public Sector Entities. The Surplus Properties Program process includes procedures from the Single Inventory System, Business Case, Clearance for Disposal and Additions and Deletions.

**Purpose:** To establish and maintain appropriate guidelines to support Real Property transactions on behalf of the Province of British Columbia and its Broader Public Sector Entities.

**Links:** [Core Policy](#)

[Inventory Policy](#)

**Procedures:**

Policy / Procedures / Guidelines	Step	Activity	Responsibility
Procedures: <a href="#">Single Inventory System</a>	1	Per Inventory Policy Section 6.1: Requirement to Report, the Consolidated Revenue Fund (CRF) and Broader Public Sector (BPS) Entities will submit an updated inventory of real property to the Real Property Division, at least annually, and throughout the year as the Classification Status of a property changes to Surplus Active.  To initiate this process, Strategic Real Estate Services (SRES) will send a spreadsheet containing the current inventory to each individual Ministry Lead and BPS Lead via the Single Inventory System (SIS) email: <a href="mailto:SingleInventorySystem@gov.bc.ca">SingleInventorySystem@gov.bc.ca</a> .	SRES

	2	<p>SRES will provide the data on the required template which is to be updated by the Ministries and BPS Entities. When updating the template, please follow the guidelines identified in the comments section within the template. Please <b>do not</b> format the template or copy and paste any data into the template that has previously been formatted.</p> <p>The annual request for data will be sent mid-April with a deadline to have updates returned early June.</p>	SRES
	3	Ministries and BPS Entities return data in established template to SRES via SIS email: <a href="mailto:SingleInventorySystem@gov.bc.ca">SingleInventorySystem@gov.bc.ca</a> .	Ministry and BPS Entities
	4	SRES to receive confirmation from the Ministry Lead that the updates provided by the BPS Entities are approved for uploading into the Single Inventory System.	SRES / Ministry Lead
	5	SRES uploads data into the Single Inventory System.	SRES
	6	Once all the data is received, SRES exports the data and places it into the "Reports" section within the Single Inventory System to make available to all Ministries and BPS Entities.	SRES
	7	SRES provides notification, via the SIS email, to Ministries and BPS Entities who provided updates that their data has been uploaded into the SIS and is now reflected in the "Reports" section.	SRES
Enhanced Referral	8	<p>SRES will provide notification, via the SIS email, to each individual Ministry's Executive Director copying their ADM, the SIS Ministry Lead and BPS Leads, advising of the recent changes in status of properties to the classification of Surplus Active. Properties will be set at this status for a minimum of 3 months, without marketing/selling, per Section 6.4 of the Inventory Policy. Interested Ministries and BPS Entities will have 3 months to submit a <b>Business Case</b> outlining any proposed program use for the property. A Business Case template will be attached to the notification email and must be submitted to SRES via the SIS email within the 3 month period from the notification of the status change to Surplus Active. SRES to collect all Business Cases.</p> <p>If a surplus property does not generate any interest from other Ministries and/or BPS Entities then the property owner will receive a Clearance Letter to either dispose of the property following their own procedures (under \$1M) or where appropriate, request as an addition to the SRES Surplus Properties List (\$1M and greater).</p>	SRES

	9	SRES to track the 3 month timeline on all Surplus Active properties.	SRES
	10	If changes are required to the current data throughout the year, such as classification updates, Ministries and BPS Entities can request changes/updates be made via the SIS email: <a href="mailto:SingleInventorySystem@gov.bc.ca">SingleInventorySystem@gov.bc.ca</a> . See steps 3 – 8.	Ministry and BPS Entities
<b>Procedures:</b> <a href="#">Business Case</a>	11	If a Ministry or BPS Entity feels they have a use for a property that has been declared Surplus Active in the Single Inventory by another Ministry or BPS Entity, a Business Case is required to be submitted to SRES via the SIS email within the 3 month period from the notification of the status change to Surplus Active: Day 1 - Notification of status change by SRES. Day 30 - 1 month reminder issued by SRES. Day 60 - 2 month reminder issued by SRES. Day 90 - deadline for submission of Business Case.	Interested Ministry / SRES
	12	SRES will receive all Business Cases submitted via the SIS email and distribute to the internal SRES review committee.	SRES
	13	If INTEREST in a property is identified:  SRES will notify the land owning Ministry that there has been interest shown in their property by way of a Business Case submission from another Ministry or BPS Entity. The property will be placed on HOLD, until a recommendation or decision is made about the property.  SRES will update the Classification in the SIS to HOLD.	SRES
	14	SRES Review Committee will review Business Case(s) and make recommendations to the owning Ministry.	SRES
	15	If more than one Business Case is received, SRES will facilitate a meeting between those who submitted Business Cases and the Ministry or BPS Entity who owns the property. If a decision is made at this level, the land owner, the two or more interested parties, and SRES, will work together on the transfer of property per Section 8.1 of <a href="#">Core Policy</a> .	ALL
	16	If an agreement cannot be reached between the involved ministries or BPS Entities, SRES will create a TB Submission for decision.	SRES
<b>Procedures:</b> <a href="#">Clearance Letter</a> <a href="#">Additions and</a>	17	If NO INTEREST in a property has been identified:  SRES will issue a clearance letter to the owning Ministry / BPS Entity for all properties where there is no interest by other Ministries / BPS Entities identified within the 3 month period as outlined in the Inventory Policy for Real Property. At that time,	SRES

<a href="#">Deletions</a>		<p>Ministries / BPS Entities are free to dispose of their surplus properties, using one of the following methods:</p> <ol style="list-style-type: none"> <li>1. Surplus Properties valued at under \$1M – Properties sold by the holding Ministry / BPS Entity.</li> <li>2. Surplus Properties valued at \$1M or greater – Addition of the property to the SRES Surplus Properties List.</li> </ol> <p><b>PLEASE NOTE:</b> When Ministries and Broader Public Sector Entities are disposing of a property valued at \$1M or greater, all offers of significant value should be evaluated by the Strategic Real Estate Services Branch prior to the offer being accepted.</p>	
	18	<p>Surplus Properties valued at under \$1M:</p> <p>Ministry or BPS Entities are free to dispose of their properties that are under \$1M and may or may not be added to the SRES Surplus Properties List. All sales transactions completed by land owning Ministries and Broader Public Sector Entities must adhere to the Valuation Procedures and Transaction Guidelines.</p>	Ministry / BPS Entity
<a href="#">Procedures:</a> <a href="#">Additions</a> <a href="#">and</a> <a href="#">Deletions</a>	19	<p>Surplus Properties valued at \$1M or greater:</p> <p>Only properties where there is no interest by other ministries and a value of \$1M or greater will be added to the SRES Surplus Properties List.</p> <p>The Ministry with accountability for the asset submits a memo requesting changes to the Approved Surplus Properties List, as follows:</p> <ul style="list-style-type: none"> <li>• <b>All Additions:</b> Executive Director to Executive Director of SRES;</li> <li>• <b>Deletions up to \$10M:</b> Executive Director to Executive Director of SRES; and</li> <li>• <b>Deletions over \$10M:</b> ADM to ADM of Real Property Division.</li> </ul> <p><b>Please note:</b> It is no longer a requirement to replace deleted items with new additions; however, any properties valued at \$1M or greater must be added back to the SRES Surplus Properties List prior to disposal.</p>	Ministry / BPS Entity

	20	Once the requested Additions are approved by the Real Property Division, SRES will advise the requesting Ministry that their properties have been added to the SRES Surplus Properties List.	SRES
	21	The approved properties will be added by SRES to the Monthly Reporting which will be distributed to the ADM of CITZ and the DM of Finance. All Ministries that have properties on the SRES Surplus Properties List are given an opportunity, monthly, to provide updates on their properties prior to the reporting being completed and distributed to the DM of Finance.	SRES
Local Government Consultation	22	Ministries and Broader Public Sector Entities are to ensure they notify local government of any potential disposition.	ALL
First Nations Consultation	23	Once a property has been added to the SRES Surplus Properties List, SRES will initiate and complete First Nations consultation with respect to the disposition of the property. Any consultation done prior to the addition of a property to the SRES Surplus Properties List will be reviewed and may be re-evaluated based on the timing and circumstances of the disposition. <b>A surplus property cannot be disposed of until First Nations consultation has been completed.</b>	SRES

## **Surplus Properties Program Definitions**

### **Core Operational:**

A Classification of a property within the Single Inventory System. Real property assets that are functionally and financially effective and continue to provide substantial support to ongoing program needs, but are not uniquely strategic (i.e. alternatives exist).

### **Core Strategic:**

A Classification of a property within the Single Inventory System. Real property assets that are uniquely integral to a larger long term service delivery strategy AND/OR are functionally and financially effective relative to critical service delivery needs that could NOT reasonably be met by available alternatives. This may include vacant or underutilized assets in appropriate circumstances.

### **Inventory Policy:**

There are two inventory policies, officially titled [Inventory Policy for Real Property – Consolidated Revenue Fund Entities](#) and [Inventory Policy for Real Property – Broader Public Sector Entities](#). These policies were written by the Real Property Division within the Ministry of Citizens’ Services, at the request of Treasury Board.

### **Single Inventory System:**

A consolidated inventory which is managed by the Strategic Real Estate Services Branch (SRES).

### **SIS:**

See ‘Single Inventory System’.

### **SRES:**

Strategic Real Estate Services.

### **SRES Surplus Properties List:**

Formerly the “RAEG List”, the SRES Surplus Properties List is a list of properties approved by Treasury Board for disposal coordinated under the Strategic Real Estate Services Branch.

### **SRES Surplus Properties Program:**

A Program within Strategic Real Estate Services Branch which ensures surplus properties are managed according to [Core Policy](#) and the Inventory Policy for Real Property for both [Consolidated Revenue Fund Entities](#) and [Broader Public Sector Entities](#).

### **Surplus Active:**

A Classification of a property within the Single Inventory System. Real property assets that are surplus and are reasonably capable of alternate deployment or disposal.

### **Surplus Encumbered:**

A Classification of a property within the Single Inventory System. Real property assets that are surplus and cannot readily be redeployed or disposed of due to one or more major obstacles such as significant First Nations interests, environmental contamination, restrictions on title such as reversionary clauses, adverse market conditions or similar consequential encumbrances.

## Surplus Properties Program Flowchart

