

Temporal Goods Policy Archdiocese of Baltimore

Real Estate Transactions Involving Buildings Used or Intended to Be Used as a School

Complementary Policy to Canons 1291-1297 and Complementary to the Archdiocese's Temporal Goods Policy on the Use of Proceeds from Sale or Lease of School Buildings

Effective Date: October 11, 2011

Purpose

The purpose of this policy is to provide proper canonical oversight to any act of extraordinary administration involving a building within the Archdiocese of Baltimore formerly or currently used or intended to be used in the future as a school and owned by a parish or the Archdiocese, so that the future use of the building does not impede the success of a Catholic school.

Applicability

This policy applies to the sale or lease of any building formerly used, currently used, or intended to be used in the future as a school and is owned by a parish, group of parishes or the Archdiocese of Baltimore. Under canon law, the sale or lease of land or a parish or school building is considered an act of extraordinary administration and as such, requires the additional approval of the Archbishop. Transactions that involve the suppression or mergers of parishes may follow other processes.

Definitions

Building formerly used, currently used, or intended to be used in the future as a school – a building formerly used, currently used, or intended to be used in the future as a school building includes a building or portion of a building owned by a parish or the Archdiocese (including a parish school, interparish or regional school, Archdiocesan Collaborative School, or Archdiocesan School) and formerly used, currently used, or intended to be used in the future, for preschool, elementary, middle, and high school.

Preexisting lease – a lease in existence at the time of the adoption of this policy [October 11, 2011].

Real estate transaction – a real estate transaction covered by this policy includes:
the sale of a building formerly used, currently used, or intended to be used in the future as a school

- (a) the sale of a building formerly used, currently used, or intended to be used in the future as a school and owned by a parish or the Archdiocese;
- (b) a new lease of a building formerly used, currently used, or intended to be used in the future as a school and owned by a parish or the Archdiocese;
- (c) a renewal or extension of a preexisting lease of a building formerly used, currently used, or intended to be used in the future as a school and owned by a parish or the Archdiocese; and
- (d) the sublease of a building formerly used, currently used, or intended to be used in the future as a school and owned by a parish or the Archdiocese.

Real Estate Transactions Advisory Committee (RETAC) – the Real Estate Transactions Advisory Committee shall be comprised of:

- Vicar Bishop, of the vicariate where the building(s) is located;
- Vicar General;
- Chair, Strategic Planning Committee, Archdiocesan Catholic School Board;
- Superintendent of Catholic Schools;
- Executive Director, Office of Research & Planning; and
- Executive Director, Office of Management Services

The Real Estate Transactions Advisory Committee shall be chaired by the Vicar General for the purpose of administering requests, convening meetings of the Committee, and transmitting recommendations to the Archbishop.

Implementation

All sales and leases (including subleases) of any building formerly used, currently used, or intended to be used in the future as a school and owned by a parish, group of parishes or the Archdiocese of Baltimore, affected by this policy, **require** the approval of the Archbishop. To assist the Archbishop in determining whether approval shall be granted, the following process must be followed:

- 1) The pastor(s) or pastoral life director of a parish seeking to sell or lease, or approve a sublease of, a building (or a portion of a building) building formerly used, currently used, or intended to be used in the future as a school or the head of school (in the case of an Archdiocesan School or Archdiocesan Collaborative School) seeking to sell, lease or sublease must seek written approval from the Archbishop. The request for approval shall contain the following information:
 - a) A complete description of the building(s) or portion of building sought to be sold, leased or subleased, including the legal description (plat information) and location of the building(s);
 - b) The name, address, telephone number, and email address of the prospective purchaser or lessee;
 - c) A detailed description of the intended use of the building(s) or portion thereof that is the subject of the sale, lease or sublease;

- d) The impact that such a use may have on area Catholic school or schools;
 - e) The purchase price or rent for the property that is the subject of the request, along with information about deposit and any financing, or leasing schedule information; and
 - f) If a lease or sublease, the term of lease and any conditions of the lease or sublease.
- 2) Upon receipt of a request to sell or lease a building, the Archbishop's office will forward the request to the Vicar General who initiates the review process by:
- a) Notifying the Real Estate Transaction Advisory Committee (RETAC) of the request.
 - b) Directing the Office of Research & Planning to coordinate the preparation of a due diligence report examining the request and the impact that the disposition of the building may have on the viability and availability of Catholic schools in the Archdiocese. The Office of Research & Planning will work with the Division of Facilities Management and the Department of Catholic Schools to prepare a report to RETAC.
- 3) Upon receipt of the due diligence report, RETAC meets and prepares a written recommendation to the Archbishop on whether to approve or disapprove the sale or lease, including in its communication a rationale for its recommendation.
- 4) In his discretion, the Archbishop may choose to consult with RETAC or the Archdiocesan Catholic School Board to obtain their advice and input on the proposed transaction.