

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The School Code is amended by changing Section
5 5-22 as follows:

6 (105 ILCS 5/5-22) (from Ch. 122, par. 5-22)

7 Sec. 5-22. Sales of school sites, buildings or other real
8 estate. When, in the opinion of the school board, a school
9 site, or portion thereof, building, or site with building
10 thereon or any other real estate of the district has become
11 unnecessary, unsuitable, or inconvenient for a school or
12 unnecessary for the uses of the district, the school board, by
13 a resolution adopted by at least two-thirds of the board
14 members, may sell or direct that the property be sold in the
15 manner provided in the Local Government Property Transfer Act
16 or in the manner herein provided or, in the case of residential
17 property constructed or renovated by students as part of a
18 curricular program, may engage the services of a licensed real
19 estate broker to sell the property for a commission not to
20 exceed 7%, contingent on the public listing of the property on
21 a multiple listing service for a minimum of 14 calendar days
22 and the sale of the property within 120 days.

23 Unless legal title to the land is held by the school board,

1 the school board shall forthwith notify the trustees of
2 schools or other school officials having legal title to such
3 land of the terms upon which they desire the property to be
4 sold. If the property is to be sold to another unit of local
5 government or school district, the school board, trustees of
6 schools, or other school officials having legal title to the
7 land shall proceed in the manner provided in the Local
8 Government Property Transfer Act. In all other cases, except
9 if the property is to be sold to a tenant that has leased the
10 property for 10 or more years and that tenant is a non-profit
11 agency, the school board, trustees of schools, or other school
12 officials having legal title to the land shall, within 60 days
13 after adoption of the resolution (if the school board holds
14 legal title to the land), or within 60 days after the trustees
15 of school or other school officials having legal title receive
16 the notice (if the school board does not hold legal title to
17 the land), sell the property at public sale, by auction or
18 sealed bids, after first giving notice of the time, place, and
19 terms thereof by notice published once each week for 3
20 successive weeks prior to the date of the sale if sale is by
21 auction, or prior to the final date of acceptance of bids if
22 sale is by sealed bids, in a newspaper published in the
23 district or, if no such newspaper is published in the
24 district, then in a newspaper published in the county and
25 having a general circulation in the district; however, if
26 territory containing a school site, building, or site with

1 building thereon, is detached from the school district of
 2 which it is a part after proceedings have been commenced under
 3 this Section for the sale of that school site, building, or
 4 site with building thereon, but before the sale is held, then
 5 the school board, trustees of schools, or other school
 6 officials having legal title shall not advertise or sell that
 7 school site, building, or site with building thereon, pursuant
 8 to those proceedings. The notices may be in the following
 9 form:

10 NOTICE OF SALE

11 Notice is hereby given that on (insert date), the (here
 12 insert title of the school board, trustees of school, or other
 13 school officials holding legal title) of (county) (Township
 14 No., Range No. P.M.) will sell at public sale
 15 (use applicable alternative) (at (state location of
 16 sale which shall be within the district), atM.,) (by
 17 taking sealed bids which shall be accepted untilM., on
 18 (insert date), at (here insert location where bids will be
 19 accepted which shall be within the district) which bids will
 20 be opened atM. on (insert date) at (here insert
 21 location where bids will be opened which shall be within the
 22 district)) the following described property: (here describe
 23 the property), which sale will be made on the following terms
 24 to-wit: (here insert terms of sale)

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1 The board may raise the minimum selling price without
2 repeating the public sale procedures.

3 If a school board decides to sell property under this
4 Section or direct the property to be sold in the manner
5 provided in the Local Government Property Transfer Act or in
6 the manner herein provided or engage a broker under this
7 Section, the school board shall obtain a minimum of 3
8 appraisals of the property at the property's current zoning.
9 The appraisals shall be conducted by a appraiser certified by
10 the Department of Financial and Professional Regulation.

11 If a school board decides to sell property under this
12 Section or direct the property to be sold in the manner
13 provided in the Local Government Property Transfer Act or in
14 the manner herein provided or engage a broker under this
15 Section, the school board shall offer the municipality,
16 township, and park district in which the property is located
17 the option to purchase the property being sold at the
18 property's median appraised value from the required 3
19 appraisals under this Section before the property is otherwise
20 offered for sale. A municipality, township, or park district
21 that purchases property under this Section may do so with
22 other units of local government.

23 In the case of a sale of property to a tenant that has
24 leased the property for 10 or more years and that is a
25 non-profit agency, an appraisal is required prior to the sale.
26 If the non-profit agency purchases the property for less than

1 the appraised value and subsequently sells the property, the
2 agency may retain only a percentage of the profits that is
3 proportional to the percentage of the appraisal, plus any
4 improvements made by the agency while the agency was the
5 owner, that the agency paid in the initial sale. The remaining
6 portion of the profits made by the non-profit agency shall
7 revert to the school district.

8 The deed of conveyance shall be executed by the president
9 and clerk or secretary of the school board, trustees of
10 schools, or other school officials having legal title to the
11 land, and the proceeds paid to the school treasurer for the
12 benefit of the district. The school board shall use the
13 proceeds from the sale first to pay the principal and interest
14 on any outstanding bonds on the property being sold, and after
15 all such bonds have been retired, the remaining proceeds from
16 the sale next shall be used by the school board to meet any
17 urgent district needs as determined under Sections 2-3.12 and
18 17-2.11 and then for any other authorized purpose and for
19 deposit into any district fund. But whenever the school board
20 of any school district determines that any schoolhouse site
21 with or without a building thereon is of no further use to the
22 district, and agrees with the school board of any other school
23 district within the boundaries of which the site is situated,
24 upon the sale thereof to that district, and agrees upon the
25 price to be paid therefor, and the site is selected by the
26 purchasing district in the manner required by law, then after

1 the payment of the compensation the school board, township
2 trustees, or other school officials having legal title to the
3 land of the schools shall, by proper instrument in writing,
4 convey the legal title of the site to the school board of the
5 purchasing district, or to the trustees of schools for the use
6 of the purchasing district, in accordance with law. The
7 provisions of this Section shall not apply to any sale made
8 pursuant to Section 5-23 or Section 5-24 or Section 32-4.

9 (Source: P.A. 99-794, eff. 1-1-17; 100-963, eff. 1-1-19.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.