



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5659

Introduced 2/16/2012, by Rep. Jehan A. Gordon

SYNOPSIS AS INTRODUCED:

105 ILCS 5/5-22	from Ch. 122, par. 5-22
105 ILCS 5/5-24	from Ch. 122, par. 5-24

Amends the Trustees of Schools Article of the School Code. In provisions allowing a school board to sell property to another school district in the manner provided in the Local Government Property Transfer Act, specifies that another school district includes a charter school. In provisions concerning a petition requesting the sale of school grounds and buildings to another school district, specifies that another school district includes a charter school, and makes conforming changes. Effective immediately.

LRB097 20398 NHT 66097 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Sections
5 5-22 and 5-24 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 site,
9 or portion thereof, building, or site with building thereon, or
10 any other real estate of the district, has become unnecessary
11 or unsuitable or inconvenient for a school, or unnecessary for
12 the uses of the district, the school board, by a resolution
13 adopted by at least two-thirds of the board members, may sell
14 or direct that the property be sold in the manner provided in
15 the Local Government Property Transfer Act, or in the manner
16 herein provided. Unless legal title to the land is held by the
17 school board, the school board shall forthwith notify the
18 trustees of schools or other school officials having legal
19 title to such land of the terms upon which they desire the
20 property to be sold. If the property is to be sold to another
21 unit of local government or school district, including a
22 charter school, the school board, trustees of schools, or other
23 school officials having legal title to the land shall proceed

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

1 pursuant to those proceedings. The notices may be in the
2 following form:

3 NOTICE OF SALE

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

18

19

20

21 (Here insert title of school
22 officials holding legal title)

23 For purposes of determining "terms of sale" under this
24 Section, the General Assembly declares by this clarifying and
25 amendatory Act of 1983 that "terms of sale" are not limited to

1 sales for cash only but include contracts for deed, mortgages,
2 and such other seller financed terms as may be specified by the
3 school board.

4 If a school board specifies a reasonable minimum selling
5 price and that price is not met or if no bids are received, the
6 school board may adopt a resolution determining or directing
7 that the services of a licensed real estate broker be engaged
8 to sell the property for a commission not to exceed 7%,
9 contingent on the sale of the property within 120 days. If
10 legal title to the property is not held by the school board,
11 the trustees of schools or other school officials having legal
12 title shall, upon receipt of the resolution, engage the
13 services of a licensed real estate broker as directed in the
14 resolution. The board may accept a written offer equal to or
15 greater than the established minimum selling price for the
16 described property. The services of a licensed real estate
17 broker may be utilized to seek a buyer. If the board lowers the
18 minimum selling price on the described property, the public
19 sale procedures set forth in this Section must be followed. The
20 board may raise the minimum selling price without repeating the
21 public sale procedures.

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

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

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

1 sale thereof to that district, and agrees upon the price to be
2 paid therefor, and the site is selected by the purchasing
3 district in the manner required by law, then after the payment
4 of the compensation the school board, township trustees, or
5 other school officials having legal title to the land of the
6 schools shall, by proper instrument in writing, convey the
7 legal title of the site to the school board of the purchasing
8 district, or to the trustees of schools for the use of the
9 purchasing district, in accordance with law. The provisions of
10 this Section shall not apply to any sale made pursuant to
11 Section 5-23 or Section 5-24 or Section 32-4.

12 (Source: P.A. 91-357, eff. 7-29-99; 92-365, eff. 8-15-01.)

13 (105 ILCS 5/5-24) (from Ch. 122, par. 5-24)

14 Sec. 5-24. Sale to another school district or municipality.
15 Whenever a petition is presented to the school board of a
16 school district requesting the sale of school grounds and
17 buildings to another school district, including a charter
18 school, or other municipality, which petition is signed by 10%
19 of the voters of the district, the school board of the district
20 shall adopt a resolution for the sale of such school grounds
21 and buildings, and fix the price therefor, and shall thereupon
22 order the secretary to certify to the proper election
23 authorities the proposition for submission to the voters of the
24 district in accordance with the general election law; and if a
25 majority of the votes cast upon the proposition are in favor of

1 the sale, then the school board, trustees of schools of the
 2 township in which the school district is located, or other
 3 school officials having legal title shall convey by its
 4 president and clerk or secretary, upon receipt of the purchase
 5 price, the property so to be sold; and the purchase price
 6 thereof shall be placed with the proper treasurer for the
 7 benefit of the school district so selling the property. The
 8 proposition shall be substantially in the following form:

9 -----

10 Shall School District Number
 11, of.... County, Illinois, YES
 12 sell to School District
 13 Number....., (or other municipality
 14 or charter school) -----
 15 of.... County, Illinois,
 16 the following described property
 17 (here describe the ground) NO
 18 for the sum of.... Dollars?

19 -----

20 (Source: P.A. 88-155.)

21 Section 99. Effective date. This Act takes effect upon
 22 becoming law.