

1 AN ACT concerning schools.

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
5 Sections 5-22 and 32-4 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 or unsuitable or inconvenient for a school, or
12 unnecessary for the uses of the district, the school board,
13 by 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
16 Act, or in the manner herein provided. Unless legal title to
17 the land is held by the school board, the school board shall
18 forthwith notify the trustees of schools or other school
19 officials having legal title to such land of the terms upon
20 which they desire the property to be sold. If the property is
21 to be sold to another unit of local government or school
22 district, the school board, trustees of schools, or other
23 school officials having legal title to the land shall proceed
24 in the manner provided in the Local Government Property
25 Transfer Act. In all other cases, except if the property is
26 to be sold to a tenant that has leased the property for 10 or
27 more years and that tenant is a non-profit agency, the school
28 board, trustees of schools, or other school officials having
29 legal title to the land shall, within 60 days after adoption
30 of the resolution (if the school board holds legal title to
31 the land), or within 60 days after the trustees of school or

1 other school officials having legal title receive the notice
 2 (if the school board does not hold legal title to the land),
 3 sell the property at public sale, by auction or sealed bids,
 4 after first giving notice of the time, place, and terms
 5 thereof by notice published once each week for 3 successive
 6 weeks prior to the date of the sale if sale is by auction, or
 7 prior to the final date of acceptance of bids if sale is by
 8 sealed bids, in a newspaper published in the district or, if
 9 no such newspaper is published in the district, then in a
 10 newspaper published in the county and having a general
 11 circulation in the district; however, if territory containing
 12 a school site, building, or site with building thereon, is
 13 detached from the school district of which it is a part after
 14 proceedings have been commenced under this Section for the
 15 sale of that school site, building, or site with building
 16 thereon, but before the sale is held, then the school board,
 17 trustees of schools, or other school officials having legal
 18 title shall not advertise or sell that school site, building,
 19 or site with building thereon, pursuant to those proceedings.
 20 The notices may be in the following form:

NOTICE OF SALE

22 Notice is hereby given that on (insert date), the (here
 23 insert title of the school board, trustees of school, or
 24 other school officials holding legal title) of (county)
 25 (Township No., Range No. P.M.) will sell at
 26 public sale (use applicable alternative) (at (state
 27 location of sale which shall be within the district), at
 28 ..M.,) (by taking sealed bids which shall be accepted until
 29M., on (insert date), at (here insert location where
 30 bids will be accepted which shall be within the district)
 31 which bids will be opened atM. on (insert date) at
 32 (here insert location where bids will be opened which shall
 33 be within the district)) the following described property:
 34 (here describe the property), which sale will be made on the

1 following terms to-wit: (here insert terms of sale)

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5 (Here insert title of school
6 officials holding legal title)

7 For purposes of determining "terms of sale" under this
8 Section, the General Assembly declares by this clarifying and
9 amendatory Act of 1983 that "terms of sale" are not limited
10 to sales for cash only but include contracts for deed,
11 mortgages, and such other seller financed terms as may be
12 specified by the school board.

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

32 In the case of a sale of property to a tenant that has
33 leased the property for 10 or more years and that is a
34 non-profit agency, an appraisal is required prior to the

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

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

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

7 (Source: P.A. 91-357, eff. 7-29-99.)

8 (105 ILCS 5/32-4) (from Ch. 122, par. 32-4)
 9 Sec. 32-4. Powers of board.

10 The board of inspectors referred to in Section 32-2.11
 11 may, in addition to the powers conferred upon it by special
 12 law and the applicable provisions of this Act, employ
 13 teachers, janitors and such other employees as it deems
 14 necessary and fix the amount of their compensation; buy or
 15 lease sites for schoolhouses, with the necessary grounds;
 16 build, erect, lease or purchase buildings suitable for school
 17 purposes; repair and improve buildings and furnish them with
 18 the necessary supplies, fixtures, apparatus, libraries and
 19 fuel; and may lease school property, when not needed for
 20 school purposes, for a term of not longer than 99 years from
 21 the date of the granting of the lease. All such leases shall
 22 provide for revaluation privileges at least once in every 20
 23 years.

24 In case the school board and the lessee cannot agree on
 25 revaluation and a new rent, the same shall be determined in
 26 the following manner: 3 arbitrators shall be appointed, 1 by
 27 the school board, 1 by the lessee, and 1 by the arbitrators
 28 appointed by the school board and the lessee. The 3
 29 arbitrators, or a majority of them, shall fix and determine
 30 the revaluation and the new rent and their decision or a
 31 decision of a majority of them shall be final.

32 When, in the opinion of the school board, a school site,
 33 building, or site with building thereon, or any other real

1 estate of the district, has become unnecessary or unsuitable
2 or inconvenient for a school, or unnecessary for the uses of
3 the district and the school board decides to sell the same,
4 unless the property is to be sold to a tenant that has leased
5 the property for 10 or more years and that tenant is a
6 non-profit agency, the school board it shall give notice of
7 the sale stating the time and place the sale is to be held,
8 the terms of the sale and a description of the property to be
9 sold. The notice shall be published in a newspaper of general
10 circulation published in the district, or if none, in the
11 county in which the district is situated, such notice to be
12 published once each week for 3 successive weeks, and the
13 first publication to be at least 30 days prior to the day the
14 sale is to be held. Unless the school board holds legal title
15 to the property, the school board shall notify the trustees
16 of schools of the terms upon which the school board desires
17 the property to be conveyed. The school board or trustees of
18 schools holding legal title to the property shall convey the
19 property in accordance with the terms fixed by the school
20 board. The deed of conveyance shall be executed by the
21 president and secretary or clerk of the school board or
22 trustees of the school holding legal title to the property
23 and the proceeds if any shall be paid to the school treasurer
24 for the benefit of the district.

25 In the case of a sale of property to a tenant that has
26 leased the property for 10 or more years and that is a
27 non-profit agency, an appraisal is required prior to the
28 sale. If the non-profit agency purchases the property for
29 less than the appraised value and subsequently sells the
30 property, the agency may retain only a percentage of the
31 profits that is proportional to the percentage of the
32 appraisal, plus any improvements made by the agency while the
33 agency was the owner, that the agency paid in the initial
34 sale. The remaining portion of the profits made by the

1 non-profit agency shall revert to the school district.

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

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.