



Rep. Kelly M. Burke

Filed: 5/8/2023

10300SB0990ham001

LRB103 05409 RJT 61524 a

1 AMENDMENT TO SENATE BILL 990

2 AMENDMENT NO. _____. Amend Senate Bill 990 by replacing
3 everything after the enacting clause with the following:

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

1 property constructed or renovated by students as part of a
2 curricular program, may engage the services of a licensed real
3 estate broker to sell the property for a commission not to
4 exceed 7%, contingent on the public listing of the property on
5 a multiple listing service for a minimum of 14 calendar days
6 and the sale of the property within 120 days.

7 Unless legal title to the land is held by the school board,
8 the school board shall forthwith notify the trustees of
9 schools or other school officials having legal title to such
10 land of the terms upon which they desire the property to be
11 sold. If the property is to be sold to another unit of local
12 government or school district, the school board, trustees of
13 schools, or other school officials having legal title to the
14 land shall proceed in the manner provided in the Local
15 Government Property Transfer Act. In all other cases, except
16 if the property is to be sold to a tenant that has leased the
17 property for 10 or more years and that tenant is a non-profit
18 agency, the school board, trustees of schools, or other school
19 officials having legal title to the land shall, within 60 days
20 after adoption of the resolution (if the school board holds
21 legal title to the land), or within 60 days after the trustees
22 of school or other school officials having legal title receive
23 the notice (if the school board does not hold legal title to
24 the land), sell the property at public sale, by auction or
25 sealed bids, after first giving notice of the time, place, and
26 terms thereof by notice published once each week for 3

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

17 NOTICE OF SALE

18 Notice is hereby given that on (insert date), the (here
19 insert title of the school board, trustees of school, or other
20 school officials holding legal title) of (county) (Township
21 No., Range No. P.M.) will sell at public sale
22 (use applicable alternative) (at (state location of
23 sale which shall be within the district), atM.,) (by
24 taking sealed bids which shall be accepted untilM., on
25 (insert date), at (here insert location where bids will be
26 accepted which shall be within the district) which bids will

1 be opened atM. on (insert date) at (here insert
2 location where bids will be opened which shall be within the
3 district)) the following described property: (here describe
4 the property), which sale will be made on the following terms
5 to-wit: (here insert terms of sale)

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9 (Here insert title of school
10 officials holding legal title)

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

17 If a school board specifies a reasonable minimum selling
18 price and that price is not met or if no bids are received, the
19 school board may adopt a resolution determining or directing
20 that the services of a licensed real estate broker be engaged
21 to sell the property for a commission not to exceed 7%,
22 contingent on the sale of the property within 120 days. If
23 legal title to the property is not held by the school board,
24 the trustees of schools or other school officials having legal
25 title shall, upon receipt of the resolution, engage the

1 services of a licensed real estate broker as directed in the
2 resolution. The board may accept a written offer equal to or
3 greater than the established minimum selling price for the
4 described property. The services of a licensed real estate
5 broker may be utilized to seek a buyer. If the board lowers the
6 minimum selling price on the described property, the public
7 sale procedures set forth in this Section must be followed.
8 The board may raise the minimum selling price without
9 repeating the public sale procedures.

10 If a school board decides to sell property that is over 5
11 acres to a non-governmental entity under this Section or in a
12 manner herein provided or engages a broker under this Section,
13 the school board shall notify (i) the municipality in which
14 the property is located if the property is located within a
15 municipality or (ii) the township in which the property is
16 located if the property is not located in a municipality of the
17 intent to sell the property. Upon notification, the
18 municipality or township shall have 60 days to pass a
19 resolution expressing the municipality's or township's
20 interest in entering into formal negotiations with the purpose
21 of potentially purchasing the property from the school board.
22 Once a resolution is passed by the municipality or township
23 expressing interest in purchasing the property, the school
24 board shall obtain 2 appraisals of the property at either the
25 property's current zoning classification or at a zoning
26 classification mutually agreed upon by the school board and

1 the municipality or township. The 2 appraisals shall be
2 conducted by an appraiser certified by the Department of
3 Financial and Professional Regulation. The school board shall
4 provide the municipality or township with a copy of the 2
5 appraisals and shall offer the municipality or township the
6 option to purchase the property for the average appraised
7 value of the 2 appraisals. The municipality or township shall
8 have 60 days after receiving the 2 appraisals to accept the
9 offer of the school board to purchase the property and to begin
10 negotiations to close on the sale of the property. A
11 municipality or township that purchases property under this
12 Section may do so with other units of local government, and the
13 property must be owned by a public entity and used for a
14 governmental purpose for at least 10 years. If the
15 municipality or township declines to purchase the property
16 under this Section, the school board may then sell the
17 property to a private entity.

18 Notwithstanding any other provision of this Section, no
19 school board is prohibited from exercising its rights seeking
20 to reclassify or rezone its property in a manner consistent
21 with the proper municipal or county zoning authority.

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
4 owner, that the agency paid in the initial sale. The remaining
5 portion of the profits made by the non-profit agency shall
6 revert to 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. The school board shall use the
12 proceeds from the sale first to pay the principal and interest
13 on any outstanding bonds on the property being sold, and after
14 all such bonds have been retired, the remaining proceeds from
15 the sale next shall be used by the school board to meet any
16 urgent district needs as determined under Sections 2-3.12 and
17 17-2.11 and then for any other authorized purpose and for
18 deposit into any district fund. But whenever the school board
19 of any school district determines that any schoolhouse site
20 with or without a building thereon is of no further use to the
21 district, and agrees with the school board of any other school
22 district within the boundaries of which the site is situated,
23 upon the sale thereof to that district, and agrees upon the
24 price to be paid therefor, and the site is selected by the
25 purchasing district in the manner required by law, then after
26 the payment of the compensation the school board, township

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

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

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