

## Board tables Morgan sale

By HILLARY GAVAN Senior staff writer | Posted: Wednesday, March 30, 2016 4:00 pm

BELOIT — The School District of Beloit Board of Education voted to table accepting Morgan Square LLC's offer to purchase Morgan School at its Tuesday evening special meeting.

The \$600,000 offer was put off in order to set up a meeting with the city to discuss possible collaboration in finding a use to enhance the neighborhood and benefit the district. The suggestion was offered by Jeff Adams during public comment time and was well received by the board.

Board members Lisa Anderson-Levy, Dennis Baskin, Laurie Endres, Nora Gard and John Winkelmann voted in favor of tabling the issue, while John Acomb voted against the motion.

Board President Shannon Scharmer was absent. Vice President Nora Gard later emailed the Daily News and left a voicemail stating Scharmer was on a business trip out of state. Gard also stressed the meeting was held to give the public the opportunity to give input.

"The board could have voted on tonight's agenda item on March 22. However the board chose not to vote on the sale of the Morgan school property then in order to give the community an opportunity to comment on the sale of Morgan property before we voted on the potential sale," Gard said in her email.

Some of the roughly 30 residents at the meeting voiced concerns when person after person was cut off from commenting after a few minutes. At the very cramped meeting with insufficient chairs which left three men standing, residents voiced their concerns about the lack of transparency and planning surrounding Morgan. At the last meeting with the board for residents to offer input on Morgan held last fall, residents weren't told there already was an agreement between Beloit Health System (BHS) and the district regarding the future of the property.

"It kind of pulls the rug under those of us who live in the neighborhood. We all have fairly valuable properties. More openness and transparency would have been appreciated," said Dr. Beth Yount.

According to an easement agreement dated Aug. 28, 2014, the School District of Beloit has until July 1 to find a buyer for Morgan Elementary School, or BHS will be entitled to claim the property in a swap for land adjacent to its Occupational Health & Sports Center and the new Fruzen Intermediate School. The Morgan School property on Lee Lane would be exchanged for 4.8 acres at 1590 Lee Lane.

Board member Dennis Baskin, who wasn't on the board at the time the agreement was made, questioned the legality of the agreement between the district and BHS because the board never voted on the swap, only for the former superintendent to enter into negotiations to obtain the athletic fields. Although board president Nora Gard said the school district's attorney still considers it a legal agreement, Baskin suggested a second opinion be sought and some residents agreed.

"You can authorize someone to negotiate, but it still needs to come back to the full board for approval," said resident Tom Ptacin.

Before the vote to table the Morgan LLC offer, John Winkelmann first made a motion to approve the contract with BHS for the land swap and it was seconded by John Acomb, but it didn't go for a full vote. After further discussion Dennis Baskin moved to table the motion on approval of the BHS land swap agreement, which was seconded by Anderson-Levy. Anderson-Levy, Baskin and Winkelmann voted to table it. Acomb and Gard voted not to table, and Endres abstained.

In addition to concerns about transparency and BHS's right to the land, residents spoke out against the lack of planning.

"It's ridiculous and irresponsible to get to this point and not have a plan for this property," said Joel Hallberg.

With Fruzen Intermediate School so close by, resident Richard Rusch said he didn't understand why the district would want to divest itself of the property and turn the land over to a buyer which hasn't disclosed his plans. If it's retail, he said the facility could be vacant in 10 years. He also questioned why the district would have Morgan torn down but would keep Kolak Education Center.

Judy Robson said the neighborhood is the district's property tax base, which affects the district's finances. With green space and proximity to Fruzen, Robson said it would make sense to keep the property and avoid turning it into a commercial development.

"You are being penny wise and pound foolish to sell to a big developer," Robson said.

However, board member Acomb said the district's obligation is to the entire city, taxpayers, kids and employees and district. He said \$600,000 is vital in a school district constrained by finances.

"We need to put our hands on every penny we can legitimately put our hands on," Acomb said.

Terry McGuire and Tom Lasse are members of Morgan Square LLC and are part owners of Coldwell Banker Commercial McGuire Mears & Associates.

In Gard's email, she said the district will likely get a second opinion from another attorney about the agreement after which the board will need to discuss the matter again.