

# Special Commissioners Meeting

## May 11, 2007

Present for this meeting were Commissioner Paul Romrell, Commissioner Donald Trupp, and Commissioner Skip Hurt. Also in attendance were Prosecuting Attorney Karl Lewies, Assessor Kathy Thompson, County Appraiser Mike Jones, and Clerk Abbie Mace.

Commissioner Romrell declared the hearing open for Board of Equalization Exempt Rolls.

Commissioner Romrell stated this hearing is for ECIPDA exempt roll.

Commissioner Romrell excused himself due to the fact that he is on the Board of Directors for ECIPDA.

Commissioner Romrell directed Commissioner Hurt to conduct the hearing.

Clerk Abbie Mace placed under oath, Kathy Thompson, Mike Jones, and Ted Hendricks.

Assessor Kathy Thompson presented a memo from County Attorney Karl Lewies. Assessor Thompson recommended denial of the exemption for ECPIDA.

Mike Jones read the memo into the record. Mr. Jones stated that churches as an example are under the same exempt rules. The LDS Church is receiving money on property rented for profit farming operation, and do not qualify. This is the same.

Commissioner Trupp questioned if the proceeds are used for more economic development.

Attorney Lewies questioned if the tenant listed are charitable businesses or for profit businesses.

Commissioner Hurt turned the time to Ted Hendricks.

Mr. Hendricks stated that he they are under IC 501-C3 as a non profit corporation created by counties to bring economic growth into the counties. Fremont County was a partner in building the ML Building and he feels that as long as the tenants are meeting ECPIDA's rules that they do meet the requires for the exemption. These companies pay a very low subsidized rate. Mr. Hendricks answered Commissioner Trupp's question stating that the money from rents are used in furthering economic development. They are here to create jobs for the communities they serve. If the exemption is not granted the rents will have to go up and they will probably loose tenants. Mr. Hendricks asked for the continuing of the exempt status to continue to promote economic growth.

Commissioner Hurt question how long Back Country Chiropractic has been in the building.

Mr. Hendricks stated approximately a year to 18 months. Mr. Hendricks explained that he also borrowed money from ECPIDA to get started. He went on to explain how the center works for them and other tenants.

Commissioner Hurt questioned if EITC is tax exempt already.

Mr. Hendricks stated yes it is.

Commissioner Hurt asked how long Northfork Development has been there.

Mr. Hendricks stated he been there about a year.

Commissioner Hurt asked how long Northern Home Builder has been there.

Mr. Hendricks stated that he confused the two businesses. Northfork Development is a non profit business to aid handicapped citizens.

Commissioner Hurt asked about Ecallogy.

Mr. Hendricks gave a history of the call center. They have been in about a year and a half or so. Both buildings were built with grant funds with partnership with the county and City.

Assessor Kathy Thompson stated that we have to be fair and equitable with all properties. She has to follow state statute. If this is being used for commercial businesses, then they have to tax the portions that are being used for profit.

Mr. Hendricks stated there is more to exempt status than just charitable. Economic Development can be granted that exempt status under the IRS Code. He stated ECPIDA does qualify not charitable but to stimulate economic growth.

Attorney Lewies asked about Back Country Chiropractic. Is it there to create jobs or profit.

Mr. Hendricks stated that first yes it here to create jobs but also to make a profit.

Attorney Lewies asked Mr. Hendricks to identify those tenants that are exempt non profit businesses.

Mr. Hendricks stated that EITC and Northfork Development.

Commissioner Trupp questioned what percent of the building is used by non profit and for profit.

Mr. Hendricks explained how they charge rent to cover utility expenses. They state that any profit made from rent repays grants or goes into more economic development in the area.

Commissioner Hurt closed the hearing and stated we will discuss this discussion with legal counsel, will notify ECPIDA after Monday.

Mr. Hendricks asked for an exemption until they could renegotiate the tenants rent if they loose the tax exempt status. He stated they have tenants with binding leases.

Assessor Thompson stated that they will work with the commissioners and stated Mr. Hendricks can appeal any decision to the State Board of Tax Appeals.

Attorney Lewies stated that the board needs to follow the law.

They scheduled a time on Monday, May 14, 2007, to make a final decision.

Commissioner Hurt adjourned the meeting until Monday, May 14, 2007.

There being no further business to come before the board meeting was adjourned.

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Paul Romrell, Chairman  
Fremont County Commission

Attest: \_\_\_\_\_  
Abbie Mace, Clerk