

**Minutes of Meeting
Tax Exempt Hearing
May 14, 2018
11:00 a.m.**

The Kootenai County Board of Commissioners: Chairman Marc Eberlein, Commissioner Chris Fillios and Commissioner Bob Bingham met to discuss the following agenda items. Also present were Chief Deputy Assessor Rich Houser, Civil Deputy Prosecuting Attorney R. David Ferguson, Civil Deputy Prosecuting Attorney Darrin Murphey, BOCC Administrative Supervisor Nancy Jones, BOCC Administrative Secretary Teri Johnston and Deputy Clerk Tina Ginorio. Also present were President of the Coeur d'Alene Area Economic Development Corporation Gynii Gilliam, North Idaho College representative Chris Martin and Critical Power Products & Services representatives Chief Operating Officer Glenn Hansen, Director of Field Operations Tyler Harbour and Controller Sheryl Johnson.

- A. Call to Order:** Chairman Marc Eberlein called the meeting to order at 11:02 a.m.
- B. Changes to the Agenda:** There were no changes to the agenda.
- C. Swearing in of Participants in Attendance** (Done by the Clerk)
- D. Business:**

Critical Power Products & Services/ERSO15W30001337611

Chief Deputy Assessor Rich Houser explained that the parcel in question is 11.435 acres and classified as commercial industrial. He said the exemption they are attempting to qualify for is 63602NN, which would apply to the land, buildings and personal property if certain conditions were met.

Chairman Eberlein inquired about the use of the property for retail, which would be disqualified under 63602NN rules. He said that any portion of the property used for retail would not be covered by the exemption. Critical Power Products & Services Controller Sheryl Johnson explained that the company has not had any retail sales since they established their presence in this location in February 12, 2018. She said they hope to expand into retail sales in the far future, but have no current plans to do so. Civil Deputy Prosecuting Attorney R. David Ferguson stated that the company would have an ongoing duty to notify the Board if they begin to sell in a retail capacity.

Mr. Ferguson pointed out that Ordinance 524 needed to be adopted by the Board before they could proceed with this tax exemption. This ordinance establishes an investment account that applies across the county of not less than \$500,000 and would then apply to any similar project.

Commissioner Chris Fillios moved that the Board adopt Ordinance 524, Criteria for Plan Investment Tax Exemption. Commissioner Bob Bingham seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Bingham: Aye

Commissioner Fillios: Aye

Chairman Eberlein: Aye

The motion carried.

Commissioner Bingham moved that the Board adopt the tax exemption request for parcel number 0-L120-002-001-0 AIN 334748, commonly known as 4140 West Grange Avenue, Post Falls, Idaho, to grant a 50% tax exemption on property improvements and personal property equipment for a period of three years pursuant to Idaho Code 63-602 NN. Commissioner Fillios seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Bingham: Aye

Commissioner Fillios: Aye

Chairman Eberlein: Aye

The motion carried.

BOCC Administrative Supervisor Nancy Jones, North Idaho College representative Chris Martin and Critical Power Products & Services COO (Chief Operating Officer) Glenn Hansen, Product Director Tyler Harbour and Controller Sheryl Johnson exited the meeting at 11:31 a.m.

Chairman Eberlein recused himself from the next item. He turned the meeting over to Chairman Pro Tem Fillios and exited the meeting at 11:32 a.m.

Roman Catholic Diocese/AIN 139953

BOCC Administrative Secretary Teri Johnston reminded the Commissioners that the Board had previously approved a new parsonage for the parish last week. She explained that the parcel AIN 139953 had previously been used as the parsonage and would now be converted into office space. She said that, since the usage had changed, the particular parcel's tax-exempt status needed to be revisited.

Mr. Ferguson stated that residences belonging to religious organizations needed to be parish priest's prime residence or be used for some other specific, solely dedicated religious use to qualify for exemption from taxes. He said use of them as offices in support of the church would qualify; however, the church should have submitted a new application for this parcel before April 15, 2018 to continue the exemption in light of its change of use. In response to a question from Chairman Pro Tem Fillios, Mr. Ferguson reminded the Board that, according to the interpretation of the courts, the statutes regarding tax exemption are to be strictly and narrowly construed against the taxpayer and strict compliance required.

Marc Eberlein entered the meeting as a private citizen at 11:40 a.m.

Commissioner Bingham moved that the Board deny the request for tax-exempt status for AIN 139953. Chairman Pro Tem Fillios seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Bingham: Aye
Chairman Pro Tem Fillios: Aye
Chairman Eberlein: Excused

The motion carried.

- E. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There was no public comment.

Chairman Pro Tem Fillios adjourned the meeting at 11:46 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN PRO TEM

BY: _____
Tina Ginorio, Deputy Clerk
