

Sterling, Andrew

From: millerbeachcl@sbcglobal.net
Sent: Wednesday, March 02, 2011 1:23 PM
To: Sterling, Andrew
Subject: Press Release - Please Forward to All DUAB Members

TO: Mr. Andrew Sterling
Executive Assistant
Office of Management and Budget
State of Indiana

Thank You for your time and assistance. At your direction, the following Press Release is being e-mailed to you, for you to forward to all Distressed Unit Appeals Board Members directly.

---- as follows ----

PRESS RELEASE

For more information, contact: Robert Leonard (312-685-8165)
For immediate release: March 1, 2011

(GARY, IN) The Miller Improvement Group of Gary, Indiana, has passed by Resolution 11-01 on January 31, 2011 demanding that Governor Mitch Daniels revisit his appointments to the Distressed Unit Appeals Board (DUAB) in light of the fact that two of his appointees have an open conflict of interest and are not capable to issuing an objective and impartial decision on Gary's request for property tax cap exemptions.

For the third year in a row, the Mayor of the City of Gary and the Gary City Council have petitioned the Distressed Unit Appeals Board for property tax cap exemptions. Those exemptions, which have been given to Gary, have subsequently resulted in property taxes in Gary being 50 percent higher than any other city in the State of Indiana and may have contributed to Gary's 22 percent drop in population.

Robert Leonard, president of the Miller Improvement Group, Demanded Governor Daniels remove DUAB board member and Ft Wayne attorney, Mark GiaQuinta from the DUAB board inasmuch as GiaQuinta is an attorney for Allied Waste, the contractor hired by the city of Gary for curbside trash removal in a \$5.5 million annual contract.

“Last year GiaQuinta referred to the people of Gary challenging the city’s trash collection ordinance as being in ‘La-La Land’,” said Leonard. “This year at the January 7th hearing, he openly advised Gary residents in attendance to not challenge or appeal Judge Webber’s decision and ‘just get on with it.’” It was later learned that GiaQuinta admitted to having Allied Waste as one of his clients.

“GiaQuinta is biased and has a vested financial interest in the outcome of the DUAB vote”, Leonard added. “The Governor should ask him to step down from the DUAB board and not be allowed to participate in any decision that affects the people of Gary and ends up putting cash in GiaQuinta’s pocket.”

The second conflict of interest comes from Tim Rushenberg who was chairman of the DUAB when they voted to grant property tax cap exemptions for Gary in 2009 and 2010. Rushenberg left the DUAB to become president of SRI, the principal company responsible for auctioning off delinquent properties.

“So while Rushenberg is responsible for raising property taxes on Gary residents, creating financial chaos and hardships among Gary home owners, resulting in mortgage defaults and foreclosures,” states Leonard, “Rushenberg then steps in to profit from that chaos by auctioning off their homes as president of SRI.”

Leonard states that in 2005 Governor Daniels issued an Executive Order addressing conflict of interest and prohibiting this kind of activity. Additional prohibitions pertaining to a conflict of interest among state employees and appointees can be found in IC 35-44-1-3.

Leonard demands that the Office of the Attorney General investigate other members of the DUAB for possible conflicts and that the DUAB not be allowed to make a decision on Gary’s third request for property tax cap exemptions until that investigation is complete.

The Miller Improvement Group is an educational resource for the Miller community within the City of Gary. It promotes a public forum where citizens may exchange information, viewpoints and opinions concerning the safety, health and overall welfare of the community.