



RE: House Bill 7753 and Senate Bill S2552

February 29, 2024

To Whom It May Concern:

I am writing as the President of Northwest Community Health Care d/b/a WellOne Primary Medical and Dental Care which is a tenant of approximately 6,700 square feet in the IGA Plaza on Village Plaza Way in North Scituate, RI.

WellOne was founded in 1909. We began as a public health nursing agency in Pascoag. We are now a Federally Qualified, RI-licensed, non-profit community health center with offices in Pascoag, Foster, Quonset (North Kingstown) and Scituate. We opened the Scituate office in 2016. While we own our other facilities, we lease the Scituate facility from Wally Realty, LLC.

We provided care (medical, dental and behavioral health) to approximately 1,300 Scituate residents in 2023. Most of these residents use our Scituate office exclusively. Twelve of our 172 employees are residents of Scituate. We have 22 employees working primarily at our Scituate office.

WellOne provided approximately \$747,400 of charitable care in our FYE 6/30/23 (i.e. cost of service less what was paid by insurance, Medicare and Medicaid). This deficit was subsidized by federal grants and other non-patient sources.

We collaborate with the Scituate Health Alliance (SHA) on various public health initiatives in the community (i.e. flu clinics, health fairs, etc.). We employ the Scituate Town Nurse and we are reimbursed for this position by the SHA. The nurse works under the direction of both WellOne and the Board of Directors of the SHA. We allow the SHA to utilize our Scituate office as their base of operations. We have agreements with the SHA to provide health care services to residents who are enrolled in the Scituate Health Alliance's prepaid health care program. Our organization serves as the School Physician for the Scituate Public Schools.

We feel our tax burden of nearly \$30,000 a year in Scituate merits statutory exemption for our leasehold improvements and tangible personal property located in Scituate.



WellOne Primary Medical and Dental Care
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WellOneRI.org

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FAX 401 568 7949
TDD 800 745 5555

Additional locations
308 Callahan Road, N. Kingstown, RI 02852
142A Danielson Pike, Foster, RI 02825
35 Village Plaza Way, N. Scituate, RI 02857

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We are assessed for \$821,915 of tangible personal property in Scituate as of 12/31/22 which is principally comprised of leasehold improvements of \$779,000. Our lease expires on October 1, 2026, although we have a renewal option of five years.

Our annual tax bill without regard to the 5th quarter was \$29,333. Our leasehold improvements are taxed based on their cost to us, but the improvements have no real value as the improvements were geared to our limited and specific use as a non-profit medical facility. Further upon the expiration of the lease, the improvements revert to the Landlord.

We feel that this tax is *extremely* excessive, we note that our Landlord's real estate tax bill for the entire plaza, said to be 50,000 square feet, and adjacent land is only approximately \$104,000. So as a tenant of not more than 13% of the Plaza, our burden is about equal to 30% of the Landlord's tax bill for the real estate. I would note we also pay approximately \$18,600 a year to Landlord as reimbursement for our share of its real estate taxes. So directly or indirectly, we are paying nearly \$50,000 a year in taxes to the Town of Scituate. Though I note we are not asking to be relieved of that burden of \$18,600 in taxes due to the Landlord.

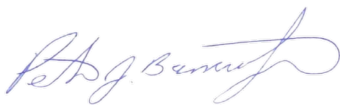
I want to note that we have an opportunity to expand into an additional 2,000 square feet of vacant space in the Scituate Plaza which would require a total renovation for our purposes at a cost of at least \$750,000 and we would surmise that this will result in an additional tax burden of at least \$25,000.

We also want to advise that our other three locations (which we own) in Pascoag, North Kingstown and Foster incur far less of a tax burden:

- In Foster we receive a 50% abatement as we had approximately 50% of our property rented out to for-profit enterprises at the time we requested abatement. We now occupy 72% of the facility.
- In Burrillville our assessment is \$1,844,400 for real estate and our real estate tax bill would be \$26,541. However, we are entirely exempt and pay no real estate or tangible property taxes.
- For our North Kingstown facility which we own, our assessment is \$829,400 for real estate and \$208,740 for tangibles and our tax bill is \$13,502 plus a tangible bill of \$3,726. However, we are the recipients of a \$20,000 annual appropriation by the Town Council for our charitable care, so in effect we are not paying taxes in North Kingstown.

Thank you for your consideration of our request and for your support of these bills.

Sincerely,
WELLONE PRIMARY MEDICAL AND DENTAL CARE



Peter J. Bancroft, CPA
President and CEO