

RESOLUTION NO. 2019-204

RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH MARTIN ALLEN, ESQ, WARREN, NEW JERSEY AS SPECIAL COUNSEL FOR THE INSPIRA HEALTH NETWORK HOSPITAL EXEMPTION TAX APPEAL FOR THE CITY OF VINELAND.

WHEREAS, there is a substantial tax issue regarding hospitals in the State of New Jersey and whether they are truly “charitable organizations” providing tax exempt status and therefore making no contribution to the host communities for services such as police, fire and emergency medical/ambulance despite the municipal services being provided by the host communities and taxpayers; and

WHEREAS, on June 25, 2015 in the matter of AHS Hospital Corp., d/b/a Morristown Memorial Hospital v. Town of Morristown, Tax Court of New Jersey Docket No.’s 010900-2007, 010901-2007 and 000406-2008, the court stated at page 83 therein “If it is true that all non-profit hospitals operate like the Hospital in this case, as was the testimony here, then for purposes of the property tax exemption, modern non-profit hospitals are essentially legal fictions...Clearly, the operation and function of modern non-profit hospitals do not meet the current criteria for property tax exemption under N.J.S.A. 54:4-3.6 and the applicable case law”; and

WHEREAS, many New Jersey Hospitals have taken it upon themselves to negotiate a Payment in Lieu of Taxes with their host community recognizing the unfair burden being placed upon the taxpayers who contribute costs of municipal services being provided to the hospitals instead of them paying their fair share towards the cost of local municipal services; and

WHEREAS, Inspira Health Network has several properties and improvements thereon in the City of Vineland which use municipal services but have not made any contribution towards the cost of municipal services; and

WHEREAS, it is apparent that it is necessary to proceed in the Tax Court of the State of New Jersey to determine the non-profit status and to pursue the payment of taxes; and

WHEREAS, the Law Firm of DiFrancesco, Bateman, 15 Mountain Blvd., Warren, New Jersey, and more particularly, Martin Allen, Esq. is a Law Firm that specializes in Hospital Exemption Tax Appeals and was the lead counsel in the Morristown Memorial Hospital case cited above, with years of experience, has submitted a proposal indicating they will provide the professional services in an amount of \$200.00 per hour plus expenses; and

WHEREAS, Martin Allen Esq. or his firm has completed and submitted a Business Entity Disclosure Certification for Non-Fair And Open Contract which certifies that the firm has not made any reportable contributions to a political or candidate committee in the City of Vineland in the previous one year and that the contract will prohibit Martin Allen, Esq. and his firm from making any reportable contributions through the term of the contract or its extension to a political or candidate committee in the City of Vineland; and

WHEREAS, the availability of funds for said Professional Services Contract to be awarded have been certified by the Chief Financial Officer; and

WHEREAS, the Local Public Contract Law (N.J.S.A. 40 A:11-1, et seq.) requires that the Resolution authorizing the award of contract for Professional Services without competitive bidding and the contract itself must be available for public inspection.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Vineland as follows:

1. That the Mayor and Clerk are hereby authorized and directed to execute a Non-Fair and Open Agreement pursuant to N.J.S.A. 19:44A – 20.5 with Martin Allen, Esq. and his firm, DiFrancesco Bateman Warren, New Jersey for Professional Legal Services as Special Counsel for the Inspira Health Network Hospital Exemption Tax Appeal for the City of Vineland in an amount of \$200.00 per hour, for specified services, plus reimbursable expenses.
2. That this Professional Services Agreement is awarded without competitive bidding in accordance with NJSA 40 A: 11 – 5 (1)(a) of the Local Public Contracts Law because said services to be rendered or performed require knowledge of an advanced type in a field of learning acquired by a prolonged formal course of specialized instruction distinguished from general academic instruction or apprenticeship and training.
3. That the Business Disclosure Entity Certification, the Political Contribution Disclosure Form and the Determination of Value be placed on file with the Resolution.
4. That a notice of this action shall be printed once in the daily Journal.

Adopted:

President of Council

ATTEST:

City Clerk