

State of New Jerzey DEPARTMENT OF HEALTH PO BOX 360 TRENTON, N.J. 08625-0360

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PHILIP D. MURPHY Governor

SHEILA Y. OLIVER Lt. Governor JUDITH M. PERSICHILLI, RN, BSN, MA Commissioner

September 8, 2021

VIA ELECTRONIC & FIRST-CLASS MAIL

Brittney A. Cafero, Esq. Reed Smith LLP Three Logan Square - Suite 3100 1717 Arch Street Philadelphia, Pennsylvania 19103

> Re: Arden Courts of Green Brook Request for Extension of Time CN ER# 20150601-02 Total Project Cost: \$ 9,561,850 Expiration Date: May 31, 2023

Dear Ms. Cafero:

Please be advised that the Department of Health (Department) is approving the request for an extension of time to implement CN ER# 150601-18-37, which granted approval for the construction of a new 64 bed Assisted Living (AL) facility known as Arden Courts of Green Brook (Arden Courts). The newly constructed AL facility will be located at 172 West Route 22 in Dunellen, Somerset County. CN ER# 150601-18-37 expired on June 24, 2021, however, on April 22, 2021 Arden Courts requested an extension of time to implement the CN pursuant to N.J.A.C. 8:33-5.1(a)6. This extension of time application, numbered CN ER# 20150601-02, is approved retroactive to June 24, 2021 and expires May 31, 2023. It is expected that this project will be fully implemented by the time this 23 -month period has elapsed.

The decision to approve Arden Courts' extension application is based on a review of the documents submitted. The reasons stated for the need for an extension of time are that the Applicant has faced extraordinary and unforeseeable circumstances that will not allow for the completion of construction of the facility by the 2021 expiration date. The COVID-19 pandemic has caused delays beyond the Applicant's control that have, in turn, delayed completion of this project. Office closures, work slowdowns, lack of available building materials, supply chain issues and other circumstances

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surrounding the pandemic throughout 2020 inhibited the Applicant's planned progress for engaging a consulting engineer and obtaining necessary land use approvals, which, in turn, delayed the acquisition of land for the facility. Your current submission also confirmed that financing remains in place for this project and will be sufficient to cover any increases in project costs, and the local zoning and building approvals for the project are also now in place.

For these reasons and including documentation that the project can be completed by the new expiration date, the Department is granting this extension of time to May 31, 2023.

Please be advised that this approval is limited to the proposal as presented and reviewed. The application, related correspondence and any completeness questions and responses are incorporated and made a part of this approval. An additional review by the Department may be necessary if there is any change in scope as defined in <u>N.J.A.C.</u> 8:33-3.9. However, in accordance with <u>N.J.A.C.</u> 8:33-3.9(a) 1-3, a change of cost of an approved certificate of need is exempt from certificate of need review but subject to the following:

- 1. The applicant shall file a signed certification as to the final total project cost expended for the project at the time of the application for license for the beds/services with the Certificate of Need and Healthcare Facility Licensure Program.
- 2. Where the actual total project cost exceeds the certificate of need approved total project cost and is greater than \$1,000,000, the applicant shall remit the additional certificate of need application fee due to the Certificate of Need and Healthcare Facility Licensure Program. The required additional fee shall be 0.25 percent of the total project cost in excess of the certificate of need approved total project cost.
- 3. The Department will not issue a license for the beds/services until the additional fee is remitted in full.

The Department, in approving this application, has relied solely on the facts and information presented. The Department has not undertaken an independent investigation of such information. If material facts have not been disclosed or have been misrepresented, the Department may take appropriate administrative regulatory action to rescind the approval or refer the matter to the Office of the Attorney General.

Any approval granted by this Department relates to certificate of need and/or licensing requirements only and does not imply acceptance by a reimbursing entity. This letter is not intended as an approval of any arrangement affecting reimbursement or any remuneration involving claims for health care services. Issues involving reimbursement are solely between the facility and the third party payer. The Department is neither a party to such matters nor an arbiter of disputes between the parties.

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This approval is not intended to preempt in any way any municipality's authority to regulate land use within its borders and shall not be used to represent that the Department has made any findings or determination relative to the use of any specific property.

Please be advised that services may not commence until a license has been issued by the Certificate of Need and Healthcare Facility Licensure Program to operate this facility. A survey by Department staff will be required prior to commencing services.

The Department looks forward to working with the applicant to provide a high quality of care to the AL residents. If you have any questions concerning this certificate of need or regarding the licensure of this facility, please do not hesitate to email Luisa Alexopoulos, Program Manager, Certificate of Need and Healthcare Facility Licensure Program, at Luisa.Alexopoulos@doh.nj.gov.

Sincerely,

Marcela Ospina Maziarz, MPA Deputy Commissioner Health Systems

cc: Damian Rodgers, Esq. - Promedica Luisa Alexopoulos, DOH (By Electronic Mail) Michael Kennedy, DOH (Electronic Mail) Donna Koller, DOH (By Electronic Mail) Ellen Kenny, DOH (By Electronic Mail) Intake Unit (By Electronic Mail)