



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

July 20, 2017

Jo-Ann Marchica
1717 K Street, NW
Washington, DC 20006-5344

Exempt from Review – Acquisition of Facility

Record #: 2322
Facility Name: Brookdale Concord South
Type of Facility: Adult Care Home
FID #: 960405
Acquisition by: Concord BG PROPCO LLC
Business #: 2691
County: Cabarrus

Dear Ms. Marchica:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of July 14, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Concord BG PROPCO LLC may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Adult Care Licensure Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C. Gen. Stat. §131E-181(b): "*A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need.*"

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

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AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER

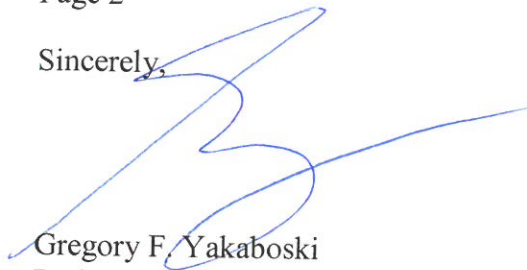


Jo-Ann Marchica

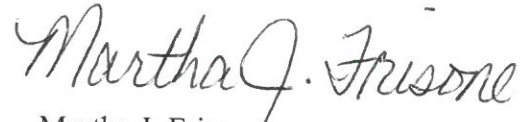
July 20, 2017

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Sincerely,

A large, stylized handwritten signature in blue ink, appearing to read 'Gregory F. Yakaboski'.

Gregory F. Yakaboski
Project Analyst

A handwritten signature in blue ink that reads 'Martha J. Frisone'.

Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Construction Section, DHSR
Adult Care Licensure Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR

July 14, 2017

Jo-Ann Marchica

Senior Attorney
202.857.6097 DIRECT
202.857.6395 FAX
jo-ann.marchica@arentfox.com

VIA EMAIL greg.yakaboski@dhhs.nc.gov

Reference Number: 037080.00046

Mr. Greg Yakaboski
Division of Health Service Regulation
Department of Health & Human Services
809 Ruggles Drive
Raleigh, North Carolina 27603

**Re: Request for Certificate of Need Exemption
Adult Care Home Acquisition**

Dear Mr. Yakaboski:

We are writing to request an exemption from Certificate of Need review pursuant to N.C.G.S.A. § 131E-184 in connection with a transaction involving the acquisition of Brookdale Concord South, a licensed adult care home located at 1501 Zion Church Road E, Concord, NC 28025 (the "Facility"). The owner of the real property comprising the Facility is HCP Eden2 North Carolina, LP ("Owner") and the licensed operator of the Facility is currently HBP Leaseco, LLC. On or about August 22, 2017, the Owner will sell the real property to Concord BG PROPCO LLC. The Facility will be leased to Concord BG OPCO LLC, which will be submitting an application to the Adult Care Licensure Section of the Department of Health and Human Services to become the licensed operator of the Facility.

Please do not hesitate to contact me at (202) 857-6097 if you have any questions. Thank you.

Sincerely yours,



Jo-Ann Marchica

cc: Ms. Libby Kinsey

Yakaboski, Greg

From: Marchica, Jo-Ann <Jo-Ann.Marchica@arentfox.com>
Sent: Wednesday, July 19, 2017 11:33 AM
To: Yakaboski, Greg
Subject: RE: CON Exemption Request

Good morning, Greg:

We represent the proposed new owner, Concord BG PROPCO LLC. The contact address is 330 N. Wabash Ave., Chicago, IL 60611, and the phone number is (312) 725-7000.

Please let us know if you have any other questions.

Thank you,
Jo-Ann

From: Yakaboski, Greg [mailto:greg.yakaboski@dhhs.nc.gov]
Sent: Wednesday, July 19, 2017 11:19 AM
To: Marchica, Jo-Ann <Jo-Ann.Marchica@arentfox.com>
Subject: RE: CON Exemption Request

Jo-Ann,

Couple of questions: Do you represent the current owners or the proposed owners (Concord BG PROPCO, LLC)? If the proposed owners please provide a contact address and phone number.

Thanks,
Greg

From: Marchica, Jo-Ann [mailto:Jo-Ann.Marchica@arentfox.com]
Sent: Friday, July 14, 2017 11:38 AM
To: Yakaboski, Greg <greg.yakaboski@dhhs.nc.gov>
Cc: Lowery, Bonnie <Bonnie.Lowery@arentfox.com>; Steffen, Kathryn L. <Kathryn.Steffen@arentfox.com>
Subject: RE: CON Exemption Request

Greg: My apologies. In my haste, I inadvertently included a target transaction date of July 22, 2017, when in fact the target date is August 22, 2017. Please see attached corrected letter.

Thank you,
Jo-Ann

From: Marchica, Jo-Ann
Sent: Friday, July 14, 2017 11:31 AM
To: 'greg.yakaboski@dhhs.nc.gov' <greg.yakaboski@dhhs.nc.gov>
Cc: Lowery, Bonnie <Bonnie.Lowery@arentfox.com>; Steffen, Kathryn L. <Kathryn.Steffen@arentfox.com>
Subject: CON Exemption Request

Hello, Greg:

In follow-up to our conversation a few weeks ago, please see attached. Thank you.

Jo-Ann

Jo-Ann Marchica
Counsel

Arent Fox LLP | Attorneys at Law
1717 K Street, NW
Washington, DC 20006-5344
202.857.6097 **DIRECT** | 202.857.6395 **FAX**
jo-ann.marchica@arentfox.com | www.arentfox.com

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