

Received by  
the CON Section  
SEP 30 2013

**CHATHAM COUNTY NURSING FACILITY BED NEED  
COMMENTS ON COMPETING APPLICATIONS**

**SUBMITTED BY:**

**J.E.E., LLC  
Kensington Rehab and Nursing Center, Inc.  
Project J-10167-13**

**October 1, 2013**

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## SUMMARY

### Introduction

There are five applicants competing for the available beds. After review of the four competing applications, the Kensington application is the best alternative for the approval of the 90 available beds in Chatham County. These comments include reasons why the other applications should be denied for failure to comply with one or more CON review criteria; and also demonstrate findings where Kensington's application is comparatively superior to each of the other applications.

### Sites – Zoning and Suitability for Development

There are significant issues impacting the successful development of a new nursing facility in Chatham County. The primary issue is the availability of sewer since municipal sewer service is available only in the towns of Pittsboro and Siler City. Other issues include zoning and the availability of water. In the comments on the individual competing applications, we presented issues that could cause some of the applicants out of compliance with 10A NCAC 14C.1101(e). In addition, due to the importance of site control and site development suitability in this review, a comparison of site attributes should be included as a comparative review factor for this review.

The following table presents a comparison of the site attributes of the five competing applicants.

**Comparison – Primary Sites**

Applicant	Site Under Control	Zoning – Nursing Facility Permitted by Right	Municipal Sewer Service Available At Site	Municipal Sewer Capacity Available	If No Municipal Sewer, Proposed Sewer Service	Municipal Water Service Available at Site	Water Lines are Sufficiently-Sized to Provide Service
Kensington J-10167	Yes	Yes	Yes	Yes	n/a	Yes	Yes
Liberty J-10168	No	No – see individual application comments	No	n/a	On-Site Treatment Plant	Yes	Yes
Chatham Health Investors J-10169	No	No	No	n/a	Septic System	No	Insufficient information – see individual application comments
UNC Hospitals J-10170	Yes	No	No	n/a	Chatham Park to provide service – no approvals nor infrastructure currently	Yes	Yes
PruittHealth J-10171	No	No	Not specified, but near site	Insufficient Information – see individual application comments	n/a	Not specified, but near site	Insufficient information – see individual application comments

As presented in this table, Kensington has the superior site among the competing applicants due to site control, zoning, and the availability of municipal water and sewer. Only one other applicant has the site under control. None of the other applicants have a site that is currently zoned with a nursing facility permitted by right. Only one other applicant (Pruitt) has access to municipal sewer service, but did not provide sufficient information to determine if the lines are appropriately sized and/or capacity is available. One applicant's (Chatham Health Investors) primary site is about 660 feet and 2,200 feet from the two nearest water lines and the letter regarding water service did not confirm whether the lines were sufficiently-sized to provide fire capacity.

### **Direct Care Nurse Staffing and Other Department Staffing**

In comparing nurse staffing levels for non-ventilator beds, two of the applicants, Chatham Health Investors (3.40 hours per patient day) and UNC Hospitals (3.24 hours per patient day), have significantly lower overall nurse staffing ratios per patient day than the other three applicants, which range from 3.84 hours per patient day to 4.25 hours per patient day. Two of the applicants, UNC Hospitals and Pruitt, do not have 24-hour RN coverage, which makes each of these applicants comparatively inferior to the three applicants that propose 24-hour RN coverage.

The individual application comments describe the issues above plus any additional findings on the applicant's staffing projections for all departments.

### **Medicaid Case Mix**

The five applicants have projected a Medicaid case mix that ranges from 69.8% to 78.3%. In this review, projected Medicaid case mix should be assessed for reasonableness based on the following factors.

- The statewide average Medicaid utilization, which was 66.8% based on 2011 audited cost report data (see Page 387 of the Kensington application).
- Current average Medicaid utilization in the individual Chatham County freestanding nursing facilities. From the unaudited 2012 cost report data, the nursing home in Pittsboro had 71.1% Medicaid utilization and the nursing home in Siler City had 81.9% Medicaid utilization (see Page 387 of the Kensington application).
- The applicant and affiliated entities' history of serving Medicaid beneficiaries in North Carolina.
- The reasonableness of the projected Medicaid utilization for the proposed location (see Page 40 of the Kensington application for elderly median income levels by township).

## Criterion 5

After reviewing the competing applications, the Kensington application has the most reasonable overall projections of revenues and expenses, with ample support provided for these projections. As a result of the reasonableness of these projections, the financial feasibility of the Kensington project is not in question. Kensington also demonstrated an ability to fund the capital costs and working capital of all CON projects approved and under review.

As described in the comments on the individual applications, each of the other four applications has significant issues related to the reasonableness of their financial projections, and these issues impact the financial feasibility of each of the other four projects.

Also, in comparing the non-salary expense projections of the other applicants, there are findings of unreasonably low expense projections or even \$0 in expenses projected for certain line items on Form C, and these findings are also described in the comments on the individual applications.

Additionally, three of the other applicants have significant issues with capital cost and/or working capital funding. Two of the other applicants (Liberty and Pruitt) did not demonstrate the availability of sufficient cash reserves to fund equity required for the capital costs and working capital of all CON projects in North Carolina. UNC Hospitals has significant issues with its first year operating expense projections and first year cash flow projections, and these issues result in an understatement of working capital needed and also make it impossible to determine if the project will achieve positive cash flow at any time during its first year of operations, which was the only period of time presented for cash flow projections.

In many cases, we feel these issues related to financial projections, financial feasibility, and project funding are serious enough that the CON Section could find the applicant out of compliance with Criterion 5.

## Conclusion

Based on review of the competing applications, the J.E.E., LLC and Kensington Rehab and Nursing Center, Inc. application should be approved for the following reasons:

1. Kensington's application is in compliance with all certificate of need review criteria.
2. The primary site is under contract, is appropriately zoned, and is served by municipal water and sewer. Kensington's site is clearly superior to all other applicants' sites.
3. All projected revenues and expenses are based on reasonable assumptions, all projections are supported, and the financial feasibility of the projected has been demonstrated.
4. Kensington's location provides excellent access to all of Chatham County and, in particular, geographic areas of the county with a need for additional nursing facility beds. This location also provides excellent access to the primary traffic arteries in Chatham County and access to the available public transportation bus routes that serve the county.
5. Kensington will serve a case mix of 74% Medicaid and a case mix of 92% Medicaid and Medicare combined.
6. Direct care nurse staffing levels are the highest of the competing applicants as measured in nursing hours per patient day.
7. There is a demonstrated ability to fund the project costs and working capital costs.
8. The project will benefit from local ownership that will oversee all aspects of the project development and operation.

The following pages contain comments on the four individual competing applications.

**Project J-10168**  
**Liberty Healthcare Properties of Chatham County, LLC**  
**Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC**

**Criterion 5**

The applicant did not demonstrate the availability of cash reserves to fund this project and other CON projects in North Carolina:

- This project is to be funded with 100% cash reserves. The combined capital costs and working capital for this project are \$16,775,257 (see Page 99 and Page 107).
- On Page 101, the applicant lists three other certificate of need projects and the planned funding of the capital costs for each of these projects, which appears to be 100% loan financing through HUD. On Page 109, the applicant indicates that the working capital requirements for each of these projects will also be funded 100% with a HUD loan.
- The applicant failed to include another project, Project J-8727-11 in Wake County, in its list of CON projects in North Carolina. This project was involved in the appeal that is described on Page 16 of the Kensington application. The ALJ decision on the hearing, which was rendered on June 20, 2013, overturned the original approval to Britthaven and awarded the beds to Liberty. The pages with the final decision from the ALJ decision are included as Attachment 1. Liberty proposed to fund the capital costs and working capital of the Wake County project in a similar manner to this project, with 100% cash reserves. The total working capital and cash reserves required for the Wake County project are \$17,265,086, and the two funding schedules from the application for Project J-8727-11 are included as Attachment 2.
- Combined, the equity commitment to fully fund the required capital costs and working capital of this project and the Wake County project is \$34,040,343.
- There are no personal financial statements provided for neither Ronald McNeill nor John McNeill, Jr. The only documentation of availability of cash reserves is contained in a letter from Joel White, CPA, which is included on Page 497 of the application. This letter states: *"In lieu of submitting financial statements, I will attest that John A. McNeill and Ronald B. McNeill Jr. each have in excess of \$10,000,000 in cash, stocks, or short term investments in order to fund the construction and operation of the proposed skilled nursing facility, including any working capital, start-up and capital expenditures associated with the project."*
- With the omission of the cash reserve requirements of the Wake County project and no personal financial statements provided, there is no way to know from the information provided whether the McNeill's have sufficient cash reserves to fund both this project and the Wake County project. As a result, the applicant failed to demonstrate that there are sufficient cash reserves to fund all CON projects under review or development in North Carolina.

Some of the expense projections are not based on reasonable assumptions, or there were omissions in the expense projections, including:

- Projected utilities expense in Year 2 is only \$48,000 (Line 118 of Form C), which equates to only \$1.55 per patient day or only \$0.85 per square foot. The next lowest applicant's projected utilities expense was Chatham Health Investors at \$103,200, and \$3.41 per patient day and \$1.93 per square foot.
- There is inconsistency between information provided on the staffing table and projected expenses on Form C. Table VII.3 (Page 90) shows 2.0 FTEs for the Alzheimer's Coordinator position, which is shown on two separate line items. One of the positions has an annual salary of \$40,110 and one of the positions has an annual salary of \$40,000. On Line 6 of Form C for Year 2 (Page 143), the projected expense for ADON & Alzheimer's Coordinator is \$40,000. The salary and associated benefits for the first Alzheimer's Coordinator listed in Table VII.3 is not included on Form C. At the applicant's benefit and tax percentage of 22.0%, the expense understatement equates to \$48,934 inclusive of salaries, benefits and taxes.
- The applicant projects only \$11,150 in real estate taxes (Line 170 of Form C), which is unreasonably low. Property tax information for The Laurels of Chatham, a 39,579 square foot nursing facility that was built in 1991 and is located in Pittsboro, is included as Attachment 3. The Laurels of Chatham paid \$37,452 in property taxes for 2012. The applicant's proposed facility is a new facility that has 43% more square footage than The Laurels of Chatham, yet the applicant's projected property taxes are only 30% of the 2012 property taxes paid by the Laurels of Chatham.
- The applicant projects only \$15,000 in medical director fees (Line 17 of Form C), which is unreasonably low. The next lowest amount of medical director fees projected by the other applicants is \$30,000 (Chatham Health Investors).
- Rent expense is only \$25,000 per month, or \$300,000 per year (Line 167 of Form C). At a total equity contribution of \$16,775,257, the McNeill's will realize an annual return of only 1.79% from the funds invested.
- The applicant's projected private pay rates in its Alzheimer's/dementia unit are \$335 per day for a private room and \$275 per day for a semi-private room. The cost of the services provided to residents of this unit, as measured by direct costs less ancillary costs plus indirect costs, is only \$198.99 per patient day.

If the CON Section agrees with these findings and determines that the applicant did not demonstrate the availability of funds for capital and operating costs and/or determines that the financial feasibility of the project is not based on reasonable projections, then this applicant should be found out of compliance with **Criterion 5**.



## 10A NCAC 14C.1101(e)

The following are findings related to site zoning and availability of utilities:

- The applicant indicates that its primary site is properly zoned for nursing facility use (see Page 120), but further research on the approved zoning on this property would indicate otherwise. The site is zoned CU-B1. While nursing homes are permitted in the B-1 zoning classification (see Page 557), this particular site has a conditional use associated with it. Attachment 4 contains the Conditional Use approval that is referenced in the letter from Angela Birchett that is included on Page 502. The preamble to this approval indicates that the application for the conditional use was for the following uses: *“Specialty Retail Center with Out Parcels (i.e. retail food/grocery store, banks, drug stores, eating and drinking establishments, professional and business office use”*. In addition, Stipulation #12 of this approval states: *The site shall be developed substantially in accordance with the plans submitted as part of the application.”* The site plan submitted with the application for the conditional use approval is also included with Attachment 4. The development plans for this site are clearly for something other than a nursing facility and would not be in compliance with the current conditional approval on the site nor with the approved site plan. Based on the information presented, the applicant will have to apply for an amendment to the current conditional zoning approval because of the material change to the intended use of the site and to the conditionally approved site plan. No information was provided on the procedures for amending the conditional approval.
- The primary site does not have sewer service. With respect to sewer availability, the applicant states on Page 120 and Page 121 that: *“No county sewer systems currently exists in the area, but there is a private system across US 15-501 serving the Ferrington [sic] Village area. Also a preliminary cost estimate for a private system was conducted by an engineering firm. The applicant chose the provision for the cost of this system as it is the more expensive and therefore more conservative projection.”* On Page 121, in its response to Question 2(n), the applicant states: *“Because no specific system has been designed or is being proposed at this time, health and environmental officials cannot provide documentation regarding the adequacy of the system.”*
- On Page 626, the email from the engineer starts by saying: *“We have looked at a very preliminary evaluation of sewer service .....”*.
- There is no evidence provided that the applicant or its engineer had any contact with representatives of NCDENR. The applicant proposes an on-site system, but does not provide sufficient evidence that such a system is even possible on the primary site, and so states by indicating that responsible parties cannot provide documentation of the adequacy of the system proposed.
- There is also no evidence provide that the applicant had any contact with representatives of Ferrington Utilities, nor did the applicant provide any information on whether hooking into the Ferrington system is even possible.

- As a result, the applicant failed to demonstrate the primary site suitability for development with respect to availability of sewer. Based on the information presented, the same conclusion can be reached for the applicant's secondary site.

If the CON Section agrees with these findings and consider them serious enough as to not demonstrate the suitability of the primary site for development of the facility, particularly with respect to zoning and sewer availability, then the applicant should be found out of compliance with **10A NCAC 14C.1101(e)**. If these findings do not result in a finding of non-compliance with 10A NCAC 14C.1101(e), this application is still comparatively inferior to the Kensington application with respect to site control and suitability of the site for development of the proposed project.

### Staffing/Criterion 7

The following are findings regarding staffing projections:

- The applicant is the only applicant of the five competing applicants that does not have an Admissions Coordinator on staff.
- Of the five competing applicants, this applicant proposes only 2.50 FTE of administrative staff. The applicant with the next lowest number of administrative staff proposed 4.00 FTE in administrative staff (Pruitt adjusted for the Admissions Coordinator included in the social services department.) This applicant's projected administrative staff consists only of a full time administrator, a full time business office manager and 0.50 FTE of other administrative staff (position not specified).
- Of the three applicants proposing in-house therapy staff, this applicant is the only applicant proposing less than 1.0 FTE for the Physical Therapist position (0.50 FTE), Occupational Therapist position (0.63 FTE), and Speech Therapist position (0.50 FTE). The applicant is projecting only 0.27 therapy department hours per patient day. The other two applicants with in-house therapy departments are projecting 0.47 therapy department hours per patient day (Kensington) and 0.43 therapy department hours per patient day (Chatham Health Investors).

If the CON Section agrees with these findings and determines that these staffing issues are serious enough so that the applicant did not demonstrate necessary health manpower and management personnel for provision of the services proposed, specifically due to the low number of administrative staff projected and the lack of an Admissions Coordinator on staff, then the applicant should be found out of compliance with **Criterion 7**. If these findings do not result in a finding of non-compliance with Criterion 7, this application is still comparatively inferior to the Kensington application with respect to the health manpower and management personnel necessary for delivery of the proposed services.

### Criterion 1/Policy GEN-3

The applicant's projected private pay rates in its Alzheimer's/dementia unit are \$335 per day for a private room and \$275 per day for a semi-private room. The cost of the services provided to residents of this unit, as measured by direct costs less ancillary costs plus indirect costs, is only \$198.99 per patient day. As a result, the applicant is not maximizing healthcare value for resources expended by private pay residents of its Alzheimer's/dementia unit. If the CON Section agrees with these findings, the applicant could be found out of compliance with **Criterion 1** for failure to comply with Policy GEN-3.

**ATTACHMENT 1**

**ALJ DECISION APPROVING LIBERTY IN WAKE COUNTY**

This right to participate in the rulemaking process can be meaningfully exercised, however, only if the public can understand proposed rules as meaning what they appear to say. Moreover, if permitted to adopt unforeseen interpretations, agencies could constructively amend their regulations while evading their duty to engage in notice and comment procedures.

*Safe Air for Everyone v. U.S. E.P.A.*, 475 F.3d 1096, 1106 (9<sup>th</sup> Circuit, 2007)

87. Regardless of long standing interpretations of relevant statutes or administrative rules, where the reasons for some are lost in time and the ramifications of following them are contrary to the language of the applicable statutes, stakeholders must look to restore the true purposes behind those statutes. The promulgation of rules that are truly called for in these cases in certain areas would not only allow the Agency to logically set forth consistent standards but would allow the interested private parties the opportunity to comment on and assist in formulating those eventual methods by which the Agency knows, and all parties understand, future requirements that they face in applying for a Certificate of Need.

**BASED UPON** the foregoing Findings of Fact and Conclusions of Law the Undersigned makes the following:

### **FINAL DECISION**

The Undersigned finds and holds that there is sufficient evidence in the record to properly and lawfully support the Conclusions of Law cited above. Based upon the foregoing Findings of Fact and Conclusions of Law, the Undersigned enters the following Final Decision pursuant to N.C. Gen. Stat. § 150B-34 and N.C. Gen. Stat. § 131E-188, based upon the preponderance of the evidence, having given due regard to the demonstrated knowledge and expertise of the Agency with respect to facts and inferences within the specialized knowledge of the Agency.

Based on those conclusions and the facts in these consolidated cases, the Undersigned holds that the Petitioners, The Heritage and Hillcrest failed to carry their burden of proof by a greater weight of the evidence that each of their denial of a Certificate of Need was in error.

The Agency did not err when it approved the application filed by BellaRose to develop a 100-bed nursing facility in Wake County; and determined that a written statement describing the project's plans to assure water conservation deficiency could be conditioned. The Agency finding that BellaRose was approved subject to the condition that it submit documentation that meets the requirements of Policy GEN-4 was proper, within the Agency's authority, and in accordance with appropriate law.

Based on the evidence and Conclusions of Law in these consolidated cases, the Undersigned holds that the Petitioner, Liberty did carry their burden of proof by a greater weight of the evidence that their denial of a Certificate of Need was in error. In denying the Liberty

Application in Project I.D. No. J-8727-11, the Respondent substantially prejudiced Liberty's rights and acted erroneously, acted arbitrarily or capriciously and failed to act as required by rule or law. In approving the Britthaven Application for a Certificate of Need, the Respondent substantially prejudiced Liberty's rights and acted erroneously, acted arbitrarily or capriciously and failed to act as required by rule or law.

\* Reversal of the decision by the Respondent to award a Certificate of Need to Britthaven, and award a Certificate of Need to Liberty is proper and correct as set forth in the Findings of Fact and Conclusions of Law above.

### NOTICE

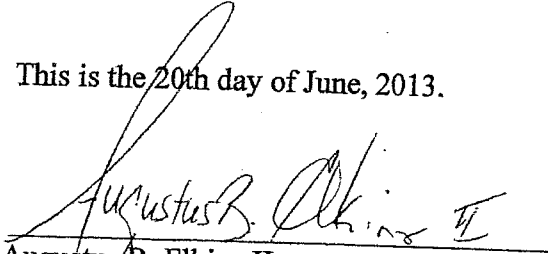
Under the provisions of North Carolina General Statute § 131E-188(b): "Any affected person who was a party in a contested case hearing shall be entitled to judicial review of all or any portion of any final decision in the following manner. The appeal shall be to the Court of Appeals as provided in G.S. 7A-29(a). The procedure for the appeal shall be as provided by the rules of appellate procedure. The appeal of the final decision shall be taken within 30 days of the receipt of the written notice of final decision, and notice of appeal shall be filed with the Office of Administrative Hearings and served on the Department [North Carolina Department of Health and Human Services] and all other affected persons who were parties to the contested hearing."

Pursuant to N.C. Gen. Stat. § 131E-188(b1): "Before filing an appeal of a final decision granting a certificate of need, the affected person shall deposit a bond with the Clerk of the Court of Appeals. The bond requirements of this subsection shall not apply to any appeal filed by the Department."

In conformity with the Office of Administrative Hearings' Rule 26 N.C.A.C. 03.012 and the Rules of Civil Procedure, N.C. Gen. Stat. 1A-1, Article 2, this Final Decision was served on the parties the date it was placed in the mail as indicated by the date on the Certificate of Service attached to this Final Decision.

**IT IS SO ORDERED.**

This is the 20th day of June, 2013.

  
Augustus B. Elkins II  
Administrative Law Judge

**ATTACHMENT 2**

**PROJECT FUNDING – LIBERTY PROJECT J-8727-11 – WAKE COUNTY**

Liberty - Project J- 8727 - 11  
 Capital Cost Funding

2. Identify the sources of funds for all costs to be incurred to implement the project. The total financing should equal the total capital cost proposed in Table VIII.1 above. Both the lessor and lessee should individually complete separate tables if each proposes to incur a capital expenditure.

TABLE VIII.2 – SOURCES OF FINANCING

	TYPE	AMOUNT
A	Public Campaign	\$
B	Bond Issue	\$
C	Commercial Loan	\$
D	Government Loans - HUD Backed	\$
E	Grants	\$
F	Bequests and Endorsements	\$
G	Private Foundations	\$
H	Accumulated Reserves of _____ (specify)	\$
I	Owner's Equity of Ronald B. McNeill and John A. McNeill Jr.	\$15,667,836
J	Other _____ (specify)	\$
K	<b>TOTAL</b>	<b>\$15,667,836</b>

3. If a commercial loan is proposed, submit copies of letter(s) from lending institution(s) that indicate a willingness to consider financing the proposed project. Each letter should include:
- (a) name of entity that will borrow the funds;
  - (b) purpose of the loan;
  - (c) anticipated interest rate;
  - (d) anticipated term (period) of the loan; and
  - (e) proposed amount of loan.

**Response**

No commercial loan is proposed. This project will be funded 100% with owner equity of John A. McNeill, Jr. and Ronald B. McNeill.

4. Provide an amortization schedule for each proposed loan setting forth:
- (a) amount of principal;
  - (b) term/number of payment periods;
  - (c) amount of interest; and
  - (d) outstanding balance for each payment period.

**Response**



Liberty - Project J - 8727 - 11

Working Capital Funding

5. Provide the sources of financing for the total working capital projected in Section IX.3 above. The total amount of financing below should equal the total working capital projected in Section IX.3. Both the lessor and the lessee should complete separate tables, if each proposes to incur start-up or initial operating expenses.

	TYPE	AMOUNT
A	Restricted assets of _____ (specify)	\$
B	Unrestricted cash of _____ (specify)	\$
C	Unrestricted marketable securities of _____ (specify)	\$
D	Accounts receivable for _____ (specify)	\$
E	Commercial loan	\$
F	Line of Credit for _____ (specify)	\$
G	Other (Owner's Equity of Ronald B. McNeill and John A. McNeill Jr.)	\$1,597,250
H	TOTAL	\$ 1,597,250

6. If a commercial loan is proposed, submit copies of letter(s) from lending institution(s) that indicate a willingness to consider financing the working capital for the proposed project. Each letter should include:

- (a) name of entity that will borrow the funds;
- (b) purpose of the loan;
- (c) anticipated interest rate;
- (d) anticipated term (period) of the loan; and
- (e) proposed amount of loan.

**Response**

N/A. No commercial loan is proposed for the working capital requirements.

7. Provide an amortization schedule for each proposed loan setting forth:

- (a) amount of principal;
- (b) term/number of payment periods;
- (c) amount of interest; and
- (d) outstanding balance for each payment period.

**Response**

N/A. No loan is proposed for the working capital requirements.

8. If a portion of the working capital costs will be financed with restricted assets, unrestricted cash, unrestricted marketable securities or accounts receivable, provide documentation of the availability of funds as follows.

- (a) Corporations, Limited Liability Companies, Partnerships, etc.

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**ATTACHMENT 3**

**THE LAURELS OF CHATHAM – 2012 PROPERTY TAX INFORMATION**

THIS IS A GENERATED TAX BILL. NOT THE ORIGINAL! - FOR DISPLAY PURPOSES ONLY

**CHATHAM COUNTY TAX COLLECTOR**  
 PO BOX 697  
 PITTSBORO, NC 27312107

**CHATHAM COUNTY - PROPERTY TAX NOTICE**  
**IMPORTANT - PLEASE READ**

- **PROPERTY SOLD** - If you have sold the real property assessed to you, please forward this tax notice to the new owner.
- **DUE DATE** - Property taxes are due and payable Sept. 1 and delinquent if not paid by Jan. 5.
- **FAILURE TO PAY** - Delinquent taxes are subject to garnishment of wages, levy on personal property and foreclosure proceeding AFTER Jan. 5.
- **INTEREST** - Accrues at the rate of 2% for January & 3/4 of 1% each following month.
- **INSTALLMENTS** - For your convenience, partial payments will be accepted. Account must be paid in full by Jan. 5.
- **CREDIT CARD PAYMENTS** - VISA, Mastercard and Discovery payment accepted by calling 1-866-802-2988 or 919-277-2230. A transaction fee will be charged.
- **ESCROW / MORTGAGE ACCOUNTS** - The property owner is responsible for ensuring full payment of this obligation. If you have an escrow account with a loan institution, taxes should be paid by them or their tax service agent. You may wish to verify your payment date with your loan institution.

**LAUREL REALTY PROPERTIES LLC**  
 8181 WORTHINGTON RD  
 WESTERVILLE, OH 43082

YEAR	ACCOUNT NUMBER	PARCEL ID	BILL NUMBER	DUE DATE
2012	1269916	0067339	1721450	1-07-2013

DESCRIPTION OF PROPERTY	ASSESSED	VALUE
72 CHATHAM BUSINESS DR	\$37,451.62	3,786,051
Taxable Real Property Value		3,786,051
Total Taxable Value		3,786,051

YEAR	ACCOUNT NUMBER	PARCEL ID	BILL NUMBER	DUE DATE	AMOUNT PAID
2012	1269916	0067339	1721450	1-07-2013	\$ 37,451.62
<b>TOTAL DUE</b>					<b>\$ 0.00</b>

Print this Bill     
 Close Window

Laurels of Chatham - Pittsboro  
 2012 Property Taxes



**CHATHAM COUNTY**  
PROPERTY REPORT - PRINT

<b>Property Owner</b> LAUREL REALTY PROPERTIES LLC		<b>Owner's Mailing Address</b> 8181 WORTHINGTON RD WESTERVILLE, OH 43082		<b>Property Location Address</b> 72 CHATHAM BUSINESS DR	
<b>Administrative Data</b> Parcel ID No. <b>0067339</b> PIN <b>9751 09 16 4358</b> Owner ID <b>1269916</b> Tax District <b>201 - PITTSBORO CITY</b>  Land Use Code Land Use Desc  Neighborhood <b>PI019</b>		<b>Administrative Data</b> Legal Desc <b>PI-L6-2-1A</b> Deed Year Bk/Pg <b>2006 - 1294 / 0159</b> Plat Bk/Pg <b>92 / 411</b> <b>Sales Information</b> Grantor  Sold Date <b>0--0</b> Sold Amount \$ <b>0</b>		<b>Valuation Information</b>  Market Value \$ <b>3,840,051</b>  Market Value - Land and all permanent improvements, if any, effective January 1, 2009, date of County's most recent General Reappraisal  <b>Assessed Value \$ 3,840,051</b>  If Assessed Value not equal Market Value then subject parcel designated as a special class -agricultural, horticultural, or forestland and thereby eligible for taxation on basis of Present-Use.	
<b>Improvement Detail</b> (1st Major Improvement on Subject Parcel) Year Built <b>1991</b> Built Use/Style <b>NURSING HOME</b> Current Use <b>C+10 / QUALITY GRADE C+10</b> * Percent Complete <b>100</b> Heated Area (S/F) <b>39,579</b> Fireplace (Y/N) <b>N</b> Basement (Y/N) <b>N</b> Attached Garage (Y/N) <b>N</b> *** Multiple Improvements <b>002</b>  * Note - As of January 1 ** Note - Bathroom(s), Bedroom(s), shown for description only *** Note - If multiple improvements equal "MLT" then parcel includes additional major improvements					
<b>Land Supplemental</b> Map Acres <b>7.006</b> Tax District Note <b>201 - PITTSBORO CITY</b> Present-Use Info					
<b>Improvement Valuation (1st Major Improvement on Subject Parcel)</b> * Improvement Market Value \$ <b>3,222,876</b>  ** Improvement Assessed Value \$ <b>3,222,876</b>  * Note - Market Value effective Date equal January 1, 2009, date of County's most recent General Reappraisal ** Note - If Assessed Value not equal Market Value then variance resulting from formal appeal procedure					
<b>Land Value Detail (Effective Date January 1, 2009, date of County's most recent General Reappraisal)</b> Land Full Value (LFV) \$ <b>617,175</b> Land Present-Use Value (PUV) \$ ** <b>617,175</b> Land Total Assessed Value \$ <b>617,175</b>  *** Note: If PUV is not equal to LFV then parcel is taxed at present use value and is subject to rollback taxes, if disqualified.					

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**ATTACHMENT 4**

**CONDITIONAL USE APPROVAL AND SITE PLAN – LIBERTY PRIMARY SITE**

**A RESOLUTION APPROVING AN APPLICATION FOR A  
CONDITIONAL USE PERMIT REQUESTED  
BY JESSE FEARRINGTON**

**WHEREAS**, Jesse Fearrington has applied to Chatham County for a conditional use permit for a certain tract or parcel of land containing approximately 29.63 acres of a 59.58 acre tract located at the northwest corner of US 15-501 N and Morris Rd. (SR 1527) for a Specialty Retail Center with Out Parcels (i.e. retail food/grocery store, banks, drug stores, eating and drinking establishments, professional and business office use) within the CU-B-1, Conditional Use Business zoning district and as indicated in the Application; and

**WHEREAS**, the Chatham County Board of Commissioners based upon the competent, substantial and material evidence in the record, including, without limitation, the Applicant's written materials, all of which are incorporated herein by reference, hereby finds as follows:

1. The use requested is among those listed as an eligible conditional use in the district in which the subject property is located or is to be located.
2. The requested conditional use permit is either essential or desirable for the public convenience or welfare.
3. The requested permit will not impair the integrity or character of the surrounding or adjoining districts, and will not be detrimental to the health, safety or welfare of the community.
4. The requested permit is consistent with the objectives of the Land Development Plan.
5. Adequate utilities, access roads, storm drainage, recreation, open space, and other necessary facilities have been or are being provided consistent with the County's plans, policies and regulations.

**NOW, THEREFORE, BE IT RESOLVED BY THE CHATHAM COUNTY BOARD OF COMMISSIONERS**, as follows:

That a Conditional Use Permit be, and it hereby is, approved for the reasons hereinabove stated subject to the additional stipulations and conditions set forth hereinafter; and

**BE IT RESOLVED FURTHER**, that the Chatham County Board of Commissioners hereby approves the application for the conditional use permit in accordance with the plan of Jesse Fearrington attached hereto and incorporated herein by reference with specific conditions as listed below:

### Stipulations Specific to the Application

1. All lighting shall meet the requirements of the draft Chatham County Lighting Ordinance and where specified on the site plan shall be cutoff shoe box lighting.
2. Signage shall be as specified on the site plan. Signage shall meet the requirements of the zoning ordinance for a Business (B-1) zoning district.
3. The recommendations from the Appearance Commission for landscaping shall be followed as reasonably practicable. Plantings shall start at the next optimal planting season from the date of permit approval.
4. A 8-10 foot tall berm shall be installed along the SW edge of the development beginning at the entrance on Morris Rd. extending the entire length along Morris Road to the Casper property and then along the entire length of the eastern boundary of the Casper property as shown on the site plan. A 12-15 foot tall berm shall be installed along the northwest corner of the applicant's property as shown on the site plan in the area currently existing as a field. A 12-15 foot tall berm shall also be installed along the northeast side of the applicant's property as shown on the plan north of the proposed water quality pond.
5. The berms addressed above shall be installed before the first building permit is issued. Landscaping of the berm shall commence at the next optimal planting season following the approval of the permit.
6. The minimum parking requirements for the request shall be as requested by the applicant.
7. A storm water management plan sufficient to collect and detain the two year 24 hour storm from the entire project area shall be approved by the Planning Department prior to issuance of a Zoning Determination permit, and the developer is required to provide the Planning Department with final plans and an impervious surface calculation sheet. The developer shall construct storm water management control measures sufficient to serve the entire project area prior to issuance of a Certificate of Occupancy.
8. All required perimeter landscaping and buffering shall be installed prior to the issuance of certificate of occupancy for the first structure or at the first optimal planting season following the issuance of the certificate of occupancy.
9. All required local, state, or federal permits (i.e. NCDOT commercial driveway permits, NCDWQ, Erosion Control etc.) shall be obtained and copies submitted to the Planning Department prior to issuance of the first building permit.
10. Off-site improvements required by NCDOT or any other agency shall be constructed at no cost to Chatham County.
11. The first building permit shall be issued within 24 months from the date of this permit's approval or this permit will automatically expire and become void.

12. Site Plan. The site shall be developed substantially in accordance with the plans submitted as part of the application.
13. Watershed Management. A detailed watershed protection plan for the entire project area which shall include impervious surface calculations and a monitoring plan to assure compliance with the maximum impervious surface area allowed herein shall be approved by the Planning Department prior to issuance of a Zoning Determination Permit. Prior to issuance of a Certificate of Occupancy, the developer shall submit evidence satisfactory to the Planning Department of compliance with the approved plan.
14. Erosion Control. If applicable, an erosion and sedimentation control plan shall be approved by the Chatham County Soil Erosion and Sedimentation Control Office and submitted to the Planning Department prior to the issuance of a Zoning Determination Permit.
15. Silt Control. The applicant shall take appropriate measures to prevent and remove the deposit of wet or dry silt on adjacent paved roadways.
16. Appeal. The County shall be under no obligation to defend any action, cause of action, claim, or appeal involving the decision taken herein. In the event a response is authorized by the County concerning this resolution, or any action to enforce the provisions hereof, the applicant, its successors or assigns shall indemnify and hold the County harmless from all loss, cost or expense, including reasonable attorneys fees, incurred in connection with the defense of or response to any and all known or unknown actions, causes of action, claims, demands, damages, costs, loss, expenses, compensation, and all consequential damages on account of or resulting from this decision. Nothing in this paragraph shall require the applicant to indemnify and hold the County harmless from any losses or costs associated with defense of the County's actions or procedures in considering and acting upon this application.
17. Fees. Applicant shall pay to the County all required fees and charges attributable to the development of its project in a timely manner, including, but not limited to, utility, subdivision, zoning, building inspection, recreation and educational impact fees established from time to time.
18. Continued Validity. The continued validity and effectiveness of this approval was expressly conditioned upon the continued compliance with the plans and conditions listed above.
19. Non-Severability. If any of the above conditions is held to be invalid, this approval in its entirety shall be void.
20. Non-Waiver. Nothing contained herein shall be deemed to waive any discretion on the part of the County as to further development of the applicant's property and this permit shall not give the applicant any vested right to develop its property in any other manner than as set forth herein.



**BE IT FURTHER RESOLVED**, that the Board of Commissioners of the County of Chatham hereby approves the application for a conditional use permit in accordance with the plans and conditions listed above.

Adopted this, the 17th day of July, 2006.

By: \_\_\_\_\_  
Bunkey Morgan, Chairman

ATTEST:

\_\_\_\_\_  
Sandra B. Sublett, CMC, Clerk to the Board  
Chatham County Board of Commissioners

NO.	REVISIONS	DATE

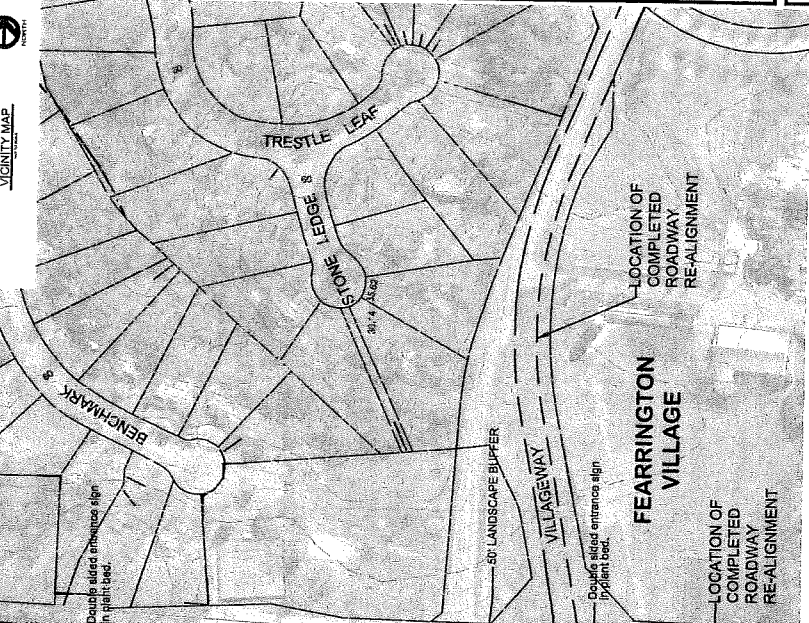
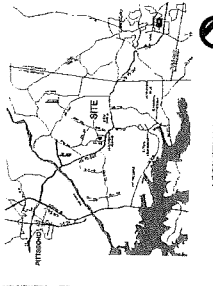
**CE Group, Inc.**  
 LAND PLANNING  
 CIVIL ENGINEERING  
 CONSTRUCTION MANAGEMENT



**US 15/501 and Morns Road**  
**ILLUSTRATIVE PLAN**  
 Fearnington Place  
 Chatham County  
 North Carolina

Date:	April 17, 2006
Scale:	1" = 100'
Drawn:	JAW
Checked:	MVA
Approved:	JDI
Computer Data Input:	
Plotting:	

Sheet No. **2** of 2



**Site Summary**  
 TOTAL SITE ± 61.1 Acres  
 SUBJECT PROPERTY ± 28.6 Acres  
 GROCERY / RETAIL ± 81,200 SF  
 PARKING SPACES ± 982 (± 4.5 SPACES/1000 s.f.)  
 (47) OUT PARCELS ± 5.3 Acres

**Impervious Summary:**  
 Retail Center and Drives ± 6.9 acres  
 Out Parcels 80% of 9.3 ac. ± 7.4 acres  
 Mail site impervious ± 16.2 acres  
 Impervious site coverage ± 2.85%  
 91611 Acres Site

**Building Setbacks:**  
 (minimum required)  
 Front: 50'  
 Side: 20'  
 Rear: 20'



**Project J-10169**  
**Chatham Health Investors, LLC**  
**Chatham Healthcare Group, LLC**

**10A NCAC 14C.1101(e)**

The following are findings related to the applicant's primary site:

- The primary site is zoned R1. In the Chatham County Zoning Ordinance contained in the Liberty application, R1 Residential District is described as *"This district is primarily for low to moderate density residential development within the residential-agricultural areas of the jurisdiction"* (see Page 513 of the Liberty application). The letter from Angela Birchett on Page 584 indicates that to be an allowable use on the property, the property would need to be rezoned to O&I, CB or RB. The applicant states on Page 84 that rezoning would be successful because: *"The proposed property use is compatible with surrounding property uses"*. An aerial photo of the primary site is included below. The site is in a rural location off a dead-end road (Henley Road) off of a secondary road (Jack Bennett Road). The surrounding uses are primarily undeveloped land, residential and agricultural.



- A map of the current zoning of the applicant's primary site and surrounding properties is included as Attachment 5 and was obtained from the Chatham County GIS system. As shown on this map, the applicant's primary site is surrounded by properties that are zoned R-1 (blue color on map). Any property zoned other than R-1 is located along Route 15/501, which is over one mile from the applicant's primary site. The applicant's reason for stating that rezoning would be approved based on compatibility with surrounding property uses is entirely unfounded. It would be extremely unlikely that this site would be approved for rezoning from its present R1 zoning to either an O&I, CB or RB zoning because any of these more intensive zoning classifications are inconsistent with the present land use in the area.
- The letter from Angela Birchett on Page 584 also references the need to create a non-residential subdivision for the 30 acre tract. The applicant failed to provide any information on the process for creating a non-residential subdivision and the development requirements of a non-residential subdivision in Chatham County, which is a complex and involved process. Attachment 6 contains the information from the Chatham County web site on subdivision approvals and also contains excerpts from the Chatham County Subdivision Regulations that describe the process for obtaining Major Subdivision approval. As we understand the process, approval of a non-residential subdivision on this property would be classified as a Major Subdivision.
- The primary site is not currently served by water. The existing water lines are either 660 feet or 2,200 feet from the site, which is another indicator of the site's rural location. Also, the letter included on Page 595 for the primary site only documents residential demand but does not document sufficient capacity for fire demand. A similar letter is included on Page 599 for the secondary site with the same issue on capacity for fire demand.
- The site is not currently served by sewer. The applicant is proposing a septic system and has provided some email correspondence on Pages 603 to 607. The email on Page 603 from John Risgaard at NCDENR states: *"I am sorry, but I cannot provide documentation that the proposed sewage disposal system is adequate and that it meets applicable health and environmental regulations without having a complete application for review."* As a result, the applicant failed to demonstrate the primary site's suitability for development with respect to availability of sewer.

If the CON Section agrees with these findings and consider them serious enough as to not demonstrate the suitability of the primary site for development of the facility, particularly with respect to the ability to rezone the primary site, sewer availability, water availability and capacity for fire demand, and the lack of documentation on creating a non-residential subdivision, then the applicant should be found out of compliance with **10A NCAC 14C.1101(e)**. If these findings do not result in a finding of non-compliance with 10A NCAC 14C.1101(e), this application is still comparatively inferior to the Kensington application with respect to site control and site suitability for development of the proposed project.

### Criterion 1/Policy NH-8

In its discussion of Policy NH-8, the applicant did not provide any discussion of innovative workplace practices (see Page 34). Of the three elements of NH-8, only design enhancements and innovative care practices were presented. If the CON Section agrees with these findings, the applicant should be found out of compliance with **Criterion 1** for failure to fully address Policy NH-8. If not found out of compliance with Criterion 1, the applicant is still comparatively inferior to Kensington with respect to Policy NH-8.

### Criterion 5

The following are findings on the applicant's financial projections:

- The applicant did not project any expense for property insurance (Line 171 on Form C).
- The applicant is proposing to fund working capital with a loan, but did not project any expense for operating interest (Line 152 on Form C).
- This applicant is one of two applicants that did not project any bad debt expense (Line 149 on Form C).
- This applicant projects the lowest routine and billable medical supplies expense (Line 19 and Line 76) of Form C. Total projected routine and billable medical supplies are only \$57,579 (\$30,295 routine and \$27,284 billable), which equates to \$1.90 per patient day. The applicant with the next lowest projected expenses for routine and billable medical supplies, UNC Hospitals, projects \$99,526, or \$3.17 per patient day.
- On Table VII.3 (Page 59, the applicant has 0.50 FTE for the Ward Secretary position at a salary of \$23,593. There is no salary expense included on Line 14 of Form C, and expenses would also be understated by the benefits and taxes related to this position. We calculate the expense understatement to be \$13,956 in Year 2 inclusive of salaries, benefits and taxes for this staff position.
- Other than salaries, the applicant did not provide any supporting documentation for any of other projected operating expenses. See Page 81 for the applicant's stated reasons for not having any supporting worksheets and documentation for the financial projections.

If the CON Section agrees with these findings and determines that the financial feasibility of the project is not based on reasonable projections, then this applicant should be found out of compliance with **Criterion 5**.

## **Staffing**

The following are findings related to staffing projections:

- For the licensed nurse positions, the applicant is proposing only 1.06 licensed nurse hours per patient day, which is by far the lowest among all applicants for non-ventilator beds. All of the other applicants propose at least 1.41 licensed nurse hours per patient day.
- For direct care nursing, the applicant is proposing only 3.40 hours per patient day, which is the second lowest among all applicants for non-ventilator beds.
- This applicant is one of three applicants that do not have a Staff Development Coordinator.

While we do not feel that the above findings on staffing would result in a finding of non-compliance with Criterion 7, this application is comparatively inferior to the Kensington application with respect to the health manpower and management personnel necessary for delivery of the proposed services.

## **Facility Design**

The facility design is comparatively inferior to the Kensington's design for the following reasons:

- The applicant proposes the lowest number of private rooms among the competing applicants.
- The facility design is not really a neighborhood design. There are not separate living and dining areas contained within the wings with the resident rooms.
- The nurses' stations do not have a view of all of the resident rooms.

## **Letter of Intent**

The application copy we reviewed did not contain a letter of intent.

**ATTACHMENT 5**

**ZONING MAP – CHATHAM HEALTH INVESTORS PRIMARY SITE**





CHATHAM COUNTY, NC

Chatham County Zoning Map

**Disclaimer:**  
 The data provided on this map are prepared for the inventory of real property found within Chatham County, NC and are compiled from recorder plate, deed, and other public records and data. This data is for informational purposes only and should not be substituted for a true title search, property appraisal, survey, or for zoning verification.





**ATTACHMENT 6**

**SUBDIVISION INFORMATION FROM CHATHAM COUNTY WEB SITE  
EXCERPTS FROM CHATHAM COUNTY SUBDIVISION REGULATIONS**

## Major Subdivisions

The Chatham County Subdivision Regulations defines **Major Subdivisions** as all subdivisions not classified as minor subdivisions, including but not limited to subdivisions of six (6) or more lots, or any size subdivision requiring any new street, the creation of public improvements, or the request for a variance. Major subdivisions are reviewed by the Planning Board and approved by the Board of Commissioners.

There are four steps in the review process for major subdivisions:

1. Concept Plan
2. First Plat
3. Construction Plan
4. Final Plat

### Major Subdivision Information Packet

Staff recommends that applicants attend a Pre-Application meeting prior to beginning a major subdivision. Pre-application meetings provide an opportunity for applicants to meet informally with permitting staff to discuss the County's permitting processes for land development. Meetings are not required, but are offered in an effort to make the permitting process as seamless as possible and provide feedback on preliminary proposals prior to document and application submittal. The meetings are held on Wednesday afternoons. For more information or to schedule a meeting, contact Angela Birchett at (919) 542-8285 or [angela.birchett@chathamnc.org](mailto:angela.birchett@chathamnc.org).

Pre-Application Information Form

**For more information about Major Subdivisions, contact the Chatham County Subdivision Administrator:**

Lynn Richardson  
(919) 542-8207  
Email

## Subdivision Applications & Materials

### Subdivision Application Materials

Major Subdivision Information Packet	PDF
Community Meeting Information	<a href="#">Click here</a>
Pre-Application Meeting Form	PDF
Major Subdivision-First Plat Review Application	MS Word    PDF
Major Subdivision-First Plat Submission Checklist	PDF
Major Subdivision-Construction Plan Application	MS Word    PDF
Major Subdivision Application (prior to 12/1/08 Amendments)	MS Word    PDF
Variance Request Application	MS Word    PDF
Riparian Buffer Service Packet	<a href="#">Click here</a>
Floodplain Determination Application	MS Word    PDF
Financial Guarantee Information	PDF
Digital Document Submission Guidelines	PDF
Chatham Co. Historical Association Brochure	PDF
Minor Subdivision Process	PDF
Minor Subdivision Application (Residential)	MS Word    PDF
Minor Subdivision Application (Non-Residential)	MS Word    PDF
Family Subdivision Affidavit	PDF
Certificate of Perpetual Easement	MS Word    PDF
Water Service Availability Form	MS Word    PDF



## Chatham County Pre-application Meetings

Pre-application meetings offer prospective/existing business owners or someone considering a major subdivision an opportunity to meet informally with permitting staff. Meetings are not required, but are offered in an effort to make the permitting process as seamless as possible and provide feedback on preliminary proposals prior to document submittal. Staff is available to discuss site plans, rezoning, conditional use permit applications, major subdivisions, etc. **You may want to bring maps, sketches and any other information that will help staff understand your project.**

**Meeting times:** Wednesday afternoons, excluding holidays, at 1:00, 2:00, or 3:00 pm (the deadline to schedule a pre-app meeting is Friday of the previous week).

**Location:** Dunlap Building, 80 East St. in Pittsboro

**Scheduling:** Contact Angela Birchett, Zoning Administrator, at (919)542-8285, [angela.birchett@chathamnc.org](mailto:angela.birchett@chathamnc.org). OR Anne Lowry, EH Supervisor, at (919)545-8310, [anne.lowry@chathamnc.org](mailto:anne.lowry@chathamnc.org)

Below is a list of permitting process staff who may attend the pre-application meeting:

Jason Sullivan Planning Director 919 542-8233 <a href="mailto:jason.sullivan@chathamnc.org">jason.sullivan@chathamnc.org</a>	Lynn Richardson Subdivision Administrator 919 542-8207 <a href="mailto:lynn.richardson@chathamnc.org">lynn.richardson@chathamnc.org</a>	Angela Birchett Zoning Administrator 919 542-8285 <a href="mailto:angela.birchett@chathamnc.org">angela.birchett@chathamnc.org</a>
Anne Lowry Environmental Health Director 919 545-8310 <a href="mailto:anne.lowry@chathamnc.org">anne.lowry@chathamnc.org</a>	Virginia Ryan/Lisa Morgan <a href="mailto:virginia.ryan@chathamnc.org">virginia.ryan@chathamnc.org</a> , 545-8316, food establishments <a href="mailto:lisa.morgan@chathamnc.org">lisa.morgan@chathamnc.org</a> , 545-8309, childcare, school, institutions	Leonard McBryde Utilities Director 919 542-8270 <a href="mailto:leonard.mcbryde@chathamnc.org">leonard.mcbryde@chathamnc.org</a>
Dan LaMontagne Environmental Quality Director 919 542-8268 <a href="mailto:Dan.lamontagne@chathamnc.org">Dan.lamontagne@chathamnc.org</a>	Rachael Thorn Erosion Control Officer 919 545-8343 <a href="mailto:rachael.thorn@chathamnc.org">rachael.thorn@chathamnc.org</a>	Natalie Landry Environmental Inspector 919 545-8394 <a href="mailto:natalie.landry@chathamnc.org">natalie.landry@chathamnc.org</a>
Rebecca McIver Central Permitting Coordinator 919 545-8474 <a href="mailto:rebecca.mciver@chathamnc.org">rebecca.mciver@chathamnc.org</a>	Thomas Bender Fire Marshal 919 542-8259 <a href="mailto:thomas.bender@chathamnc.org">thomas.bender@chathamnc.org</a>	Al Davis Building Inspections Director, 919.545.8346 <a href="mailto:al.davis@chathamnc.org">al.davis@chathamnc.org</a>

Non-regulatory county staff also participates in pre-app meetings.

Mari Howe Economic Development Corporation 919 542-8277 <a href="mailto:mhowe@chathamedc.org">mhowe@chathamedc.org</a>	Neha Shah Director of Travel and Tourism 919 542-8296 <a href="mailto:neha@visitpittsboro.com">neha@visitpittsboro.com</a>	Pam King Tax Office 919 545-8475 <a href="mailto:Pamela.king@chathamnc.org">Pamela.king@chathamnc.org</a>
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### FAQ's

Will you subdivide the property? <http://www.chathamnc.org/planning>

Does the property have public water? <http://www.chathamgis.com/mapguide/ChathamGISWeb/>

Will you disturb over 20,000 sq ft? If so, an Erosion Control permit must be obtained.

Are there streams on the property? If so, will any culverts or pipes be installed?

How will you comply with the American with Disabilities Act?

**CHATHAM COUNTY**  
**SUBDIVISION REGULATIONS**

ADOPTED JUNE 29, 1980  
EFFECTIVE JULY 1, 1980

**REVISED DECEMBER 2, 2008**

**AMENDED SEPTEMBER 6, 2011**

**AMENDED MAY 21, 2012**

## **SECTION 4 Types of Subdivisions**

For the purposes of these regulations, subdivisions shall be classified into three (3) types. This ordinance only regulates the first two, major and minor. Exempt Subdivisions are included in the list to help applicants determine which category they are in. The specific review procedure the subdivision plat follows depends upon its classification. Subdivision plats shall be classified as follows (Note: Conservation Subdivisions can be Major or Minor Subdivisions; for information see section 7.7):

### **A. Major Subdivisions**

All subdivisions not classified as minor subdivisions, including but not limited to subdivisions of six (6) or more lots, or any size subdivision requiring any new street, the creation of any public improvements, or the request for a variance.

### **B. Minor Subdivisions**

Any subdivisions containing five (5) lots or less with access to an existing public street, not involving any new street or road, the creation of any public improvements, or the request for a variance.

### **C. Exempt Subdivisions**

The following are not subject to any subdivision regulations pursuant to this document:

1. The combination or recombination of portions of previously platted lots if the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations;
2. The division of land into parcels greater than ten (10) acres if no street right-of-way dedication is involved;
3. The public acquisition by purchase of strips of land for widening or opening streets or other public transportation corridors or greenways;
4. The division of a tract in single ownership, the entire area of which is not greater than two acres, into not more than three lots if no street right-of-way dedication is involved and if the resultant lots are equal to or exceed the standards of the county as shown by its subdivision regulations;
5. A conveyance made for the purpose of dividing up the estate of a decedent among his/her heirs and devisees, by will or the courts; and
6. The combination or recombination of previously recorded lots or portions of previously recorded lots if the total number of lots is not increased, provided the resultant lots meet or exceed the standards of the Health Department.

### **D. Recording of Non-Building Lots**

Subdivision lots which are not approved for building development may be approved for recording through the minor subdivision procedure. Such plats shall display a note stating that the lots are not approved for building development and do not meet the requirements of the subdivision regulations, but are approved for recording purposes only.

## **SECTION 5 Procedure for Subdivisions**

### **5.1 General Purpose**

The purpose of this section is to establish the procedure that shall be followed by the developer in submitting plats to the Planning Board and other agencies. Major and Minor Subdivisions follow different procedures outlined below. Exempt subdivisions are not regulated by this ordinance.

### **5.2 Major Subdivision**

#### **A. General Procedure**

The procedure consists of four main steps:

- (1) Concept Plan
- (2) First Plat
- (3) Construction Plan
- (4) Final Plat

The overriding consideration in having a four step procedure is to assure that subdivisions develop soundly. Other objectives are as follows:

- (1) Assist the developer in the sound, environmentally appropriate, and economical development of his/her property through the examination of the suitability of the property for subdivision development before surveying expenses and improvement costs are incurred.
- (2) All appropriate county departments, state and federal agencies, administrative and utility agencies aid in the design of proposed subdivisions.
- (3) The community is engaged and is informed through the process.
- (4) Adequate time is allowed for the review of the proposed subdivision.
- (5) Environmental concerns are adequately and completely addressed.
- (6) Adequate time is allowed at the onset of the process to provide feedback before the proposed subdivision is designed.

## **B. Concept Plan**

### **(1) Purpose**

The concept plan is a process by which the applicant engages the community in discussion regarding the goals of the development. Environmental documentation showing existing site conditions will be required. Data layers available from the Chatham County GIS office will meet this requirement, unless additional documentation is required to show existing site conditions.

The developer has the choice to design conventionally, or present a conservation design with Low Impact Development (LID) and Best Management Practice (BMP) features. A Conservation Subdivision (see Section 7.7) encourages the preservation of open space. This voluntary preservation allows for a density bonus giving the applicant more lots than would be allowed under conventional patterns.

Chatham County staff will review the concept designs. However, limited surveying and engineering are required by applicant. The goal is to achieve a better site plan for the developer and the public that reduces environmental impacts.

Developers are encouraged to be innovative with their design and go beyond minimum regulations for safe and orderly growth by advocating sustainable planning and development practices that encourage the types and patterns of land development that will preserve and enhance what is best about our community.

### **(2) Process for Concept Plan Review**

- a. Pre-application meeting - This initial consultation with County staff is to provide information on the subdivision regulations and processes, including required environmental information and checklists.
- b. Initial Environmental Documentation Conducted - Utilizing the guidelines provided by the Planning and Environmental Quality Departments, the applicant will develop an overview of the constraints on the site that will need to be addressed during the process.
- c. Draft Initial Concepts - This is a horizontal plan giving general overviews of suggested layouts for development. It is encouraged that one of the concept drafts (if more than one is offered) be a sustainable development plan with a conservation design incorporating Low Impact Development (LID) options.
- d. Mandatory Meeting with Neighbors/Community - This is to offer an open dialogue between applicant and neighbors/community for better communication, to share goals of the development and gather information from neighbors about any concerns about the land, the goal being to achieve a balance for the environment, neighborhood/community and applicant. The result is a better overall plan up front that is, as much as possible, embraced by the community and county and also saves applicant from spending money on multiple plans, surveying and engineering. There are specific public notice requirements:
  - (1) Posting of the property with a "Development Input Meeting" sign along every road frontage. The signs will be the same dimensions and letter sizes as the County's notification signs for other land use notification requirements.



- (2) Mailed notification letters to residents within four hundred feet (400') of the property to be developed (adjacent right-of-way widths not counted as part of the 400'). The applicant will supply the addressed, stamped envelopes and letters to the planning department and the planning department will send the letters.
  - (3) Post the meeting notice on the County website.
- e. Revised Draft Concept Plan - This is still a horizontal plan by the applicant that may be revised based on previous meetings and discussions.
  - f. Technical Review Committee - Applicant presents draft concept plan (and development timeline, if necessary) to Planning Department for scheduling to go before the Technical Review Committee (TRC). The TRC will meet with the applicant to go over the concept plan for conflicts with existing ordinances and policies.
  - g. Applicant prepares First Plat - With feedback from above, applicant now prepares First Plat for submitting to Planning Board with the documentation required by these regulations and then to the Board of Commissioners for approval.

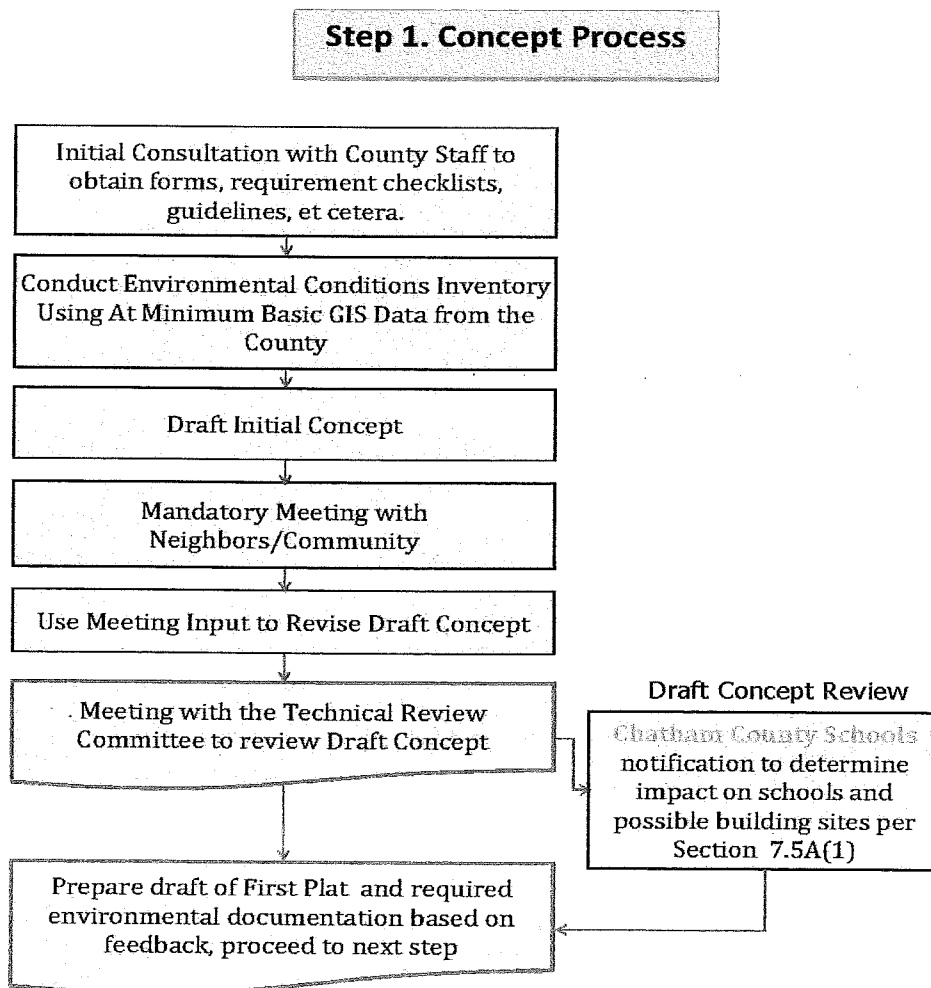


Figure 1: Concept Plan Process

**C. First Plat**

**(1) Purpose**

The First Plat is the point at which the applicant submits the detailed proposal to the County for review and approval by the Planning Board and Board of Commissioners. Approval of the First Plat allows the applicant to complete the engineering necessary to receive all required permits and submit the Construction Plan to the Planning Department for approval.

**(2) Review of Environmental, Historical Structures and Cemeteries Information**

Prior to submittal of the First Plat to the Planning Department, the applicant shall submit the required environmental information to the Environmental Quality Department for review. Depending on the number of proposed lots, the applicant is required to submit either general environmental documentation or an Environmental Impact Assessment. At this time the applicant shall also notify the Chatham County Historical Association of the presence of any historical structures or cemeteries on or adjacent to the property.

*a. General Environmental Documentation Review Process*

Environmental Documentation is required to be submitted for all major subdivisions consisting of less than 50 lots.

(1) The applicant shall submit the General Environmental Documentation packet to the Environmental Quality Department for review.

(2) Within 30 days of submittal, the Environmental Quality Department shall review the information and forward a report to the applicant and Planning Department.

*b. Environmental Impact Assessment Review Process*

An Environmental Impact Assessment is required to be submitted for all major subdivisions consisting of 50 lots or more. See Section 6.2(A).

(1) The applicant shall submit the Environmental Impact Assessment to the Environmental Quality Department for review.

(2) The Environmental Quality Department will forward the Environmental Impact Assessment to an environmental consultant hired by the county for a peer review. The cost of this peer review shall be paid by the applicant prior to submittal of the First Plat to the Planning Department.

(3) Within 60 days, the Environmental Quality Department shall forward a report to the applicant and Planning Department.

*c. Historical Structures and Cemeteries Notification*

(1) The applicant shall notify the Chatham County Historical Association when structures of greater than 50 years in age or having historical significance are on the property or within 100 feet of the development on adjacent property.

(2) If there is evidence of presence of a cemetery on the property, the applicant shall notify the Chatham County Historical Association.

(3) The Chatham County Historical Association may forward recommendations for the historical structures or cemeteries to the Planning Department.

**(3) Planning Department Review**

- a. Applicant submits First Plat to Planning Department. This is to be received by the Planning Department at least forty-six (46) days prior to the Planning Board meeting, but not longer than six (6) months from the date of the Environmental Resources Department report.
- b. The Planning Department shall have 14 days from the date of submittal to notify the applicant if the First Plat contains detailed supporting information that is sufficient to allow for the review of the proposed subdivision under these regulations.
  - (1) If the Planning Department determines the information is not sufficient for review, the Department shall notify the applicant of the specific information that is required for review.
  - (2) The Planning Department shall take no further action on the First Plat until the applicant submits the required information.
  - (3) Once the applicant corrects the identified deficiencies, the applicant shall resubmit to the Planning Department at least forty-six (46) days prior to the next Planning Board meeting, and the Department shall have 14 days to review the information and notify the applicant that the information is sufficient for review.
  - (4) A determination that an application contains sufficient information for review as provided in this subsection (b) does not limit the ability of other county agencies, the Planning Board or the Board of Commissioners to request additional information during the review process.
- c. Once the Planning Department has determined sufficiency, the applicant shall provide time(s) during at least two separate days for site visits by County staff, advisory board and elected officials. This shall not limit County staff from making additional site visits at other times.
- d. The submittal is reviewed by the Technical Review Committee prior to the Planning Board meeting for comments and recommendations from other agencies, including the Chatham County Schools.
  - (1) The Planning Department may postpone review of the proposal by the Planning Board for one month prior to notification to the adjacent property owners.
  - (2) The Department shall notify the applicant within ten (10) days of the Technical Review Committee meeting of postponement.
- e. The Planning Department shall notify the applicant and adjoining property owners of the Planning Board review pursuant to Section H below.
- f. The Planning Department forwards the staff recommendation to the Planning Board and applicant.

**(4) Planning Board Review**

- a. The first Planning Board meeting shall include a Public Hearing to receive public comment on the proposed subdivision.
- b. Following the Public Hearing, the Planning Board shall review the proposal, staff recommendation and public comments and indicate their

recommendation for approval, disapproval or approval subject to modifications. If the Board recommends disapproval or approval subject to modifications, the necessary reasons or modifications will be specified in the minutes of the meeting.

- c. The Planning Board shall have two (2) meetings in which to act on a proposal.

**(5) Board of Commissioners Review**

- a. The Board of Commissioners shall review the proposal and the record, including the staff recommendation, public comments and Planning Board recommendation.
- b. The Board of Commissioners shall have a maximum of four (4) regularly-scheduled meetings to approve, approve with modifications or disapprove the First Plat. If the Board of Commissioners gives approval subject to modifications or disapproval to the First Plat, the necessary reasons or modifications will be specified in the minutes of the meeting.
- c. If the Board of Commissioners denies the approval of the First Plat, the applicant must wait six months from the date of denial before resubmitting a new Concept Plan.
- d. Once the Board of Commissioners decision is filed, the applicant may begin working on the Construction Plan.

**(6) Time limit on validity of First Plat approval**

Approval of a First Plat shall be valid for a period of twelve (12) months following the date of approval by the Board of Commissioners. Approval shall remain valid provided the Construction Plan application is submitted during this time period. A one-year extension may be granted if the applicant demonstrates that delays beyond their control are responsible for the lapse and have the extension submitted and reviewed following the process outlined in Section 5.2(D)(4) prior to the expiration of approval.

If First Plat approval expires the subdivision shall not be considered for construction approval until and unless another First Plat approval is granted according to applicable regulations and appropriate additional administrative fees are paid.

This time limit on the validity of First Plat approval shall not apply for Planned Unit Developments, also referred to as Planned Residential Developments, or subdivisions of 50 lots or more when a development schedule is submitted and approved. First Plat approval shall not expire for developments in these categories provided the development continues according to the overall phasing and time schedule established when First Plat is approved. The first phase of phased subdivision must submit Construction Plans within two (2) years of approval of First Plat. The Board of Commissioners can grant extension of one year for phases using the same criteria listed above.

**(7) Deadline for Submission of First Plat**

Applicant submits First Plat to Planning Department. This is to be received by the Planning Department at least forty-six (46) days prior to the Planning Board meeting, but not longer than six (6) months from the Environmental Resources Department report. The Planning Department staff can then postpone the request for up to one regular meeting. The application can be continued for one regular meeting, then the Planning Board will indicate their approval, disapproval, or approval subject to modification. Failure of the Planning Board to act on the First Plat within two meetings

will be deemed a favorable recommendation for approval of the plat by the Planning Board.

Boards may call special meetings to accommodate heavy case loads in order to meet these deadlines.

First Plats shall be submitted to the Board of Commissioners for consideration not later than thirty (30) days after the Planning Board has acted or its time to act has expired. The Board of Commissioners shall review the First Plat and indicate its approval, disapproval or approval subject to modifications within four (4) regular meetings of the official submission date to the Board of Commissioners. Failure of the Board of Commissioners to act on the First Plat within four (4) regular meetings will be deemed approval of the plat as submitted. If the Planning Board or the Board of Commissioners disapproves or approves subject to modifications, the necessary reasons or modifications will be specified in the minutes of the meeting.

The approval of the First Plat by the Board of Commissioners serves as permission to begin acquiring permits according to the plans and as a basis for preparation of the construction plan.

**(8) County review of water plans for acceptance into County system**

Please see the Chatham County Water System Operating Policies for applicable rules and regulations.

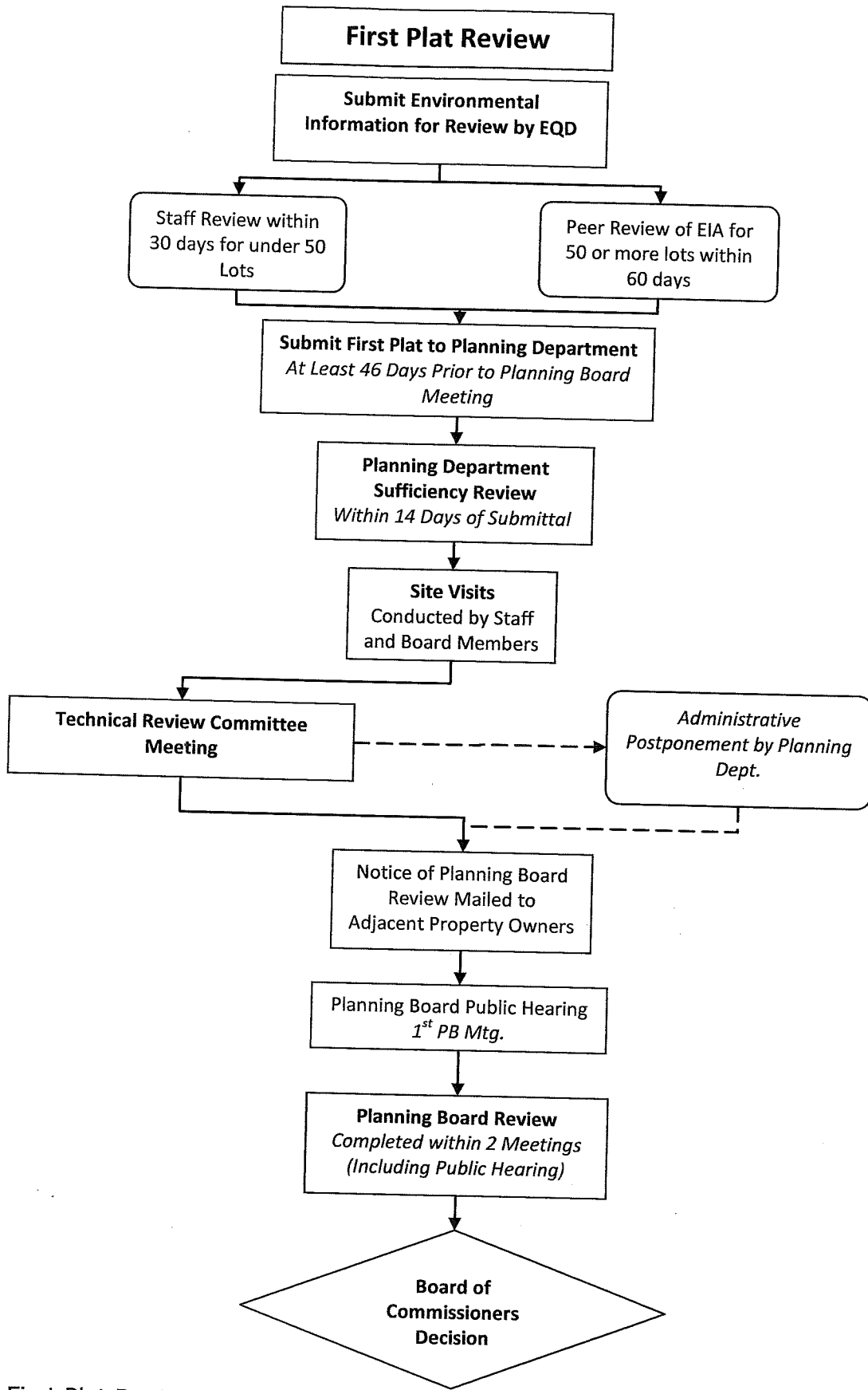


Figure 2. First Plat Review Process Diagram

## **D. Construction Plan**

### **(1) Purpose**

The construction plan review is required to properly identify the design standards for all public improvements and the layout of the development set forth in the First Plat are adhered to. This plan is used to begin construction of improvements.

### **(2) Additional Permits**

The approved First Plat will be used to obtain any additional permits (Local, State and/or Federal) or approval letters that are required to obtain a valid Construction Plan. Approval is done by County Staff unless staff deems there are significant changes from the approved First Plat. The Staff shall approve the submitted Construction Plan or require approval of the Construction Plan by the Board of Commissioners if the following significant changes from the first plat are present:

- Increase in the number of lots by five percent (5%) or more
- Increase in the number of stream crossings
- Number of road lanes increases on any segment except where providing for turning, acceleration or deceleration lanes pursuant to recommendation of NCDOT
- Linear feet of road increases by five percent (5%) or more.
- Discovery of historically-significant structures or cemeteries after First Plat that may alter the overall design or layout of the subdivision.

If staff requires review of the Construction Plan by the Board of Commissioners due to significant changes, the Planning Board and Board of Commissioners will review the plan. Review of the Construction Plan by the Planning Board and Board of Commissioners shall follow the following process.

### **(3) Process for Construction Plan Review by Planning Department**

- a. The applicant shall submit the Construction Plan and all required permits to the Planning Department at least twenty-one (21) days prior to the Technical Review Committee meeting at which the Construction Plan will be reviewed.
- b. The Planning Department shall have 14 days from the date of submittal to notify the applicant if the Construction Plan contains detailed supporting information that is sufficient to allow for review under these regulations, or if there are significant changes as defined in Section (2) above. If the Department determines that there are significant changes, the applicant shall follow the review process outlined in Section (4) below.

- (1) If the Planning Department determines the information is not sufficient for review, the Department shall notify the applicant of the specific information that is required for review.
- (2) The Planning Department shall take no further action on the Construction Plan until the applicant submits the required information.
- (3) Once the applicant corrects the identified deficiencies, the applicant shall resubmit to the Planning Department at least twenty-one (21) days prior to the next Technical Review Committee meeting, and the Department shall have 14 days to review the information and notify the applicant that the information is sufficient for review.
- (4) A determination that an application contains sufficient information for review as provided in this subsection (b) does not limit the ability of other

county agencies to request additional information during the review process.

- c. The Technical Review Committee shall review the Construction Plan for compliance with the approved First Plat and required permits.
- d. Once the Technical Review Committee completes its review, the Planning Department shall notify the applicant of any required changes to the Plan or give the applicant notice to proceed.
- e. If there are any changes required to the Construction Plan, the applicant shall re-submit the Construction Plan for review by the Technical Review Committee.
- f. If the applicant wishes to appeal any decision by the Planning Department concerning the Construction Plan, the appeal shall follow the process outlined below in Section (4) for review by the Board of Commissioners.

**(4) Process for Construction Plan Review by Board of Commissioners**

If the Planning Department determines that the Construction Plan must be reviewed by the Board of Commissioners due to significant changes from First Plat, the following process shall apply.

- a. The applicant shall submit the Construction Plan to the Planning Department no less than twenty-three (23) days prior to the Planning Board meeting at which the proposal will be reviewed.
- b. The submittal is reviewed by the Technical Review Committee prior to the Planning Board meeting for comments and recommendations from other agencies.
- c. Notice of the review shall be sent to the applicant and adjoining property owners as required in Section H below.
- d. The Planning Department forwards the staff recommendation to the Planning Board and applicant.
- e. The Planning Board shall review the Construction Plan and indicate their recommendation for approval, disapproval or approval subject to modifications. If the Board recommends disapproval or approval subject to modifications, the necessary reasons or modifications will be specified in the minutes of the meeting.
- f. The Planning Board forwards the recommendation to the Board of Commissioners for review. The recommendation shall be submitted to the Board of Commissioners for consideration not later than thirty (30) days after the Planning Board has acted or its time to act has expired.
- g. The Board of Commissioners shall review the Construction Plan and indicate approval, approval with modifications or disapproval of the Construction Plan. If the Board of Commissioners gives approval subject to modifications or



disapproval to the Construction Plan, the necessary reasons or modifications will be specified in the minutes of the meeting.

**(5) Deadline for Submission of Construction Plan for Board of Commissioners Review**

If the Board of Commissioners is required to review the Construction Plan due to significant changes, the following apply. The Construction Plan shall be submitted twenty-three (23) days prior to the day on which approval is requested for subdivisions. Within sixty (60) days after the official submission date of the Construction Plan, the Planning Board will review it and indicate their recommendation for approval, disapproval, or approval subject to modification. Failure of the Planning Board to act on the Construction Plan within this sixty (60) day period will be deemed a favorable recommendation for approval. The Construction Plan shall be forwarded to the Board of Commissioners. The Board of Commissioners will review the Construction Plan and indicate their approval, disapproval, or approval subject to modifications within four (4) regular meetings of the official submission date to the Board of Commissioners. Failure of the Board of Commissioners to act on the Construction Plan within four (4) regular meetings will be deemed approval of the Plan as submitted. If the Planning Board recommends or the Board of County Commissioners gives disapproval or approval subject to modifications, the necessary reasons or modifications will be specified in the minutes of the meeting.

**(6) Time Limit On Validity Of Construction Plan Approval**

Approval of a Construction Plan shall be valid for a period of twenty-four (24) months following the date of approval by the Board of County Commissioners unless a request for an extension has been submitted and reviewed following the process outlined in Section (4) above prior to the expiration of approval. Approval shall remain valid provided the Final Plat application is submitted during this time period. Upon expiration of Construction Plan approval, a Final Plat of the same subdivision shall not be considered by the Board of County Commissioners unless said Construction Plan (or First Plat, if necessary) is submitted for approval based on standards in effect at the time of resubmission.

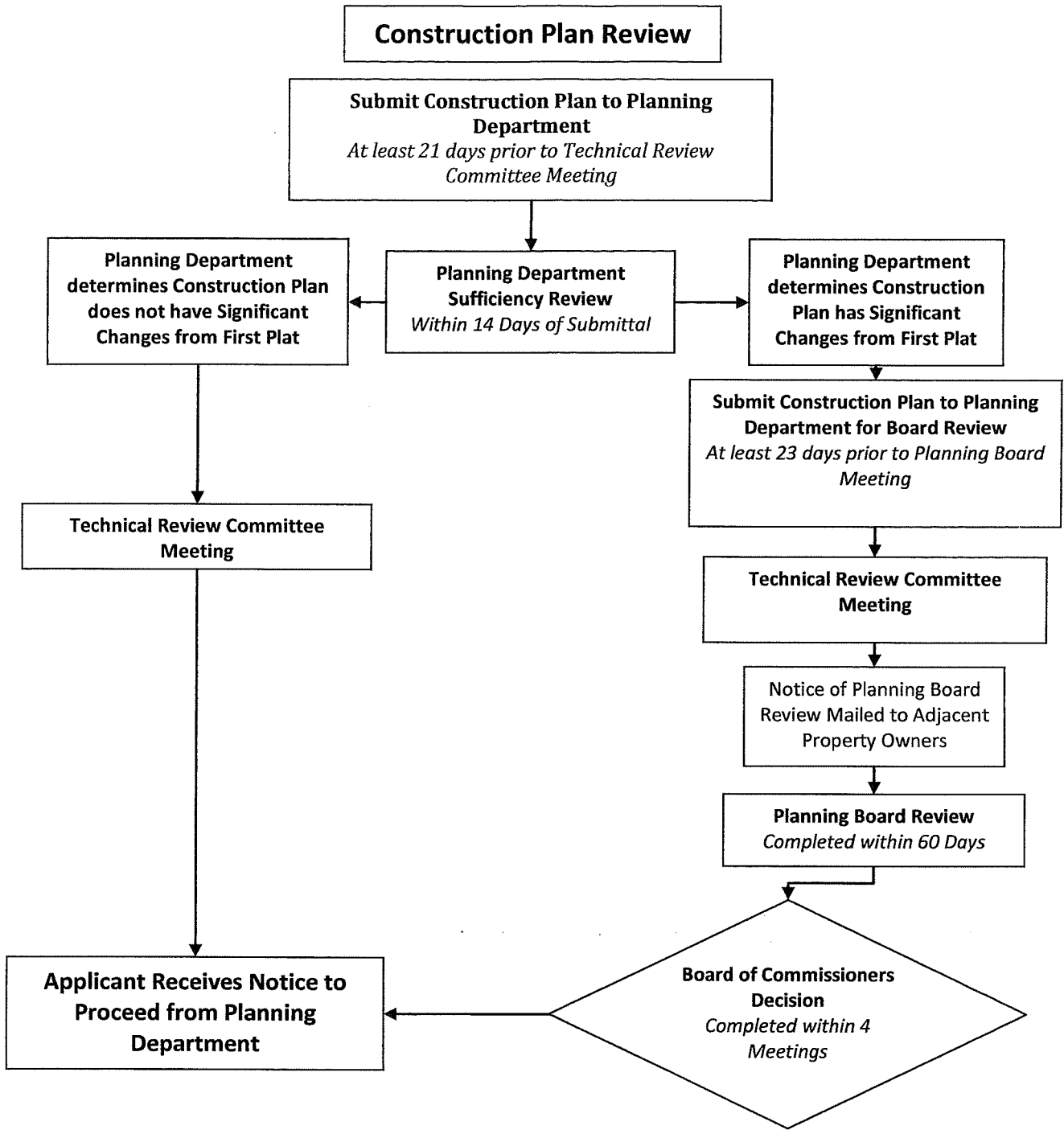


Figure 3. Construction Plan Process Review Diagram

## **E. Final Plat**

### **(1) Purpose**

The approved Final Plat, filed with the Register of Deeds, is the permanent record of the subdivision as constructed. It shows all property lines and other dimensions important for the accurate and legal transfer of property, and records the location of street lines, and easements.

### **(2) Preparation and Approval of Final Plat**

The Final Plat shall be prepared in conformance with these regulations by a surveyor licensed in the State of North Carolina. Said plat may be submitted when the required improvements have been installed or appropriate financial assurance for completion of improvements has been filed. Applicants shall pay all required fees as established by the County. Review and approval of the Final Plat by the Planning Department shall follow the process outlined in Section (3) below. The Planning Department shall approve the Final Plat if it is in substantial conformance with the approved Construction Plan, and it shall be signed by authorized Planning Department staff. If the Planning Department determines that the Final Plat is not in compliance with the Construction Plan approval then this shall result in a denial of the Final Plat. Any decision by Staff can be appealed to the Board of Commissioners using the process outline in Section (F) below.

### **(3) Process for Final Plat Review by Planning Department**

- a. The applicant shall submit the Final Plat and all required certifications to the Planning Department at least twenty-one (21) days prior to the Technical Review Committee meeting at which the Final Plat will be reviewed.
- b. The Planning Department shall have 14 days from the date of submittal to notify the applicant that the Final Plat contains detailed supporting information that is sufficient to allow for review under these regulations.
  - (1) If the Planning Department determines the information is not sufficient for review, the Department shall notify the applicant of the specific information that is required for review.
  - (2) The Planning Department shall take no further action on the Final Plat until the applicant submits the required information.
  - (3) Once the applicant corrects the identified deficiencies, the applicant shall resubmit to the Planning Department at least twenty-one (21) days prior to the next Technical Review Committee meeting, and the Department shall have 14 days to review the information and notify the applicant that the information is sufficient for review.
  - (4) A determination that an application contains sufficient information for review as provided in this subsection (b) does not limit the ability of other county agencies to request additional information during the review process.
  - (5) If the Department determines during this review that the Final Plat does not substantially conform to the Construction Plan or these Regulations, the Department shall deny the Final Plat.
- c. The Technical Review Committee shall review the Final Plat for compliance with the approved Construction Plat, required permits and certifications.

- d. Once the Technical Review Committee completes its review, the Planning Department shall notify the applicant of any required changes to the Final Plat or give the applicant notice of approval.
- e. If there are any changes required to the Final Plat, the applicant shall re-submit the Final Plat for review by the Technical Review Committee.
- f. After approval of the Final Plat, the reproducible plat shall be returned to the subdivider for his/her records and for filing with the County Register of Deeds as the official plat of record. One copy of the plat exhibiting certifications shall be retained by the Planning Department for its records.

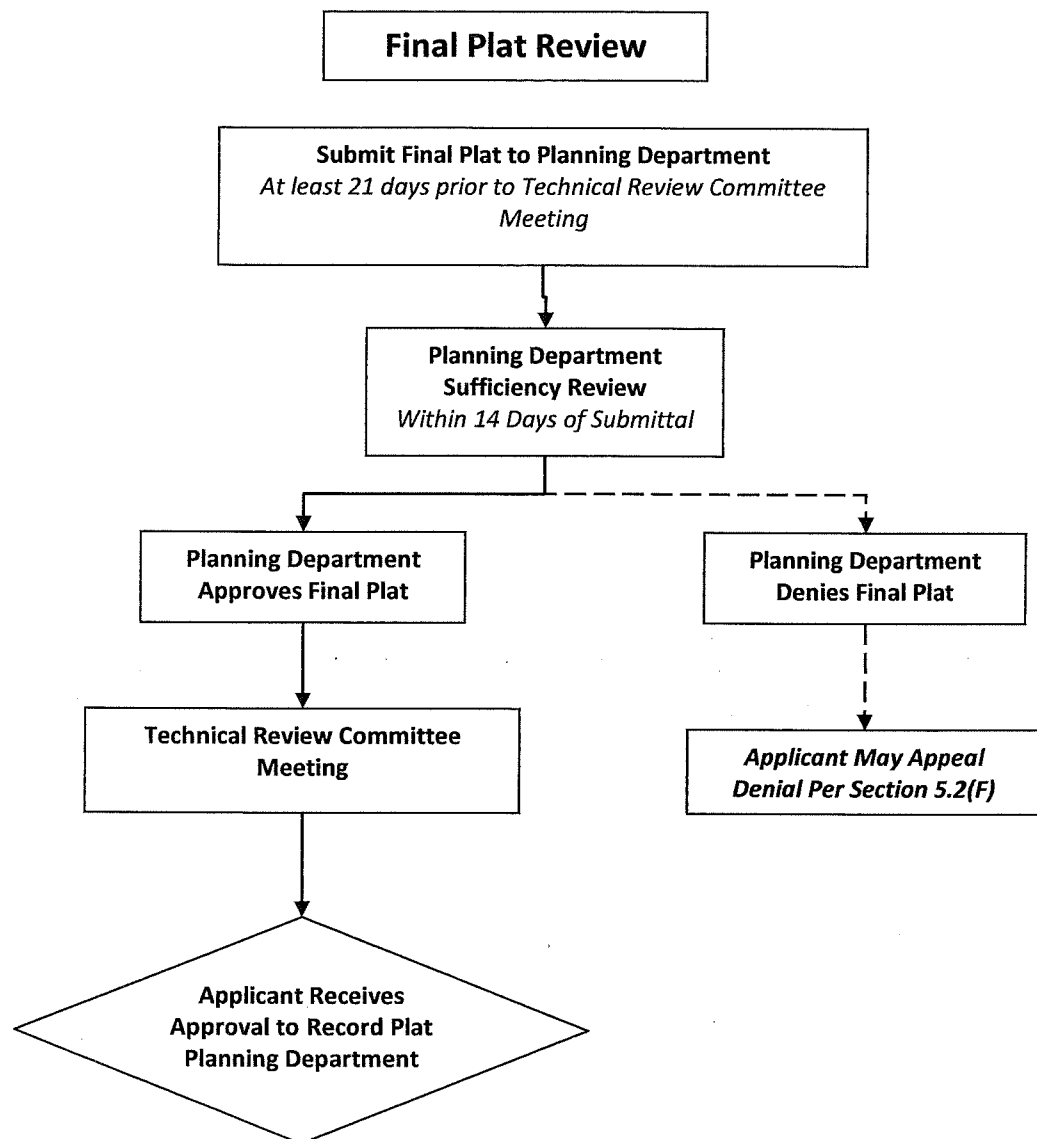


Figure 4. Final Plat Review Process Diagram

#### **(4) Recording**

The subdivider shall file the approved Final Plat with the Chatham County Register of Deeds for recording within sixty (60) days of the date of approval or such approval shall be null and void and the plat will be denied recordation, except as provided below. Final Plats not recorded in the Register of Deeds Office within sixty (60) days may be reviewed by the Planning Department for compliance with current regulations. Plats found to be in compliance may be approved by signature of the Planning Department authorized personnel, dated, and allowed to be recorded. Plats not in compliance shall not be approved by the Planning Department or recorded prior to review and approval outline in Section D(4).

#### **F. Appeals**

- (1)** The disapproval of a Final Plat by the Planning Department may be appealed to the Board of Commissioners if filed with the Planning Department within fifteen (15) days of notice of disapproval. The administrative fee for appeal is required in order to perfect the appeal. Any appeal shall follow the following process:
- (2)** The applicant shall submit the Final Plat to the Planning Department no less than twenty-three (23) days prior to the Planning Board meeting at which the proposal will be reviewed.
- (3)** The submittal is reviewed by the Technical Review Committee prior to the Planning Board meeting for comments and recommendations from other agencies.
- (4)** Notice of the review shall be sent to the applicant and adjoining property owners as required in Section H below.
- (5)** The Planning Department forwards the staff recommendation to the Planning Board and applicant.
- (6)** The Planning Board shall review the Final Plat and indicate their recommendation for approval, disapproval or approval subject to modifications. If the Board recommends disapproval or approval subject to modifications, the necessary reasons or modifications will be specified in the minutes of the meeting.
- (7)** The Planning Board forwards the recommendation to the Board of Commissioners for review. The recommendation shall be submitted to the Board of Commissioners for consideration not later than thirty (30) days after the Planning Board has acted or its time to act has expired.
- (8)** The Board of Commissioners shall review the Final Plat and indicate approval, approval with modifications or disapproval. If the Board of Commissioners gives approval subject to modifications or disapproval to the Final Plat, the necessary reasons or modifications will be specified in the minutes of the meeting.
- (9)** If the Final Plat is approved by the Board of Commissioners, the reproducible plat shall be returned to the subdivider for his/her records and for filing with the County Register of Deeds as the official plat of record. One copy of the plat

exhibiting certifications shall be retained by the Planning Department for its records.

- (10) If the Board of Commissioners is required to review the Final Plat due to substantial changes, the following applies: within sixty (60) days after the official submission date of the Final Plat, the Planning Board will review it and recommend its approval, disapproval or conditional approval. Grounds for disapproval or conditional approval shall be stated upon the records of the Planning Board. Failure of the Planning Board to act on the Final Plat within this sixty (60) day period shall be deemed recommendation of approval of the plat. Final Plats shall be forwarded to the Board of Commissioners. The Board of Commissioners will review the Final Plat and indicate their approval, disapproval or approval subject to modifications within four (4) regular meetings of the official submission date to the Board of Commissioners. Failure of the Board of Commissioners to act on the Final Plat within four (4) regular meetings will be deemed approval of the plat as submitted. If the Board of County Commissioners gives disapproval or approval subject to modifications, the necessary reasons or modifications will be specified in the minutes of the meeting.
- (11) The disapproval of any plat by the Board of Commissioners may be appealed to the courts, following exhaustion of the review procedures specified herein.

**G. Submission Dates**

The official submission date shall be considered the date of the Planning Board or Board of Commissioners meeting at which a plat is considered for approval. This is not the date upon which the plat is submitted to the Planning Department for review.

**H. Notice of Review**

The Planning Department shall give reasonable notice of the time and place of any review by the Planning Board for major subdivisions. Notice shall also be given when a request is made for the extension of approval. Notice shall be sent by regular mail not less than fourteen (14) days prior to the date specified thereon and shall be mailed to the address of the adjacent property owners as specified on the plat or application. Failure to receive notice by the subdivider or adjacent property owners shall not be grounds for disapproval by the Board of Commissioners.

**Project J-10170  
UNC Hospitals  
Chatham Park Investors, LLC**

**Ventilator Beds Excluded from SMFP Planning Inventory**

Ventilator beds are excluded from the SMFP planning inventory, so approval of this application would technically result in the approval of only 80 of the 90 nursing facility beds allocated to Chatham County.

**Alternatives**

In its discussion of alternatives, the applicant failed to consider or discuss one alternative for providing ventilator services - UNC Hospitals could partner with an existing nursing facility in the area to offer a ventilator unit.

**Criterion 5**

Chatham Park Investors, LLC is going to incur the costs to construct the building and is one of the co-applicants. Chatham Park Investors, LLC and UNC Hospitals are not related parties. Form B and Form C for UNC Hospitals were appropriately prepared for a lease involving unrelated parties, with a lease expense included in capital costs. Since the co-applicants are not related parties, Form B and Form C should have also been provided for Chatham Park Investors, LLC.

The following are findings related to the financial projections:

- The overall projected financial feasibility of this project is largely dependent on the projected Medicare Part A weighted average rate in the non-ventilator beds. The applicant used a rate of \$557.32, which is \$82.24 per day higher than the next highest weighted average rate used by the other applicants for non-ventilator beds (Pruitt - \$475.08). On Page 171, the applicant explains that: *"The weighted average Medicare RUG rates for the proposed facility are expected to be higher than the other Chatham County facilities due to the provision of ventilator services, which are considered to an extensive service..."*. While this may explain why a \$557.32 weighted average Medicare rate was used for the ventilator unit, it does not explain why the identical weighted average Medicare rate of \$557.32 was also projected for the non-ventilator beds, and this projected weighted average rate is unreasonably high without any supporting documentation.
- Even at an unrealistically high weighted average Medicare Part A rate for non-ventilator beds and even when this applicant is projecting the lowest direct care nurse staffing ratios for non-ventilator beds of the competing applicants, the 80 regular nursing facility beds are projected to operate at a loss in Year 2 (see Page 171).
- The applicant also projects high ancillary revenues over and above ancillary service revenue that is already included in the projected per diem rates and included in the routine service revenues, such as with Medicare Part A rates that are all-inclusive. In Year 2, this applicant

projects \$785,701, or \$25.03 per patient day, of ancillary revenues, which is significantly higher than the other applicants' projections of ancillary revenues after netting out contractual allowances. The applicant indicates on Page 171 that: *"Other revenue reflects average reimbursement rates for ancillary services applied to projected non-Medicare patient days, as is based on the experience of Sanstone."* These reimbursement rates were not provided and no other supporting calculation of ancillary revenue was provided to support the level of ancillary revenues projected.

- The applicant projects only \$6,600 in real estate taxes in Year 2, which is the lowest among the competing applicants and is not based on reasonable assumptions. Please see Attachment 3 included with the comments on the Liberty application for information for the 2012 taxes for The Laurels of Chatham. The Laurels of Chatham paid \$37,452 in property taxes for 2012. The applicant's proposed facility is a new facility that has 67% more square footage than The Laurels of Chatham, yet the applicant's projected property taxes are only 18% of the 2012 property taxes paid by the Laurels of Chatham.
- The lease includes a 3% annual escalator to the \$925,232 base rent (see Page 192 Paragraph 1(J)). The applicant projected identical lease expense in Year 1 and Year 2. By failing to include the 3% escalator, projected Year 2 lease expense is understated by \$27,758.

Projections of working capital requirements are unreasonable and the applicant fails to demonstrate that the project ever achieves positive cash flow in any quarter during the first year of operations for the following reasons:

- On Table IX.4B on Page 141, the applicant unreasonably projects that cash outlays for first year operating expenses are incurred equally by quarter throughout the first year. For example, the cash outlay for salaries expense is projected to be the same for each quarter (\$892,134) during the first year of operation. In other words, the cash outlay for salary expense in the first quarter of Year 1, when the facility's average occupancy is 26.7% (see Page 97), is projected to be the same as the cash outlay for salary expense in the fourth quarter of Year 1, when the facility's average occupancy is 95.6% (see Page 97). The same methodology was also used for all other expense projections included on Table IX.4B. In reality, quarterly cash outlays for operating expenses, other than fixed expenses such as lease payments, are going to increase as the facility fills. From the information presented, there is no way to determine if the facility ever achieves positive cash flow during any of the four quarters of the first year of operation because of the unreasonable and incorrect assumption on the timing of cash outlays for operating expenses in the first year. The following comment provides additional support for this finding.
- Projections of working capital are also unreasonable due to unreasonable operating expense projections in Year 1. For example, routine services per patient day are projected to be less in Year 1 (\$90.87) than in Year 2 (\$109.53). It is entirely unrealistic and unreasonable that routine costs per patient day in the year of fill-up when the facility averages about 74% occupancy would be \$18.66 per patient day less than in Year 2, when the facility is over 95% occupied. Each of the other four competing applicants has higher routine costs per patient day in Year 1 compared to Year 2. As further evidence of the understatement of first year operating expenses, the applicant is projecting \$95,696 in gross profit in the first year. All of



the other applicants are projecting significant losses in the first year of operation, which is fully expected and reasonable for the first year of operation of a new nursing facility. The understatement of first year operating expenses would result in an understatement of cash outlays for operating expenses in Year 1, which would result in an understatement of working capital requirements. This understatement also supports the finding above that there is no way to determine if the project ever achieves positive cash flow in any of the quarters presented in Table IX.4B.

If the CON Section agrees with these findings and determines that the applicant did not demonstrate the availability of funds for capital and operating costs and/or determines that the financial feasibility of the project is not based on reasonable projections, then this applicant should be found out of compliance with **Criterion 5**.

#### **10A NCAC 14C.1101(e)**

The following are findings regarding sewer service to the applicant's site.

- The applicant's site is not currently served by sewer. On Page 158 and Page 159, the applicant describes the proposed sewer service to the site.
- It is important to emphasize that all of the information presented is conceptual, and there is no sewer infrastructure in place. To our knowledge, since the plans are only conceptual, there would be no applications with NCDEHR for approval of the sewage treatment facility that would serve this property. Also, necessary local approvals from the Town of Pittsboro would also need to be obtained. Until fully approved, no construction of the proposed sewage treatment facilities could begin.
- On Page 169, the applicant indicates that utilities will be available on August 1, 2014, which is ten months from the date of these comments. The letter from Mr. Smith on Page 624 indicates that "*CPI will provide power, water, and sewer to the site and infrastructure development plans are underway*", but the letter does not provide any timetable for when these utilities will be available. While we think Chatham Park is a viable long term development, there is no assurance that the utilities will be available by August 1, 2014, and it is very reasonable to assume that this project will experience significant delays due to the lack of any sewage infrastructure currently and the time it would take for the design, application, full approval, and construction of the sewage plants, pump stations, lines and any other infrastructure required..

If the CON Section agrees with these findings and consider them serious enough as to not demonstrate the suitability of the applicant's site for development of the facility with respect to the availability of sewer, then the applicant should be found out of compliance with **10A NCAC 14C.1101(e)**. If these findings do not result in a finding of non-compliance with 10A NCAC 14C.1101(e), this application is still comparatively inferior to the Kensington application with respect to zoning and suitability of its site for development of the proposed project.

## **Staffing**

The following are findings related to staffing projections:

- For direct care nursing for its regular nursing facility beds, the applicant is proposing only 3.24 hours per patient day, which is the lowest among all applicants for non-ventilator beds.
- For the RN position, the applicant is not proposing 24 hour RN coverage. There is not an RN staffed on the third shift.
- This applicant is one of three applicants that do not have a Staff Development Coordinator.

While we do not feel that the above findings on staffing would result in a finding of non-compliance with Criterion 7, this application is comparatively inferior to the Kensington application with respect to the health manpower and management personnel necessary for delivery of the proposed services.

## **Access - Chatham County Residents**

This applicant projects that 48% of its admissions will be from Chatham County, which is the least effective proposal for meeting the 90-bed need for nursing facility services that was allocated to Chatham County based on the projected growth of the elderly population of Chatham County.

**Project J-10171**  
**PruittHealth – Chatham, LLC**  
**Chatham Healthcare Properties, Inc.**

**Criterion 5**

The applicant does not demonstrate the availability of enough cash reserves to fund this project and the other CON projects in North Carolina for the following reasons:

- Only a portion of the audited financial statement for United Health Services, Inc. was provided in Exhibit 7 (see Pages 522 to 526), but the information included did show the available cash as of 12/31/2012. On Page 526, the parent company had \$3,410,681 in cash and cash equivalents as the end of 2012.
- Attachment 7 contains a comparison of available cash reserves with total identified cash needs for project costs and working capital for this project and other CON projects identified in North Carolina and presented on Page 207 and Page 219. It is noted that we were unable to determine the cash reserves required for some of the projects listed on these two pages. However, with just the amounts that could be identified, the cash reserves required (\$4,499,594) exceed the available cash (\$3,410,681). The additional cash needs that could not be identified would increase the amount of the cash shortfall.
- The letter from Mr. Romeo included on Page 528 only indicates that he is authorized to commit funds necessary for the development of the project. The letter does not specify the amount of cash reserves to be committed for this project and is silent on the availability of these cash reserves.

The following are findings related to the applicant's financial projections:

- Private pay charges are not based on reasonable assumptions. The applicant projects private pay charges of \$173.69 for a private room and \$168.69 for a semi-private room. In Year 2, the cost to provide services, as measured by direct costs less ancillary costs plus indirect costs, is \$212.30 per patient day. The private pay charges are unreasonable in comparison to the costs to deliver the services. It appears to us that the projected private pay charges were deliberately set at a low amount for the sole purpose of gaining a favorable comparative review against other applicants' private pay charges.
- As further support of the unreasonableness of the projected private pay charges for this project, included in Attachment 8 are excerpts of the rate sheets from the most recent license renewal application from three facilities in contiguous counties to Chatham County, UniHealth Post-Acute Care of Durham (Durham County), UniHealth Post-Acute Care – Carolina Point (Durham County) and UniHealth Post-Acute Care - Raleigh (Wake County). All three of these facilities are affiliated with the applicant. The private pay rates at each of these facilities are considerably higher than the private pay rates projected for this project. In addition, the rates included on the most recent license renewal application are from September 30, 2012, and current rates are likely even higher at each of these facilities.

- The applicant proposed to fund working capital with a loan, but does not project any operating interest expense (Line 164 of Form C).
- This applicant is the only applicant to project \$0 in non-reimbursable costs (Line 211 of Form C). All of the other applicants project at least \$78,968 in non-reimbursable costs.
- This applicant is the only applicant to project \$0 in non-legend drug expense (Line 19 of Form C). All of the other applicants projected at least \$17,874 in non-legend drug expense. Expenses would be understated by the amount of expense necessary for the applicant to provide over-the-counter medications in the care of its residents.
- This applicant is one of two applicants to not project any bad debt expense (Line 161 of Form C).
- Please see staffing comments below regarding RN staff projections and projected expense for RN salaries, benefits and taxes with respect to inconsistencies in RN staffing information presented in Table VII.2, Table VII.3 and Table VII.4.

If the CON Section agrees with these findings and determines that the applicant did not demonstrate the availability of funds for capital and operating costs and/or determines that the financial feasibility of the project is not based on reasonable projections, then this applicant should be found out of compliance with **Criterion 5**.

#### **Criterion 20**

Although the applicants are newly formed entities for this application, related parties of the applicant operate 12 nursing facilities in North Carolina. It is emphasized that these 12 facilities are operated by the same management company as the proposed project and are all part of the same nursing facility chain. As provided in Exhibit 34 (Page 1,022), five of these 12 facilities had at least one incident of substandard quality of care in the 18 months prior to the application date.

If the CON Section considers the incidences of substandard quality of care at related facilities in North Carolina to be sufficient evidence that the applicant did not demonstrate an ability to provide quality care, then the applicant should be found out of compliance with **Criterion 20**.

#### **Criterion 1/Policy GEN-4**

The information included in Exhibit 41 (Page 1,221) states: *"The following principles have been implemented in the design of the proposed replacement facility."* This project is for a proposed new facility, and there is no evidence provided that the GEN-4 information presented applies to this project.

## Staffing

The following are findings related to staffing projections:

- There are inconsistencies between the information presented on Table VII.2, Table VII.3 and Table VII.4. Table VII.2 (Page 187) appears to have been completed with FTEs rather than the number of persons by position that will be working on each shift.
- For the RN position, Table VII.3 (Page 191) shows a total of 4.2 FTEs. Table VII.2 (Page 187) and Table VII.4 (Page 194) show 6.2 FTEs at the RN position. Based on the fact that the expense projections only include the salaries for 4.2 FTE RNs, which equates to 3.0 RNs staffed each day over all shifts, we have reconstructed Table VII.2 and Table VII.4, which are included in Attachment 9. As shown on the corrected Table VII.2, which adjusts positions to number of persons working on each shift rather than FTEs as presented by the applicant, the applicant is not proposing 24 hour RN coverage since only 0.194 RN will be working on both the second shift and on the third shift.
- Based on the corrected Table VII.4, the applicant is projecting 3.84 nursing hours per patient day rather than the 4.12 hours per patient day as shown in the application. The revised figures should be used in any comparative review of nurse staffing ratios.
- Alternatively, if the applicant intended to staff 6.20 FTEs in the RN position, then Year 2 projected operating expenses are understated by \$175,711 for 2.00 FTE RNs inclusive of salaries, benefits and payroll taxes since Year 2 RN salary, benefits and payroll tax expense is based on 4.20 FTEs for the RN position.
- This applicant is one of three applicants that do not have a Staff Development Coordinator.
- This applicant is the only applicant that does not have a person serving as Housekeeping and Laundry Supervisor.

While we do not feel that the above findings on staffing would result in a finding of non-compliance with Criterion 7, this application is comparatively inferior to the Kensington application with respect to the health manpower and management personnel necessary for delivery of the proposed services.

## Project Sites

The following are findings related to the applicant's primary and secondary sites:

- The applicant has selected a primary site in Pittsboro and a secondary site in Siler City. These two sites are more than 20 miles apart and are in two distinctly different geographic areas within Chatham County.

- On Page 2 of the application, the applicant states: *"The applicants' proposed location in Pittsboro was chosen by carefully considering information from quantitative and qualitative research."* Email correspondence included on Pages 540 to 542 would suggest otherwise, with the applicant not knowing the location of the primary site until the day before the application was filed.
- Based on the email correspondence on Page 774, the size of the water and sewer lines was not identified. There is no way to determine from the information presented if the water and sewer lines are of sufficient size to service the facility.
- There is reference on Page 542 to *"too much flood plain"*. It is not known whether this information pertains to either the primary site, secondary site, or some other site.

While we do not feel that the above findings on the primary site would result in a finding of non-compliance with 10A NCAC 14C.1101(e), this application is comparatively inferior to the Kensington application with respect to site control, zoning, and suitability of the site for development of the proposed project.

#### **Patient Origin**

The applicant projects that 100% of admissions will come from Chatham County, which is not reasonable given historical admissions pattern of Chatham County community nursing facilities. Similar to the projected private pay rates, the percentage selected appears to be an attempt to gain a favorable comparative review versus the other applicants.

#### **Project Schedule and Project Delays**

The project schedule indicates that Medicare/Medicaid certification will occur six month prior to the completion of construction (see Page 248).

The two freestanding nursing facility projects in North Carolina and included on Page 33 have had delays of 44 months and 20 months, respectively.

**ATTACHMENT 7**

**PRUITTHEALTH – CHATHAM – PARENT COMPANY CASH SHORTFALL**

**PRUITTHEALTH - CHATHAM**  
**SHORTFALL OF PARENT COMPANY ACCUMULATED RESERVES**

**North Carolina Projects with Identified Amounts of Required Accumulated Reserves:**

This project - capital costs (page 202)	\$ 2,955,716
Union County - F-8071-08 - working capital (page 219)	\$ 963,441
Home Health Brunswick County O-10113-13 - working capital (page 219)	<u>\$ 580,437</u>
Identified requirements for accumulated reserves	\$ 4,499,594
Available cash (page 526)	<u>\$ 3,410,681</u>
Cash shortfall for NC CON projects not including projects below	<u>\$ (1,088,913)</u>

**Additional Projects Requiring Accumulated Reserves - Specific Amounts Not Available**

Union County - F-8071-08 (page 207)	portion of capital costs funded by accumulated reserves
Rockingham County - H-8461-10 (page 207)	portion of capital costs funded by accumulated reserves
Rockingham County - H-8461-10 (page 219)	portion of working capital funded by accumulated reserves

Note: The calculated cash shortfall above will be greater after including the accumulated reserves required for the three projects listed above where specific amounts were not available. The CON Section has access to these amounts.



**ATTACHMENT 8**

**PRUITTHEALTH – CHATHAM – PRIVATE PAY RATES AT AFFILIATED NURSING FACILITIES**

**PART F CURRENT OPERATING STATISTICS**

**1. Current Per Diem Reimbursement Rates/Charges.**

Please state the CURRENT (as of the date the application is signed) basic daily charges/rates for residents or patients in your facility in the following categories of care.

For questions please call Certificate of Need at (919) 855-3873

Private Pay (Usual Customary Charge)	Private Room (1 bed/room)	Semi-Private (2 beds/room)	3 or more beds/room
Nursing Care	\$ 252.66	\$ 231.13	\$ -
Adult Care Home	\$ -	\$ -	\$ -
Special Care Unit (specify)	\$ -	\$ -	\$ -
Special Care Unit (specify)	\$ -	\$ -	\$ -

**PART F CURRENT OPERATING STATISTICS**

**1. Current Per Diem Reimbursement Rates/Charges.**

Please state the CURRENT (as of the date the application is signed) basic daily charges/rates for residents or patients in your facility in the following categories of care.

For questions please call Certificate of Need at (919) 855-3873

Private Pay (Usual Customary Charge)	Private Room (1 bed/room)	Semi-Private (2 beds/room)	3 or more beds/room
Nursing Care	\$ 195.00	\$ 189.00	\$ -
Adult Care Home	\$ 195.00	\$ 189.00	\$ -
Special Care Unit (specify)	\$ -	\$ -	\$ -
Special Care Unit (specify)	\$ -	\$ -	\$ -

**PART F CURRENT OPERATING STATISTICS**

**1. Current Per Diem Reimbursement Rates/Charges.**

Please state the CURRENT (as of the date the application is signed) basic daily charges/rates for residents or patients in your facility in the following categories of care.

For questions please call Certificate of Need at (919) 855-3873

per day \$ 206.30 \$ 230.01

Private Pay (Usual Customary Charge)	Private Room (1 bed/room)	Semi-Private (2 beds/room)	3 or more beds/room
Nursing Care	\$ 8100.00 mo	\$ 6996.00 mo	\$ 0
Adult Care Home	\$ 0	\$ 0	\$ 0
Special Care Unit (specify) <i>memory unit</i>	\$ 0	\$ 6634.00 mo	\$ 0
Special Care Unit (specify)	\$ 0	\$ -	\$ 0

**ATTACHMENT 9**

**PRUITTHEALTH – CHATHAM – ADJUSTED TABLE VII.2 AND ADJUSTED TABLE VII.4**

**PRUITTHEALTH - ADJUSTED TABLE VII.2**

	RNS	LPNS	AIDES	TOTAL
<b>DAY SHIFT</b>				
Nursing (excluding special care units)	2.613	6.00	11.00	19.61
Nursing Special Care Unit (specify)				0.00
Total Nursing	2.613	6.00	11.00	19.61
Adult Care Unit (excluding spec. care units)				0.00
ACH Special Care Unit (specify)				0.00
Total ACH	0.00	0.00	0.00	0.00
<b>EVENING SHIFT</b>				
Nursing (excluding special care units)	0.194	4.00	9.00	13.19
Nursing Special Care Unit (specify)				0.00
Total Nursing	0.194	4.00	9.00	13.19
Adult Care Unit (excluding spec. care units)				0.00
ACH Special Care Unit (specify)				
Total ACH	0.00	0.00	0.00	0.00
<b>NIGHT SHIFT</b>				
Nursing (excluding special care units)	0.194	4.00	6.00	10.19
Nursing Special Care Unit (specify)				0.00
Total Nursing	0.194	4.00	6.00	10.19
Adult Care Unit (excluding spec. care units)				0.00
ACH Special Care Unit (specify)				
Total ACH	0.00	0.00	0.00	0.00
<b>TOTAL FOR THE DAY</b>				
Nursing (excluding special care units)	3.00	14.00	26.00	43.00
Nursing Special Care Unit (specify)	0.00	0.00	0.00	0.00
Total Nursing	3.00	14.00	26.00	43.00
Adult Care Unit (excluding spec. care units)	0.00	0.00	0.00	0.00
ACH Special Care Unit (specify)	0.00	0.00	0.00	0.00
Total ACH	0.00	0.00	0.00	0.00

Note: Table adjusted to present staff by number of positions rather than FTEs and to agree with information presented in Table VII.3

Calculation Support - RN

Total RN FTE per Table VII.3	4.20
FTE Factor	1.40
Total RN staff - all shifts	3.00

	Table VII.2 Page 191	% of total by shift	Corrected RN Staff Allocated by Shift
RN - first shift	5.40	87.097%	2.613
RN - second shift	0.40	6.452%	0.194
RN - third shift	0.40	6.452%	0.194
Total	6.20	100.000%	3.00

**PRUITTHEALTH - ADJUSTED TABLE VII.4**

	RNs	LPNs	Aides	Total
<b>NURSING (excluding special care units)</b>				
A. Number of FTEs from Table VII.3	4.20	19.60	36.40	60.20
B. Number of nursing hours per year per FTE (i.e. 2,080 or 1,950)	2,080	2,080	1,950	
C. Total nursing hours per year (A x B)	8,736	40,768	70,980	120,484
D. Number of Patient Days from Table IV.2	31,390	31,390	31,390	31,390
E. Nursing hours per patient day (C/D)	0.28	1.30	2.26	3.84
<b>NURSING SPECIAL CARE UNIT (specify)</b>				
A. Number of FTEs from Table VII.3	0.00	0.00	0.00	0.00
B. Number of nursing hours per year per FTE (i.e. 2,080 or 1,950)	2,080	2,080	1,950	
C. Total nursing hours per year (A x B)	0	0	0	0
D. Number of Patient Days from Table IV.2	0	0	0	0
E. Nursing hours per patient day (C/D)	0	0.0	0.0	0.0
<b>TOTAL NURSING</b>				
A. Number of FTEs from Table VII.3	4.20	19.60	36.40	60.20
B. Number of nursing hours per year per FTE (i.e. 2,080 or 1,950)	2,080	2,080	1,950	
C. Total nursing hours per year (A x B)	8,736	40,768	70,980	120,484
D. Number of Patient Days from Table IV.2	31,390	31,390	31,390	31,390
E. Nursing hours per patient day (C/D)	0.28	1.30	2.26	3.84
<b>ADULT CARE HOME (excluding special care units)</b>				
A. Number of FTEs from Table VII.3	0.00	0.00	0.00	0.00
B. Number of nursing hours per year per FTE (i.e. 2,080 or 1,950)				
C. Total nursing hours per year (A x B)	0	0	0	0
D. Number of Patient Days from Table IV.2	0	0	0	0
E. Nursing hours per patient day (C/D)	0.00	0.00	0.00	0.00
<b>ACH SPECIAL CARE UNIT (specify)</b>				
A. Number of FTEs from Table VII.3	0.00	0.00	0.00	0.00
B. Number of nursing hours per year per FTE (i.e. 2,080 or 1,950)				
C. Total nursing hours per year (A x B)	0	0	0	0
D. Number of Patient Days from Table IV.2	0	0	0	0
E. Nursing hours per patient day (C/D)	0.00	0.00	0.00	0.00
<b>TOTAL ACH</b>				
A. Number of FTEs from Table VII.3	0.00	0.00	0.00	0.00
B. Number of nursing hours per year per FTE (i.e. 2,080 or 1,950)				
C. Total nursing hours per year (A x B)	0	0	0	0
D. Number of Patient Days from Table IV.2	0	0	0	0
E. Nursing hours per patient day (C/D)	0.00	0.00	0.00	0.00

Note: Table adjusted based on adjusted Table VII.2 and the information presented in Table VII.3