



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

March 4, 2019

Charles E. Trefzger
P.O Box 2568
Hickory, NC 28603

No Review

Record #: 2892
Facility Name: Alleghany House
FID #: 090507
Business Name: Alleghany House, LLC & Alleghany Health Investors, LLC
Business #: 57 & 2840
Project Description: Change in indirect ownership interests
County: Alleghany

Dear Mr. Trefzger:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in that correspondence is not governed by, and therefore, does not currently require a certificate of need. If the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

You may need to contact Adult Care Licensure Section to determine if they have any requirements for development of the proposed project.

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

Please do not hesitate to contact this office if you have any questions.

Sincerely,

Ena Lightbourne
Project Analyst

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

cc: Adult Care Licensure Section, DHSR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
www.ncdhhs.gov/dhsr • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

***Alleghany House, LLC &
Alleghany Health Investors, LLC***

***Post Office Box 2568
Hickory, North Carolina 28603-2568***

February 20, 2019

Ms. Martha Frisone, Chief
Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
North Carolina Department of Health & Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704



Re: Request for Non-Withdrawal of Certificate of Need for Project ID #D-8377-09 by Alleghany Health Investors, LLC and Alleghany House, LLC for Alleghany House, Facility ID #090507

Dear Ms. Frisone:

I am writing on behalf of Alleghany Health Investors, LLC (“Lessor”) and Alleghany House, LLC (“Lessee”), North Carolina limited liability companies with their principal place of business located at 400 Second Avenue NW, Hickory, North Carolina 28601. Lessor and Lessee are currently developing Project ID #D-8377-09 (the “Project”), which involves the construction of Alleghany House in Alleghany County, North Carolina (the “Facility”). The Project’s certificate of need was issued to Lessor and Lessee on November 28, 2011.

Lessor has obtained financing and, as part of the terms of the finance transaction, the corporate structure of Lessor and Lessee will change. Please refer to the attached Exhibit A that shows the current corporate structure, as well as the new corporate structure after the finance transaction is complete. Other than the changes reflected in Exhibit A, no other changes are contemplated.

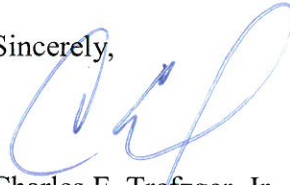
Parties to the Project believe it is in the best interests of the community for the transaction to take place. Lessor and Lessee will continue to act as Lessor and Lessee, respectively. The proposed change only relates to the entity that ultimately holds the ownership interests in the Lessor and Lessee. No transfer of the certificate of need is contemplated by this transaction. The financing will provide the Project with the capital necessary to develop the Facility.

In accordance with N.C. Gen. Stat. § 131E-189(c), I intend for this letter to serve as prior written notice to the Agency of the proposed transaction by which the corporate structure of the Lessor and Lessee is changing. Furthermore, I request that the Agency find good cause for the proposed ownership change and conclude that the Project’s certificate of need will not be withdrawn as a result of such change.

Should you need additional information in order to make a decision on this matter, please

do not hesitate to contact me directly.

Sincerely,

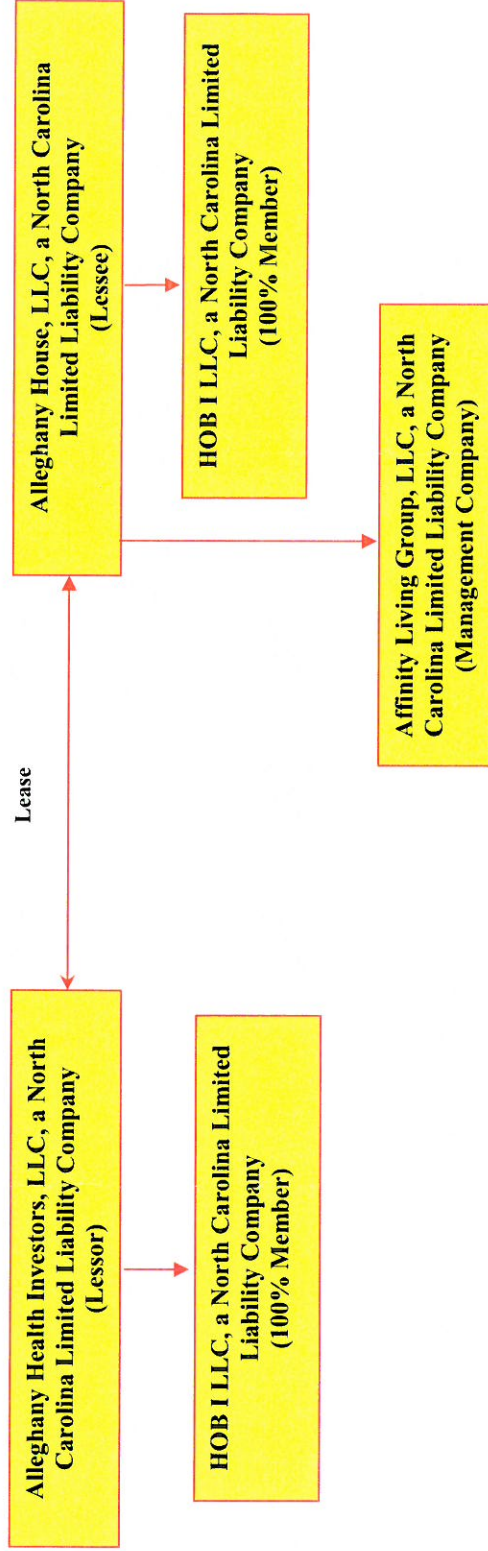
A handwritten signature in blue ink, appearing to read 'CET', is written over the word 'Sincerely,'.

Charles E. Trefzger, Jr.
Authorized Representative
Alleghany Health Investors, LLC
Alleghany House, LLC

Exhibit A:
Proposed Changes to Corporate Structure

EXHIBIT A

**Alleghany House
Current Corporate Structure**



Alleghany House Proposed New Corporate Structure

