



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

September 25, 2023

Kathryn Steffen
kathryn.steffen@afslaw.com

Exempt from Review – Acquisition of Facility

Record #: 4269
Date of Request: August 31, 2023
Facility Name: The Terrace at Brightmore of South Charlotte
Type of Facility: Adult Care Home
FID #: 100541
Acquisition by: 10225 Old Ardrey Kell NC PropCo LLC
Business #: 3740
County: Mecklenburg

Dear Ms. Steffen:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that the project described above is exempt from certificate of need (CON) review in accordance with G.S. 131E-184(a)(8). Therefore, the above referenced business may proceed to acquire the health service facility identified above without first obtaining a CON. The Agency’s determination is limited to the question of whether the above referenced business would have to obtain a CON if the current owners of the health service facility do in fact sell it to the business listed above. Note that pursuant to G.S. 131E-181(b): “A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need.”

If the business listed above does acquire the facility, you should contact the Agency’s Nursing Home Licensure and Certification Section to obtain instructions for changing ownership of the existing facility.

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

Sincerely,

Handwritten signature of Julie M. Faenza

Julie M. Faenza
Project Analyst

Handwritten signature of Micheala Mitchell

Micheala Mitchell
Chief

cc: Adult Care Licensure Section, 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
https://info.ncdhhs.gov/dhsr/ • TEL: 919-855-3873

August 31, 2023

VIA EMAIL (MICHEALA.MITCHELL@DHHS.NC.GOV)

Micheala Mitchell, Section Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
Department of Health and Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704

Kathryn L. Steffen

Associate

202.715.8480 **DIRECT**

kathryn.steffen@afslaw.com

Reference No.: 034745.00118

Re: **REQUEST FOR CERTIFICATE OF NEED EXEMPTION – ADULT CARE
HOME SALE OF REAL PROPERTY AND CHANGE OF OWNERSHIP**

Current Licensee: Charlotte SC Senior Housing OpCo, LLC

Proposed Licensee: 10225 Old Ardrey Kell OpCo LLC

License No.: HAL-060-157

Dear Ms. Mitchell:

We are writing to request an exemption from Certificate of Need review pursuant to N.C.G.S.A. § 131E-184 in connection with an upcoming transaction involving the Adult Care Home known as The Terrace at Brightmore of South Charlotte located at 10225 Old Ardrey Kell Road, Charlotte, NC 28277 (the “Facility”). The Facility has a capacity of 34 Adult Care Home beds. The current license is attached. At present, the licensed operator and tenant of the Facility is Charlotte SC Senior Housing OpCo, LLC (the “Current Licensee”), and the owner of the real property comprising the Facility is Charlotte SC Senior Housing Propco, LLC (the “Current Real Property Owner”). The Current Licensee contracts with Brightmore of South Charlotte, LLC (“Liberty”), to manage the Facility.

On or about October 2, 2023, the Current Real Property Owner will sell the real property comprising the Facility to 10225 Old Ardrey Kell NC PropCo LLC (the “New Real Property Owner”). The New Real Property Owner will then lease the Facility to 10225 Old Ardrey Kell OpCo LLC (the “Proposed Licensee”), which will sublease the Facility back to the Current Licensee. The Proposed Licensee will submit a licensure application to the Department of Health and Human Services in the near future. The Current Licensee will continue to operate the Facility pursuant to the interim sublease with the Proposed Licensee until an Adult Care Home license is issued to the Proposed Licensee (the “CHOW Approval”), at which time the interim sublease between the Proposed Licensee and the Current Licensee will terminate.

Liberty will continue to manage the Facility, and the parties do not anticipate any changes to day-to-day operations immediately following this transaction. From the closing date of the transaction until the CHOW Approval, Liberty will be engaged by the Current Licensee pursuant to an interim management agreement. When the interim sublease terminates upon receipt of the CHOW Approval, the interim management agreement will also terminate, and Liberty will manage the Facility pursuant to a management agreement with the Proposed Licensee.

If you have any questions or would like to discuss this transaction in greater detail, please do not hesitate to contact me.

We look forward to working with you throughout this process.

Sincerely,



Kathryn L. Steffen
KLS

cc: Julie Faenza, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
Department of Health and Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704
Julie.Faenza@dhhs.nc.gov

Megan Lamphere, Section Chief
Adult Care Licensure Section
Division of Health Service Regulation
North Carolina Department of Health and Human Services
2708 Mail Service Center
Raleigh, NC 27699-2708
Megan.Lamphere@dhhs.nc.gov

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Effective January 1, 2023, this license is issued to

Charlotte SC Senior Housing OPCO, LLC

to operate an Adult Care Home known as

The Terrace at Brightmore of South Charlotte

located at 10225 Old Ardrey Kell Road

Charlotte, NC 28277

County: Mecklenburg

*This license is issued subject to the statutes of the
State of North Carolina, is not transferable and shall expire
midnight December 31, 2023*

Facility ID: 100541

License Number: HAL-060-157

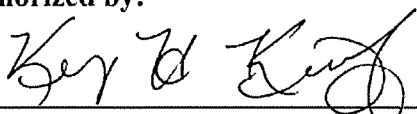
*****This home serves only elderly persons*****

Capacity:34

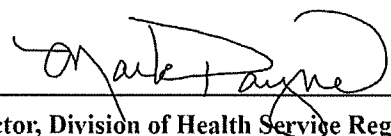
Special Care Units:No

Type: Alzheimer's/Dementia: 0

Authorized by:



Secretary, N.C. Department of Health and
Human Services



Director, Division of Health Service Regulation

From: [Faenza, Julie M](#)
To: [Stancil, Tiffany C](#)
Subject: FW: [External] The Terrace at Brightmore of South Charlotte - CON Exemption Request
Date: Thursday, August 31, 2023 3:22:17 PM
Attachments: [image001.png](#)
[08-31-2023 - North Carolina - Brightmore South Charlotte - ACH - CON Exemption Letter.PDF](#)

For logging – thanks!

Julie M. Faenza, Esq.

Pronouns: She/her

Project Analyst, Certificate of Need

[Division of Health Service Regulation](#), [Healthcare Planning and Certificate of Need Section](#)
[NC Department of Health and Human Services](#)

Office: 919-855-3873

Julie.Faenza@dhhs.nc.gov

Help protect your family and neighbors from COVID-19.

[Know the 3 Ws. Wear. Wait. Wash.](#)

#StayStrongNC and get the latest at nc.gov/covid19.

[Twitter](#) | [Facebook](#) | [Instagram](#) | [YouTube](#) | [LinkedIn](#)

From: Steffen, Kathryn L. <kathryn.steffen@afslaw.com>
Sent: Thursday, August 31, 2023 3:08 PM
To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>; Faenza, Julie M <Julie.Faenza@dhhs.nc.gov>
Cc: Marchica, Jo-Ann <jo-ann.marchica@afslaw.com>; Lamphere, Megan <megan.lamphere@dhhs.nc.gov>
Subject: [External] The Terrace at Brightmore of South Charlotte - CON Exemption Request

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Good afternoon,

Attached please find a CON exemption request for the above-referenced facility. Please do not hesitate to contact me if you have any questions.

Thank you,

Kate

**ArentFox
Schiff**

Kathryn L. Steffen
ASSOCIATE | ARENTFOX SCHIFF LLP

(SHE/HER/HERS)

kathryn.steffen@afslaw.com | 202.715.8480 **DIRECT**

[Bio](#) | [Blog](#) | [My LinkedIn](#) | [Subscribe](#)

1717 K Street, NW, Washington, DC 20006

CONFIDENTIALITY NOTICE: This e-mail and any attachments are for the exclusive and confidential use of the intended recipient. If you received this in error, please do not read, distribute, or take action in reliance upon this message. Instead, please notify us immediately by return e-mail and promptly delete this message and its attachments from your computer system. We do not waive attorney-client or work product privilege by the transmission of this message.

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized State official. Unauthorized disclosure of juvenile, health, legally privileged, or otherwise confidential information, including confidential information relating to an ongoing State procurement effort, is prohibited by law. If you have received this email in error, please notify the sender immediately and delete all records of this email.