



State of New Jersey
DEPARTMENT OF HEALTH
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Commissioner

March 27, 2023

VIA ELECTRONIC & FIRST-CLASS MAIL

Eric Witmond
CEO
Howell Senior Operations, LLC
100 Passaic Avenue, Suite 240
Fairfield, New Jersey 07004

Re: Woodmont Grand at Howell
2101 Route 9 North
Howell, New Jersey 07731
CN# ER 2022-09304-13;01
Establish a 80-bed Assisted Living Residence
Total Project Cost: \$35,651,931
Expiration Date: March 27, 2028

Dear Mr. Witmond:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need application by Howell Senior Operations, LLC for Woodmont Grand at Howell, received on August 31, 2022, pursuant to N.J.A.C. 8:33-5.1(a)(4), for the establishment of a new 80-bed assisted living residence (ALR) to be located at 2101 Route 9 North, Howell, NJ in Monmouth County. This application is being approved at the total project cost as noted above.

The Department has taken into consideration the applicable regulations for the services subject to expedited review (i.e., N.J.A.C. 8:33-5.3 and 8:33H-1.16). Howell Senior Operations, LLC, the proposed licensed operator, describes the Woodmont Grand at Howell (Woodmont) as a luxury rental community (with no buy-in) featuring a continuum of care, including Independent Living, Assisted Living and Dementia Care, which will effectively compete with the continuing care retirement community (CCRC) model and existing older Assisted Living models. Woodmont's potential residents will be carefully screened, selected, and placed in either Independent Living, Assisted Living, or Memory Care to ensure the initial and ongoing population is low acuity while providing amenities and activities that will attract and maintain a like kind, healthy resident

population. Woodmont will employ a unique model to attract its target demographic by focusing on programming to reflect an experiential living environment including culinary arts, activity programming, healthcare, fitness, security, and dementia programming.

The Woodmont Grand at Howell project is 100% owned by Eric Witmond and funded 100% via Woodmont Senior Real Estate Holdings, LLC. The project and application are supported by three key executives with combined experience managing and overseeing assisted living, memory care and active adult communities in New Jersey. The Department believes that this project can be economically accomplished and maintained as the applicant projects a positive net income by the end of the first year of operation.

The justification for the proposed project (N.J.A.C. 8:33-5.3(a)(1)) is the current lack of Assisted and Independent Living options in New Jersey, which has led to the erosion of the integrity of independent living. Woodmont targets this unmet need in this market cohort. Woodmont asserts that its amenities will reflect current and projected trends based on its market research evaluating successful properties nationwide.

The Applicant has assured that all residents of the area, inclusive of the medically underserved, will have access to services (N.J.A.C. 8:33-5.3(a)(2)), and stated this residence would be operated in compliance with the regulatory requirement for admission of Medicaid residents and also will provide services to the memory impaired. Of the 80 proposed beds, 52 beds will be identified as Assisted Living and 28 will be designated for Memory care. The applicant states that the facility will be designed to accommodate those with disabilities and that the facility is accessible by public transportation.

The applicant's commitment to meet appropriate licensing and construction standards (N.J.A.C. 8:33-5.3(a)(3)(i)) is evidenced by the project narrative information on the facility services. Construction will follow upon approval of the Certificate of Need and only after authorization of Plans by the Department and the NJ Department of Community Affairs approval.

As a condition of this approval, a semi-private or multiple occupancy room can only be occupied by individuals who have consented in writing as part of the admission agreement to the living arrangement. The admission agreement should note that the resident is aware he or she will share a single toilet/bath in the unit and acknowledges there are higher health risks associated with due shared occupancy and cohabitation. Under no circumstances shall any resident be coerced or compelled to agree to a semi-private room.

Please be advised that this approval is limited to the application as presented and reviewed. The application, related correspondence and any completeness questions and responses are incorporated and made a part of this approval. An additional review by the Department may be necessary if there is any change in scope, as defined at N.J.A.C.

8:33-3.9. However, a change in the cost of an approved certificate of need is exempt from certificate of need review subject to the following:

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

Furthermore, pursuant to N.J.S.A. 26:2H-12.16 and N.J.A.C. 8:36.5.1(h), a new facility that is licensed to operate as an assisted living residence or comprehensive personal care home shall have a Medicaid occupancy level of 10 percent within three years of licensure. The 10 percent Medicaid occupancy level shall be met through the conversion of residents who enter the facility as private paying persons and subsequently become eligible for Medicaid, or through direct admission of Medicaid-eligible persons. The 10 percent Medicaid occupancy level shall be continuously maintained by a facility once the three-year licensure period has elapsed. The Department will monitor that this condition threshold is met and maintained during the duration of licensure.

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

Any approval granted by this Department relates to certificate of need and/or licensing requirements only and does not imply acceptance by a reimbursing entity. This letter is not intended as an approval of any arrangement affecting reimbursement or any remuneration involving claims for health care services.

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

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

The Department looks forward to working with the applicant to provide high-quality care to assisted living residents. If you have any questions concerning this Certificate of Need approval, please contact Michael J. Kennedy, Executive Director, Division of Certificate of Need and Licensing at Michael.Kennedy@doh.nj.gov.

Sincerely,

Robin C. Ford

Robin C. Ford, MS
Deputy Commissioner
Health Systems
New Jersey Department of Health

cc: Stefanie J. Mozgai, DOH (Electronic mail)
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