



State of New Jersey  
DEPARTMENT OF HEALTH

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Governor

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Lt. Governor

JUDITH M. PERSICILLI, RN, BSN, MA  
Commissioner

December 30, 2022

**VIA ELECTRONIC & FIRST-CLASS MAIL**

Gulshan Chhabra  
Tejomaya, LLC  
111 West Main Street  
Clinton, NJ 08809

Re: Courtyard Assisted Living  
CN# ER 2020-10201-10;01  
Total Project Cost: \$750,000  
Expiration Date: December 30, 2027

Dear Mr. Chhabra:

Please be advised that the Department of Health (Department) is approving the Expedited Review Certificate of Need (ERCN) application submitted pursuant to N.J.A.C. 8:33-5.1(a)(4), by Tejomaya, LLC for the establishment of Courtyard Assisted Living, a new 122-bed assisted living residence to be located at 111 West Main Street in Clinton, Hunterdon County. This application is being approved at the total project cost as noted above.

This project involves the renovation and reconfiguration of a five (5) story, 142-room hotel into an assisted living residence containing a total of 122 beds in 110 units. Amenities will include resident lounges, a pool, a chapel, a hair salon, and dining and laundry on-site. A separately licensed Adult Day Health Facility will also be located on the 1<sup>st</sup> floor.

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). The Department finds that Tejomaya, LLC, the proposed licensed operator, has provided an appropriate project description. The project description includes information as to the total project cost of \$750,000 for the construction of this new Assisted Living facility. The operating costs and revenues were provided, which reflected that by the second year of operation, the total revenue would be \$7,397,083.23 and the expenses would be \$5,343,088.19, so the Applicant would show a profit of \$2,053,995.04 by the end of the second year. In terms of services affected, the Applicant stated that there are ten other similar communities in the area with high occupancy rates, reflecting a growing demand for senior housing in this county. This facility would add to the supply of Assisted Living services. There is no specialized equipment involved as this is an Assisted Living facility providing supportive services to a largely independent population. The source of funds

for this project was listed as available cash on hand. Utilization statistics project that by the second year of operation, 88.60% resident occupancy will be achieved.

The justification for the proposed project (N.J.A.C. 8:33-5.3(a)(1)) referenced the preliminary demand studies of the site's effective market area, which indicates an unmet demand in the approximation of 760 assisted living beds and 443 memory care beds. The deficit takes into consideration senior and age-restricted developments that provide affordable housing units; however, these developments do not offer the services to be available at the Applicant Facility. In addition, the Applicant will assure that all residents of the area, particularly the medically underserved, will have access to services (N.J.A.C. 8:33-5.3(a)(2)), and states this residence will be operated in compliance with the regulatory requirement for admission of Medicaid residents and also will provide services to the memory impaired. In addition, the Applicant stated that the facility design will accommodate those with disabilities, and the facility is accessible to public transportation. Documentation that the Applicant will meet appropriate licensing and construction standards (N.J.A.C. 8:33-5.3(a)(3)(i)) is shown by the project narrative which contains information on the facility services, and the review of the proposed facility architectural plans by the Department staff, which confirmed physical plant compliance with Assisted Living regulations in the Department's November 30, 2022 letter for this project. Courtyard Assisted Living is not subject to a track record of substantial compliance with the Department's licensing standards (N.J.A.C. 8:33-5.3(a)(3)(ii)) because this is the only facility owned by the Applicant.

As a condition of this approval, a semi-private 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 in 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.

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 before commencing services.

The Department looks forward to working with the applicant to provide high-quality care to the assisted living residents. If you have any questions concerning this Certificate of Need approval, please do not hesitate to contact Michael J. Kennedy, Executive Director, Division of Certificate of Need and Licensing at [Michael.Kennedy@doh.nj.gov](mailto:Michael.Kennedy@doh.nj.gov).

Sincerely,

*Robin C. Ford*

Robin C. Ford, MS  
Deputy Commissioner  
Health Systems

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Tejomaya, LLC  
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