

**BEFORE THE ARKANSAS HEALTH SERVICES PERMIT AGENCY**

**In the Matter of:**

**Atrium at Serenity Point**

**File # HSPA (1268)-10**

**FINDINGS OF FACT, CONCLUSIONS  
OF LAW, AND ORDER**

**Findings of Fact**

The applicant, **Summit Properties, LLC**, is seeking a Permit of Approval (POA) for the purpose of converting and renovating a 150,000 square foot resort hotel into a 75 bed Assisted Living Level II facility, to be called **Atrium at Serenity Point** located at 600 Twin Points Rd, Hot Springs, AR (Garland County). Capital expenditure for this project is projected at \$7,544,000. The Agency makes the following findings of fact:

**NEED:** The net need for Assisted Living beds in Garland County is **393**; there is one (1) operating ALF in the county that is licensed for 40 beds and two Assisted Living facilities approved for a total of 125 beds. There are 128 beds in the six Residential Care Facilities in the county. There are currently 293 approved and licensed beds in Garland County, there is also an additional application for 75 ALF beds; the addition of these 75 beds will bring the total to 443.

**STAFFING:** The Agency has no objective reason to believe the proposed facility could not be adequately staffed. The applicant stated a plan to advertise and recruit locally and regionally and plans to offer competitive pay, low cost insurance, paid time off and a 401K plan to attract and retain staff.

**ECONOMIC FEASIBILITY:** The applicant submitted an option to purchase the existing facility and submitted a budget to cover the renovation of the existing facility at a cost of \$7,544,000. The project will be financed with \$5 million in commercial financing from First National Bank. The remainder of the project will be financed by the applicant; First National Bank submitted documentation supporting applicant's ability to finance the remainder of the project. The application includes a three year budget which reflects a loss in Year 1 and increases in Years 2 and 3.

**COST CONTAINMENT:** The applicant plans to offer quality assisted living below market value in Garland County, through the Living Choices Assisted Living Medicaid Waiver program. Assisted living will provide a less expensive option than a nursing home and the Waiver Program will provide an opportunity for more Garland County residents to remain independent much longer at lower rates.

**Conclusions of Law**

The application **DOES SATISFY** the statutory and regulatory requirements for the issuance of a Permit of Approval to convert and renovate a 150,000 square foot resort hotel into a 75 bed Assisted Living Level II facility to be known as **Atrium at Serenity Point**. There are no letters of opposition to this application.

**ORDER**

Based on the above Findings of Fact and Conclusions of Law, the Agency hereby orders that the Applicant be **GRANTED** a Permit of Approval (POA). A Permit of Approval will be issued to: **Summit Properties, LLC** for the purpose of converting and renovating a 150,000 square foot resort hotel into a 75 bed Assisted Living Level II facility, to be known as **Atrium at Serenity Point** at 2803 Albert Pike, Hot Springs, AR (Garland County). Projected capital expenditure for this project is \$7,544,000.

IT IS SO ORDERED THIS 15<sup>TH</sup> DAY OF APRIL 2010

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DIRECTOR, HEALTH SERVICES PERMIT AGENCY