



Health and Human Services

2027 Iowa Certificate of Need (CON) Application

Instructions: 1. Complete all the sections below. 2. Provide concise, evidence-based responses, with supporting documentation or data as needed. 3. Reference Iowa Code 135.63, as needed, to complete the application. 4. Upload additional documentation, as needed.

Primary Contact

Ms. Karen Laybourne

Primary Contact Employer

Scenic Development, LLC

Primary Contact Email

karen.laybourne@scenic-dev.com

Facility Name

Southridge Village

Facility Type

Nursing Facility

Facility Address

Future intersection of Ansley Ave and Rothway Road, Ames, Iowa 50014

Project Title

Southridge Village

Proposed Project

46-bed nursing facility as part of a CCRC campus to include 46 independent living and 34 assisted living apartments.

Total Project Cost

16,451,994

Equipment Cost

653,600

Project Type

New Facility

Is this project application for a Nursing Facility?

Yes

Is there a need for Nursing Facility beds in your county, according to the Bed Need Formula?

Yes

Project Start Date

11/1/2026

Project End Date

11/30/2028

1. Applicant and Facility Overview

a. Project Purpose and Objectives:

The objective of this project is to address the demonstrated need for additional skilled nursing beds in Ames and to expand access to a continuum of care for older adults in the community. The project will serve older adults in Ames, Story County, and the surrounding area, including elderly individuals and those whose health or functional needs require skilled nursing services.

The Applicant and Northridge Village are related through certain overlapping ownership interests and common management. Certain investors in Northridge Village are also expected to invest in the Applicant, although the ownership groups will not be identical. Both communities will be operated by Pivotal Health Care. Through this relationship and Pivotal Health Care's experience operating Northridge Village, the Applicant has direct knowledge of the demand for senior care services in the Ames market and the needs of older adults as they transition between levels of care. Northridge Village has operated at nearly full occupancy, demonstrating sustained demand for skilled nursing services. Other nursing facilities in Story County are also operating near capacity, which can limit access to skilled nursing care for elderly residents of the community.

The proposed project responds to this demonstrated community need by adding skilled nursing capacity and providing residents access to skilled nursing services as part of an integrated continuing care retirement community. The project will allow older adults to access independent living, assisted living, and skilled nursing services within a coordinated continuum of care as their needs change over time. This model will promote continuity of care, reduce the need for residents to leave the community when a higher level of care becomes necessary, and improve access to appropriate services for the elderly population in Ames and the surrounding area.

b. Relationship to Long-Range Development Plan:

The project is a key component of Scenic Development's long-range strategy to expand the continuum of senior care services in Ames. Southridge Village will increase access to skilled nursing, assisted living, and independent living while addressing the growing demand for senior housing.

c. Description of Proposed Service/Program:

The proposed project will establish Southridge Village, a continuing care retirement community that will include a 46-bed skilled nursing facility, approximately 46 independent living apartments, and approximately 34 assisted living apartments. The project will expand access to quality long-term care, support a full continuum of senior living services, and improve access to skilled nursing care for older adults in Ames and the surrounding area.

d. Target Population: Specify geographic and demographic areas.

The primary service area for this project consists of eleven ZIP codes located within an approximate 10 to 15-mile radius of the proposed site location in Ames. The population of the primary service area has increased from 110,000 in 2020 to 115,223 in 2026. The population is expected to increase to 119,191 by 2031. In particular, the number of people who are age 75 and older is expected to increase by over 24 percent between 2026 and 2031—from 7,588 in 2026 to 9,439 in 2031.

e. Relation to Existing Provider Network: Summarize relationship with other health care providers/services in the region.

The new facility will alleviate regional healthcare strain by adding 46 beds to a market where 85% of nursing homes operate above 90% capacity. By reducing the need for out-of-county referrals, the project enables the local network to keep patient care within Ames.

f. Funding Sources and Financial Resources: Identify and document sources of funding and financial viability.

Funding for the project will be provided through existing equity from the affiliated Northridge Village campus, private funding, and a loan commitment from Green Belt Bank & Trust. Commitment letter attached as "Attachment: B. GBBT Commitment Letter.pdf"

Current # of Beds (if changing)
0

Current bed type (if changing)

Requested # of Beds (if changing)
46

Requested bed type (if changing)
Nursing facility

Document Upload

B. CCRC of Ames II GBBT Commitment Letter.pdf

A. Const Cost Estimates for CON App Ames II.pdf

C. CON Bed Utilization Statistics - years 1-3.pdf

2. Community Need and Service Gaps

a. Description of Need:

The need for this project is based on the high occupancy of existing facilities in the primary service area and the aging of the population in the service area. Specifically, Northridge Village has operated at nearly full occupancy and other nursing facilities in Story County are also operating near capacity. In addition, the number of people who are age 75 and older is expected to increase by over 24 percent between 2026 and 2031—from 7,588 in 2026 to 9,439 in 2031. Without the additional nursing facility beds proposed in this application, these individuals will likely need to leave the community for care.

b. Assessment of Existing Services and Gaps:

Existing skilled nursing facilities in Ames and Story County provide important services to the community; however, high utilization rates limit the availability of skilled nursing placements. Northridge Village has operated at nearly full occupancy, and other nursing facilities in Story County are also operating near capacity. These utilization levels demonstrate sustained demand for skilled nursing services and limited available capacity for individuals seeking placement.

The Applicant and Northridge Village are related through certain overlapping ownership interests and common management, with both communities operated by Pivotal Health Care. Through Pivotal Health Care's experience operating Northridge Village, the Applicant has direct knowledge of skilled nursing utilization and demand in the Ames market.

The proposed project will address the identified service gap by adding skilled nursing capacity in Ames, improving access to timely placement for older adults in Ames, Story County, and the surrounding area. The project will also provide skilled nursing services as part of an integrated continuum of independent living, assisted living, and skilled nursing care.

c. Alternatives Analysis:

Relying on waiting lists or turning away residents is unsustainable and forces seniors to lose their continuum of care, often relocating outside the county for services. Physical expansion at our original Northridge Village campus is impossible because prior independent living expansion fully utilized the available land footprint. Developing the new site—located 4.6 miles directly south—is a viable alternative. It allows the new 46-bed facility to share support and operational resources with the original campus while alleviating the regional bed deficit.

d. Accessibility Considerations:

The proposed facility is located 4.7 miles from the 220-bed Mary Greeley Medical Center in Ames, ensuring emergency transport times under 15 minutes via S. University Blvd. Situated with close access to US Highway 30 and Interstate 35, the location provides direct regional access to reduce travel barriers for residents and emergency services.

e. Community Input/Support:

This project has received widespread support within the community. In particular, letters of support from

the following individuals have been uploaded with this application:

- Dr. Grant Doolittle, DO, McFarland Clinic

- Andrew Perry, CEO, McFarland Clinic McFarland Clinic, based in Ames, is one of Iowa's largest physician-owned multi-specialty clinics. In its letter of support for this application, McFarland Clinic describes increasingly limited senior housing and care options in the Ames area, with families facing long waitlists or having to seek services outside the community. McFarland Clinic believes the proposed CCRC will help meet this growing demand by expanding access to comprehensive senior living and healthcare services in Ames.

-Brett Altman, DPT, MBA, FACHE, CEO Cass Health.

Cass Health is a nationally recognized critical access hospital serving southwest Iowa. In his letter of support for this application, Cass Health CEO Brett Altman draws on both his professional experience as a healthcare executive and clinician and his family's firsthand experience with Pivotal Health Care. Mr. Altman recognizes Pivotal's demonstrated ability to provide exceptional senior care and believes this project will provide Ames-area seniors with another high-quality option while allowing residents to remain close to loved ones as their care needs change.

-Amber Deardorff, President and CEO, Mary Greeley Medical Center.

Mary Greeley Medical Center is a 220-bed regional hospital located in Ames. In her letter of support, President and CEO Amber Deardorff notes the exceptional care provided at Northridge Village, the lengthy waitlist at Northridge Village, and the increasing needs of an aging population in the community.

Document Upload (if needed)

D. CCRC of Ames II Letters of Support.pdf

f. Non-discriminatory Access:

The facility will provide services to all residents without regard to race, color, national origin, age, disability, sex, or religion. In accordance with Iowa Department of Health and Human Services guidelines, admissions and care policies will explicitly support both allopathic (MD) and osteopathic (DO) medical practices. Residents will maintain the right to choose their preferred attending physician, ensuring equal access to both branches of medicine. The facility will accept Medicare, Medicaid, and private insurance to prevent financial discrimination and ensure broad community accessibility.

3. Impact on Existing Providers

a. Impact Assessment:

The project addresses a documented regional gap by increasing bed capacity, which will not lead to unnecessary duplication of services, given that existing facilities operate above 90% capacity. Keeping residents from leaving Story County for services benefits all area providers by stabilizing local care transitions, retaining the regional healthcare workforce, and preventing the fragmentation of local provider networks. Consequently, the project improves local access to care without negatively affecting the census or financial stability of other regional providers.

b. Community and Economic Impact: Broader system effect and value-added to the community.

The project creates a positive regional system effect by directly easing the severe nursing bed bottleneck in Story County, which keeps seniors local, preserves family support networks, and reduces uncompensated hospital days. Economically, the facility generates long-term healthcare jobs and brings construction investment to the Ansley development, adding measurable value to the community.

c. Efficiency in Use of Resources: Shared/cooperative arrangements to maximize efficiency.

The new 46-bed facility maximizes efficiency by operating as a shared-resource extension of Northridge Village, utilizing a unified executive team, an integrated staffing pool, and consolidated supply chain management. This cooperative arrangement, located 4.6 miles from the original campus, eliminates

administrative replication, stabilizes labor through shared specialized personnel, and secures regional volume discounts for procurement.

4. Financial and Operational Feasibility

a. Financial Projections and Feasibility:

This project is one component of a new continuing care retirement community. The total cost of this project referenced in this application (\$16,451,993.60) is calculated as 38% of the total project cost of \$43,294,720. The total equipment cost referenced in this application (\$653,600) is also calculated as 38% of the total equipment cost for this project of \$1,720,000.

The following sets forth a list of equipment included in this budget:

Van: \$83,600

Furniture, Fixtures, and Equipment: \$456,000

Physical Therapy Equipment: \$19,000

Food, Kitchen, Housekeeping, and Laundry: \$79,800

Maintenance: \$15,000

TOTAL: \$653,600

Document Upload (3-year budget projections)

E. CCRC of Ames II - Projected Revenue_Expenses 3 years.pdf

b. Staffing and Operations:

Approximately 67 FTEs are planned across nursing and resident care, dietary, administration, activities, environmental services, plant operations, business office, human resources, and marketing to support the CCRC and proposed 46-bed skilled nursing facility.

Operations will be overseen by the facility Administrator, with department directors responsible for their respective clinical and operational functions. Pivotal Health Care will provide management services for the community, drawing on its experience managing 10 other senior living and healthcare communities, including five in Iowa. Staffing will be phased as census grows and adjusted based on resident acuity and care needs, while maintaining staffing levels consistent with applicable Iowa and CMS requirements.

G. Ownership Organizational Chart

c. Short and Long-term Viability:

Short- and long-term viability will be supported by demonstrated demand for skilled nursing services in the Ames market, a sustainable operating model, and Pivotal Health Care's experience managing senior living and healthcare communities, including five in Iowa. Staffing and operating expenses will be phased with census growth, and the facility's projected revenue and payer mix are expected to support sustainable operations as occupancy stabilizes.

5. Community and Economic Impact

a. Community Engagement:

The project location was initiated at the suggestion of the Ansley developer, who identified a critical need for a Continuing Care Retirement Community (CCRC) within the planned Ansley development. As an integral part of the community, the project eliminates physical barriers, ensures multi-generational inclusion, and allows local seniors to age in place near their families.

b. Resource Availability:

The facility will be fully supported by Scenic Development's established regional staff and infrastructure. Management, administrative oversight, and specialized clinical resources are readily available, ensuring the new campus meets all state staffing and operational standards from day one.

c. Organizational Relationships:

The facility establishes strong regional healthcare linkages through its proximity to Mary Greeley Medical Center, ensuring efficient acute care transitions and emergency transfers via South University Boulevard. It integrates with existing ancillary networks, including local pharmacy, specialized therapy, and hospice providers, to deliver comprehensive long-term care without disrupting the area's established medical infrastructure.

6. Project Planning

a. Project Timeline:

Fall 2026 – Design and construction bidding

Winter 2026– Spring 2027 – Complete permitting and pre-construction activities in preparation for earthwork as weather permits

May 2027 – Groundbreaking and commencement of construction

May 2027–November 2028 – Approximately 18-month construction period, including building completion, inspections, licensing, staffing, and operational readiness activities

November 2028 – Project completion and anticipated opening for occupancy

b. Innovative Components:

The project introduces an innovative care model that blends short-term and long-term rehabilitation (PT and OT) with the vibrant residential life of a CCRC. By integrating clinical therapy schedules directly into daily social programming, the facility reduces senior isolation and accelerates physical recovery. This approach optimizes patient transitions across all levels of care, moving away from traditional, siloed nursing environments to improve long-term wellness outcomes.

c. Regulatory Compliance:

The project will comply with state and federal regulations by adhering to the nursing facility licensing standards under Iowa Code Chapter 135C and Iowa Administrative Code Chapters 481-58 and 61, while securing Medicare and Medicaid certification through CMS Requirements of Participation under 42 CFR Part 483 and meeting NFPA 101 Life Safety Codes via the State Fire Marshal. Our approach to compliance replicates the active Quality Assurance and Performance Improvement (QAPI) framework, pre-vetted credentialing systems, and operational staffing models already successfully utilized at our original Northridge Village campus.

7. Special Criteria for Specific Services:

a. Alternative Consideration (135.63(2)"a"):

Alternatives considered included utilizing or expanding the existing Northridge Village campus. However, Northridge Village's skilled nursing community is currently at 100% occupancy, and the campus has already been expanded to accommodate memory care and additional independent living. The proposed sister community was therefore determined to be the most practical alternative to add needed skilled nursing capacity while allowing each community to maintain the staffing and operational resources necessary to serve its residents.

b. Utilization of Similar Facilities (135.63(2)"b"):

Existing skilled nursing facilities managed by Pivotal Health Care in Iowa are being utilized at high levels, demonstrating appropriate and efficient use of existing capacity. As of August 10, 2026, Pivotal-managed skilled nursing communities in Iowa had a combined occupancy of approximately 96% (196 of 204 beds), including 100% occupancy at Northridge Village in Ames. These utilization levels demonstrate strong use

of existing skilled nursing capacity and support the need for additional capacity in the Ames market.

c. Construction/Modernization (135.63(2)"c"):

The proposed skilled nursing facility will be developed as part of an integrated continuing care retirement community (CCRC) that includes independent living, assisted living, and skilled nursing services. The project has been designed to promote the efficient sharing of resources and services among the three levels of care to the extent practicable. Shared resources will include dietary services, housekeeping, laundry, administration, plant operations, marketing, activities, religious services, and other appropriate operational support. This integrated approach reduces unnecessary duplication of facilities and services while providing residents access to a coordinated continuum of care within the community.

The skilled nursing component will be constructed and equipped to meet applicable requirements for skilled nursing care and to support contemporary standards for resident care, safety, accessibility, and operations.

d. Access Concerns (135.63(2)"d"):

Without the proposed skilled nursing facility, residents of the CCRC who experience a change in health status requiring skilled nursing care may be required to leave the community to obtain an appropriate level of care elsewhere. This could disrupt continuity of care, separate residents from spouses or partners residing elsewhere within the CCRC, and limit residents' ability to transition between levels of care as their needs change.

The proposed project will provide residents with access to independent living, assisted living, and skilled nursing services within an integrated continuum of care. The availability of skilled nursing services on campus will allow residents to receive a higher level of care when needed while maintaining established relationships, proximity to spouses and other residents, and connections to the community.

Accordingly, the skilled nursing component addresses an important potential access concern by ensuring that CCRC residents have access to appropriate higher-acuity care within the community rather than relying exclusively on placement in an off-campus skilled nursing facility when their care needs increase.

e. UIHC Special Role (135.63(3)):

Not applicable

Signature

A handwritten signature in black ink that reads "Jordan R. Anderson". The signature is written in a cursive, flowing style with a large, prominent 'J' and 'A'.

Additional Supporting Documents Upload

G. Org Chart.pdf