

CHARLES H. FOLEY & ASSOCIATES INC.

1638 South MacArthur Boulevard • Springfield, Illinois 62704
217/544-1551 • Fax: 217/544-3615 • E-mail: foley.associates@sbcglobal.net

HAND DELIVERED

Mr. Michael Mills
Compliance Coordinator
Illinois Department of Public Health
525 West Jefferson Street, 2nd floor
Springfield, Illinois 62761

RECEIVED

SEP 14 2010

HEALTH FACILITIES &
SERVICES REVIEW BOARD

**Re: Project Number 08-086, Springfield Nursing and
Rehabilitation Center**

Dear Mr. Mills:

On behalf of OJCC, LLC. and OJCC Realty, LLC, Applicants for the above referenced project, please accept this correspondence requesting an extension of this project's obligation date. On April 21, 2009, Springfield Nursing and Rehabilitation Center was approved for the establishment of a 75 bed long-term care facility to be located at 3089 Old Jacksonville Road, Springfield, Illinois. The project will be constructed in 54,375/GSF of new space. Additionally on April 16, 2010 our Annual Progress Report was filed with the Department.

The Applicants request a one year extension to the obligation date of October 21, 2011. Due to zoning issues with our property neighbors, the Applicants are continuing to work with adjacent property owners and City of Springfield to obtain the necessary zoning for the site. It is anticipated that the zoning process will be completed and approved by the end of October, 2010. The Applicants are also finalizing the working drawings for the project and expect to submit final drawings to the Illinois Department of Public Health by the end of September, 2010. A copy of the Staff report recommending the approval of the zoning request is attached as **Exhibit I**. Attached as **EXHIBIT II** is the Project Costs and Sources of Funds page showing the cost expended thus far.



Health Care Consulting

Mr. Michael Mills
September 13, 2010
Page Two

It should be noted that the scope of this project has not changed. In timing this project's development with the review and approval of the working drawings and the coordination of the bidding process, we anticipate breaking ground by early spring of 2011. As a result of the delays to this project the Applicant intends to file a request to extend the completion date in accordance with your rules.

Attached as **EXHIBIT III** is a letter from Mainstreet Capital Partners, LLC, indicating the availability of funds for this project. Enclosed is a check in the amount of \$500.00 made payable to the Illinois Department of Public Health for the fee associated with this request.

If you have any questions, please do not hesitate to contact me.

Sincerely,


John P. Kniery
Health Care Consultant

Enclosures

SSCRPC

Springfield
Sangamon County Regional
Planning Commission

Staff Findings and Recommendation

(inspected 8-20-10 by MB & AB)

SPRINGFIELD ZONING CASE # 2010-063

ADDRESS 3089 Old Jacksonville Road

Property Index # 13-36-476-005

REQUESTED ZONING Vary sections 155.020 (a) Regulations of the OFF, Office District (maximum square footage), and section 155.069, Fences.

PROPOSED LAND USE Construction of a medical office containing a rehabilitation center to provide inpatient rehabilitation care on a short term basis for people recovering from surgery, accident, or illness. The petitioner is requesting a variance to allow a facility of 55,000 square feet instead of the required 30,000 square feet. Petitioner is also seeking a variance to allow an 8 foot high privacy fence to be built along the length of the eastern boundary of the property and to allow the fence to be built in the required front yard setback along the eastern boundary of the property.

EXISTING:

ZONING OFF, Office District

LAND USE Residential structure that will be demolished.

ROAD FRONTAGE Old Jacksonville Road - 330.5

Good

STRUCTURE DESIGNED FOR N/A

CONDITION OF STRUCTURE N/A

LOT AREA 5 acres

FRONT YARD N/A

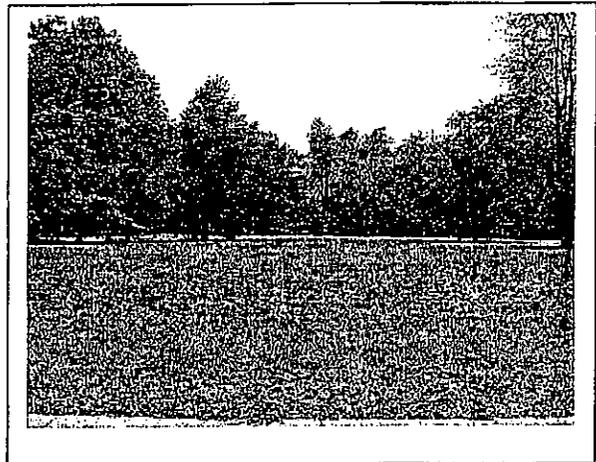
SIDE YARDS N/A

REAR YARD N/A

Would the proposed zoning be spot zoning? N/A

Is the proposed zoning in accord with the City Plan? N/A

If not in accord, is the request an acceptable variation? N/A



PLANNING COMMISSION STAFF RECOMMENDATION:

Recommend approval of the variance to increase the building size from 30,000 to 55,000 square feet. This is a five (5) acre parcel and it will support a building of this size without having a negative impact on the area. Recommend approval of the variance request to construct an eight (8) foot privacy fence along the eastern boundary of the property and to allow the fence to be built in the required front yard setback. The height and location of the fence is requested by the neighbors to provide additional buffering between the residential properties and the medical facility.

EXHIBIT I

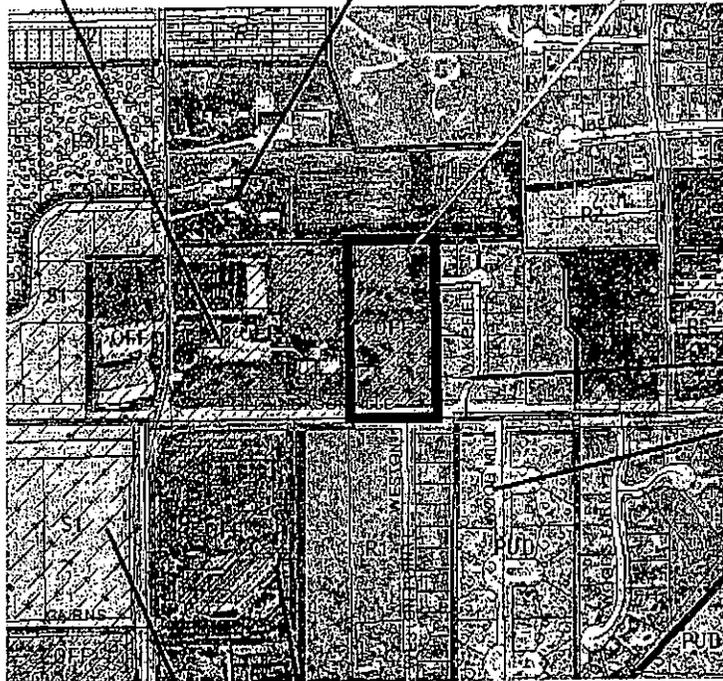
City Zoning

Case# 2010-063

Requested:
VARIANCE

State
Office
Building

Single Family
Residential



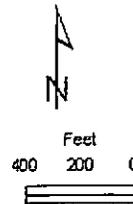
Single
Family
Residential

Medical Building

County Zoning

City Zoning

RM-4	I1	R5	H1	OFF
R3	I2	R1	H2	PUD
R2	B3	R2	H3	B1
R1a	B2	R3a	S1	B2
R1	B1	R3b	S2	I1
OFF	A	R4	S3	I2



SSC
RPC
Spokane, Blaine, Coeur
Regional Planning Commission

RECOMMENDED - STANDARDS FOR VARIATIONS

Case #: 2010-063

Address: 3089 Old Jacksonville Road

- (i) Can the property in question be economically used or yield a reasonable return, if permitted to be used only for the conditions allowed by the regulations?

The proposed development will be a medical office and an inpatient rehabilitation center. While the proposed structure could be built in compliance with the bulk regulations, it is likely to yield an increased return if the size of the structure were allowed to be 55,000 square feet.

While the fence could also be constructed in compliance with the regulations, allowing an eight (8) foot fence will provide more screening for the residential area to the east.

- (ii) Is the plight of the owner due to unique circumstances?

This is a new construction and the petitioner seeks to maximize the economic benefit of the medical facility/rehabilitation center at this location while addressing the State of Illinois regulatory requirements of a facility of this nature.

The neighbors have requested the eight (8) foot fence and the petitioner has agreed to address this need.

- (iii) Will the variation, if granted, alter the essential character of the locality, impair an adequate supply of light and air to adjacent property, increase the congestion of traffic, or diminish or impair property values in the locality?

No. This is a five (5) acre parcel and it will easily accommodate a structure that is 55,000 square feet.

It does not appear that the eight (8) foot fence will have a negative impact on the area. Instead additional height will provide an increased buffer between the facility and the residential properties to the east.

N. Project Costs and Sources of Funds

**Project Number 08-086
September 14, 2010**

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains components that are not related to the provision of health care, complete an additional table for the portions that are solely for health care and insert that table following this page (e.g. separate a nursing home's costs from the components of a retirement community; separate patient care area costs from a hospital project that includes a parking garage). Note, the use and sources of funds must equal.

PROJECT USES AND SOURCES OF FUNDS	PERMIT	EXPENDED	PERCENTAGE
USE OF FUNDS	AMOUNT	TO DATE	%
Preplanning Costs	\$6,500		
Site Survey and Soil Investigation	\$10,000	\$11,400	114%
Site Preparation	\$20,000		
Off Site Work	\$0		
New Construction Contracts	\$10,400,000	\$25,000	.24%
Modernization Contracts	\$0		
Contingencies	\$520,000		
Architectural/Engineering Fees	\$55,000	\$209,266	380%
Consulting and Other Fees	\$558,000	\$139,199	24.9%
Movable or Other Equipment (not in construction contracts)	\$501,053		
Bond Issuance Expense (project related)	\$0		
Net Interest Expense During Construction (project related)	\$770,000		
Fair Market Value of Leased Space or Equipment	\$0		
Other Costs To Be Capitalized	\$109,448		
Acquisition of Building or Other Property (excluding land)	\$0		
TOTAL USES OF FUNDS	\$12,950,000	\$384,865	3.0%
SOURCE OF FUNDS	AMOUNT		
Cash and Securities	\$1,950,000	\$384,865	19.7%
Pledges	\$0		
Gifts and Bequests	\$		
Bond Issues (project related)	\$0		
Mortgages	\$11,000,000	0	0%
Leases (fair market value)	\$0		
Governmental Appropriations	\$0		
Grants	\$0		
Other Funds and Sources	\$0		
TOTAL SOURCES OF FUNDS	\$12,950,000	\$384,865	3.0%

EXHIBIT II



mainstreet
investing more than capital

September 10, 2010

OJCC, Realty, LLC
Attn: Mr. Brian Levinson
7444 N. Long Ave.
Skokie, IL 60077

Re: 3089 Old Jacksonville Road
Springfield, IL

Dear Mr. Levinson:

We have reviewed the CON application of OJCC Realty, LLC and OJCC, LLC (together, "OJCC") for the development of a nursing home facility at the above referenced address. Based on our due diligence and the executed Development Agreement with OJCC, Mainstreet will provide 100% of the financing to OJCC for the development.

Mainstreet Capital Partners, LLC

By: _____

Zeke Turner
Chief Executive Officer

Mainstreet Property Group, LLC

ILLDEPT

Illinois Dept of Public Health

DATE	INVOICE NO	DESCRIPTION	INVOICE AMOUNT
9-13-10	091310	Project #08-086 Springfield Memo : Project #08-086 Springfield Nursing & Rehab Center	500.00
RECEIVED			
SEP 14 2010			
HEALTH FACILITIES & SERVICES REVIEW BOARD			
CHECK DATE	9-13-10	CHECK NUMBER	1057
		TOTAL >	500.00

PLEASE DETACH AND RETAIN FOR YOUR RECORDS.

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER

Mainstreet Property Group, LLC
 109 West Jackson Street
 P.O. Box 767
 Cicero, IN 46034

Center Bank
 600 E 84th Ave
 Merrillville, IN 46410

DATE	CHECK NO	AMOUNT
September 13, 2010	1057	*****\$500.00

Pay: ***** Five hundred dollars and no cents

PAY TO THE ORDER OF
 Illinois Dept of Public Health
 525 W Jefferson St
 Springfield, IL 62761

Project #08-086 Springfield
 Nursing & Rehab Center

Paul Gehl Turner

THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK—HOLD AT AN ANGLE TO VIEW

⑈00000 1057⑈ ⑆071902878⑆ ⑆10059380⑆