



March 12, 2014

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Second Permit Renewal Request for Project # 11-006
Transitional Care Center of Arlington Heights

Dear Mr. Constantino:

As Manager of Transitional Care Center of Arlington Heights, LLC, the Permit Holder, and pursuant to 77 Ill. Admin. Code 1130.740, I am submitting this permit renewal request for Project # 11-006, Transitional Care Center of Arlington Heights.

The application for permit was filed on January 7, 2011. The application sought the establishment and operation of a 120 bed transitional care facility. The application stated that the project would cost \$22,275,873 and be completed in April 2012. On June 28, 2011, I appeared before the Board and the Board approved the permit, listing an obligation date of April 30, 2012 and a project completion date of April 30, 2012. Subsequently, long delays in the site entitlement process led to the first permit renewal request extending the completion date to April 30, 2014. This renewal request was approved on May 10, 2012.

Request

I am requesting an eighteen (18) month extension of the current project completion date of April 30, 2014. This would result in a new completion date of October 31, 2015.

Project Status

To date, \$3,418,076 has been expended on the project and is 15.3% complete. Notable completed milestones for the project are as follows:

- Preliminary zoning approval from the Village of Arlington Heights on 11-7-11.
- Final zoning approval from the Village of Arlington Heights on 12-17-12.
- Executed Construction Contract dated 4-30-13.
 - Met criteria for Project Obligation.

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- Final zoning approval from the Village of Arlington Heights on 12-17-12.
- Executed Construction Contract dated 4-30-13.
 - Met criteria for Project Obligation.
- Closed purchase of existing site and building on 5-17-13.
- Closed construction loan on 11-6-13.
- On-site work:
 - Completed current building asbestos removal 8-16-13.
 - Completed demolition of current building 10-23-13.
 - General site preparation work (fencing, signage, mobilization of on-site construction trailers, etc.) all complete.

The components of the project yet to be completed are as follows:

- Construction of facility which is expected to be a 12-14 month process.
- Licensing and certification upon granting of Certificate of Occupancy and state health inspections which is expected to be a 2-3 month process.

Attached to this request is a recent site photo (attachment 2) which shows the site post-demolition of the previous building, as well as an updated construction schedule (attachment 3).

Reason for Request

This project was originally delayed in its effort to obtain preliminary zoning approval from the Village of Arlington Heights, as documented in the original permit renewal request. Upon getting this approval in November of 2011, we started the final Village approval process and design phase for full Construction Documents for the project. The project again experienced significant delays and setbacks in an effort to meet the Village's final desired design and code requirements for this site. Specifically, there was material site and building re-engineering that had to be completed to meet current municipal code for emergency vehicle access. Final zoning approval was not ultimately granted until December of 2012.

From the point of final zoning approval in December of 2012, we have advanced the project considerably. Notable on-site achievements are outlined above. We have received the necessary local building permits to begin construction and it was our full intention to begin construction in late fall of 2013. Regrettably, a harsh winter arrived early in Chicago and created site conditions that prevented necessary work to commence that would have allowed for ongoing winter construction. This included nearly two feet of permafrost, preventing the required site and foundation work. These extreme winter conditions have pushed the expected construction commencement date to March 31, 2014.



Project Cost & Scope Financial Compliance

The Permit Holder believes that the final cost and scope of the project will comply with what the Board approved. I have attached an affidavit stating that scope of the project complies with the approved permit and sufficient financial resources are available to complete the project (attachment 1).

If you need any other information, please call. I am also enclosing the processing fee of \$500.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Cloch".

Brian Cloch, Manager
Transitional Care Center of Arlington Heights, LLC

Attachments



March 12, 2014

Mr. Michael Constantino
Project Review Supervisor
Illinois Health Facilities & Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Re: Second Permit Renewal Request for Project # 11-006
Transitional Care Center of Arlington Heights

Dear Mr. Constantino:

I hereby certify under penalty of perjury that the project's costs and scope are in compliance with what HFSRB approved and Transitional Care Center of Arlington Heights, LLC has sufficient and readily accessible funds to complete the above referenced project.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Cloch", is written over a faint, illegible stamp.

Brian Cloch, Manager
Transitional Care Center of Arlington Heights, LLC

TRANSITIONAL
care
MANAGEMENT
Attachment 2



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