



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

MEMORANDUM

TO: Mike Constantino, Chief - Program Review Section
Division of Health Systems Development

FROM: Kathy J. Olson, Chairwoman
Illinois Health Facilities and Services Review Board

RE: Permit Renewal Request for Project #12-032 Alden Courts of Shorewood

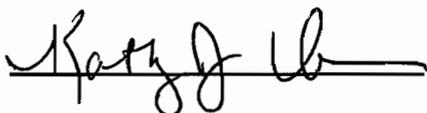
This is to advise you that I have reviewed the above-captioned permit renewal request within the requirements in 77 IAC 1130.740 and have determined the following:

The request is in compliance with the requirements in 77 IAC 1130.740 and the renewal request is approved.

This request is to be reviewed by the Health Facilities Planning Board.

This request is DENIED effective _____ because it does **NOT** comply with the requirements specified in 77 IAC 1130.740.

Other actions as follows:



Kathy J. Olson, Chairwoman
Illinois Health Facilities and
Services Review Board



Date



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DOCKET ITEM: NA	BOARD MEETING: NA	PROJECT NUMBER: 12-032
PERMIT HOLDERS(S): Alden Estates of Shorewood I, LLC Shorewood Investments I, LLC Alden Courts of Shorewood, Inc. The Alden Group, Ltd.		
FACILITY NAME and LOCATION: Alden Courts of Shorewood, Shorewood		

BOARD STAFF REPORT
PERMIT RENEWAL REQUEST

I. Background

On July 23, 2012, the State Board approved Project #12-032. The permit authorized the addition of 50 Long Term Care (LTC) beds to Alden Courts of Shorewood, and existing 100-beds skilled nursing facility in Shorewood. The State Agency notes the project is not obligated, and the current project completion date is May 31, 2014. Project cost: \$10,428,798.

The State Agency notes the permit holders submitted the permit renewal request on March 27, 2014. This submittal was in accordance with 77 IAC 1130.740(d), which states that renewal requests must be received by the State Agency at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

II. Findings

The State Agency notes this is the first renewal request for this project and it appears the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal.

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of November 30, 2016. This would extend the project's completion date by eighteen months, from May 31, 2014 to November 30, 2016.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the construction phase of the project has not commenced. HUD loan approval has been secured, the final design drawings are complete/approved, and the construction contract has been finalized as well. The permit holders are waiting for closing of the HUD loan before commencement of the construction phase.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the following events occurred, which delayed completion of the project:
- Project approval was delayed by three months, due to the State Board's issuance of an Intent to Deny for the project.
 - Approval of the architectural drawings took longer than initially anticipated.
 - The lending approval process for the HUD loan took longer than initially anticipated.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate that \$699,641 (6.7% of the total project cost) has been expended to date, and that sufficient financial resources exist to complete this project.
- E. Anticipated Final Cost of the Project: The permit holders note this project will be completed with costs within the approved permit amount of \$10,428,798.

IV. Project Description & Other Background Information

The permit authorized the addition of 50 LTC beds to Alden Estates of Shorewood, an existing 100-bed skilled nursing facility in Shorewood. Project cost: \$10,428,798.

Permit Issuance Date:	July 23, 2012
Original Project Completion Date:	May 31, 2014
Project Obligation Date:	May 1, 2014
Proposed Project Completion Date: (18-month renewal request)	November 30, 2016

V. Applicable Rules for Permit Renewal Requests

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.740(b) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(c) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(d) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(e) states IDPH will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFPB criteria, and if this is the first request for this project, then the request, IDPH's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFPB, will approve, deny or refer the request to the HFPB for action. If IDPH finds that all criteria are not positive or; if this is not the first request for this project, or if the Chairman refers this to HFPB for action, then HFPB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). Denial of a permit renewal request constitutes HFPB's Notice of Intent to revoke a permit and the permit holders will be afforded an opportunity for an administrative hearing.

VI. Other Information

Appended to this report are the following: the permit holders' documents for a permit renewal, and a copy of the original State Agency Report.