

[ORIGINAL]

13-038



RECEIVED

May 14, 2013

JUL 08 2013

Dale Galassie, Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Dale Galassie,

Transitional Care was searching for a site to build a new transitional care facility in the Naperville market. We identified an approximately 3.5 acre site that was part of larger (approximately 13 acre) PUD that was to include a hotel, conference center, and a CRL owned/operated Alzheimer's/dementia facility. The site was attractive in (i) its proximity to Edward Hospital, (ii) location along major traffic corridors leading to the primary interstate utilized by Naperville residents and (iii) that the Seller was to provide certain infrastructure improvements and off-site detention.

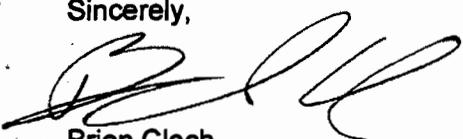
Prior to finalizing terms on the site, TCM met personally with the Mayor, who indicated his strong support for the project on the site. TCM agreed to terms with the Seller and moved forward with the CoN application, design and zoning approval.

TCM pursued zoning approval for its portion of the site separate from the Seller; TCM and the Seller agreed verbally that it made sense for TCM to pursue its approvals (i) separately and (ii) in advance of the Seller.

Approximately two weeks prior to submitting TCM zoning approval package, TCM learned that, despite prior agreement to the contrary, the Seller had submitted its approval package and was slated for hearing before the City Board. At that time, the Board rejected the Seller's contemplated use, and indirectly, TCM's. In subsequent conversations with the Mayor and the Naperville Development Partnership, it was made clear that they no longer supported TCM's proposed use on the site and that moving forward with the application was futile, and would, in fact, generate ill-will in the community.

The City and Economic Development Partnership remain supportive of TCM's project and worked closely with us to locate another viable site; they provided tremendous assistance to find the site which was ultimately secured, and both the Mayor and the Naperville Development Partnership have provided letters of support for the project and the requisite approvals.

Sincerely,



Brian Cloch
CEO

www.tc-mgmt.com

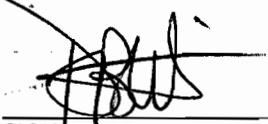
847.720.8700 • 6400 Shafer Court, Suite 600, Rosemont, Illinois 60018

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Transitional Care Center of Naperville LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.



SIGNATURE

David B. Weiss
PRINTED NAME

President, Range Corp Management, Inc.
PRINTED TITLE

its sole Manager

Notarization:

Subscribed and sworn to before me
this 21 day of June, 2013

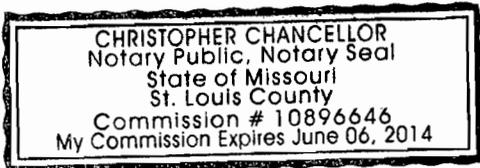
Notarization:

Subscribed and sworn to before me
this ____ day of _____



Signature of Notary

Signature of Notary



Seal

Seal

*Insert EXACT legal name of the applicant

June 21, 2013

Dale Galassie, Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson St., Second Floor
Springfield, IL. 62761

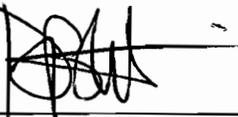
RE: Transitional Care Center of Naperville, LLC

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against the Applicant or against any health care facility owned or operated by the Applicant, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Transitional Care Center of Naperville, LLC

A handwritten signature in black ink, appearing to read "D. Weiss", is written over a horizontal line. The signature is somewhat stylized and overlaps the line.

David B. Weiss, President
RangeCorp Management, its Manager

June 21, 2013

Dale Galassie, Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson St., Second Floor
Springfield, IL. 62761

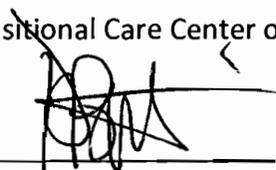
RE: Transitional Care Center of Naperville, LLC

I authorized the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Applicant Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Transitional Care Center of Naperville, LLC

A handwritten signature in black ink, appearing to read 'D. Weiss', is written over a horizontal line. The signature is somewhat stylized and includes a small checkmark-like mark above the 's'.

David B. Weiss, President
RangeCorp Management, its Manager

June 21, 2013

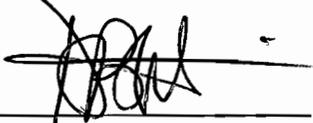
Dale Galassie, Chairman
Illinois Health Facilities Planning Board
525 West Jefferson St., Second Floor
Springfield IL 62761

RE: Transitional Care Center of Naperville, LLC

Pursuant to the limited liability company resolution dated June 21, 2013, Lockwood NP Partners, LLC has cash and securities available to meet the cash call of \$3,289,822 from Transitional Care Center of Naperville LLC in the event that a CON Permit is granted.

Sincerely,

Lockwood NP Partners, LLC

A handwritten signature in black ink, appearing to read "D. Weiss", is written over a horizontal line.

David B. Weiss, President
RangeCorp Management, its Manager

**WRITTEN CONSENT OF THE MANAGER AND SOLE MEMBER
OF
TRANSITIONAL CARE CENTER OF NAPERVILLE, LLC**

The undersigned, being the sole Member and the Manager of Transitional Care Center of Naperville, LLC, an Illinois limited liability company (the "**Company**"), acting pursuant to the Illinois Limited Liability Company Act hereby consent to and adopt the following resolutions:

WHEREAS, the Company is the holder of a Certificate of Need ("**CON**") issued by the Illinois Health Facilities & Service review Board ("**IHFSRB**") with respect to a site located on Arbiter Road in Naperville, Illinois; and

WHEREAS, the Company is seeking to obtain the approval of the IHFSRB to obtain a replacement CON for a site located on the southwest corner of Mill Street and Commons Drive in Naperville, Illinois;

RESOLVED, that David B. Weiss, President of RangeCorp Management, Inc., as Manager of the Company is hereby authorized and directed to execute and file all necessary and appropriate documents, applications and certificates necessary to obtain IHFSRB approval of the the CON as set forth above, and all prior acts and doings of the Manager of the Company which are in conformity with the purposes and intent of the foregoing are hereby in all respects ratified, approved and confirmed.

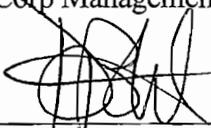
FURTHER RESOLVED, that upon approval of the CON by IHFSRB, the **Company shall** initiate a capital call from its Sole Member in the amount of \$3,289,822 to establish the necessary equity position for the venture.

IN WITNESS WHEREOF, the undersigned have executed this Consent as of the 21st day of June, 2013.

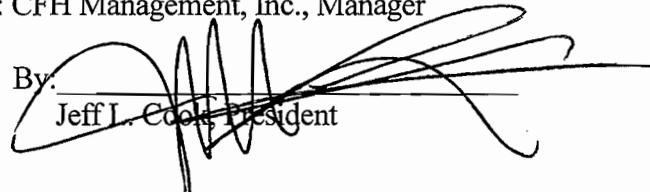
SOLE MEMBER:

Lockwood NP Partners, LLC

By: RangeCorp Management, Inc.,
Manager

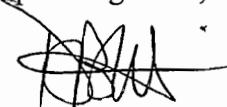
By: 
David B. Weiss, President

By: CFH Management, Inc., Manager

By: 
Jeff L. Cook, President

MANAGER:

RangeCorp Management, Inc.

By: 
David B. Weiss, President

Certificate of Financing at Lowest Net Cost Available

This statement is being filed pursuant to Section 1120.310(b) of the Board's Rules (77 Ill. Adm. Code 1120.310). The undersigned are authorized representatives of the applicant and attest that the mortgage selected to finance the project is at the lowest net cost available.

Dated this 21st day of June 2013:

By: Transitional Care Center of Naperville, LLC



David B. Weiss, President
RangeCorp Management, its Manager

Assurances Statement

This statement is being filed pursuant to Section 1110.1730(K) of the Board's Rules (771L Adm.Code 1110.1730). The undersigned is an authorized representative of the applicant and attests that the applicant understands that by the second year of operation after the project completion the applicant will make every attempt to achieve and maintain the occupancy standards specified in Part 1100 of the Board's Rules for the long term care category of service.

June 21, 2013

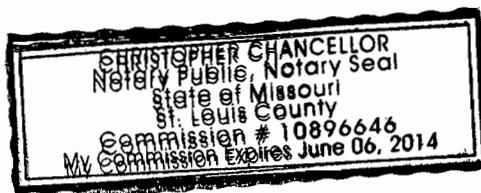
By: Transitional Care Center of Naperville, LLC



David B. Weiss, President
RangeCorp Management, its Manager

June 21, 2013

Notary: Christopher Chancellor Date: 6-21-13





**Illinois Historic
Preservation Agency**

FAX 217/782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

DuPage County
Naperville
SW of Commons Street & Mill Street
IDPH
New construction, Transitional Care Center

PLEASE REFER TO: IHPA LOG #001061413

June 19, 2013

Christopher Dials
Revere Healthcare, Inc.
112 Cary St.
Cary, IL 60013

Dear Mr. Dials:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer



Naperville

Lockwood NP Partners, LLC
David Weiss
1630 Des Peres Rd., Suite 310
St. Louis, MO 63131

Dear Mr. Weiss,

The assemblage of properties located in the area bounded by Commons Road on the north, Bauer Road on the south, Mill Street on the east, and West Street on the west is unincorporated and currently subject to DuPage County zoning restrictions. The property is located within the City of Naperville's Planning Boundary and is contiguous to the City of Naperville's municipal boundary; therefore, the subject property is eligible for annexation into the City of Naperville. Per the City's Comprehensive Master Plan 1998 East Sector Update, the future land use of the subject property is designated as Office, Research and Development.

Per the Naperville Municipal Code, the OCI (Office, Commercial and Institutional) zoning district is intended to serve as a transitional zone between intensive business areas and residential neighborhoods. Staff recommends OCI zoning for the subject property given its adjacency to existing residential neighborhoods, as well as the adopted future land use recommendation. Per the City of Naperville's zoning code, a transitional care facility would be classified as a nursing home. In the OCI district, nursing homes require approval of a conditional use.

A request for annexation, rezoning, and a conditional use will require submittal of an application, fees, and required plans, as well as a public hearing before the Naperville Planning and Zoning Commission with final approval by Naperville City Council. This process can take approximately 4 to 6 months. ARCO Construction Company, Inc. initiated this process by attending a concept meeting that was held to discuss their proposed project on April 23, 2013. Since the concept meeting, ARCO Construction has continued to have discussions with the City regarding the project, including next steps. Upon formal submittal of an application and required plans, the case will be processed through the approval process noted above.

If you have any additional questions regarding the subject property or the required approval process for this project, please let me know.

Sincerely,

Allison M. Laff, AICP
Planning Team Operations Manager/Zoning Administrator
City of Naperville - TED Business Group
(630) 420-6107
laffa@naperville.il.us

10

LONG-TERM CARE APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

DESCRIPTION OF PROJECT

Project Type

[Check one]

[check one]

<input checked="" type="checkbox"/> General Long-term Care <input type="checkbox"/> Specialized Long-term Care	<input checked="" type="checkbox"/> Establishment of a new LTC facility <input type="checkbox"/> Establishment of new LTC services <input type="checkbox"/> Expansion of an existing LTC facility or service <input type="checkbox"/> Modernization of an existing facility
---	--

Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.
Include: the number and type of beds involved; the actions proposed (establishment, expansion and/or modernization); the ESTIMATED total project cost and the funding source(s) for the project.

On October 13, 2011 the Review Board approved Project No. 11-055 authorizing the construction of Transitional Care Center of Naperville as a facility consisting of 120 general long-term care beds. The Applicant submits this application as a new application for what is effectively the same project as 11-055 with a new site location. Changing the site necessitates a new application per the Illinois Health Facilities and Services Review Board's rules.

The site change was precipitated by a change in the wishes of the City of Naperville for the desirable uses for the proposed site. At the time of the application for Project No. 11-055, the City of Naperville and the Mayor were supportive of Transitional Care Center of Naperville as a proposed use. A letter from Brian Cloch of Transitional Care Management explains this situation in greater detail (attached as Appendix 1).

Transitional Care Center of Naperville will now be located at the southwest corner of the intersection of Commons Road and Mill Street, located in the Village of Naperville, DuPage County, Illinois. At this location, the Applicant proposes to construct and operate a short-term skilled nursing facility offering post-acute rehabilitation services for patients with intensive rehabilitation and complex care needs, focusing primarily on high acuity patients. This facility will consist of 120 beds permitted under the general long-term care category to be located in Naperville, DuPage County, Illinois.

The proposed skilled nursing facility will be a two-story building containing 68,200 gross square feet at a cost of \$18,664,822. The majority of resident rooms will be private one bed rooms. Construction is projected to commence August 2014, and the facility is projected to open 15 months thereafter (November 2015).

This application is submitted as a new project with the understanding that, if approved, the new permit would be conditioned upon the surrender of the existing permit. A review of this project is classified as 'substantive' as it involves the development of new long-term care beds with a capital expenditure in excess of the threshold amount.

Facility/Project Identification

Facility Name: Transitional Care Center of Naperville		
Street Address: Southwest corner of Commons Road and Mill Street		
City and Zip Code: Naperville IL		
County: DuPage	Health Service Area: 7	Health Planning Area: 7-C

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: Transitional Care Center of Naperville LLC
Address: Southwest corner of Commons Road and Mill Street
Name of Registered Agent: Marilyn Dunn, 55 W Monroe Suite 2400 Chicago, IL 60603
Name of Chief Executive Officer: David B. Weiss
CEO Address: 1630 Des Peres Road #310, Saint Louis, MO 63131
Telephone Number: 314-238-3801

Type of Ownership (Applicant/Co-Applicants)

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact

[Person to receive ALL correspondence or inquiries]

Name: David B. Weiss
Title: President
Company Name: Transitional Care Center of Naperville LLC
Address: 1630 Des Peres Road #310, Saint Louis, MO 63131
Telephone Number: 314-238-3801
E-mail Address: dweiss@rangecap.com
Fax Number: 314-238-3838

Additional Contact

[Person who is also authorized to discuss the application for permit]

Name: Christopher J. Dials
Title: Director of Consulting Services
Company Name: Revere Healthcare, Ltd.
Address: 112 Cary Street, Cary IL 60013
Telephone Number: 847-516-4900 x312
E-mail Address: cdials@reverehc.com
Fax Number: 847-516-2260

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance. **This person must be an employee of the applicant.**]

Name: David B. Weiss
Title: President
Company Name: Transitional Care Center of Naperville LLC
Address: 1630 Des Peres Road #310, Saint Louis, MO 63131
Telephone Number: 314-238-3801
E-mail Address: dweiss@range-cap.com
Fax Number: 314-238-3838

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Lockwood NP Partners LLC
Address of Site Owner: 1630 Des Peres Road Suite 310, St. Louis MO 63131
Street Address or Legal Description of Site: 9.7 acres located at the Southwest Corner of Commons Road and Mill Street in Naperville Illinois
Proof of ownership or control of the site is to be provided as . Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: Transitional Care Center of Naperville LLC
Address: 1630 Des Peres Road #310, Saint Louis, MO 63131
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

APPEND DOCUMENTATION AS **ATTACHMENT -5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT-6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

The following submittals are up- to- date, as applicable:

- All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
- All reports regarding outstanding permits

If the applicant fails to submit updated information for the requirements listed above, the application for permit will be deemed incomplete.

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole manger or member when two or more managers or members do not exist);
- o in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

This Application for Permit is filed on the behalf of Transitional Care Center of Naperville LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

David B. Weiss

PRINTED NAME

President, Range Corp Management, Inc.

PRINTED TITLE
its sole Manager

SIGNATURE

PRINTED NAME

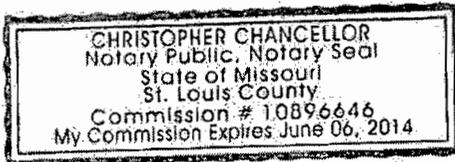
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 21 day of June, 2013

Notarization:
Subscribed and sworn to before me
this _____ day of _____

Signature of Notary

Signature of Notary



Seal

Seal

*insert EXACT legal name of the applicant

**SECTION II – PURPOSE OF THE PROJECT, AND ALTERNATIVES –
INFORMATION REQUIREMENTS**

This Section is applicable to ALL projects.

Criterion 1125.320 – Purpose of the Project

READ THE REVIEW CRITERION and provide the following required information:

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project.
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Report. APPEND DOCUMENTATION AS **ATTACHMENT-10**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. Each item (1-6) must be identified in Attachment 10.

Criterion 1125.330 – Alternatives

READ THE REVIEW CRITERION and provide the following required information:

ALTERNATIVES

1. Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

 - a. Proposing a project of greater or lesser scope and cost;
 - b. Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - c. Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - d. Provide the reasons why the chosen alternative was selected.
2. Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long

term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3. The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION III – BED CAPACITY, UTILIZATION AND APPLICABLE REVIEW CRITERIA

This Section is applicable to all projects proposing establishment, expansion or modernization of LTC categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each LTC category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

Criterion 1125.510 – Introduction**Bed Capacity**

Applicants proposing to establish, expand and/or modernize General Long Term Care must submit the following information:

Indicate bed capacity changes by Service:

Category of Service	Total # Existing Beds*	Total # Beds After Project Completion
<input checked="" type="checkbox"/> General Long-Term Care	120	120
<input type="checkbox"/> Specialized Long-Term Care		
<input type="checkbox"/>		

*Existing number of beds as authorized by IDPH and posted in the "LTC Bed Inventory" on the HFSRB website (www.hrfsb.illinois.gov). PLEASE NOTE: ANY bed capacity discrepancy from the Inventory will result in the application being deemed incomplete.

Utilization

Utilization for the most current CALENDAR YEAR:

Category of Service	Year	Admissions	Patient Days
<input checked="" type="checkbox"/> General Long Term Care	N/A	N/A	N/A
<input type="checkbox"/> Specialized Long-Term Care			

Applicable Review Criteria - Guide

The review criteria listed below must be addressed, per the LTC rules contained in 77 Ill. Adm. Code 1125. See HFSRB's website to view the subject criteria for each project type - (<http://hfsrb.illinois.gov>). To view LTC rules, click on "Board Administrative Rules" and then click on "77 Ill. Adm. Code 1125".

READ THE APPLICABLE REVIEW CRITERIA OUTLINED BELOW and submit the required documentation for the criteria, as described in SECTIONS IV and V:

GENERAL LONG-TERM CARE

PROJECT TYPE	REQUIRED REVIEW CRITERIA	
	Section	Subject
Establishment of Services or Facility	.520	Background of the Applicant
	.530(a)	Bed Need Determination
	.530(b)	Service to Planning Area Residents
	.540(a) or (b) + (c) + (d) or (e)	Service Demand – Establishment of General Long Term Care
	.570(a) & (b)	Service Accessibility
	.580(a) & (b)	Unnecessary Duplication & Maldistribution
	.580(c)	Impact of Project on Other Area Providers
	.590	Staffing Availability
	.600	Bed Capacity
	.610	Community Related Functions
	.620	Project Size
	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

Expansion of Existing Services	.520	Background of the Applicant
	.530(b)	Service to Planning Area Residents
	.550(a) + (b) or (c)	Service Demand – Expansion of General Long-Term Care
	.590	Staffing Availability
	.600	Bed Capacity
	.620	Project Size
	.640	Assurances
	.560(a)(1) through (3)	Continuum of Care Components
	.590	Staffing Availability
	.600	Bed Capacity
.610	Community Related Functions	

	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

Continuum of Care - Establishment or Expansion	.520	Background of the Applicant
	.560(a)(1) through (3)	Continuum of Care Components
	.590	Staffing Availability
	.600	Bed Capacity
	.610	Community Related Functions
	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

Defined Population - Establishment or Expansion	.520	Background of the Applicant
	.560(b)(1) & (2)	Defined Population to be Served
	.590	Staffing Availability
	.600	Bed Capacity
	.610	Community Related Functions
	.630	Zoning
	.640	Assurances
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

Modernization	.650(a)	Deteriorated Facilities
	.650(b) & (c)	Documentation
	.650(d)	Utilization
	.600	Bed Capacity
	.610	Community Related Functions
	.620	Project Size
	.630	Zoning
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

SPECIALIZED LONG-TERM CARE

PROJECT TYPE	REQUIRED REVIEW CRITERIA	
	Section	Subject
Establishment of LTC Developmentally Disabled – (Adult)	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(d)	Recommendations from State Departments
	.720(f)	Zoning
	.720(g)	Establishment of Beds – Developmentally Disable -Adult
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

Establishment of LTC Developmentally Disabled - Children	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(d)	Recommendations from State Departments
	.720(f)	Zoning
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
Appendix B	Related Project Costs	
Appendix C	Project Status and Completion Schedule	
Appendix D	Project Status and Completion Schedule	

Establishment of Chronic Mental Illness	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(f)	Zoning
	.720(g)	Establishment of Chronic Mental Illness
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost

	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

Establishment of Long Term Medical Care for Children	.720(a)	Facility Size
	.720(b)	Community Related Functions
	.720(c)	Availability of Ancillary and Support Programs
	.720(e)	Long-Term Medical Care for Children-Category of Service
	.720(f)	Zoning
	.720(j)	State Board Consideration of Public Hearing Testimony
	.800	Estimated Total Project Cost
	Appendix A	Project Costs and Sources of Funds
	Appendix B	Related Project Costs
	Appendix C	Project Status and Completion Schedule
	Appendix D	Project Status and Completion Schedule

SECTION IV - SERVICE SPECIFIC REVIEW CRITERIA**GENERAL LONG-TERM CARE****Criterion 1125.520 – Background of the Applicant****BACKGROUND OF APPLICANT**

The applicant shall provide:

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1125.530 - Planning Area Need

1. Identify the calculated number of beds needed (excess) in the planning area. See HFSRB website (<http://hfsrb.illinois.gov>) and click on "Health Facilities Inventories & Data".
2. Attest that the primary purpose of the project is to serve residents of the planning area and that at least 50% of the patients will come from within the planning area.
3. Provide letters from referral sources (hospitals, physicians, social services and others) that attest to total number of prospective residents (by zip code of residence) who have received care at existing LTC facilities located in the area during the 12-month period prior to submission of the application. Referral sources shall verify their projections and the methodology used, as described in Section 1125.540.

APPEND DOCUMENTATION AS ATTACHMENT-13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.540 - Service Demand – Establishment of General Long Term Care

<ul style="list-style-type: none">• If the applicant is an existing facility wishing to establish this category of service or a new facility, #1 – 4 must be addressed. Requirements under #5 must also be addressed if applicable.
<ul style="list-style-type: none">• If the applicant is not an existing facility and proposes to establish a new general LTC facility, the applicant shall submit the number of annual projected referrals.
<ol style="list-style-type: none">1. Document the number of referrals to other facilities, for each proposed category of service, for each of the latest two years. Documentation of the referrals shall include: resident/patient origin by zip code; name and specialty of referring physician or identification of another referral source; and name and location of the recipient LTC facility.2. Provide letters from referral sources (hospitals, physicians, social services and others) that attest to total number of prospective residents (by zip code of residence) who have received care at existing LTC facilities located in the area during the 12-month period prior to submission of the application. Referral sources shall verify their projections and the methodology used.3. Estimate the number of prospective residents whom the referral sources will refer annually to the applicant's facility within a 24-month period after project completion. Please note:<ul style="list-style-type: none">• The anticipated number of referrals cannot exceed the referral sources' documented historical LTC caseload.• The percentage of project referrals used to justify the proposed expansion cannot exceed the historical percentage of applicant market share, within a 24-month period after project completion• Each referral letter shall contain the referral source's Chief Executive Officer's notarized signature, the typed or printed name of the referral source, and the referral source's address4. Provide verification by the referral sources that the prospective resident referrals have not been used to support another pending or approved Certificate of Need (CON) application for the subject services.5. If a projected demand for service is based upon rapid population growth in the applicant facility's existing market area (as experienced annually within the latest 24-month period), the projected service demand shall be determined as follows:<ol style="list-style-type: none">a. The applicant shall define the facility's market area based upon historical resident/patient origin data by zip code or census tract;b. Population projections shall be produced, using, as a base, the population census or estimate for the most recent year, for county, incorporated place, township or community area, by the U.S. Bureau of the Census or IDPH;c. Projections shall be for a maximum period of 10 years from the date the application is submitted;d. Historical data used to calculate projections shall be for a number of years no less

than the number of years projected;

- e. Projections shall contain documentation of population changes in terms of births, deaths and net migration for a period of time equal to or in excess of the projection horizon;
- f. Projections shall be for total population and specified age groups for the applicant's market area, as defined by HFSRB, for each category of service in the application (see the HFSRB Inventory); and
- g. Documentation on projection methodology, data sources, assumptions and special adjustments shall be submitted to HFSRB.

APPEND DOCUMENTATION AS ATTACHMENT- 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.550 - Service Demand – Expansion of General Long-Term Care

The applicant shall document #1 and either #2 or #3:

1. Historical Service Demand
 - a. An average annual occupancy rate that has equaled or exceeded occupancy standards for general LTC, as specified in Section 1125.210(c), for each of the latest two years.
 - b. If prospective residents have been referred to other facilities in order to receive the subject services, the applicant shall provide documentation of the referrals, including completed applications that could not be accepted due to lack of the subject service and documentation from referral sources, with identification of those patients by initials and date.
2. Projected Referrals
The applicant shall provide documentation as described in Section 1125.540(d).
3. **If a projected demand for service is based upon rapid population growth in the applicant facility's existing market area** (as experienced annually within the latest 24-month period), the projected service demand shall be determined as described in Section 1125.540 (e).

APPEND DOCUMENTATION AS ATTACHMENT- 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.560 - Variances to Computed Bed Need

Continuum of Care:

The applicant proposing a continuum of care project shall demonstrate the following:

1. The project will provide a continuum of care for a geriatric population that includes independent living and/or congregate housing (such as unlicensed apartments, high rises for the elderly and retirement villages) and related health and social services. The housing complex shall be on the same site as the health facility component of the project.
2. The proposal shall be for the purposes of and serve only the residents of the housing complex

and shall be developed either after the housing complex has been established or as a part of a total housing construction program, provided that the entire complex is one inseparable project, that there is a documented demand for the housing, and that the licensed beds will not be built first, but will be built concurrently with or after the residential units.

3. The applicant shall demonstrate that:
 - a. The proposed number of beds is needed. Documentation shall consist of a list of available patients/residents needing the proposed project. The proposed number of beds shall not exceed one licensed LTC bed for every five apartments or independent living units;
 - b. There is a provision in the facility's written operational policies assuring that a resident of the retirement community who is transferred to the LTC facility will not lose his/her apartment unit or be transferred to another LTC facility solely because of the resident's altered financial status or medical indigency; and
 - c. Admissions to the LTC unit will be limited to current residents of the independent living units and/or congregate housing.

Defined Population:

The applicant proposing a project for a defined population shall provide the following:

1. The applicant shall document that the proposed project will serve a defined population group of a religious, fraternal or ethnic nature from throughout the entire health service area or from a larger geographic service area (GSA) proposed to be served and that includes, at a minimum, the entire health service area in which the facility is or will be physically located.
2. The applicant shall document each of the following:
 - a. A description of the proposed religious, fraternal or ethnic group proposed to be served;
 - b. The boundaries of the GSA;
 - c. The number of individuals in the defined population who live within the proposed GSA, including the source of the figures;
 - d. That the proposed services do not exist in the GSA where the facility is or will be located;
 - e. That the services cannot be instituted at existing facilities within the GSA in sufficient numbers to accommodate the group's needs. The applicant shall specify each proposed service that is not available in the GSA's existing facilities and the basis for determining why that service could not be provided.
 - f. That at least 85% of the residents of the facility will be members of the defined population group. Documentation shall consist of a written admission policy insuring that the requirements of this subsection (b)(2)(F) will be met.
 - g. That the proposed project is either directly owned or sponsored by, or affiliated with, the religious, fraternal or ethnic group that has been defined as the population to be served by the project. The applicant shall provide legally binding documents that prove ownership, sponsorship or affiliation.

APPEND DOCUMENTATION AS ATTACHMENT- 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.570 - Service Accessibility**1. Service Restrictions**

The applicant shall document that **at least one** of the following factors exists in the planning area, as applicable:

- The absence of the proposed service within the planning area;
- Access limitations due to payor status of patients/residents, including, but not limited to, individuals with LTC coverage through Medicare, Medicaid, managed care or charity care;
- Restrictive admission policies of existing providers; or
- The area population and existing care system exhibit indicators of medical care problems, such as an average family income level below the State average poverty level, or designation by the Secretary of Health and Human Services as a Health Professional Shortage Area, a Medically Underserved Area, or a Medically Underserved Population.

2. Additional documentation required:

The applicant shall provide the following documentation, as applicable, concerning existing restrictions to service access:

- a. The location and utilization of other planning area service providers;
- b. Patient/resident location information by zip code;
- c. Independent time-travel studies;
- d. Certification of a waiting list;
- e. Admission restrictions that exist in area providers;
- f. An assessment of area population characteristics that document that access problems exist;
- g. Most recently published IDPH Long Term Care Facilities Inventory and Data (see www.hfsrb.illinois.gov).

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.580 - Unnecessary Duplication/Maldistribution

1. The applicant shall provide the following information:
 - a. A list of all zip code areas that are located, in total or in part, within 30 minutes normal travel time of the project's site;
 - b. The total population of the identified zip code areas (based upon the most recent population numbers available for the State of Illinois); and
 - c. The names and locations of all existing or approved LTC facilities located within 30 minutes normal travel time from the project site that provide the categories of bed service that are proposed by the project.
2. The applicant shall document that the project will not result in maldistribution of services.
3. The applicant shall document that, within 24 months after project completion, the proposed project:
 - a. Will not lower the utilization of other area providers below the occupancy standards specified in Section 1125.210(c); and
 - b. Will not lower, to a further extent, the utilization of other area facilities that are currently (during the latest 12-month period) operating below the occupancy standards.

APPEND DOCUMENTATION AS ATTACHMENT- 18 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.590 - Staffing Availability

1. For each category of service, document that relevant clinical and professional staffing needs for the proposed project were considered and that licensure and JCAHO staffing requirements can be met.
2. Provide the following documentation:
 - a. The name and qualification of the person currently filling the position, if applicable; and
 - b. Letters of interest from potential employees; and
 - c. Applications filed for each position; and
 - d. Signed contracts with the required staff; or
 - e. A narrative explanation of how the proposed staffing will be achieved.

APPEND DOCUMENTATION AS ATTACHMENT- 19 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.600 Bed Capacity

The maximum bed capacity of a general LTC facility is 250 beds, unless the applicant documents that a larger facility would provide personalization of patient/resident care and documents provision of quality care based on the experience of the applicant and compliance with IDPH's licensure standards (77 Ill. Adm. Code: Chapter I, Subchapter c (Long-Term Care Facilities)) over a two-year period.

APPEND DOCUMENTATION AS ATTACHMENT- 20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.610 - Community Related Functions

The applicant shall document cooperation with and the receipt of the endorsement of community groups in the town or municipality where the facility is or is proposed to be located, such as, but not limited to, social, economic or governmental organizations or other concerned parties or groups. Documentation shall consist of copies of all letters of support from those organizations.

APPEND DOCUMENTATION AS ATTACHMENT- 21, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.620 - Project Size

The applicant shall document that the amount of physical space proposed for the project is necessary and not excessive. The proposed gross square footage (GSF) cannot exceed the GSF standards as stated in Appendix A of 77 Ill. Adm. Code 1125 (LTC rules), unless the additional GSF can be justified by documenting one of the following:

1. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
2. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix A;
3. The project involves the conversion of existing bed space that results in excess square footage.

APPEND DOCUMENTATION AS ATTACHMENT- 22, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.630 - Zoning

The applicant shall document **one** of the following:

1. The property to be utilized has been zoned for the type of facility to be developed;
2. Zoning approval has been received; or
3. A variance in zoning for the project is to be sought.

APPEND DOCUMENTATION AS ATTACHMENT- 23, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.640 - Assurances

1. The applicant representative who signs the CON application shall submit a signed and dated statement attesting to the applicant's understanding that, by the second year of operation after the project completion, the applicant will achieve and maintain the occupancy standards specified in Section 1125.210(c) for each category of service involved in the proposal.
2. For beds that have been approved based upon representations for continuum of care (Section 1125.560(a)) or defined population (Section 1125.560(b)), the facility shall provide assurance that it will maintain admissions limitations as specified in those Sections for the life of the facility. To eliminate or modify the admissions limitations, prior approval of HFSRB will be required.

APPEND DOCUMENTATION AS ATTACHMENT- 24, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Criterion 1125.650 - Modernization

1. If the project involves modernization of a category of LTC bed service, the applicant shall document that the bed areas to be modernized are deteriorated or functionally obsolete and need to be replaced or modernized, due to such factors as, but not limited to:
 - a. High cost of maintenance;
 - b. non-compliance with licensing or life safety codes;
 - c. Changes in standards of care (e.g., private versus multiple bed rooms); or
 - d. Additional space for diagnostic or therapeutic purposes.
2. Documentation shall include the most recent:
 - a. IDPH and CMMS inspection reports; and
 - b. Accrediting agency reports.
3. Other documentation shall include the following, as applicable to the factors cited in the application:
 - a. Copies of maintenance reports;
 - b. Copies of citations for life safety code violations; and
 - c. Other pertinent reports and data.
4. Projects involving the replacement or modernization of a category of service or facility shall meet or exceed the occupancy standards for the categories of service, as specified in Section 1125.210(c).

APPEND DOCUMENTATION AS ATTACHMENT- 25, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION V – FINANCIAL AND ECONOMIC FEASIBILITY REVIEW**Criterion 1125.800 Estimated Total Project Cost**

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Availability of Funds – Review Criteria
- Financial Viability – Review Criteria
- Economic Feasibility – Review Criteria, subsection (a)

Availability of Funds

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

<u>\$3,289,822</u>	<p>a. Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b. Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c. Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
<u>\$18,000,000</u>	<p>d. Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> 1. For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2. For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3. For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4. For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5. For any option to lease, a copy of the option, including all terms and conditions.

_____	e.	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f.	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g.	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$21,289,822	TOTAL FUNDS AVAILABLE	

APPEND DOCUMENTATION AS ATTACHMENT-27, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Financial Viability

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-28, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

1. The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				2017
Current Ratio				5.83
Net Margin Percentage				7.21%
Percent Debt to Total Capitalization				78%
Projected Debt Service Coverage				2.82
Days Cash on Hand				923
Cushion Ratio				2.21

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and

applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

2. Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 29, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Economic Feasibility

This section is applicable to all projects

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

1. That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
2. That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A. A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 1.5 times for LTC facilities; or
 - B. Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

1. That the selected form of debt financing for the project will be at the lowest net cost available;
2. That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
3. That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

Identify each area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY SERVICE									
Area (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT - 30, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

APPENDIX A

Project Costs and Sources of Funds

Complete the following table listing all costs 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 non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)			
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS			
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities			
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS			

APPENDIX B**Related Project Costs**

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project Yes No
Purchase Price: \$ 2,625,000
Fair Market Value: \$ _____

The project involves the establishment of a new facility or a new category of service
 Yes No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ 963,192

APPENDIX C

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings:

<input type="checkbox"/> None or not applicable	<input checked="" type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working

Anticipated project completion date (refer to Part 1130.140): November 2015

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

- Purchase orders, leases or contracts pertaining to the project have been executed.
- Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
- Project obligation will occur after permit issuance.

APPENDIX D

Cost/Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
Total Review							
NON CLINICAL							
Total Non-clinical							
TOTAL							

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

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2	Site Ownership	32 - 51
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4	Organizational Relationships	54 - 55
5	Flood Plain Requirements	56 - 57
6	Historic Preservation Act Requirements	58 - 59
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10	Purpose of the Project	60 - 62
11	Alternatives to the Project	63 - 65
	Service Specific - General Long-Term Care	
12	Background of the Applicant	66 - 73
13	Planning Area Need	74 - 92
14	Establishment of General LTC Service or Facility	93 - 95
15	Expansion of General LTC Service or Facility	
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17	Accessibility	96 - 99
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22	Project Size	115 - 116
23	Zoning	117 - 119
24	Assurances	120 - 122
25	Modernization	
	Service Specific - Specialized Long-Term Care	
26	Specialized Long-Term Care – Review Criteria	
	Financial and Economic Feasibility:	
27	Availability of Funds	123 - 129
28	Financial Waiver	
29	Financial Viability	120 - 133
30	Economic Feasibility	134 - 144
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D	Cost/Space Requirements	150 - 151

Appendix 1



May 14, 2013

Dale Galassie, Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

Dale Galassie,

Transitional Care was searching for a site to build a new transitional care facility in the Naperville market. We identified an approximately 3.5 acre site that was part of larger (approximately 13 acre) PUD that was to include a hotel, conference center, and a CRL owned/operated Alzheimer's/dementia facility. The site was attractive in (i) its proximity to Edward Hospital, (ii) location along major traffic corridors leading to the primary interstate utilized by Naperville residents and (iii) that the Seller was to provide certain infrastructure improvements and off-site detention.

Prior to finalizing terms on the site, TCM met personally with the Mayor, who indicated his strong support for the project on the site. TCM agreed to terms with the Seller and moved forward with the CoN application, design and zoning approval.

TCM pursued zoning approval for its portion of the site separate from the Seller; TCM and the Seller agreed verbally that it made sense for TCM to pursue its approvals (i) separately and (ii) in advance of the Seller.

Approximately two weeks prior to submitting TCM zoning approval package, TCM learned that, despite prior agreement to the contrary, the Seller had submitted its approval package and was slated for hearing before the City Board. At that time, the Board rejected the Seller's contemplated use, and indirectly, TCM's. In subsequent conversations with the Mayor and the Naperville Development Partnership, it was made clear that they no longer supported TCM's proposed use on the site and that moving forward with the application was futile, and would, in fact, generate ill-will in the community.

The City and Economic Development Partnership remain supportive of TCM's project and worked closely with us to locate another viable site; they provided tremendous assistance to find the site which was ultimately secured, and both the Mayor and the Naperville Development Partnership have provided letters of support for the project and the requisite approvals.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Cloch", written over a white background.

Brian Cloch
CEO

www.tc-mgmt.com

847.720.8700 • 6400 Shafer Court, Suite 600, Rosemont, Illinois 60018

Attachment 2

REAL ESTATE SALE AGREEMENT

Property Address: Southwest Corner of Commons Rd. and Mill St.
City: Naperville, Illinois 60004

Information Sheet

SELLER: BCT LLC
c/o Kevin Woods
Corporetum Companies, Inc.
410 Warrenville Road, Suite 350
Lisle, IL 60532
Phone: (630) 241-4455
Email: kwoods@corporetum.com

SELLER'S COUNSEL: Roberto S. Miceli
Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
Phone: 312-862-2030
Email: roberto.miceli@kirkland.com

PURCHASER: Lockwood NP Partners, LLC
1630 Des Peres Road, Suite 310
St. Louis, MO 63131
Attn.: David Weiss
Phone: 314-238-3801
Email: dweiss@rangeap.com

PURCHASER'S COUNSEL: Marilyn Dunn
Attorney at Law
55 W. Wacker, 9th Floor
Chicago, IL 60601
Phone: 312-578-0587
Email: mdunn.law@att.net

REAL ESTATE SALE AGREEMENT

THIS Real Estate Sale Agreement ("**Agreement**") is made as of the 1st day of April, 2013 by and between BTC LLC, an Illinois limited liability company, ("**Seller**") and Lockwood NP Partners LLC, a Missouri limited liability company ("**Purchaser**").

WITNESSETH:

WHEREAS, Seller desires to sell and Purchaser desires to purchase the real estate herein described;

NOW, THEREFORE, in consideration of the mutual promises herein contained, the sum of Ten Dollars (\$10.00) in hand paid to the other and other good and valuable consideration, the parties hereto agree as follows:

1. Agreement of Purchase and Sale. The Purchaser agrees to purchase and Seller agrees to sell, upon the terms, provisions and conditions herein contained, all of Seller's right, title and interest in and to the following: the land consisting of approximately 9.7 acres, located at the Southwest corner of Commons Rd. and Mill St., Naperville, Illinois, and legally described in Exhibit "A" attached hereto and made a part hereof (the "**Land**"); and all buildings, improvements, easements, appurtenances, rights, privileges, reservations, tenements and hereditaments belonging to any of the foregoing. The Land, and other foregoing items, are hereafter collectively called the "**Premises**".

2. Closing Date and Place. The consummation of the transaction contemplated herein (the "**Closing**") shall take place at the local offices of the Title Company (as herein defined), at a time and date mutually agreed upon by the parties, but not later than thirty (30) days after expiration of the Primary Due Diligence Period (as herein defined) (the "**Closing Date**").

3. Purchase Price. The Purchase Price for the Premises (the "**Purchase Price**") shall be Two Million Six Hundred Twenty Five Thousand and no/100 Dollars (\$2,625,000), payable as follows:

a. Within five (5) days after the execution of this Agreement by Purchaser, Purchaser shall deposit with Chicago Title Insurance Company ("**Escrowee**"), pursuant to the terms of a strict joint order escrow agreement in the form customarily used by Escrowee, the sum of Twenty Five Thousand and no/100 Dollars (\$25,000.00) as earnest money (the "**Earnest Money**"). The Earnest Money shall be fully refundable to Purchaser until the expiration of the initial 180-day Primary Due Diligence Period, and shall be applied to the Purchase Price at Closing.

b. The balance of the Purchase Price, plus or minus the prorations described herein, shall be paid on the Closing Date by wire transfer of immediately available federal funds to

Escrowee, to be released to Seller upon the terms of the Deed and Money Escrow Agreement as set forth in Section 23.

4. Survey and Title Insurance. Within thirty (30) days of the Execution Date, as hereinafter defined, Seller shall furnish to Purchaser the following:

a. A title commitment (the "**Title Commitment**") for an ALTA Form B owner's title insurance policy with extended coverage (the "**Title Policy**") issued by Chicago Title Insurance Company (the "**Title Company**") in the amount of the Purchase Price, showing title to the Premises in Seller, and including the following endorsements (if applicable): (i) an ALTA 3.0 zoning endorsement, (ii) an access endorsement, (iii) a subdivision endorsement, (iv) a utility facility endorsement, (v) a restrictions endorsement insuring over any recorded covenants, conditions or restrictions of record, (vi) an endorsement insuring that the real estate tax bills relating to the Property do not include real estate taxes pertaining to any other real estate, (vii) a contiguity endorsement, and (viii) encroachment endorsements.

b. Legible copies of all documents cited, raised as exceptions or noted in the Title Commitment (such documents together with the Title Commitment, the "**Title Documents**").

c. A current plat of survey (the "**Survey**") of the Premises, prepared by a licensed Illinois surveyor, certified to Purchaser, Purchaser's Lender (as requested by Purchaser), Seller, and Title Company by such surveyor as being prepared in accordance with the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, and including Table A items: 1, 2, 3, 4, 5(using only the aerial mapping completed in 2004), 6(b), 7(a), 7(b)(1), 8, 9, 11(a), 13, 14, 16, 17, 18, 19 (using only the wetlands survey completed in 2003) and 20a.

d. Purchaser shall have thirty (30) days after receipt of all Title Documents and the Survey in which to notify Seller in writing of any title defects or other matters ("**Defects**") disclosed by the Title Documents or the Survey which Purchaser deems objectionable. Any matter set forth in the Title Documents or Survey and not set forth in said notice shall be deemed to be a "**Permitted Exception**" to the title, and the Deed (hereafter defined) and Title Policy delivered at Closing may be subject thereto. Seller shall have twenty (20) days from receipt of Purchaser's notice (the "**Cure Period**") in which to remedy the Defects and provide evidence satisfactory to Purchaser thereof. If Seller fails to remedy such Defects to Purchaser's satisfaction within the Cure Period, Purchaser shall have the option exercisable within ten (10) days after the expiration of Seller's Cure Period to terminate this Agreement by written notice to Seller, and thereafter no party hereto shall have any claims, rights, duties, obligations, or liabilities to another party hereto by virtue of this Agreement, except those which herein are expressly stated to survive any termination of this Agreement, and the Earnest Money shall be returned to Purchaser. If Purchaser does not elect to terminate the Agreement, it shall be deemed that Purchaser has agreed to accept the title subject to the uncured Defects (which shall be deemed to be Permitted Exceptions), and this Agreement shall remain in full force and effect. Without limiting the generality of the foregoing, Purchaser and Seller agree that not less than thirty (30) days prior to Closing, Seller shall, at its sole

expense, use commercially reasonable efforts to relocate the residential drive currently located on the Southern section of the Premises so that it no longer encroaches on the Premises (the "Residential Drive Covenant").

5. Conveyance and Documents. At the Closing, the parties will execute and deliver all deeds and other documents necessary to consummate the sale and purchase of the Premises pursuant to the terms of this Agreement.

a. At Closing, Seller will deliver to Escrowee the following documents (all of which shall be duly executed and notarized where required):

- (i) Special Warranty Deed (the "Deed") in recordable form conveying to Purchaser fee simple title to the Premises subject only to the Permitted Exceptions.
- (ii) Bill of Sale conveying any personalty to Purchaser, subject to the Permitted Exceptions.
- (iii) A FIRPTA certificate.
- (iv) An Affidavit of Title in customary form covering the Closing Date and showing title in Seller subject only to the Permitted Exceptions.
- (v) An ALTA Statement and GAP undertaking form.
- (vi) Such proof of Seller's authority and authorization to enter into this Agreement and perform Seller's obligations under this Agreement as may be reasonably required by Title Company.
- (vii) A certificate from Seller stating that the representations and warranties set forth in Section 10 are true and correct as of the Closing Date.

b. At Closing, Purchaser will deliver to Escrowee the following (all of which shall be duly executed and notarized where required):

- (i) The balance of the Purchase Price, plus or minus prorations, if any.
- (ii) An ALTA Statement.
- (iii) Such proof of Purchaser's authority and authorization to enter into this Agreement and perform Purchaser's obligations under this Agreement as may be reasonably required by Title Company.

- c. At Closing, Seller and Purchaser shall execute and deliver the following:
- (i) The Stormwater Management Agreement (as hereinafter defined);
 - (ii) Real estate transfer declarations required by the state, county and municipality in which the Premises are located;
 - (iii) Closing Statement showing the Purchase Price and any adjustments thereto;
 - (iv) Any other usual and customary documents needed to complete the transaction set forth herein.

6. Possession. Seller shall deliver possession of the Premises to Purchaser at the time of Closing subject to the Permitted Exceptions.

7. Closing Contingencies. The Purchaser's obligation to close this transaction is expressly contingent upon Purchaser or Seller, as applicable, accomplishing the following:

a. Initial Due Diligence Period: Purchaser shall have until ninety (90) days after the Execution Date (the "Initial Due Diligence Period") to inspect the Premises and verify the validity of the project. At all times up until the Closing Date, including during the Initial Due Diligence Period, Purchaser, its agents and representatives, shall have the right but not the obligation to enter the Premises to conduct such inspections, investigations, tests and studies as Purchaser shall deem necessary in its sole and absolute discretion, including, without limitation, environmental site assessments, engineering tests and studies, and physical examinations of the Premises; provided, however, Purchaser shall be solely responsible for any damage, claims or liabilities arising out of such activities and shall indemnify, defend, and hold Seller harmless with respect thereto. Without limiting the foregoing, during the Initial Due Diligence Period, Purchaser shall have the right to employ one or more environmental consultants or other professionals to perform or complete a so-called "Phase I" and/or "Phase II" environmental inspection and assessment of the Premises. Purchaser shall cause all third-party consultants or other contractors to name Seller as an additional insured on their liability insurance, from an insurer reasonably acceptable to Seller, in the amount of \$1,000,000.00 combined single limit for personal injury and property damage per occurrence, which insurance shall provide coverage against any claim for personal liability or property damage caused by such third party consultants or other contractors in connection with such inspections and tests at the Premises. Prior to the expiration of the Initial Due Diligence Period, Purchaser shall have the right, at Purchaser's sole discretion, to terminate the Agreement for any reason or for no reason whatsoever. Upon written notification to the Seller of Purchaser's termination of the Agreement, the Agreement shall be null and void, and Purchaser and Seller shall have no further obligation to close the transaction set forth herein and the Earnest Money Deposit and interest earned thereon shall be returned to Purchaser within three (3) business days of delivery of said notice to Seller. Seller agrees to execute any and all documents so as to cause Escrowee to refund the Earnest Money Deposit to Purchaser within the prescribed time

period. Upon termination of this Agreement, Purchaser shall deliver to Seller copies of any third-party reports obtained by Purchaser during its inspection of the Premises.

b. Primary Due Diligence Period: Beginning at the expiration of the Initial Due Diligence Period, Purchaser shall have up to One Hundred Eighty (180) days (the "**Primary Due Diligence Period**") to obtain the necessary final annexation (if applicable), zoning, Certificate of Need, and initial HUD Section 232 Phase I approval. Prior to the expiration of the Primary Due Diligence Period, Purchaser shall have the right, at Purchaser's sole discretion, to terminate the Agreement for any reason or for no reason whatsoever. Upon notification to the Seller of Purchaser's termination of the Agreement, this Agreement shall be null and void, and Purchaser and Seller shall have no further obligation to close the transaction set forth herein and the Earnest Money Deposit and interest earned thereon shall be returned to Purchaser within three (3) business days of delivery of said notice to Seller. Seller agrees to execute any and all documents so as to cause Escrowee to refund the Earnest Money Deposit to Purchaser within the prescribed time period. In order to facilitate Purchaser's obtaining all necessary zoning, CON, or other necessary permits and approvals, Seller shall extend its full cooperation (but without third party expense to Seller) to Purchaser and its agents and representatives, including, without limitation, joining in any applications for zoning variances, permits and approvals as necessary or appropriate.

c. Stormwater Management Facility. Prior to the expiration of the Initial Due Diligence Period, Purchaser and Seller shall agree upon the terms and conditions of a stormwater management facility easement agreement (the "**Stormwater Management Agreement**") pursuant to which Purchaser shall agree to design and construct, at its sole cost and expense, (i) a Facility (as herein defined) on the southern section of the Premises which is capable of accommodating the stormwater management needs of Purchaser's improvements on the Premises as well as approximately 3.9 acre-feet of additional stormwater management capacity for Seller's property located North of Commons Rd. (the "**Seller's Retained Property**"), which equates to approximately 8.5 acres of stormwater management from Seller's Retained Property (using a 94 Curve Number in calculating density on the Seller's Retained Property), and grant to Seller an easement for the use of such Facility, and (ii) a storm sewer stub which shall be sized to accept the rainfall discharge from the 100-year, 24-hour storm event as defined by the DuPage County Countywide Stormwater and Flood Plain Ordinance from the approximate 8.5 acres of Seller's Retained Property (to be more particularly identified in the Stormwater Management Agreement) and having a manhole structure at the end of the sewer stub. The descriptions in (i) and (ii) above collectively refer to the Facility (the "Facility") to which the Stormwater Management Agreement applies. The Stormwater Management Agreement shall provide (i) for a reasonable minimum depth of the sewer elevation, (ii) that Purchaser must commence construction of the Facility within nine (9) months after the Closing, and will diligently pursue completion of the Facility within a commercially reasonable construction timeframe as dictated by completion of all other site improvements, (iii) that Seller shall have the right to construct temporary detention facilities on the Premises, at its sole cost and expense, if Purchaser fails to complete the Facility on or before April 30, 2015, (iv) that Seller shall have the right to construct that portion of the Facility necessary to serve approximately 8.5 acres of stormwater management from Seller's Retained Property, with

such expenses being borne 75% by Purchaser and 25% by Seller, if Purchaser fails to complete the Facility on or before April 30, 2015, (v) that Seller shall have the right to construct the Facility and be reimbursed by Purchaser for all reasonable costs incurred in such construction, if Purchaser fails to complete the Facility within eighteen (18) months after the Closing, and (vi) that Purchaser will maintain the Facility at its sole cost and expense. The Stormwater Management Agreement shall be executed and delivered by Seller and Purchaser at Closing. In the event that the parties are unable to agree in good faith upon the terms of the Stormwater Management Agreement prior to expiration of the Initial Due Diligence Period, then either party shall have the right to terminate this Agreement by delivering written notice to the other party within three (3) business days after expiration of the Initial Due Diligence Period. Upon such notification, this Agreement shall be null and void, and Purchaser and Seller shall have no further obligation to close the transaction set forth herein and the Earnest Money Deposit and interest earned thereon shall be returned to Purchaser within three (3) business days of delivery of said notice.

d. Extension of Primary Due Diligence Period: Purchaser, in its sole discretion, may extend the Primary Due Diligence Period for up to One Hundred Eighty (180) additional days. In order to be eligible for an extension, Purchaser notify Seller in writing and shall have deposited with Escrowee additional Earnest Money in the amount of Twenty-Five Thousand Dollars (\$25,000) (the "Extension Payment") not less than two (2) days prior to the expiration of the Primary Due Diligence Period. Purchaser's extension notice to Seller shall include Purchaser's good faith summary of costs incurred toward obtaining final annexation (if applicable), zoning, Certificate of Need and initial HUD Section 232 Phase I approval. It is understood that the Extension Payment will be applied to the Purchase Price at Closing, but is non-refundable and payable to Seller whether or not there is a Closing.

e. Residential Drive. If Seller is unable to relocate the residential drive currently located on the Southern section of the Premises so that it no longer encroaches on the Premises not less than thirty (30) days prior to the Closing, then (i) Seller shall not be in breach or default under this Agreement, and (ii) Purchaser may upon notice to Seller, elect to either (A) terminate this Agreement upon written notice to Seller whereupon Purchaser and Seller shall have no further obligation to close the transaction set forth herein and the Earnest Money Deposit and interest earned thereon shall be returned to Purchaser within three (3) business days of delivery of said notice or (B) consummate the transaction as contemplated by this Agreement, in which event the Stormwater Management Agreement shall be revised to reflect that the size of the Facility shall be reduced so as to be located within the boundaries provided to the East of the residential drive, and the stormwater management capacity for Seller's Retained Property shall be decreased in an amount equal to any decrease in the Facility's total stormwater management capacity.

8. As-Is Sale. Purchaser and Seller acknowledge that Purchaser shall be given the opportunity to make a full and complete investigation and inspection of the Premises and the operation thereof and that Purchaser will have an opportunity to make full inquiry of Seller as to all matters deemed relevant by Purchaser in evaluating the Premises. Purchaser expressly acknowledges that the Premises is being purchased "AS IS", "WHERE IS" and "WITH ALL

FAULTS", latent and patent. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SELLER HAS NOT AND WILL NOT, AND HEREBY EXPRESSLY DISCLAIMS ANY WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT OR RELATING TO THE PREMISES, INCLUDING WITHOUT LIMITATION, MERCHANTABILITY, HABITABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Purchaser expressly acknowledges that (i) it is not authorized to rely, has not relied, and will not rely on any representation, statement or warranty of Seller, or of any agent, or representative, or broker of Seller, except as expressly set forth in this Agreement, and (ii) Seller has not agreed to perform any work on or about the Premises as a condition to Purchaser's purchase of same. Except as specifically set forth in this Agreement, Seller makes no representations, warranties or indemnities for any claim, condition or liability arising before or after this Agreement pursuant to, or arising under, any federal, state or local law, rule or ordinance including, but not limited to, those relating to the protection of the environment including, but not limited to, CERCLA and RCRA. This paragraph will survive Closing.

9. Settlement Costs and Prorations.

a. Except as set forth in Section 27, each party shall be responsible for its attorneys' fees and other costs incurred by it in connection with this Agreement and the transactions contemplated hereby. Seller shall pay for the Title Policy, including extended coverage, and all state, county and municipal revenue stamps and/or transfer taxes customarily paid by the seller. Purchaser shall be responsible for the costs of any audits, tests, surveys or inspections of the Premises which it desires to make, and recording costs of the Deed and Stormwater Management Agreement.

b. All general real estate, personal property and sanitary taxes and assessments shall be prorated as of the Closing Date on the basis of the most recent ascertainable tax bill. Purchaser shall receive a real estate tax proration credit equal to the unpaid portion of real estate taxes relating to any period prior to Closing. For purposes of calculating this credit, such taxes shall be estimated on the basis of one hundred percent (100%) of the most recently ascertainable real estate taxes. Such real estate tax proration credit shall be final and not subject to re-proration after Closing.

10. Warranties and Representations.

a. Seller. Seller warrants and represents to Purchaser that:

(i) Seller is a limited liability company organized and created under the laws of the State of Illinois and is in good standing.

(ii) Seller has the full right, power and authority to enter in this Agreement, to perform its obligations hereunder and to execute and deliver this Agreement and all other documents to be executed and delivered by Seller at Closing in connection with the transaction contemplated herein.

(iii) Seller is not a party to any contract, agreement or commitment to sell, convey, assign, transfer, provide rights of first refusal or other similar rights or otherwise transfer or dispose of all or any portion of the Premises.

(iv) Seller has received no notice from any public authority of any eminent domain or condemnation proceeding concerning the Premises or any part thereof.

(v) There are no unrecorded leases, service or maintenance contracts, or occupancy agreements currently affecting any portion of the Premises which will be binding on Purchaser following the Closing.

(vi) There is no litigation pending or to the best of knowledge of Seller, threatened, against Seller or the Premises, including, without limitation, proceedings for or involving collections, alleged building code or environmental or zoning violations, or personal injuries or property damage alleged to have occurred on the Premises or by reason of the condition, use of, or operations on, the Premises.

(vii) There are no presently pending, and Seller has received no notice of, any special assessments of any nature with respect to the Premises or any part thereof, nor has Seller received any notice of any special assessments being contemplated.

(viii) To Seller's knowledge, there are no pending or threatened requests, applications or proceedings to alter or restrict the zoning or other use restrictions applicable to the Premises.

(ix) No insolvency proceeding of any character, voluntary or involuntary, relating to the Seller is pending or, to Seller's knowledge, threatened against Seller by any person or entity.

(x) To Seller's knowledge: (i) no notice, demand, claim or other communication has been given to or served on Seller, and Seller has no knowledge of any such notice given to previous owners or tenants of the Premises, from any entity, governmental body or individual claiming any violation of any Environmental Law or demanding payment, contribution, indemnification, remedial action, removal action or any other action or inaction with respect to any actual or alleged environmental damage or injury to persons, property or natural resources (any of the foregoing, whether now existing or hereafter brought, is herein called a "Claim"), and no basis for any Claim exists; (ii) no above ground or underground storage tanks are currently located on the Premises; (iii) the soil, surface water and ground water of, under, or on the Premises are free from any Hazardous Material (as defined below); (iv) the Premises has never been used for or in connection with the manufacture, refinement, treatment, storage, generation, transport or hauling of any Hazardous Material or the disposal of any such material; (v) no Hazardous Material has been discharged, dispersed, released, disposed of, or allowed to escape on, under or in the Premises; (vi) no asbestos or asbestos containing materials

have been installed, used, incorporated into or disposed of on the Premises; (vii) no polychlorinated biphenyls ("PCBs") are or ever have been located on, in, or used in connection with the Premises; and (viii) no investigation, administrative order, administrative order by consent, consent order, agreement, litigation or settlement is proposed or in existence or, to the best knowledge of Seller, threatened or anticipated, with respect to or arising from the presence of any Hazardous Material or the transport of Hazardous Material with respect to the Premises. As used in this subparagraph, The term "**Hazardous Materials**" shall mean any substance, material, waste, gas or particulate matter which is regulated by any local governmental authority, the State of Illinois, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," or "restricted hazardous waste" under any provision of Illinois law, (ii) petroleum, (iii) asbestos, (iv) polychlorinated biphenyl, (v) radioactive material, (vi) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. §1251 et seq., (33 U.S.C. §1317), (vii) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903), or (viii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601 et seq. (42 U.S.C. §9601). The term "**Environmental Laws**" shall mean all statutes specifically described in the foregoing grammatical sentence and all federal, state and local environmental, health and safety statutes, ordinances, codes, rules, regulations, orders and decrees regulating, relating to or imposing liability or standards concerning or in connection with Hazardous Materials.

(xi) The provisions of Section 902(d) of the Illinois Income Tax Act and Section 444(j) of the Illinois Retailer's Occupation Tax Act are not applicable to the transaction contemplated by this Agreement, because the conveyance of the Premises to Purchaser will not constitute a sale by Seller of a "major part" of Seller's real estate assets.

The warranties and/or representations of Seller set forth above in this Paragraph 10a shall be true and correct as of the Closing Date and shall survive the Closing for a period of one (1) year. Seller and shall indemnify, defend, and hold harmless Purchaser and its members, managers, employees, affiliates, successors and assigns from and against, and pay or reimburse each of them for and with respect to any loss, cost, expense or claim, relating to, arising out of or resulting from any breach by Seller of any of its representations and warranties in this Agreement. Seller's indemnification obligation shall survive the Closing of this transaction for a period of one (1) year.

b. Purchaser. Purchaser represents and warrants to Seller that:

(i) Purchaser is a limited liability company organized and created under the laws of the State of Missouri and is in good standing.

(ii) Purchaser has the full right, power and authority to enter in this Agreement, to perform its obligations hereunder and to execute and deliver this Agreement and all

other documents to be executed and delivered by Purchaser at Closing in connection with the transaction contemplated herein.

The warranties and/or representations of Purchaser set forth above in this Paragraph 10b shall be true and correct as of the Closing Date and shall survive the Closing for a period of one (1) year. Purchaser shall indemnify, defend, and hold harmless Seller and its officers, directors, employees, affiliates, successors and assigns from and against, and pay or reimburse each of them for and with respect to any loss, cost, expense or claim, relating to, arising out of or resulting from any breach by Purchaser of any of its representations and warranties in this Agreement. Purchaser's indemnification obligation shall survive the Closing of this transaction for a period of one (1) year.

11. Casualty or Condemnation. If on or before the Closing Date all or any part of the Premises is taken by eminent domain or destroyed or damaged by fire or any other cause, Seller shall promptly notify Purchaser thereof. If the value of any portion of the Premises taken, or the cost of any necessary repairs exceeds \$5,000, then Purchaser shall have the right to terminate this Agreement by giving written notice to Seller on or before the Closing Date and in the event Purchaser exercises such right to terminate this Agreement, the Earnest Money shall be returned to Purchaser, whereupon no party hereto shall have any further rights, obligations or liabilities hereunder. In the event of any un-repaired damage which would permit termination hereunder and Purchaser does not elect to so terminate, Seller shall deliver to Purchaser on the Closing Date an assignment in a form reasonably satisfactory to Purchaser of all of Seller's right, title and interest in and to any condemnation award or insurance claim to the extent not previously applied to restoration or repair of the Premises, but the Purchase Price shall not be affected by any such damage or destruction.

12. Default.

a. Seller's Remedy. The parties acknowledge that it is impossible to ascertain Seller's damages in the event of default by Purchaser hereunder. Accordingly, the parties agree that if Purchaser defaults in performing under this Agreement (Seller not then being in default), Escrow Agent shall pay to Seller the Earnest Money and interest thereon, not as a penalty, but for full liquidation of damages, the parties declaring and agreeing that such is and represents a reasonable forecast and settlement of such damages of Seller. The parties agree that the sum stated above in liquidated damages shall be in lieu of any other relief to which the Seller might otherwise be entitled by virtue of this Agreement or by operation of law or otherwise, and shall represent Seller's sole and exclusive remedy for such breach by Purchaser.

b. Purchaser's Remedy. In the event that Seller defaults in performing under this Agreement (with Purchaser not then being in default), Purchaser may, at Purchaser's option, upon five (5) days written notice to Seller, if such breach or failure is not cured within such five-day period: (i) terminate this Agreement, without further liability on Purchaser's part and receive the return of the Earnest Money with interest thereon; (ii) enforce specific performance of this Agreement by instituting litigation within ninety (90) days of the scheduled Closing Date; or (iii)

seek money damages from Seller for actual damages sustained by Purchaser by reason of Seller's default hereunder, which damages shall not exceed the amount of third party costs incurred by Purchaser for project design, engineering and rezoning up to the date of Seller's default.

13. Notices. All notices required or permitted hereunder, shall be in writing and shall be served on the parties and their counsel at the addresses set forth in the Information Sheet on page one of this Agreement. Notices shall be either (i) personally delivered or sent by Federal Express or other nationally recognized overnight courier to the addresses set forth above, in which case they shall be deemed delivered on the date of delivery to said address or (ii) sent by registered or certified mail, return receipt requested, or by hand delivery to the party whose attention it is directed.

14. Broker's Commissions. Seller is responsible to pay a broker's commission equal to three percent (3%) of the Purchase Price to Phillips Martin Real Estate ("**Broker**") upon Closing, as evidenced by delivery and recording of the Deed and receipt of the Purchase Price, pursuant to Seller's agreement with said Broker. Seller and Purchaser covenant and represent each to the other that there is no party entitled to be paid a finder's fee, cooperation fee, commission or other brokerage-type fee or similar compensation in connection with this Agreement and the transactions contemplated hereby (whether sale or loan), except to the said Broker. If any person or entity shall assert a claim to such a fee or compensation against either Seller or Purchaser on account of alleged employment as a finder, consultant or broker, then the party to this Agreement by, through or under whom the person or entity claims such employment shall indemnify, defend and hold harmless the other party against and from any and all such claims and all costs, expenses and liabilities incurred in connection with such claim or any action or proceedings brought thereon. The agreements contained in this Paragraph shall survive the Closing or the earlier termination hereof.

15. Survival. Except as expressly set forth in this Agreement, no representations, warranties, covenants, agreements, undertakings, and other obligations of Seller set forth herein shall survive the closing of the transactions contemplated hereby or the execution and delivery of the documents contemplated hereunder, and such shall be merged therein.

The delivery of the Deed by Seller, and the acceptance thereof by Purchaser, shall be deemed the full performance and discharge of every obligation on the part of Seller to be performed hereunder, except those obligations of Seller which are expressly stated in this Agreement to survive the Closing of this transaction.

16. Time of the Essence. Time is of the essence of this Agreement. Provided, however, that if the time within which any action, consent, approval or other activity herein contemplated, expires on a Saturday, Sunday or a national bank holiday, such time period shall automatically be deemed extended to the first day after the scheduled termination of such time period which is not a Saturday, Sunday or national bank holiday.

17. Governing Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of Illinois. Any provision of this Agreement which is unenforceable or invalid or the inclusion of which would affect the validity, legality or enforcement of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

18. Entire Agreement. This instrument contains the entire agreement of the parties and no representations, warranties or agreements have been made by either of the parties except as set forth in this Agreement. No modification, waiver or amendment of the provisions of this Agreement shall be effective unless made in writing and signed by the parties hereto.

19. Assignment. This Agreement shall bind and inure to the benefit of Seller and Purchaser and their respective heirs, executors, administrators, personal and legal representatives, successors and permitted assigns. Purchaser shall not assign Purchaser's rights under this Agreement without the prior written consent of Seller, which consent shall not be unreasonably withheld; provided, however, upon five (5) days prior written notice to Seller, Purchaser may assign this Agreement to any entity which controls, is controlled by, or is under common control with Purchaser, or to any entity that is jointly owned by Purchaser and an institutional investor without Seller's consent. Purchaser hereby agrees that any assignment which does not require Seller's consent, shall not release Purchaser from any of its duties, liabilities or obligations under this Agreement. In the event of any assignment to which Seller's consents or which does not require Seller's consent as provided in this Section 19, Purchaser and such assignee shall execute and deliver any Assignment of Real Estate Agreement in form and substance reasonably satisfactory to Seller. Any subsequent assignment may be made only with the prior written consent of Seller. This Agreement is solely for the benefit of Seller and Purchaser and Purchaser's permitted assigns, there are no third party beneficiaries hereof. Any assignment of this Agreement in violation of the foregoing provisions shall be null and void.

20. Construction. Each party hereto hereby acknowledges that all parties hereto participated equally in the drafting of this Agreement and that, accordingly, no court construing this Agreement shall construe it more stringently against one party than the other.

21. Binding. The issuance of this Agreement by Seller does not constitute an offer for the sale of the Premises from Seller to Purchaser. This Agreement shall not be binding or effective until properly executed and delivered by both Seller and Purchaser.

22. Execution Date. For purposes of this Agreement, the "**Execution Date**" shall mean the later "**Date of Execution**" subscribed beneath Seller's and Purchaser's signatures set forth hereinbelow. This Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

23. Closing Escrow: This sale shall be closed through an escrow with Title Company, in accordance with the general provisions of the usual form of Deed and Money

Escrow Agreement then in use by Title Company, with such special provisions inserted in the escrow Agreement as may be required to conform with this Agreement (Closing Escrow). At the request of either party, the transaction shall be closed by means of a New York style closing. The Seller shall provide the standard gap undertaking (Gap Undertaking) to the Title Company necessary for the New York style closing to occur. Notwithstanding anything herein to the contrary, payment of Purchase Price and delivery of deed shall be made through the escrow and this Agreement and the earnest money shall be deposited in the Closing Escrow. The cost of the Closing Escrow shall be divided equally between Seller and Purchaser. Seller and Purchaser shall each pay fifty percent (50%) of the charges of the Closing Escrow and New York closing.

The terms of this Agreement shall not merge with any Closing Escrow agreement and the terms of this Agreement shall govern.

Any payments herein required to be made at the time of closing shall be in cash by wire transfer to Seller through Escrowee.

24. Conditions Precedent. In addition to any conditions provided in other provisions of this Agreement, it shall be a condition precedent to Purchaser's obligation to purchase the Property, that between the Execution Date and the Closing Date, Seller shall: (a) not, without first obtaining the written consent of Purchaser, enter into any contracts, agreements, licenses, easements or leases pertaining to the Premises which would be binding upon Purchaser after Closing; (b) remedy all violations of laws, ordinances, orders or the requirements relating to the Premises which are or may be imposed by any governmental authority having jurisdiction over, or affecting all or any part of the Property and provide Purchaser evidence of same; (c) not cancel or permit cancellation of any hazard or liability insurance carried with respect to the Property; and (d) maintain the Premises in compliance with applicable law and in the same manner as the Premises has been maintained prior to the Execution Date.

25. Pre-Closing Deliveries. No later than five (5) days prior to Closing, Seller shall deliver to Purchaser the form of all documents to be used at Closing.

26. Waivers.

a. Purchaser and Seller reserve the right to waive any and all the conditions precedent to performance of their respective obligations hereunder. No such waiver, modifications, amendment, discharge or change in this Agreement, except as otherwise provided hereunder, shall be valid unless the same is in writing and signed by the party waiving same.

b. This Agreement contains the entire agreement between the parties relating to the transactions contemplated hereby and can only be modified by written agreement signed by both Seller and Purchaser.

27. Litigation Costs. In the event of any action or proceeding at law or equity between the Purchaser and Seller to enforce any provision of this Agreement or to protect or establish any right or remedy of either party hereunder, the unsuccessful party to said litigation shall pay to the prevailing party all costs and expenses, including reasonable attorney's fees incurred therein by such prevailing party, and if such prevailing party shall recover judgment in any such action or proceeding, such costs and expenses (including such attorney's fees) shall be included in and as a party of the judgment.

[Remainder of this page left blank intentionally; signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed
as of the dates written below.

SELLER:

BTC LLC

By CORPORATION COMPANY'S FILE, MANAGE

By: 
KEVIN D. WOODS

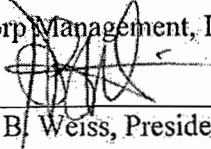
Its: EXECUTIVE V.P.

Date of Execution: APRIL 2, 2013

PURCHASER:

Lockwood NP Partners, LLC

By: RangeCorp Management, Inc., Manager

By: 
David B. Weiss, President

Date of Execution: April 2, 2013

EXHIBIT A

LEGAL DESCRIPTION

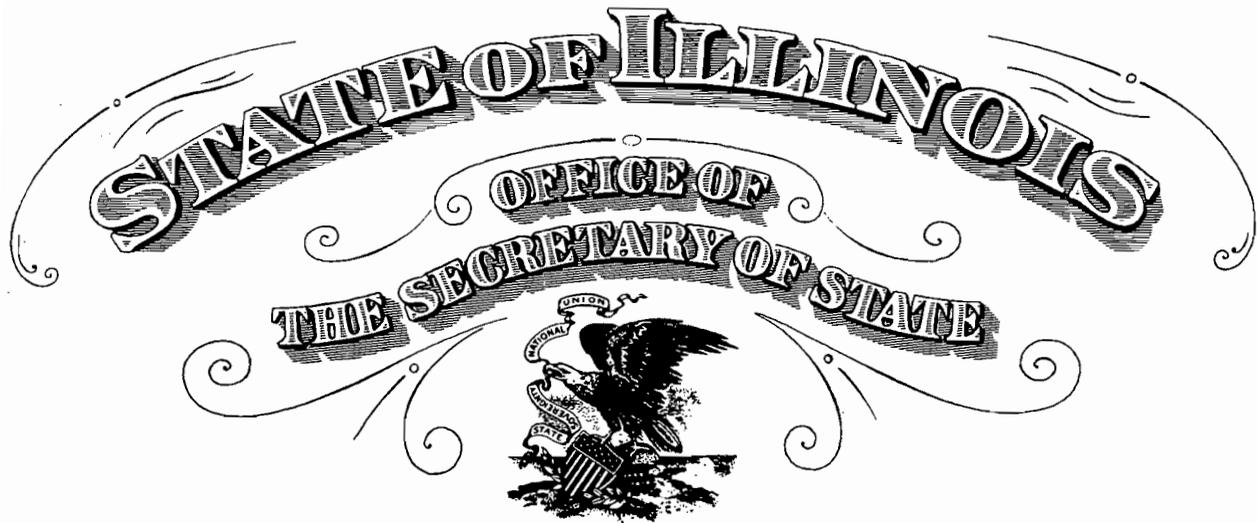
THAT PART OF NAPER VILLA MANOR, BEING A SUBDIVISION OF PART OF THE SOUTH HALF OF SECTION 1 AND PART OF THE NORTH HALF OF SECTION 12, TOWNSHIP 38 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED MAY 21, 1926 AS DOCUMENT NO. 213969, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 32 IN BLOCK 13 OF SAID NAPER VILLA MANOR; THENCE NORTH 87 DEGREES 41 MINUTES 36 SECONDS EAST ALONG THE NORTH LINE OF SAID BLOCK 13 AND ALONG SAID NORTH LINE EXTENDED EAST, AND ALONG THE NORTH LINE OF BLOCK 14 IN SAID NAPER VILLA MANOR, A DISTANCE OF 570.81 FEET TO THE NORTHEAST CORNER OF SAID BLOCK 14; THENCE SOUTH 00 DEGREES 28 MINUTES 08 SECONDS WEST ALONG THE EAST LINE OF SAID BLOCK 14, A DISTANCE OF 584.51 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK 14; THENCE SOUTH 17 DEGREES 00 MINUTES 12 SECONDS EAST, A DISTANCE OF 71.74 FEET TO THE NORTHEAST CORNER OF LOT 7 IN BLOCK 18 OF SAID NAPER VILLA MANOR; THENCE SOUTH 00 DEGREES 28 MINUTES 08 SECONDS WEST ALONG THE EAST LINE OF SAID LOT 7 IN BLOCK 18 AND ALONG SAID EAST LINE EXTENDED SOUTH, A DISTANCE OF 125.38 FEET TO THE CENTER LINE OF A PUBLIC ALLEY VACATED BY PLAT OF VACATION RECORDED SEPTEMBER 14, 2004 AS DOCUMENT NO. R2004-241006; THENCE SOUTH 83 DEGREES 55 MINUTES 41 SECONDS EAST ALONG SAID CENTER LINE, A DISTANCE OF 25.04 FEET TO THE EAST LINE, EXTENDED NORTH, OF LOT 22 IN SAID BLOCK 18; THENCE SOUTH 00 DEGREES 28 MINUTES 08 SECONDS WEST ALONG SAID EAST LINE EXTENDED NORTH AND ALONG THE EAST LINE OF SAID LOT 22 IN BLOCK 18, A DISTANCE OF 120.37 FEET TO THE SOUTHEAST CORNER OF SAID LOT 22 IN BLOCK 18; THENCE NORTH 83 DEGREES 55 MINUTES 41 SECONDS WEST ALONG THE SOUTHERLY LINE OF SAID BLOCK 18, A DISTANCE OF 209.42 FEET TO A POINT OF CURVATURE IN SAID SOUTHERLY LINE; THENCE NORTHWESTERLY ALONG THE SOUTHERLY LINE OF SAID BLOCK 18 AND ALONG SAID SOUTHERLY LINE EXTENDED NORTHWESTERLY, AND ALONG THE SOUTHWESTERLY LINE OF AFORESAID BLOCK 13, BEING ALONG A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 452.34 FEET AN ARC DISTANCE OF 372.44 FEET TO THE MOST WESTERLY CORNER OF LOT 18 IN SAID BLOCK 13; THENCE NORTH 44 DEGREES 00 MINUTES 47 SECONDS EAST ALONG THE NORTHWESTERLY LINE OF SAID LOT 18 IN BLOCK 13 AND ALONG THE NORTHWESTERLY LINE OF LOT 12 IN SAID BLOCK 13, A DISTANCE OF 251.81 FEET TO THE MOST NORTHERLY CORNER OF SAID LOT 12 IN BLOCK 13; THENCE NORTH 64 DEGREES 27 MINUTES 43 SECONDS EAST RADIAL TO THE CENTER LINE OF EWING STREET VACATED BY PLAT OF VACATION RECORDED SEPTEMBER 14, 2004 AS DOCUMENT NO. R2004-241006, A DISTANCE OF 33.00 FEET TO SAID CENTER LINE;

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THENCE NORTHWESTERLY AND NORTHERLY ALONG SAID CENTER LINE OF VACATED EWING STREET, BEING ALONG A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 174.76 FEET AN ARC DISTANCE OF 79.32 FEET TO A POINT OF TANGENCY, THE CHORD OF SAID ARC HAVING A LENGTH OF 78.65 FEET AND A BEARING OF NORTH 12 DEGREES 32 MINUTES 05 SECONDS WEST; THENCE NORTH 00 DEGREES 28 MINUTES 08 SECONDS EAST ALONG SAID CENTER LINE OF VACATED EWING STREET, A DISTANCE OF 24.48 FEET TO THE SOUTH LINE, EXTENDED EAST, OF LOT 7 IN SAID BLOCK 13; THENCE SOUTH 87 DEGREES 41 MINUTES 36 SECONDS WEST ALONG SAID SOUTH LINE, EXTENDED EAST, AND ALONG THE SOUTH LINE OF SAID LOT 7 IN BLOCK 13, A DISTANCE OF 162.97 FEET TO THE SOUTHWEST CORNER OF SAID LOT 7, BEING ALSO THE NORTHEAST CORNER OF LOT 25 IN SAID BLOCK 13; THENCE SOUTH 00 DEGREES 28 MINUTES 08 SECONDS WEST ALONG THE EAST LINE OF SAID 25 IN BLOCK 13, A DISTANCE OF 16.58 FEET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINES OF LOTS 25, 24, 23, 22 AND 21 IN SAID BLOCK 13, BEING ALONG A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 337.54 FEET AN ARC DISTANCE OF 112.85 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 21, THE CHORD OF SAID ARC HAVING A LENGTH OF 112.33 FEET AND A BEARING OF SOUTH 09 DEGREES 06 MINUTES 33 SECONDS EAST; THENCE SOUTH 72 DEGREES 28 MINUTES 38 SECONDS WEST ALONG THE SOUTHEASTERLY LINE OF SAID LOT 21 IN BLOCK 13, A DISTANCE OF 114.82 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 21; THENCE NORTHWESTERLY ALONG THE WESTERLY LINE OF SAID BLOCK 13, BEING ALONG A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 452.34 FEET AN ARC DISTANCE OF 148.90 FEET TO A POINT OF TANGENCY, THE CHORD OF SAID ARC HAVING A LENGTH OF 148.23 FEET AND A BEARING OF NORTH 08 DEGREES 57 MINUTES 41 SECONDS WEST; THENCE NORTH 00 DEGREES 28 MINUTES 08 SECONDS EAST ALONG THE WEST LINE OF SAID BLOCK 13, A DISTANCE OF 402.87 FEET TO THE POINT OF BEGINNING, IN DUPAGE COUNTY, ILLINOIS.

Attachment 3



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

TRANSITIONAL CARE CENTER OF NAPERVILLE, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON JUNE 06, 2011, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY IN THE STATE OF ILLINOIS.



Authentication #: 1317501768

Authenticate at: <http://www.cyberdriveillinois.com>

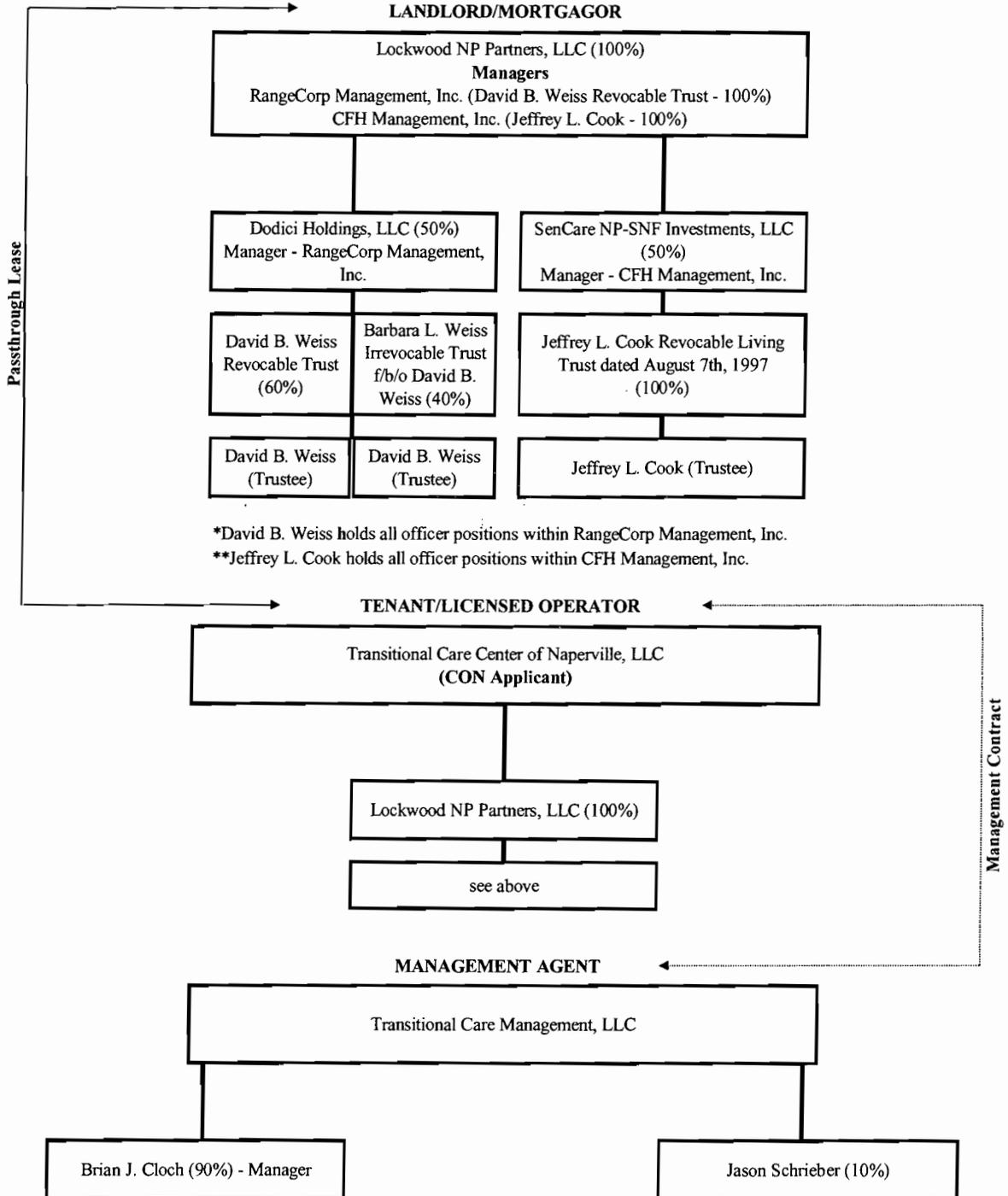
In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 24TH day of JUNE A.D. 2013 .

Jesse White

SECRETARY OF STATE

Attachment 4

Transitional Care Center of Naperville Organizational Chart



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Attachment 5

Attachment 6



Illinois Historic
Preservation Agency

FAX 217/782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

DuPage County
Naperville
SW of Commons Street & Mill Street
IDPH
New construction, Transitional Care Center

PLEASE REFER TO: IHPA LOG #001061413

June 19, 2013

Christopher Dials
Revere Healthcare, Inc.
112 Cary St.
Cary, IL 60013

Dear Mr. Dials:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker

Anne E. Haaker
Deputy State Historic
Preservation Officer

Attachment 10

Purpose of Project

1. Transitional Care Center of Naperville is bringing skilled nursing facilities (SNFs) into a new realm in terms of:

- (1) Quality of care
- (2) Acuity and coordination with other components of the healthcare delivery continuum
- (3) Patient comfort, satisfaction and outcomes

2. The market area is planning area 7-C,, also known as DuPage County Illinois.

3. Existing problems that exist that will be addressed by the proposed project include:

Over the last 30 years a dramatic shift in the utilization of hospitals coupled with the aging of America has created growing demand for quality post-acute care.

- Since 1980 the average length of stay ("ALOS") in a hospital for those over the age of 65 decreased from 10.7 days to 5.5 days. As a result of the shortened stays, patients are being discharged more quickly and with more intense post-acute care needs. This trend will continue as cost containment efforts are refined.
- Approximately 35% of the rapidly growing age 65+ population are admitted to a hospital each year.

Year	1990	2010	2020
65+ Population	30mm	40mm	54mm

- In 2009 SNF revenue for short-term stays (generally less than 30 days, paid for by insurers, managed care companies and Medicare) will exceed \$40B (28% of their total revenue). By 2018 expenditures on short-term SNF stays are projected to grow to \$60B (25%). Rehab Hospitals and Long Term Hospitals generate another \$15B in revenue as providers of post-acute.

4. Sources of information for above:

Centers for Medicare & Medicaid Services

5. Detail of how the proposed project will address the above listed problems:

TRANSITIONAL CARE CENTER focuses on high acuity patients treated in coordination with hospital and physician partners. The delivery of care across the acute and post-acute settings will be highly coordinated and generate positive outcomes at a lower cost.

- Care: specialized clinical pathways working within the healthcare continuum to properly manage care for each patient
- Physical plant: purpose-built, state-of-the-art transitional care centers that are differentiated from traditional skilled nursing facilities
- Licensed as skilled nursing but with quality and service mix unlike existing SNFs

TRANSITIONAL CARE CENTER's delivery model will offer seamless, high quality post-acute care to patients that also benefits strategic partners (who control referrals and reimbursements) including:

- Hospitals – seek positive outcomes while managing capacity and reimbursement
- Physicians – seek positive outcomes in a systematic manner enabling them to effectively manage and grow their practices
- Payers - motivated to provide positive outcomes in a cost effective manner

TRANSITIONAL CARE CENTER's role in the healthcare continuum will be that of a post-acute "relief-valve" for all of its strategic partners; TRANSITIONAL CARE CENTER provides high acuity care ...

- At a lower cost than other settings (such as hospitals, rehab hospitals, or long term acute care hospitals) and
- In a more coordinated manner, located in a physical plant far more desirable than the typical skilled nursing facility.

TRANSITIONAL CARE CENTER's role as the low-cost provider of high acuity post-acute services positions TRANSITIONAL CARE CENTER to capitalize on efforts to reform healthcare; whether reform measures result in bundling, a single post-acute reimbursement system, or a managed care model, TRANSITIONAL CARE CENTER will be poised for success.

While select traditional skilled nursing facilities currently serve patients that may approach the acuity levels TRANSITIONAL CARE CENTER contemplates, TRANSITIONAL CARE CENTER will have competitive advantages relative to the traditional nursing home, including:

1. TRANSITIONAL CARE CENTER's state of the art physical plants with a rehab focus versus the traditional model that is dated (semi-private rooms, no in-room showers, limited therapy space/equipment) and combines a mix of high acuity patients with long term indigent patients.
2. TRANSITIONAL CARE CENTER's strategic partnerships with hospitals and physicians enable TRANSITIONAL CARE CENTER to admit patients with higher care needs than the traditional SNF while still generating positive outcomes.
3. TRANSITIONAL CARE CENTER's high acuity focus does not require payers (Medicare, Managed Care, Private Insurance) to subsidize long term patients in the facility who are reimbursed by lesser payers.

6. Goals with measurable objectives and timeframes:

Serve 300 residents requiring skilled nursing and rehabilitative services and discharge to home by 2016.

Attachment 11

Alternatives

In the application for Project 11-055, a full array of alternatives to the proposed project was explored. Since a permit has been approved for that project, this application will focus on the relevant alternatives:

- Abandon permit 11-055; or
- Construct Transitional Care Center of Naperville at the new site.

1. Abandon permit 11-055

First, the Applicant considered the alternative of abandoning the Certificate of Need permit for project 11-055. This alternative must be considered due to the circumstances necessitating the selection of a new site. See Appendix 1 for more information on the aforementioned circumstances. According to the Illinois Health Facilities and Services Review Board's rules, moving the site invalidates a permit.

This alternative does not address the identified bed need of 841 beds in the Planning Area. The bed need total already includes the 120 beds granted to Project No. 111-055. Therefore, the bed need would rise to 961 beds. Furthermore, the planning area would be deprived of the innovative product represented by the Transitional Care Center of Naperville project. Transitional Care Center will bring a highly coordinated short-term care option to Naperville, which hospitals and physicians in the area will need to meet the challenges presented by the changing health care regulatory and reimbursement environment.

The Applicant did not select the alternative of abandoning the permit as a result.

2. Construct Transitional Care Center of Naperville at the new site

The alternative selected by the Applicant as the optimal path involves moving the originally conceived project a couple of miles to the west of the original site. The new site at the southwest corner of Mill Street and Commons Road will retain all of the advantages of a Naperville location for the project:

- serves identified bed need
- visible and accessible for residents of the planning area
- proximity to Edwards Hospital

Furthermore, proceeding with a new site allows the project to bring all of the advantages of Project No. 11-055 to the planning area:

- built specifically for the intended population requiring transitional care
- deliver high quality transitional care in an efficient, coordinated manner;
- deliver high quality rehabilitative care outside of traditional settings significantly reduces the cost of care in comparison to an acute care medical/surgical or acute care rehabilitation stay;
- develop clinical pathways and have specialized staffing is especially beneficial to orthopedic groups that do a high volume of joint replacements.*

* In these relationships Transitional Care Center develops clinical pathways to address specific care needs specified by the physicians. These pathways result in cost effective care that is well coordinated and generates the best patient outcomes.

As a result, the alternative of relocating the project to a new site was chosen.

Attachment 12

The Applicant does not currently operate licensed facilities. However, the Applicant has engaged Transitional Care Management, a management company with significant experience in doing so, as evidence by the following.

a. Executive Bios

1. **Brian Cloch, Chief Executive Officer:** Brian is a career healthcare operator and developer. Brian is responsible for the overall strategic vision of the company and oversees all operational aspects of the company including the establishment of strategic partner relationships and development of clinical programs.
 - a. 26 years experience owning and operating skilled nursing and senior housing properties
 - b. As founder of a skilled nursing that operated as many ten facilities in IL, WI and OH:
 - i. Managed all phases of operations
 - ii. Created new clinical relationships with Hospitals, Physicians and Payers
 - iii. Implemented specific programs (such as a complex wound program) that met service needs of strategic partners
 - iv. Acquired long term care assets from Hospital partners (including not-for-profits Advocate in Illinois and Columbia St. Mary's in Wisconsin)
 - v. Significantly improved operations and census/payer mix at acquisitions (census at one property exceeded 100 Medicare/Managed Care Patients per day, while another topped 80 after starting with next to none)
 - vi. Founded state of the art rehab and therapy company and managed institutional pharmacy
 - c. As a founder of Pathway Senior Living, a developer and operator of assisted and independent living facilities:
 - i. Managed all phases of operations from pre-opening through stabilization
 - ii. Intimate in all aspects of design and development of 17 facilities
 - iii. Developed corporate infrastructure that enables the company to effectively manage 17 properties
 - d. Active and influential in Regulatory and Reimbursement matters
 - i. An architect of Illinois' successful supportive living program which has become the premiere affordable assisted living model in the country
 - ii. Past-President and founder of the Affordable Assisted Living Coalition
 - iii. Chairman of the Illinois Department of Professional Regulation Nursing Home Administrator licensing board
 - iv. Board member of Life Services Network and serves as President of the supportive living cabinet
 - v. Past member of Illinois' Medicaid Transition Team
 - vi. Government Relations Roundtable for Assisted Living Federation of America
2. **Jason Schreiber, President:** Jason is a career healthcare finance professional. Jason is responsible for all financial aspects of the company, including capital raising, investor and lender relations, financial reporting, capital planning, development and feasibility.
 - a. 13+ years experience in healthcare real estate transactions and investments
 - b. Completed over \$8B in financings, acquisitions and advisory assignments across full post-acute/senior housing spectrum (LTACH, Acute Rehab, SNF, ALF, IL, CCRC)
 - c. Most recently was one of initial leadership hires in Merrill Lynch Capital's Healthcare Real Estate business
 - i. Involved in all aspects of Healthcare Real Estate lending business since its inception in 2003 through its growth to over \$3B in assets

- ii. Expert in valuation, market assessment, loan structuring, due diligence and strategic planning for senior housing and healthcare assets
- d. Healthcare real estate finance related roles at various companies including:
 - i. Private equity backed owner/operator of skilled nursing facilities; responsible for acquisitions, financings and development of financial and operational strategies
 - ii. Ziegler Capital Markets: Healthcare investment banking boutique; responsible for financings (including tax exempt bonds and HUD 232) and advisory assignments, including extensive experience with workouts, restructurings, recapitalizations and divestitures
 - iii. Daiwa Securities: Wall street conduit lender; originated, underwrote, securitized and sold healthcare loans
 - iv. Health Care REIT: evaluated new investment opportunities including developments and acquisitions.



List of facilities managed by Transtional Care Management:

**Evergreen Healthcare Center
10124 S. Kedzie Avenue
Evergreen Park, IL 60805**

**Warren Barr Pavilion
66 W. Oak Street
Chicago, IL 60610**

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION



State of Illinois 2135465
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

LA MAR HASBROUCK, MD, MPH
DIRECTOR

Issued under the authority of
The State of Illinois
Department of Public Health

EXPIRATION DATE	CATEGORY	ID NUMBER
06/21/2014	B6BE	0044560
LONG TERM CARE LICENSE SKILLED 242		
UNRESTRICTED 242 TOTAL BEDS		

BUSINESS ADDRESS
LICENSEE

EVERGREEN HEALTHCARE CENTER, L.O.C.

EVERGREEN HEALTH CARE CENTER
10124 SOUTH KEDZIE
EVERGREEN PARK IL 60805

EFFECTIVE DATE: 06/22/13
The face of this license has a colored background. Printed by Authority of the State of Illinois • 4/97 •

State of Illinois 213546
Department of Public Health
LICENSE, PERMIT, CERTIFICATION, REGISTRATI

EXPIRATION DATE	CATEGORY	ID NUMBER
06/21/2014	B6BE	0044560

LONG TERM CARE LICENSE
SKILLED
242

UNRESTRICTED 242 TOTAL BI

REGION 9

05/30/13

EVERGREEN HEALTH CARE CENTER
10124 SOUTH KEDZIE
EVERGREEN PARK IL 60805

FEE RECEIPT NO.

80

DISPLAY THIS PART IN A CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION

State of Illinois 2099333
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below

LA HAR HASBROUCK, MD, MPH
DIRECTOR

Issued under the authority of
The State of Illinois
Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
06/30/2013	BGBE	0046003
LONG TERM CARE LICENSE SKILLED		
UNRESTRICTED 271 TOTAL BEDS		

BUSINESS ADDRESS

LICENSEE

WARREN BARR NURSING PAVILION, L.L.C.

WARREN BARR PAVILION
66 WEST OAK STREET
CHICAGO IL 60610

The effective date is 07/11/11
Authority of the State of Illinois • 497 •

State of Illinois 2099333
Department of Public Health
LICENSE, PERMIT, CERTIFICATION, REGISTRATION

EXPIRATION DATE	CATEGORY	I.D. NUMBER
06/30/2013	BGBE	0046003

LONG TERM CARE LICENSE
SKILLED

UNRESTRICTED 271 TOTAL BEDS

REGION 8

08/10/12

WARREN BARR PAVILION
66 WEST OAK STREET
CHICAGO IL 60610

FEE RECEIPT NO.

June 21, 2013

Dale Galassie, Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson St., Second Floor
Springfield, IL 62761

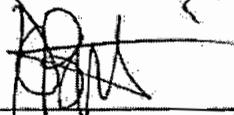
RE: Transitional Care Center of Naperville, LLC

I authorized the Illinois Health Facilities & Services Review Board and the Illinois Department of Public Health to obtain access to information in order to verify any documentation or information submitted in this permit application regarding the requirements of the Background of Applicant Criteria, or to obtain any additional documentation or information which the State Board or Agency finds pertinent to this subsection.

Thank you.

Sincerely,

Transitional Care Center of Naperville, LLC



David B. Weiss, President
RangeCorp Management, its Manager

June 21, 2013

Dale Galassie, Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson St., Second Floor
Springfield, IL 62761

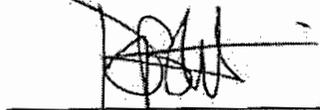
RE: Transitional Care Center of Naperville, LLC

Please be advised that no adverse action as defined under 1110.230.a).3)B has been taken against the Applicant or against any health care facility owned or operated by the Applicant, directly or indirectly, within three years preceding the filing of the Certificate of Need Application.

Thank you.

Sincerely,

Transitional Care Center of Naperville, LLC

A handwritten signature in black ink, appearing to read "D. Weiss", is written over a horizontal line.

David B. Weiss, President
RangeCorp Management, its Manager

Attachment 13

Criterion 1125.530 – Planning Area Need

1. Bed Need Determination 1125.530(a)

According to the *Inventory of Health Care Facilities and Services and Need Determinations 2011*, or "2011 Inventory", a bed need exists in Planning Area 7c – Dupage County. The bed need stands at 881 beds as of the *2011 Inventory*. As the *2011 Inventory* currently includes the 120 beds assigned to Project 11-055, there will be no reduction in the calculated bed need as a result of the project.

As a condition of receiving approval for this application, the Applicant will abandon the existing CON permit for Project 11-055.

As of the latest update to 2011 Inventory of LTC Facilities, this planning area has the following need/(surplus):

841 bed need

Therefore, the 120 beds established by the project is in conformance with the projected bed need.

The relevant pages of the 2011 Inventory and the latest update are included as **Attachment 13 Item 1**.

2. Service to Planning Area Residents 1125.530(b)

The applicant attests that over 50% of projected residents of the transitional care facility will come from Planning Area 7c - DuPage County.

The primary service area for this project is those residents within a 30-minute drive time of the facility. The secondary market is the larger Planning Area 7c - DuPage County. This secondary market has a calculated bed need for 841 beds in addition to the project's 120 beds. As the proposed project establishes a 120-bed facility, Transitional Care Center of Naperville will provide necessary long-term care services to the primary and secondary service areas.

The ZIP code listing and planning area map are provided in **Attachment 13 Item 2**.

3. Projected Referrals 1125.540(d)

Edwards Hospital estimates referrals to long-term care facilities at 2,736 patients in the year ending April 30, 2010. Furthermore, Edwards Hospital estimates referrals to Transitional Care Center of Naperville to be 400 per year.

Letters from Edwards Hospital documenting these referrals are attached as **Attachment 13 Item 3**.

Attachment 13

Item 1

ZIP Code Radius Finder and Search

20 mile radius of 60563, NAPERVILLE, IL

[Printable Version](#)

[Driving Distance & Directions](#)

[Get the U.S. ZIP Code Database](#)

[Add the Radius Finder tool to your website](#)

#	Zip	City	County	St	Country	Distance	
1	60563	NAPERVILLE	DUPAGE	IL	US	0.00 miles	
2	60566	NAPERVILLE	DUPAGE	IL	US	1.58 miles	
3	60567	NAPERVILLE	DUPAGE	IL	US	1.58 miles	
4	60555	WARRENVILLE	DUPAGE	IL	US	2.49 miles	
5	60540	NAPERVILLE	DUPAGE	IL	US	2.83 miles	
6	60598	AURORA	DUPAGE	IL	US	3.69 miles	
7	60519	EDLA	DUPAGE	IL	US	3.97 miles	
8	60187	WHEATON	DUPAGE	IL	US	4.43 miles	
9	60532	LISLE	DUPAGE	IL	US	4.49 miles	
10	60572	AURORA	DUPAGE	IL	US	4.77 miles	
11	60502	AURORA	DUPAGE	IL	US	4.85 miles	
12	60190	WINFIELD	DUPAGE	IL	US	5.01 miles	
13	60504	AURORA	DUPAGE	IL	US	5.21 miles	
14	60189	WHEATON	DUPAGE	IL	US	5.64 miles	
15	60565	NAPERVILLE	DUPAGE	IL	US	5.88 miles	
16	60186	WEST CHICAGO	DUPAGE	IL	US	6.10 miles	
17	60564	NAPERVILLE	WILL	IL	US	6.83 miles	
18	60505	AURORA	KANE	IL	US	6.90 miles	
19	60185	WEST CHICAGO	DUPAGE	IL	US	6.98 miles	
20	60137	GLEN ELLYN	DUPAGE	IL	US	7.25 miles	
21	60515	DOWNERS GROVE	DUPAGE	IL	US	7.31 miles	
22	60503	AURORA	WILL	IL	US	7.59 miles	
23	60138	GLEN ELLYN	DUPAGE	IL	US	7.60 miles	
24	60517	WOODRIDGE	DUPAGE	IL	US	7.95 miles	
25	60116	CAROL STREAM	DUPAGE	IL	US	8.00 miles	
26	60128	CAROL STREAM	DUPAGE	IL	US	8.00 miles	
27	60132	CAROL STREAM	DUPAGE	IL	US	8.00 miles	
28	60197	CAROL STREAM	DUPAGE	IL	US	8.01 miles	
29	60568	AURORA	KANE	IL	US	8.15 miles	
30	60507	AURORA	KANE	IL	US	8.16 miles	
31	60188	CAROL STREAM	DUPAGE	IL	US	8.27 miles	
32	60516	DOWNERS GROVE	DUPAGE	IL	US	8.45 miles	
33	60490	BOLINGBROOK	WILL	IL	US	8.52 miles	
34	60440	BOLINGBROOK	WILL	IL	US	8.52 miles	
35	60585	PLAINFIELD	WILL	IL	US	8.71 miles	
36	60539	MOOSEHEART	KANE	IL	US	8.72 miles	
37	60199	CAROL STREAM	DUPAGE	IL	US	8.96 miles	
38	60510	BATAVIA	KANE	IL	US	9.06 miles	
39	60542	NORTH AURORA	KANE	IL	US	9.27 miles	
40	60148	LOMBARD	DUPAGE	IL	US	9.45 miles	
41	60139	GLENDALE HEIGHTS	DUPAGE	IL	US	9.64 miles	
42	60599	FOX VALLEY	DUPAGE	IL	US	9.75 miles	
43	60134	GENEVA	KANE	IL	US	9.98 miles	
44	60561	DARIEN	DUPAGE	IL	US	10.22 miles	
45	60559	WESTMONT	DUPAGE	IL	US	10.33 miles	
46	60506	AURORA	KANE	IL	US	10.82 miles	
47	60514	CLARENDON HILLS	DUPAGE	IL	US	10.93 miles	
48	60108	BLOOMINGDALE	DUPAGE	IL	US	11.05 miles	
49	60174	SAINT CHARLES	KANE	IL	US	11.13 miles	
50	60538	MONTGOMERY	KENDALL	IL	US	11.18 miles	
51	60117	BLOOMINGDALE	DUPAGE	IL	US	11.28 miles	
52	60184	WAYNE	DUPAGE	IL	US	11.45 miles	
53	60181	VILLA PARK	DUPAGE	IL	US	11.53 miles	
54	60523	OAK BROOK	DUPAGE	IL	US	11.55 miles	
55	60446	ROMEVILLE	WILL	IL	US	11.97 miles	
56	60522	HINSDALE	DUPAGE	IL	US	12.07 miles	
57	60101	ADDISON	DUPAGE	IL	US	12.13 miles	
58	60133	HANOVER PARK	COOK	IL	US	12.27 miles	
59	60103	BARTLETT	DUPAGE	IL	US	12.34 miles	
60	60521	HINSDALE	DUPAGE	IL	US	12.58 miles	
61	60543	OSWEGO	KENDALL	IL	US	12.60 miles	
62	60439	LEMONT	COOK	IL	US	12.64 miles	
63	60172	ROSELLE	DUPAGE	IL	US	12.69 miles	
64	60527	WILLOWBROOK	DUPAGE	IL	US	12.80 miles	
65	60544	PLAINFIELD	WILL	IL	US	12.95 miles	
66	60126	ELMHURST	DUPAGE	IL	US	13.30 miles	
67	60157	MEDINAH	DUPAGE	IL	US	13.36 miles	

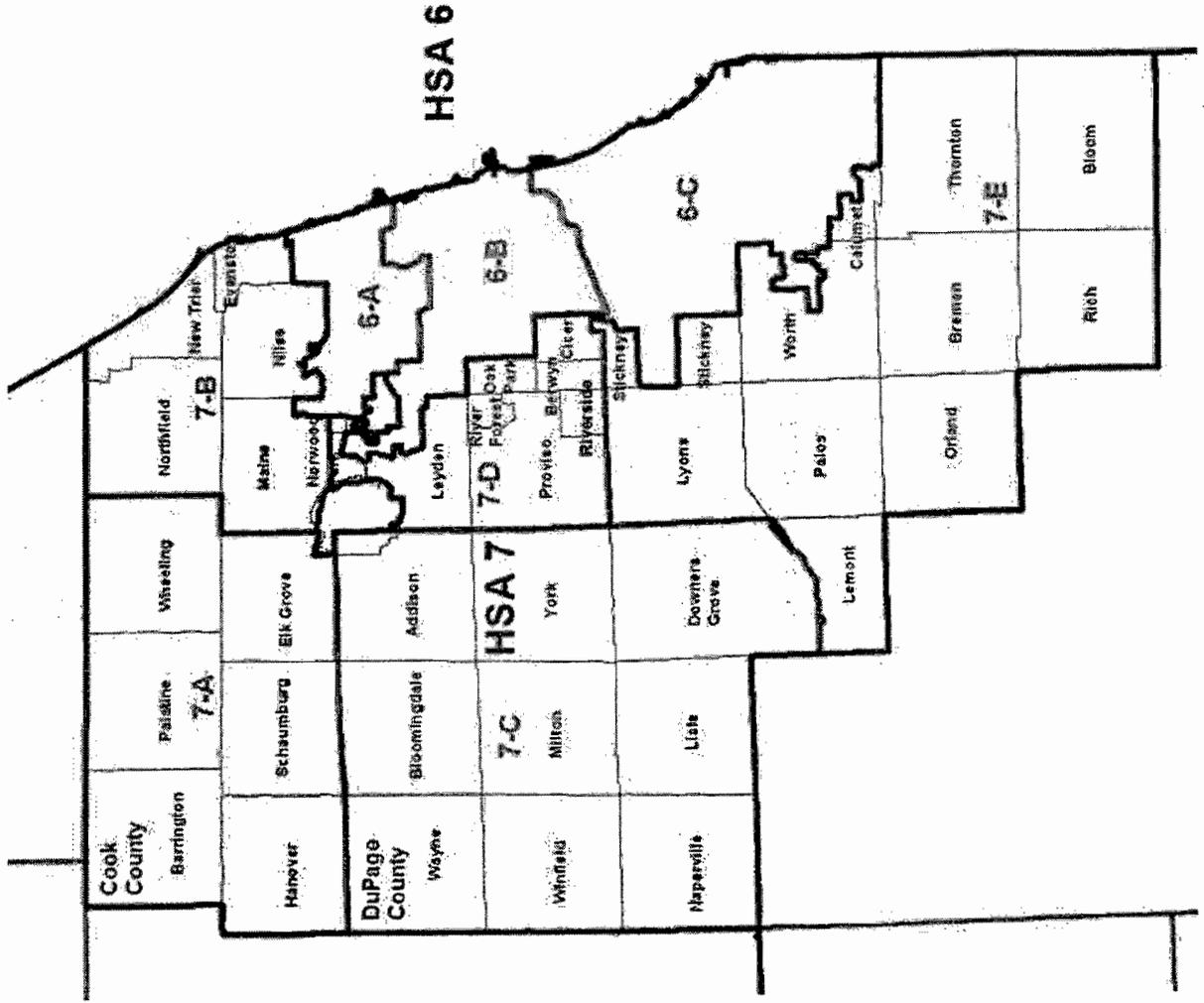
87

Zip Code Radius Finder and Calculator

68	60147	LAFOX	KANE	IL	US	13.62 miles	
69	60196	SCHAUMBURG	COOK	IL	US	13.66 miles	
70	60558	WESTERN SPRINGS	COOK	IL	US	13.80 miles	
71	60441	LOCKPORT	WILL	IL	US	14.11 miles	
72	60143	ITASCA	DUPAGE	IL	US	14.19 miles	
73	60162	HILLSIDE	COOK	IL	US	14.58 miles	
74	60163	BERKELEY	COOK	IL	US	14.80 miles	
75	60154	WESTCHESTER	COOK	IL	US	14.96 miles	
76	60193	SCHAUMBURG	COOK	IL	US	15.02 miles	
77	60512	BRISTOL	KENDALL	IL	US	15.04 miles	
78	60191	WOOD DALE	DUPAGE	IL	US	15.09 miles	
79	60554	SUGAR GROVE	KANE	IL	US	15.13 miles	
80	60175	SAINT CHARLES	KANE	IL	US	15.17 miles	
81	60177	SOUTH ELGIN	KANE	IL	US	15.21 miles	
82	60107	STREAMWOOD	COOK	IL	US	15.27 miles	
83	60120	ELGIN	KANE	IL	US	15.31 miles	
84	60183	WASCO	KANE	IL	US	15.36 miles	
85	60526	LA GRANGE PARK	COOK	IL	US	15.60 miles	
86	60480	WILLOW SPRINGS	COOK	IL	US	15.95 miles	
87	60105	BENSENVILLE	DUPAGE	IL	US	16.01 miles	
88	60399	WOOD DALE	DUPAGE	IL	US	16.01 miles	
89	60104	BELLWOOD	COOK	IL	US	16.06 miles	
90	60106	BENSENVILLE	DUPAGE	IL	US	16.14 miles	
91	60403	CREST HILL	WILL	IL	US	16.19 miles	
92	60525	LA GRANGE	COOK	IL	US	16.33 miles	
93	60586	PLAINFIELD	WILL	IL	US	16.37 miles	
94	60164	MELROSE PARK	COOK	IL	US	16.49 miles	
95	60165	STONE PARK	COOK	IL	US	16.62 miles	
96	60194	SCHAUMBURG	COOK	IL	US	16.69 miles	
97	60155	BROADVIEW	COOK	IL	US	16.71 miles	
98	60159	SCHAUMBURG	COOK	IL	US	16.75 miles	
99	60168	SCHAUMBURG	COOK	IL	US	16.75 miles	
100	60513	BROOKFIELD	COOK	IL	US	16.80 miles	
101	60435	JOLIET	WILL	IL	US	16.88 miles	
102	60119	ELBURN	KANE	IL	US	17.13 miles	
103	60007	ELK GROVE VILLAGE	COOK	IL	US	17.22 miles	
104	60169	HOFFMAN ESTATES	COOK	IL	US	17.28 miles	
105	60121	ELGIN	KANE	IL	US	17.35 miles	
106	60122	CAROL STREAM	DUPAGE	IL	US	17.35 miles	
107	60160	MELROSE PARK	COOK	IL	US	17.37 miles	
108	60131	FRANKLIN PARK	COOK	IL	US	17.40 miles	
109	60179	HOFFMAN ESTATES	COOK	IL	US	17.41 miles	
110	60009	ELK GROVE VILLAGE	COOK	IL	US	17.46 miles	
111	60491	HOMER GLEN	WILL	IL	US	17.47 miles	
112	60458	JUSTICE	COOK	IL	US	17.60 miles	
113	60161	MELROSE PARK	COOK	IL	US	17.63 miles	
114	60153	MAYWOOD	COOK	IL	US	17.75 miles	
115	60501	SUMMIT ARGO	COOK	IL	US	17.78 miles	
116	60123	ELGIN	KANE	IL	US	17.79 miles	
117	60546	RIVERSIDE	COOK	IL	US	17.80 miles	
118	60141	HINES	COOK	IL	US	17.91 miles	
119	60534	LYONS	COOK	IL	US	18.04 miles	
120	60144	KANEVILLE	KANE	IL	US	18.24 miles	
121	60464	PALOS PARK	COOK	IL	US	18.31 miles	
122	60666	CHICAGO	COOK	IL	US	18.36 miles	
123	60457	HICKORY HILLS	COOK	IL	US	18.46 miles	
124	60431	JOLIET	WILL	IL	US	18.53 miles	
125	60173	SCHAUMBURG	COOK	IL	US	18.59 miles	
126	60130	FOREST PARK	COOK	IL	US	18.74 miles	
127	60195	SCHAUMBURG	COOK	IL	US	18.79 miles	
128	60171	RIVER GROVE	COOK	IL	US	19.04 miles	
129	60682	CHICAGO	COOK	IL	US	19.04 miles	
130	60465	PALOS HILLS	COOK	IL	US	19.04 miles	
131	60176	SCHILLER PARK	COOK	IL	US	19.05 miles	
132	60432	JOLIET	WILL	IL	US	19.11 miles	
133	60560	YORKVILLE	KENDALL	IL	US	19.12 miles	
134	60192	HOFFMAN ESTATES	COOK	IL	US	19.20 miles	
135	60305	RIVER FOREST	COOK	IL	US	19.21 miles	
136	60455	BRIDGEVIEW	COOK	IL	US	19.36 miles	
137	60434	JOLIET	WILL	IL	US	19.53 miles	
138	60018	DES PLAINES	COOK	IL	US	19.62 miles	
139	60402	BERWYN	COOK	IL	US	19.73 miles	
140	60511	BIG ROCK	KANE	IL	US	19.73 miles	
141	60467	ORLAND PARK	COOK	IL	US	19.90 miles	
#	Zip	City	County	St	Country	Distance	

88

Health Service Areas 7



88

Attachment 13

Item 2

LONG-TERM CARE FACILITY UPDATES
 9/16/2011 - 6/27/2013
CHANGES TO GENERAL LONG-TERM CARE

PLANNING AREA	ACTION	EFFECTIVE DATE	FACILITY	DESCRIPTION	
Planning Area 7-C	Name Change	11/15/2012	Grove of Skokie Living & Rehabilitation, Skokie	Formerly Grove North Living & Rehabilitation Center.	
	Bed Change	3/11/2013	Lee Manor, Des Plaines	Facility added 2 Nursing Care beds. Facility now has 262 Nursing Care beds.	
	11-055	10/13/2011	Transitional Care Center Of Naperville, Naperville	Permit issued to establish a 120 bed Nursing care facility at Arbiter Court and East Diehl Road in Naperville.	
	Bed Change	10/13/2011	Beacon Hill, Lombard	Added 2 nursing care beds; facility now has 110 nursing care beds.	
	CHOW	1/3/2012	Burgess Square, Westmont	Change of ownership occurred.	
	Bed Change	2/9/2012	Dupage Convalescent Home, Wheaton	Discontinued 140 Nursing Care beds. Facility now has 368 Nursing Care beds.	
	12-006	4/17/2012	Elmhurst Memorial Hospital , Elmhurst	Permit issued to discontinue 38 bed Skilled Care (Long-Term Care) category of service.	
	07-071	4/17/2012	Park Place Christian Village, Elmhurst	Permit abandoned.	
	Name Change	4/17/2012	Park Place Christian Village, Elmhurst	Formerly Park Place Christian Community.	
	12-007	4/17/2012	Park Place Christian Village, Elmhurst	Permit issued to establish a facility with 37 Nursing Care beds.	
	07-042	6/1/5400	Marianjoy Rehab Hospital Wheaton	Completed project to establish 20 bed skilled nursing (long-term care) category of service.	
	CHOW	6/27/2012	West Chicago Terrace, West Chicago	Change of ownership occurred.	
	Name Change	6/27/2012	West Chicago Terrace Nursing Home, West Chicago	Formerly West Chicago Terrace.	
	Planning Area 7-D	Licensure	8/1/2012	Park Place Christian Community, Elmhurst	Facility licensed for operation with 37 Nursing Care beds.
12-036		10/31/2012	Healthcare Center at Monarch Landing, Naperville	Received permit to establish a facility with 96 Nursing Care beds.	
Name Change		11/30/2012	Winfield Woods Healthcare Center, Winfield	Formerly Winfield Woods.	
Bed Change		9/29/2011	Greek American Rehab & Care Center, Wheeling	Facility discontinued 6 Nursing Care beds; facility now has 198 Nursing Care beds.	
Name Change		1/3/2012	Oakridge Healthcare Center, Hillside	Name changed from Oakridge Nursing & Rehab. Center.	
CHOW		1/3/2012	Oakridge Healthcare Center, Hillside	Change of ownership occurred.	
Planning Area 7-E		Correction	1/6/2012	Pershing Gardens Healthcare Center, Stickney	City location corrected from Berwyn to Stickney.
		Correction	1/6/2012	Pershing Gardens Healthcare Center, Stickney	Record corrected to indicate facility location in Stickney, not Berwyn as previously indicated.
		CHOW	1/6/2012	Pershing Gardens Healthcare Center, Stickney	Change of ownership occurred.
		Name Change	1/6/2012	Pershing Gardens Healthcare Center, Stickney	Name changed from Pershing Convalescent Center.
	CHOW	1/13/2012	Crestwood Care Centre, Crestwood	Change of Ownership occurred.	
	Bed Change	2/29/2012	Manorcare Of South Holland, South Holland	Added 16 Nursing Care beds to existing facility; facility now has 216 Nursing Care beds.	
	11-104	4/17/2012	Mcallister Nursing & Rehab(Permit), Tinley Park	Permit issued to add 89 Nursing Care beds to existing facility; facility now authorized for 200 beds.	
	12-003	4/17/2012	Holy Family Villa(Permit), Palos Park	Permit issued to add 30 Nursing Care beds to existing	
	Bed Change	5/17/2012	Manorcare Of Homewood, Homewood	Added 12 Nursing Care beds to existing facility; facility now has 132 Nursing Care beds.	
	CHOW	6/27/2012	Crestwood Terrace, Crestwood	Change of Ownership occurred.	
Name Change	6/27/2012	Crestwood Terrace Nursing Center, Crestwood	Name changed from Crestwood Terrace.		
Name Change	8/2/2012	Symphony of Crestwood, Crestwood	Formerly Crestwood Care Centre.		
CHOW	11/1/2012	Burnham Healthcare, Burnham	Change of Ownership occurred.		
Name Change	11/1/2012	River Oaks Healthcare Rehabilitation Center, Burnham	Formerly Burnham Healthcare.		

Health Service Area 8

LONG-TERM CARE FACILITY UPDATES

9/16/2011 - 6/27/2013

CALCULATED BED NEEDS

Planning Area	Calculated Beds Needed	Approved Beds	Additional Beds Needed or Excess Beds ()
LONG-TERM CARE NURSING CARE BED NEED			
HEALTH SERVICE AREA 1			
Boone	305	279	26
Carroll	187	148	39
DeKalb	757	742	15
Jo Daviess	231	155	76
Lee	299	342	(43)
Ogle	599	535	64
Stephenson	665	662	3
Whiteside	717	843	(126)
Winnebago	2399	2366	33
HEALTH SERVICE AREA 2			
Bureau/Putnam	429	373	56
Fulton	523	615	(92)
Henderson/Warren	245	218	27
Knox	823	950	(127)
LaSalle	1364	1389	(25)
McDonough	379	376	3
Marshall/Stark	346	427	(81)
Peoria	1760	1731	29
Tazewell	1516	1246	270
Woodford	655	592	63
HEALTH SERVICE AREA 3			
Adams	1188	1495	(307)
Brown/Schuyler	183	186	(3)
Calhoun/Pike	301	337	(36)
Cass	186	150	36
Christian	412	472	(60)
Greene	154	119	35
Hancock	190	184	6
Jersey	411	369	42
Logan	502	468	34
Macoupin	686	744	(58)
Mason	143	164	(21)
Menard	230	106	124
Montgomery	567	490	77
Morgan/Scott	573	561	12
Sangamon	1344	1254	90

LONG-TERM CARE FACILITY UPDATES

9/16/2011 - 6/27/2013

CALCULATED BED NEEDS

Planning Area	Calculated Beds Needed	Approved Beds	Additional Beds Needed or Excess Beds ()
HEALTH SERVICE AREA 4			
Champaign	1037	908	129
Clark	290	255	35
Coles/Cumberland	759	939	(180)
DeWitt	219	190	29
Douglas	238	233	5
Edgar	260	299	(39)
Ford	240	434	(194)
Iroquois	461	486	(25)
Livingston	494	550	(56)
McLean	1306	1118	188
Macon	1331	1253	78
Moultrie	318	361	(43)
Piatt	160	160	0
Shelby	264	265	(1)
Vermillion	692	779	(87)
HEALTH SERVICE AREA 5			
Alexander/Pulaski	124	83	41
Bond	172	198	(26)
Clay	133	209	(76)
Crawford	246	220	26
Edwards/Wabash	175	139	36
Effingham	490	432	58
Fayette	255	261	(6)
Franklin	442	390	52
Gallatin/Hamilton/Saline	684	590	94
Hardin/Pope	95	113	(18)
Jackson	376	369	7
Jasper	82	57	25
Jefferson	424	346	78
Johnson/Massac	338	301	37
Lawrence	325	340	(15)
Marion	862	603	259
Perry	207	210	(3)
Randolph	580	490	90
Richland	360	309	51
Union	351	293	58
Washington	172	263	(91)
Wayne	133	169	(36)
White	354	351	3
Williamson	600	543	57
HEALTH SERVICE AREA 6			
Planning Area 6-A	5963	7194	(1231)
Planning Area 6-B	4252	4178	74
Planning Area 6-C	5209	4791	418

LONG-TERM CARE FACILITY UPDATES

9/16/2011 - 6/27/2013

CALCULATED BED NEEDS

Planning Area	Calculated Beds Needed	Approved Beds	Additional Beds Needed or Excess Beds ()
HEALTH SERVICE AREA 7			
Planning Area 7-A	4482	3323	1159
Planning Area 7-B	7180	6841	339
Planning Area 7-C	6867	6026	841
Planning Area 7-D	2519	2904	(385)
Planning Area 7-E	9328	9136	192
HEALTH SERVICE AREA 8			
Kane	3322	2894	428
Lake	5275	4733	542
McHenry	1501	1207	294
HEALTH SERVICE AREA 9			
Grundy	260	265	(5)
Kankakee	1290	1368	(78)
Kendall	219	185	34
Will	3479	2840	639
HEALTH SERVICE AREA 10			
Henry	452	500	(48)
Mercer	222	172	50
Rock Island	1243	1342	(99)
HEALTH SERVICE AREA 11			
Clinton	432	357	75
Madison	2048	2193	(145)
Monroe	435	250	185
St. Clair	2102	2289	(187)

LONG-TERM CARE ICF/DD 16 BED NEED

HSA 1	268	360	(92)
HSA 2	268	317	(49)
HSA 3	230	383	(153)
HSA 4	322	334	(12)
HSA 5	255	527	(272)
HSA 6, 7, 8, 9	3429	1085	2344
HSA 10	82	32	50
HSA 11	220	384	(164)

INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

General Long-Term Care Category of Service

Facility Name	City	County/Area	General Nursing Care	
			Beds	2008 Patient Days
ABBINGTON REHAB & NURSING CTR	ROSELLE	Bloomingtondale Township	82	23,904
ALDEN ESTATES OF NAPERVILLE	NAPERVILLE	Naperville Township	203	50,641
5/14/2008 Name Change Name changed from "Alden-Naperville Rehab & Care".				
ALDEN-VALLEY RIDGE REHAB & CARE	BLOOMINGDALE	Bloomingtondale Township	207	64,888
BEACON HILL	LOMBARD	York Township	108	35,914
BRIDGEWAY CHRISTIAN VILLAGE REHAB & SNF	BENSENVILLE	Addison Township	222	57,253
BURGESS SQUARE	WESTMONT	Downers Grove Township	203	59,126
CHATEAU NRSG & REHAB CENTER	WILLOWBROOK	Downers Grove Township	150	50,009
COMMUNITY NSG & REHAB CENTER	NAPERVILLE	Naperville Township	153	44,423
DUPAGE CONVALESCENT HOME	WHEATON	Milton Township	508	118,986
ELMBROOK NURSING	ELMHURST	York Township	180	57,366
10/27/2010 Name Change Name changed from Elm Brook Health Care & Rehab. Center				
10/27/2010 CHOW Change of ownership occurred.				
ELMHURST EXTENDED CARE CENTER	ELMHURST	York Township	108	30,277
4/1/2011 Bed Change Facility discontinued 4 nursing care beds; facility now has 108 nursing care beds,				
ELMHURST MEMORIAL HOSPITAL	ELMHURST	York Township	38	12,617
EMERITUS BURR RIDGE	BURR RIDGE	Downers Grove Township	30	9,617
6/1/2010 Name Change Name changed from Brighton Gardens-Burr Ridge				
6/1/2010 CHOW Change of Ownership occurred.				
FOREST VIEW REHAB & NURSING CENTER	ITASCA	Addison Township	144	39,332
6/2/2011 Name Change Name changed from Arbor of Itasca.				
6/2/2011 CHOW Change of ownership occurred.				
LEXINGTON HLTH CARE CTR-BLOOMINGDALE	BLOOMINGDALE	Bloomingtondale Township	166	52,258
LEXINGTON HLTH CARE CTR-LOMBARD	LOMBARD	York Township	224	68,938
LEXINGTON OF ELMHURST	ELMHURST	York Township	145	46,128
2/12/2009 07-014 Permit to add 85 Nursing Care beds abandoned.				
MANOR CARE - NAPERVILLE	NAPERVILLE	Naperville Township	118	36,644
MANORCARE OF HINSDALE	HINSDALE	Downers Grove Township	202	66,289
12/14/2010 Bed Change Added 2 Nursing Care beds; facility now has 202 Nursing Care beds.				
MANORCARE OF WESTMONT	WESTMONT	Downers Grove Township	155	47,035
MARIANJOY REHAB HOSPITAL(PERMIT)	WHEATON	Milton Township	20	1,608
6/1/5400 07-042 Completed project to establish 20 bed skilled nursing (long-term care) category of service.				
MEADOWBROOK MANOR	NAPERVILLE	Naperville Township	245	84,457
MONARCH LANDING (PERMIT)	NAPERVILLE	Naperville Township	0	
3/10/2009 08-073 Permit issued to establish a 24 bed Nursing Care facility.				
9/21/2010 08-073 Permit deemed null and void by Review Board; 24 nursing care beds removed from inventory.				
OAK BROOK HEALTH CARE CENTER	OAK BROOK	York Township	156	50,910

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INVENTORY OF HEALTH CARE FACILITIES AND SERVICES AND NEED DETERMINATIONS

General Long-Term Care Category of Service

Planning Area: Planning Area 7-C

General Nursing Care

Facility Name	City	County/Area	Beds	2008 Patient Days
OAK TRACE	DOWNERS GROVE	Downers Grove Township	160	33,303
8/1/2011 Name Change Formerly Fairview Baptist Home.				
8/1/2011 CHOW Change of ownership occurred.				
PARK PLACE CHRISTIAN COMMUNITY(PERMIT) ELMHURST	York Township		37	
4/8/2008 07-071 Permit issued to establish a 37-bed nursing care facility.				
PROVIDENCE OF DOWNERS GROVE	DOWNERS GROVE	Downers Grove Township	145	40,980
11/10/2008 Name Change Name changed from Rest Haven West.				
SNOW VALLEY NURSING & REHAB CENTER LISLE	Lisle Township		51	16,915
ST. PATRICK'S RESIDENCE NAPERVILLE	Naperville Township		209	72,878
TABOR HILLS HEALTHCARE NAPERVILLE	Naperville Township		211	66,217
WEST CHICAGO TERRACE WEST CHICAGO	Winfield Township		120	43,800
WEST SUBURBAN NURSING & REHAB CENTER BLOOMINGDALE	Bloomingtondale Township		259	68,749
5/16/2008 Name Change Name changed from "West Suburban Care Center".				
WESTBURY CARE CENTER LISLE	Lisle Township		55	17,875
WESTMONT NURSING AND REHABILITATION CEN WESTMONT	Downers Grove Township		215	70,247
9/1/2008 Name Change Name changed from Westmont Convalescent Center.				
WHEATON CARE CENTER WHEATON	Milton Township		123	40,598
WINDSOR PARK MANOR CAROL STREAM	Bloomingtondale Township		80	22,092
WINFIELD WOODS WINFIELD	Winfield Township		138	48,190
WOOD GLEN NURSING & REHAB CENTER WEST CHICAGO	Wayne Township		207	73,598
WYNSCAPE WHEATON	Milton Township		209	51,029

Planning Area Totals

HEALTH SERVICE AREA	AGE GROUPS	2008 Patient Days	2008 Population	2008 HSA Minimum Use Rates	2008 HSA Maximum Use Rates	2008 PSA Estimated Populations	2008 PSA Patient Days	2008 PSA Use Rates (Per 1,000)	2008 PSA Planned Use Rates	2008 PSA Projected Populations	2008 PSA Planned Patient Days	2008 Minimum Use Rates	2008 Maximum Use Rates
007	0-64 Years Old	2,155,328	2,918,600	443.1	1,181.6	828,600	352.3	443.1	443.1	838,300	371,441	443.1	1,181.6
	65-74 Years Old	1,062,947	241,400	2,642.0	7,045.2	50,300	4,089.5	4,089.5	4,089.5	87,600	358,237	2,642.0	7,045.2
	75+ Years Old	5,006,778	218,200	13,767.5	36,713.3	53,400	23,923.0	23,923.0	23,923.0	63,800	1,526,287	13,767.5	36,713.3
	2008 PSA Patient Days			Planned Average Daily Census	Planned Bed Need (90% Occ.)								
		1,277,488		6,180.7	6,867								
				Planning Area Totals	6,867								
				2,255,965	2,255,965								
				5,986	1,775,091								

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Attachment 13

Item 3

Attachment 14

Criterion 1125.540 - Service Demand – Establishment of General Long Term Care

1. N/A
2. To support the need for this project, projected referrals from Edwards Hospital in Naperville are attached as **Attachment 14 Item 2**.
3. Edwards Hospital estimates that they will refer approximately 400 patients per year to the facility within a 24-month period after project completion.
4. These referrals have not been used to support another pending or approved CON application.

June 8, 2010

Dale Galassie, Acting Chairman
Illinois Health Facilities and Services Review Board
525 West Jefferson 2nd Floor
Springfield, Illinois 62761

Dear Mr. Galassie:

We anticipate that Transitional Care Center of Naperville will become a crucial discharge destination for Edward Hospital, and we look forward to the increased access to high quality post-acute care that will be provided as a result of the proposed project.

Edward Hospital would expect to refer approximately 400 patients annually to Transitional Care Center of Naperville within 24 months of the project's opening.

These projected patient referrals:

- Do not exceed Edward Hospital's total discharges to long term care facilities in the period between May 1, 2009 and April 30, 2010.
- Have not been used to support another pending or approved CON application.

Sincerely,

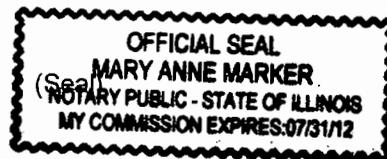
Pamela Meyer Davis
President/CEO
Edward Hospital & Health Services

ACKNOWLEDGEMENT

State of Illinois
County of DuPage

This instrument was acknowledged before me on June 10, 20 10, by Pamela Davis

Mary Anne Marker
Notary Public



PMD:jep

Attachment 17

1125.570 Service Accessibility

1) Service Restrictions

Although there is not a total absence of the proposed service, general long-term care beds, a bed need of 841 beds has been identified in the IDPH Inventory of *Long Term Care Facilities 2011* inclusive of the latest update dated June 27, 2013. This inventory and update include the 120 beds granted to Project No. 11-055, which will be abandoned as a condition of the granting of a permit to this application. Furthermore, there is an absence of the proposed service in the sense that an innovative transitional care facility does not currently exist.

2) Additional Documentation

- a. The location and utilization of other planning area service providers is provided as **Attachment 17 Item 1**. Source: *State Agency Report for Project No. 11-055* prepared for the October 12-13, 2011 meeting of the Illinois Health Facilities and Services Review Board.
- b. Patient/resident location information is not applicable.
- c. Independent time-travel studies are not applicable.
- d. Certification of a waiting list is not applicable.
- e. An assessment of admission restrictions at area providers is not applicable.
- f. An assessment of area population characteristics is not applicable.
- g. The most recently published *IDPH Long Term Care Facilities Inventory and Data* was previously provided as **Attachment 13 Item 1**.



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

52525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 • FAX: (217) 785-4111

Summary of Support and Opposition Comments

An opportunity for a public hearing was offered on this project; however, no hearing was requested. The State Board Staff has received no letters in support or in opposition to the proposed project.

Table One displays information pertaining to other LTC providers within a 30-minute travel radius. Data includes authorized beds, distance and travel times from the applicants' facility and respective occupancy rates. Data on authorized beds and occupancy rates were obtained from IDPH's 2009 Hospital and LTC profiles, distance and travel times were obtained from Map Quest, and the Medicare Star Rating was obtained from the Department of Health & Human Services' Medicare website (www.medicare.gov). The data in the table is sorted by travel time.

As Table One shows, there are 51 other providers of LTC service in a 30-minute drive radius. Of the providers identified in Table One, 12 (23.5%), achieved the State Board's target utilization (90%) for 2009. The State Board Staff notes the applicants have no other LTC facilities, and no occupancy data or Medicare ratings exist for these applicants.

Facility	City	Time (minutes)	Distance (miles)	Medicare Star Rating	Beds	Occupancy%
Community Nursing & Rehab Ctr.	Naperville	1	.6	3	153	81.9 %
St. Patrick's Residence	Naperville	4	2.1	4	209	94.3 %
Meadowbrook Manor	Naperville	4	2.2	1	245	92.2 %
Manor Care-Naperville	Naperville	5	1.7	3	118	85.8 %
Tabor Hills Healthcare	Naperville	8	3.2	2	211	89.2 %
Westbury Care Ctr.	Lisle	10	4.1	4	55	83.4 %
Snow Valley Nursing & Rehab	Lisle	10	4.2	3	51	81 %
Alden Estates of Naperville	Naperville	11	3.7	3	203	74.5 %
Monarch Landing	Naperville	11	4.8	N/A	24	* %
Marianjoy Rehab Hospital	Wheaton	14	7.7	3	20	N/A %
Wynscape	Wheaton	16	7.2	4	209	66.7 %
DuPage Convalescent Home	Wheaton	16	7.3	4	508	64.7 %
Beacon Hill	Lombard	16	9.3	5	108	91.3 %
Winfield Woods	Winfield	17	7.2	5	138	95 %
West Chicago Terrace	West Chicago	17	8.5	4	120	100 %
Aurora Living & Rehab Ctr.	Aurora	17	9.3	1	195	74.9 %
Wheaton Care Ctr.	Wheaton	18	8.1	1	123	94.1 %



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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TABLE ONE Facilities within 30 Minutes Travel Time						
Facility	City	Time (minutes)	Distance (miles)	Medicare Star Rating	Beds	Occupancy%
Wood Glen Nursing & Rehab	West Chicago	19	8.6	3	207	98.5 %
Lexington Health Care-Lombard	Lombard	19	9.7	3	224	82.8 %
Rest Haven West	Downers Grove	19	9.9	5	145	70.3 %
Oak Brook Healthcare Ctr.	Oak Brook	20	11.7	4	156	87.8 %
Asbury Pavilion Nursing & Rehab	North Aurora	20	11.9	N/A	75	* %
Provena Mcauley Manor	Aurora	20	11.9	4	87	72 %
Alden of Waterford	Aurora	21	11.2	4	99	79.6 %
North Aurora Care Ctr.	North Aurora	21	11.3	3	129	83.9 %
Provena Geneva Care Ctr.	Geneva	23	12.6	3	107	83.1 %
Meadowbrook Manor	Bolingbrook	24	9.6	1	298	93.5 %
Lexington of Elmhurst	Elmhurst	24	13.3	2	145	87 %
Manor Care of Westmont	Westmont	25	10	2	155	82.4 %
Windsor Park Manor	Carol Stream	25	10.6	4	80	71.5 %
Fairview Baptist Home	Downers Grove	25	11.2	5	160	53.9 %
Fox River Pavilion	Aurora	25	12.1	N/A	121	87.6 %
Burgess Square	Westmont	26	10.5	4	207	80.7 %
Westmont Nursing & Rehab	Westmont	26	11.9	2	215	82.5 %
Greenfields of Geneva	Geneva	26	13.9	N/A	43	* %
Batavia Rehab & Healthcare	Batavia	26	14.7	2	63	67.6 %
Park Place Christian Community	Elmhurst	26	15.2	N/A	37	* %
Countryside Care Ctr.	Aurora	26	15.6	4	203	92.3 %
Jennings Terrace	Aurora	27	13	5	60	83 %
Covenant Health Care Ctr.	Batavia	27	14.8	4	99	94.6 %
Manor Care of Hinsdale	Hinsdale	28	11	3	202	88.9 %
Elmwood Terrace Healthcare Ctr.	Aurora	28	14.8	2	68	74.2 %
Westchester Health & Rehab Ctr.	Westchester	28	14.9	3	120	87.1 %
Oakridge Nursing & Rehab Ctr.	Hillside	28	16.6	5	73	86.3 %
Alden-Valley Ridge Rehab	Bloomington	28	17.4	2	207	81.1 %
Chateau Nursing & Rehab Ctr.	Willowbrook	29	13.5	1	150	90.2 %
Emeritus Burr Ridge	Willowbrook	29	13.7	3	30	87.3 %
Lakewood Nursing & Rehab Ctr.	Plainfield	29	14.6	1	131	87.8 %
Rosewood Care Ctr.	St. Charles	29	15.5	3	109	64.6 %
Tiller's Nursing & Rehab Ctr.	Oswego	29	16.1	5	106	73 %
Renaissance at Hillside	Hillside	29	17.7	1	198	90.3 %

Source: Occupancy % 2009 IDPH LTC Profiles
Time and Distance determined by MapQuest and adjusted per 77 IAC 1100.560
Star rating determined from www.Medicare.gov
*Data unavailable/facility still under construction

Attachment 18

1125.210(c) Maldistribution

1) Information provided in compliance with 1125.210(c):

a. The ZIP codes located within 30 minutes normal travel time include:

	ZIP Code	Town	County	Distance
1	60563	NAPERVILLE	DUPAGE	0.00 miles
2	60566	NAPERVILLE	DUPAGE	1.58 miles
3	60567	NAPERVILLE	DUPAGE	1.58 miles
4	60555	WARRENVILLE	DUPAGE	2.49 miles
5	60540	NAPERVILLE	DUPAGE	2.83 miles
6	60598	AURORA	DUPAGE	3.69 miles
7	60519	EOLA	DUPAGE	3.97 miles
8	60187	WHEATON	DUPAGE	4.43 miles
9	60532	LISLE	DUPAGE	4.49 miles
10	60572	AURORA	DUPAGE	4.77 miles
11	60502	AURORA	DUPAGE	4.85 miles
12	60190	WINFIELD	DUPAGE	5.01 miles
13	60504	AURORA	DUPAGE	5.21 miles
14	60189	WHEATON	DUPAGE	5.64 miles
15	60565	NAPERVILLE	DUPAGE	5.88 miles
16	60186	WEST CHICAGO	DUPAGE	6.10 miles
17	60564	NAPERVILLE	WILL	6.83 miles
18	60505	AURORA	KANE	6.90 miles
19	60185	WEST CHICAGO	DUPAGE	6.98 miles
20	60137	GLEN ELLYN	DUPAGE	7.25 miles
21	60515	DOWNERS GROVE	DUPAGE	7.31 miles
22	60503	AURORA	WILL	7.59 miles
23	60138	GLEN ELLYN	DUPAGE	7.60 miles
24	60517	WOODRIDGE	DUPAGE	7.95 miles
25	60116	CAROL STREAM	DUPAGE	8.00 miles
26	60128	CAROL STREAM	DUPAGE	8.00 miles
27	60132	CAROL STREAM	DUPAGE	8.00 miles
28	60197	CAROL STREAM	DUPAGE	8.01 miles
29	60568	AURORA	KANE	8.15 miles
30	60507	AURORA	KANE	8.16 miles
31	60188	CAROL STREAM	DUPAGE	8.27 miles
32	60516	DOWNERS GROVE	DUPAGE	8.45 miles
33	60490	BOLINGBROOK	WILL	8.52 miles
34	60440	BOLINGBROOK	WILL	8.52 miles
35	60585	PLAINFIELD	WILL	8.71 miles
36	60539	MOOSEHEART	KANE	8.72 miles

37	60199	CAROL STREAM	DUPAGE	8.96 miles
38	60510	BATAVIA	KANE	9.06 miles
39	60542	NORTH AURORA	KANE	9.27 miles
40	60148	LOMBARD	DUPAGE	9.45 miles
41	60139	GLENDALE HEIGHTS	DUPAGE	9.64 miles
42	60599	FOX VALLEY	DUPAGE	9.75 miles
43	60134	GENEVA	KANE	9.98 miles
44	60561	DARIEN	DUPAGE	10.22 miles
45	60559	WESTMONT	DUPAGE	10.33 miles
46	60506	AURORA	KANE	10.82 miles
47	60514	CLARENDON HILLS	DUPAGE	10.93 miles
48	60108	BLOOMINGDALE	DUPAGE	11.05 miles
49	60174	SAINT CHARLES	KANE	11.13 miles
50	60538	MONTGOMERY	KENDALL	11.18 miles
51	60117	BLOOMINGDALE	DUPAGE	11.28 miles
52	60184	WAYNE	DUPAGE	11.45 miles
53	60181	VILLA PARK	DUPAGE	11.53 miles
54	60523	OAK BROOK	DUPAGE	11.55 miles
55	60446	ROMEDEVILLE	WILL	11.97 miles
56	60522	HINSDALE	DUPAGE	12.07 miles
57	60101	ADDISON	DUPAGE	12.13 miles
58	60133	HANOVER PARK	COOK	12.27 miles
59	60103	BARTLETT	DUPAGE	12.34 miles
60	60521	HINSDALE	DUPAGE	12.58 miles
61	60543	OSWEGO	KENDALL	12.60 miles
62	60439	LEMONT	COOK	12.64 miles
63	60172	ROSELLE	DUPAGE	12.69 miles
64	60527	WILLOWBROOK	DUPAGE	12.80 miles
65	60544	PLAINFIELD	WILL	12.95 miles
66	60126	ELMHURST	DUPAGE	13.30 miles
67	60157	MEDINAH	DUPAGE	13.36 miles
68	60147	LAFOX	KANE	13.62 miles
69	60196	SCHAUMBURG	COOK	13.66 miles
70	60558	WESTERN SPRINGS	COOK	13.80 miles
71	60441	LOCKPORT	WILL	14.11 miles
72	60143	ITASCA	DUPAGE	14.19 miles
73	60162	HILLSIDE	COOK	14.58 miles
74	60163	BERKELEY	COOK	14.80 miles
75	60154	WESTCHESTER	COOK	14.96 miles
76	60193	SCHAUMBURG	COOK	15.02 miles
77	60512	BRISTOL	KENDALL	15.04 miles
78	60191	WOOD DALE	DUPAGE	15.09 miles
79	60554	SUGAR GROVE	KANE	15.13 miles
80	60175	SAINT CHARLES	KANE	15.17 miles
81	60177	SOUTH ELGIN	KANE	15.21 miles

82	60107	STREAMWOOD	COOK	15.27 miles
83	60120	ELGIN	KANE	15.31 miles
84	60183	WASCO	KANE	15.36 miles
85	60526	LA GRANGE PARK	COOK	15.60 miles
86	60480	WILLOW SPRINGS	COOK	15.95 miles
87	60105	BENSENVILLE	DUPAGE	16.01 miles
88	60399	WOOD DALE	DUPAGE	16.01 miles
89	60104	BELLWOOD	COOK	16.06 miles
90	60106	BENSENVILLE	DUPAGE	16.14 miles
91	60403	CREST HILL	WILL	16.19 miles
92	60525	LA GRANGE	COOK	16.33 miles
93	60586	PLAINFIELD	WILL	16.37 miles
94	60164	MELROSE PARK	COOK	16.49 miles
95	60165	STONE PARK	COOK	16.62 miles
96	60194	SCHAUMBURG	COOK	16.69 miles
97	60155	BROADVIEW	COOK	16.71 miles
98	60159	SCHAUMBURG	COOK	16.75 miles
99	60168	SCHAUMBURG	COOK	16.75 miles
100	60513	BROOKFIELD	COOK	16.80 miles
101	60435	JOLIET	WILL	16.88 miles
102	60119	ELBURN	KANE	17.13 miles
103	60007	ELK GROVE VILLAGE	COOK	17.22 miles
104	60169	HOFFMAN ESTATES	COOK	17.28 miles
105	60121	ELGIN	KANE	17.35 miles
106	60122	CAROL STREAM	DUPAGE	17.35 miles
107	60160	MELROSE PARK	COOK	17.37 miles
108	60131	FRANKLIN PARK	COOK	17.40 miles
109	60179	HOFFMAN ESTATES	COOK	17.41 miles
110	60009	ELK GROVE VILLAGE	COOK	17.46 miles
111	60491	HOMER GLEN	WILL	17.47 miles
112	60458	JUSTICE	COOK	17.60 miles
113	60161	MELROSE PARK	COOK	17.63 miles
114	60153	MAYWOOD	COOK	17.75 miles
115	60501	SUMMIT ARGO	COOK	17.78 miles
116	60123	ELGIN	KANE	17.79 miles
117	60546	RIVERSIDE	COOK	17.80 miles
118	60141	HINES	COOK	17.91 miles
119	60534	LYONS	COOK	18.04 miles
120	60144	KANEVILLE	KANE	18.24 miles
121	60464	PALOS PARK	COOK	18.31 miles
122	60666	CHICAGO	COOK	18.36 miles
123	60457	HICKORY HILLS	COOK	18.46 miles
124	60431	JOLIET	WILL	18.53 miles
125	60173	SCHAUMBURG	COOK	18.59 miles
126	60130	FOREST PARK	COOK	18.74 miles

127	60195	SCHAUMBURG	COOK	18.79 miles
128	60171	RIVER GROVE	COOK	19.04 miles
129	60682	CHICAGO	COOK	19.04 miles
130	60465	PALOS HILLS	COOK	19.04 miles
131	60176	SCHILLER PARK	COOK	19.05 miles
132	60432	JOLIET	WILL	19.11 miles
133	60560	YORKVILLE	KENDALL	19.12 miles
134	60192	HOFFMAN ESTATES	COOK	19.20 miles
135	60305	RIVER FOREST	COOK	19.21 miles
136	60455	BRIDGEVIEW	COOK	19.36 miles
137	60434	JOLIET	WILL	19.53 miles
138	60018	DES PLAINES	COOK	19.62 miles
139	60402	BERWYN	COOK	19.73 miles
140	60511	BIG ROCK	KANE	19.73 miles
141	60467	ORLAND PARK	COOK	19.90 miles

- b. Total population of DuPage County was 948,549 in 2010 according to the latest DCEO population projections.
- c. The names and locations of all existing or approved facilities located within 30 minutes normal drive time:

Community Nursing & Rehab Ctr
 St. Patrick's Residence
 Meadowbrook Manor
 Manor Care-Naperville
 Tabor Hills Healthcare
 Westbury Care Center
 Snow Valley Nursing & Rehab
 Alden Estates of Naperville
 Monarch Landing
 Marianjoy Rehab Hospital
 Wynscape
 DuPage Convalescent Home
 Beacon Hill
 Winfield Woods
 West Chicago Terrace
 Aurora Living & Rehab Ctr
 Wheaton Care Ctr
 Wood Glen Nursing & Rehab
 Lexington Health Care-Lombard
 Rest Haven West
 Oak Brook Healthcare Ctr
 Asbury Pavilion
 Provena Mcauley Manor
 Alden of Waterford
 Provena Geneva Care Ctr
 Meadowbrook Mano-Bolingbrook
 Lexington of Elmhurst
 Manor Care-Westmont
 Windsor Park Manor
 Fairview Baptist Home
 Fox River Pavilion

Burgess Square
Westmont Nursing & Rehab
Greenfields of Geneva
Batavia Rehab & Healthcare
Park Place Christian Community
Countryside Care Ctr
Jennings Terrace
Covenant Health Care Ctr
Manor Care of Hinsdale
Elmwood Terrace
Westchester Healty & Rehab Ctr
Oakridge Nursing & Rehab Ctr
Alden-Valley Ridge Rehab Ctr
Chateau Nursing & Rehab Ctr
Emeritus Burr Ridge
Lakewood Nursing & Rehab Ctr
Rosewood Care Ctr
Tiller's Nursing & Rehab Ctr
Renaissance at Hillside

The market study prepared by Revere Healthcare, Ltd. for Project No. 11-055 illustrates that sufficient population exists within the proposed project's service area to ensure the necessary volume to utilize the proposed services at or above occupancy standards.

2) The proposed project will not lower the utilization of other area providers below the occupancy standards specified in 77 Ill. Adm. Code 1100 of 90%; and will not lower to a further extent the utilization of other facilities currently operating below the occupancy standards. Our rationale is as follows:

The calculated bed need for the planning area is 841 beds, and this includes the project's 120 beds.

The unique nature of the proposed facility will spread the impact on area providers between the skilled nursing facilities and rehabilitation hospitals currently serving the population that will be served by the proposed Transitional Care Center of Naperville. As there are over 45 facilities of this nature within a 30 minute drive time of the proposed site in Naperville, the impact on any one facility will be minimal.

Additionally, many patients to be served by Transitional Care Center are stuck in hospitals for extra days and weeks without an adequate discharge destination. Transitional Care Center will relieve financial pressures on hospitals in the service area by providing a post-acute setting capable of accepting high acuity patients requiring transitional care prior to discharge to home.

Therefore, the impact of the project on other area providers will be negligible in 2 years.

3) Certification that the project will not lower the utilization of other area providers below the occupancy standards and will not lower, to a further extent, the utilization of other area facilities that are currently operating below the occupancy standards are included as **Attachment 18 Item 3**.

June 21, 2013

Dale Galassie, Chairman
Illinois Health Facilities & Services Review Board
525 West Jefferson St., Second Floor
Springfield, IL 62761

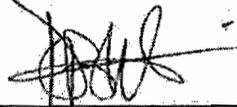
RE: Transitional Care Center of Naperville, LLC

I certify that the project will not lower the utilization of other area providers below the occupancy standards set by Illinois Health Facilities & Services Review Board. Furthermore, I certify that the project will not lower, to a further extent, the utilization of other area facilities that are currently operating below the occupancy standards.

Thank you.

Sincerely,

Transitional Care Center of Naperville, LLC



David B. Weiss, President
RangeCorp Management, its Manager

Attachment 19

The management company, Transitional Care Management has an Administrator and a Director of Nursing on staff. Professional nursing staff – RNs, LPNs, and CNAs – can be recruited from the existing labor pool, as well as from each of the nursing schools in Chicago area. A letter to this effect is provided as **Attachment 19 Item 1**.

The remaining facility staffing needs can be met by the local labor pool in Naperville and surrounding communities.



June 4, 2013

To whom it may concern,

The management company, Transitional Care Management has an Administrator and a Director of Nursing on staff. Professional nursing staff – RNs, LPNs, and CNAs – can be recruited from the existing labor pool, as well as from each of the nursing schools in Chicago area. Projections from Illinois Department of Employment Security for DuPage County (attached) show growth in therapists, RNs, nurse aides, and in LPNs.

The remaining facility staffing needs can be met by the local labor pool in Naperville and surrounding communities.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Cloch", written over a horizontal line.

Brian Cloch, CEO
Transitional Care Management

www.tc-mgmt.com

847.720.8700 • 6400 Shafer Court, Suite 600, Rosemont, Illinois 60018

120

Attachment 20

1125.600 Bed Capacity

The criterion reads:

The maximum size of a general long term care facility is 250 beds unless the applicant documents that a larger facility would provide personalization of patient care and documents provision of quality care based on the experience of the applicant and compliance with IDPH's licensure standards.

This does not apply, as the facility is proposing 120 general long-term care beds.

Attachment 21

1125.610 Community Related Functions

All community support letters for this project can be found in the application for Project No. 11-055. A total of 70 support letters were received for this project.

Attachment 22

Project Scope, Utilization, and Unfinished/Shell Space

Size of Project:

1. The physical space is necessary for delivering the program – 120 skilled nursing beds, nurses stations, therapy rooms, clean and dirty linen rooms, shower rooms, etc.
2. The gross square footage is in line with the BGSF standards in Appendix A.

SIZE OF PROJECT

DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
General Long-Term Care	568 BGSF/Bed	435-713 BGSF/Bed	N/A	Yes

Attachment 23

Section 1125.630 Zoning

Due to necessitating a site move, the Mayor and the planning and zoning staff have been very involved in identifying a suitable site for the project. Staff has recommended to Applicant that the site be zoned OCI, and the process has been initiated effective April 23, 2013. A request for annexation, rezoning, and a conditional use will require 4 to 6 months to complete. A letter from Allison Laff, Planning Team Operations Manager and Zoning Administrator for the City of Naperville follows this page.



Naperville

Lockwood NP Partners, LLC
David Weiss
1630 Des Peres Rd., Suite 310
St. Louis, MO 63131

Dear Mr. Weiss,

The assemblage of properties located in the area bounded by Commons Road on the north, Bauer Road on the south, Mill Street on the east, and West Street on the west is unincorporated and currently subject to DuPage County zoning restrictions. The property is located within the City of Naperville's Planning Boundary and is contiguous to the City of Naperville's municipal boundary; therefore, the subject property is eligible for annexation into the City of Naperville. Per the City's Comprehensive Master Plan 1998 East Sector Update, the future land use of the subject property is designated as Office, Research and Development.

Per the Naperville Municipal Code, the OCI (Office, Commercial and Institutional) zoning district is intended to serve as a transitional zone between intensive business areas and residential neighborhoods. Staff recommends OCI zoning for the subject property given its adjacency to existing residential neighborhoods, as well as the adopted future land use recommendation. Per the City of Naperville's zoning code, a transitional care facility would be classified as a nursing home. In the OCI district, nursing homes require approval of a conditional use.

A request for annexation, rezoning, and a conditional use will require submittal of an application, fees, and required plans, as well as a public hearing before the Naperville Planning and Zoning Commission with final approval by Naperville City Council. This process can take approximately 4 to 6 months. ARCO Construction Company, Inc. initiated this process by attending a concept meeting that was held to discuss their proposed project on April 23, 2013. Since the concept meeting, ARCO Construction has continued to have discussions with the City regarding the project, including next steps. Upon formal submittal of an application and required plans, the case will be processed through the approval process noted above.

If you have any additional questions regarding the subject property or the required approval process for this project, please let me know.

Sincerely,

Allison M. Laff, AICP
Planning Team Operations Manager/Zoning Administrator
City of Naperville - TED Business Group
(630) 420-6107
laffa@naperville.il.us

Attachment 24

Section 1125.640 Assurances

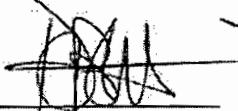
Assurances regarding the applicant's understanding that, by the second year of operation after project completion, the project will achieve and maintain the occupancy standards specified in Section 1125.210(c).

Assurances Statement

This statement is being filed pursuant to Section 1110.1730(k) of the Board's Rules (771L Adm.Code 1110:1730). The undersigned is an authorized representative of the applicant and attests that the applicant understands that by the second year of operation after the project completion the applicant will make every attempt to achieve and maintain the occupancy standards specified in Part 1100 of the Board's Rules for the long term care category of service.

June 21, 2013.

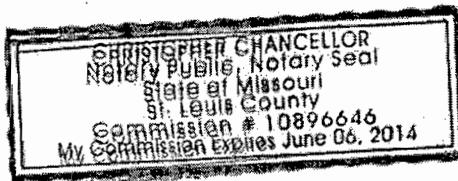
By: Transitional Care Center of Naperville, LLC



David B. Weiss, President
RangeCorp Management, its Manager

June 21, 2013

Notary: Christopher Chancellor Date: 6-21-13



Attachment 27

Attachment 27

Item 1

CAPITAL FUNDING, LLC



March 21, 2013

David Weiss
Lockwood NP Partners, LLC
1630 Des Peres Rd., Suite 310
St. Louis, MO 63131

RE: Transitional Care Center of Naperville

Dear Mr. Weiss:

Thank you for giving us the opportunity to potentially provide funding with HUD-insurance for your proposed, and to-be licensed Transitional Care Center. We have reviewed the preliminary detail regarding the establishment of this 120-bed facility in Naperville, Illinois, and as currently outlined the project meets the general requirements for application to the HUD LEAN 232 Program.

This letter does not constitute a commitment to lend, nor does it constitute a commitment for HUD to provide mortgage insurance, as the project is subject to normal and more detailed underwriting procedures of Capital Funding, LLC and HUD respectively. The full underwriting would require the application and project to meet all formal loan program obligations.

Sincerely,

Erik Howard
Managing Director – Healthcare Real Estate Finance

Attachment 27

Item 2

June 21, 2013

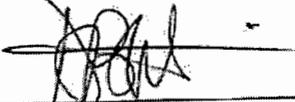
Dale Galassie, Chairman
Illinois Health Facilities Planning Board
525 West Jefferson St., Second Floor
Springfield IL 62761

RE: Transitional Care Center of Naperville, LLC

Pursuant to the limited liability company resolution dated June 21, 2013, Lockwood NP Partners, LLC has cash and securities available to meet the cash call of \$3,289,822 from Transitional Care Center of Naperville LLC in the event that a CON Permit is granted.

Sincerely,

Lockwood NP Partners, LLC



David B. Weiss, President
RangeCorp Management, its Manager

Attachment 27

Item 3

**WRITTEN CONSENT OF THE MANAGER AND SOLE MEMBER
OF
TRANSITIONAL CARE CENTER OF NAPERVILLE, LLC**

The undersigned, being the sole Member and the Manager of Transitional Care Center of Naperville, LLC, an Illinois limited liability company (the "Company"), acting pursuant to the Illinois Limited Liability Company Act hereby consent to and adopt the following resolutions:

WHEREAS, the Company is the holder of a Certificate of Need ("CON") issued by the Illinois Health Facilities & Service review Board ("IHFSRB") with respect to a site located on Arbiter Road in Naperville, Illinois; and

WHEREAS, the Company is seeking to obtain the approval of the IHFSRB to obtain a replacement CON for a site located on the southwest corner of Mill Street and Commons Drive in Naperville, Illinois;

RESOLVED, that David B. Weiss, President of RangeCorp Management, Inc., as Manager of the Company is hereby authorized and directed to execute and file all necessary and appropriate documents, applications and certificates necessary to obtain IHFSRB approval of the the CON as set forth above, and all prior acts and doings of the Manager of the Company which are in conformity with the purposes and intent of the foregoing are hereby in all respects ratified, approved and confirmed.

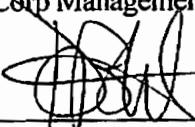
FURTHER RESOLVED, that upon approval of the CON by IHFSRB, the Company shall initiate a capital call from its Sole Member in the amount of \$3,289,822 to establish the necessary equity position for the venture.

IN WITNESS WHEREOF, the undersigned have executed this Consent as of the 21st day of July 2013.

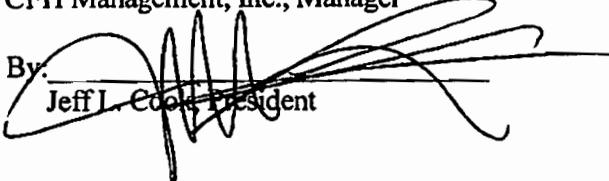
SOLE MEMBER:

Lockwood NP Partners, LLC

By: RangeCorp Management, Inc.,
Manager

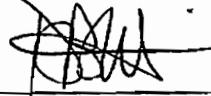
By: 
David B. Weiss, President

By: CFH Management, Inc., Manager

By: 
Jeff L. Cook, President

MANAGER:

RangeCorp Management, Inc.

By: 
David B. Weiss, President

Attachment 29

Criterion 1120.130 Statement on Historical Financial Viability Data

Pursuant to 1120.130, Transitional Care Center of Naperville LLC is a new corporation established for the purposes of this project and, as such, no historical financial data exists for the corporation.

Naperville SNF

Criterion 1120.130 Financial Viability

Viability Ratios

Using first full year of stabilized occupancy

Provide Data for Projects Classified as:	Category A or Category B (last three years)	Category B (Projected)
Enter Historical and/or Projected Years:		
Current Ratio		5.83
Net Margin Percentage		7.21%
Percent Debt to Total Capitalization		78%
Projected Debt Service Coverage		2.82
Days Cash on Hand		923
Cushion Ratio		2.21

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each. Insert the worksheets after this page.

Year 3

Current Ratio

A Current Assets	\$3,472,813
B Current Liabilities	\$595,642
Current ratio (A/B)	5.83

Net Margin percentage

C Net Income/(Loss)	\$1,365,127
D Net Operating Revenue	\$18,923,871
Net Margin percentage (C/D)	7.21%

Percent Debt to Total Capitalization

E LT Debt	\$16,945,761
F LT Debt + Equity	\$21,713,921
Debt service coverage ratio (E/F)	78%

Projected Debt Service Coverage

G Net inc + depr+int+amort/P&I payment	\$3,022,002
H Principal and interest payment	\$1,072,874
Debt capitalization ratio (G/H)	2.82

Days Cash on Hand

I Cash + investments	\$2,366,393
J Operating expense-depreciation/365	\$2,565
Days cash on hand (I/J)	923

Cushion Ratio

K Cash + investments	\$2,366,393
L Max Annual Debt Service	\$1,072,874
Cushion Ratio (K/L)	2.21

Criterion 1120.130 Statement Regarding Cushion Ratio

The State standard for the cushion ratio is 5.0. The cushion ratio for the project is 2.66 in the third year of operation. With inclusion of required HUD reserves of \$450,000, this ratio is now in excess of 3.0. Being a new project, this requirement will be completely met in year 5.

Being a HUD insured loan, the underwriters have looked at adequacy of working capital and ability to meet debt service.

Furthermore, the other four financial viability ratios in this section have a significant margin over the standards which indicate solid financial performance.

Attachment 30

Attachment 30

Item 1

July 2, 2013

Mr. Dale Galassie
Chairman
Illinois Health Facility and Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

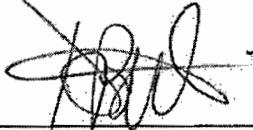
Re: Certificate of Need Application for Transitional Care Center of Naperville, Attachment 30 – Reasonableness of Financing Arrangement

Dear Mr. Galassie:

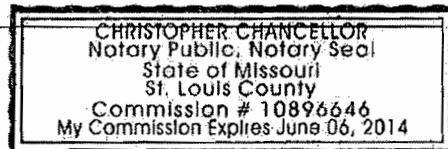
This letter is sent in regard to the Transitional Care Center of Naperville, a project applying for a Certificate of Need permit to construct 120 skilled nursing beds. This notarized statement signed by an authorized representative attests that the total estimated project costs and related costs will be funded in part by borrowing because a portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of 1.5.

Sincerely,

Transitional Care Center of Naperville, LLC.



David B. Weiss, President
RangeCorp Management, its Manager



Notarization:



Subscribed and sworn to before me this 2 day of July, 2013

146

Attachment 30

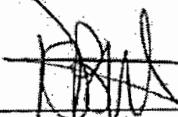
Item 2

Certificate of Financing at Lowest Net Cost Available

This statement is being filed pursuant to Section 1120.310(b) of the Board's Rules (77 Ill. Adm. Code 1120.310). The undersigned are authorized representatives of the applicant and attest that the mortgage selected to finance the project is at the lowest net cost available.

Dated this 21st day of June 2013:

By: Transitional Care Center of Naperville, LLC



David B. Weiss, President
RangeCorp Management, its Manager

Attachment 30

Item 3

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (listed below)	A	B	C	D	E	F	G	H	
	Cost/Square Foot		Gross Sq. Ft.		Gross Sq. Ft.		Const. \$	Mod. \$	Total cost
	New	Mod.	New	Circ.	Mod.	Circ.	(A x C)	(B x E)	(G + H)
Nursing Care	\$ 204	\$ -	68,200	-	-	-	\$ 13,914,822	\$ -	\$ 13,914,822
Contingency	\$ 4.4	\$ -	68,200	-	-	-	\$ 300,000	\$ -	\$ 300,000
TOTALS	\$ 208	\$ -	68,200	-	-	-	\$ 14,214,822	\$ -	\$ 14,214,822

Attachment 30

Item 4

Naperville SNF		
Criterion 1120.310(d) Projected Operating Costs		
For first full year of stabilized occupancy		
Salaries	\$	8,352,995
Supplies and Fees	\$	4,833,697
Benefits	\$	2,715,177
Total direct costs	\$	15,901,869
Year of Target Utilization		Year 3
Patient days per year	\$	41,610
Cost per patient day	\$	382.16

Attachment 30

Item 5

Criterion 1120.310(e) Total Effect of the Project on Capital Costs	
Depreciation	\$ 720,751
Interest	\$ 936,125
Property Tax	<u>\$ 321,368</u>
Total annual capital cost	\$ 1,978,243
Year of Target Utilization	Year 3
Patient days per year	\$ 41,610
	\$ 47.54

Appendix A

Project Costs and Sources of Funds

USE OF FUNDS	CLINICAL	NON-CLINICAL	TOTAL
Preplanning Costs	156,969	93,031	250,000
Site Survey and Soil Investigation	-	-	-
Site Preparation	-	-	-
New Construction Contracts	8,736,781	5,178,041	13,914,822
Modernization Contracts	-	-	-
Contingencies	188,363	111,637	300,000
Architectural/Engineering Fees	376,726	223,274	600,000
Consulting and Other Fees	565,088	334,912	900,000
Movable or Other Equipment (not in construction contracts)	941,814	558,186	1,500,000
Bond Issuance Expense (project related)	-	-	-
Net Interest Expense During Construction (project related)	408,119	241,881	650,000
Fair Market Value of Leased Space or Equipment	-	-	-
Other Costs to be Capitalized	345,332	204,668	550,000
Acquisition of Building or Other Property (excluding land)	-	-	-
TOTAL USES OF FUNDS	11,719,192	6,945,630	18,664,822
SOURCE OF FUNDS			
Cash and Securities-Less cost of land	417,426	247,396	664,822
Pledges	-	-	-
Gifts and Bequests	-	-	-
Bond Issues (project related)	-	-	-
Mortgages	11,301,766	6,698,234	18,000,000
Leases (fair market value)	-	-	-
Governmental Appropriations	-	-	-
Grants	-	-	-
Other Funds and Sources	-	-	-
TOTAL SOURCES OF FUNDS	11,719,192	6,945,630	18,664,822

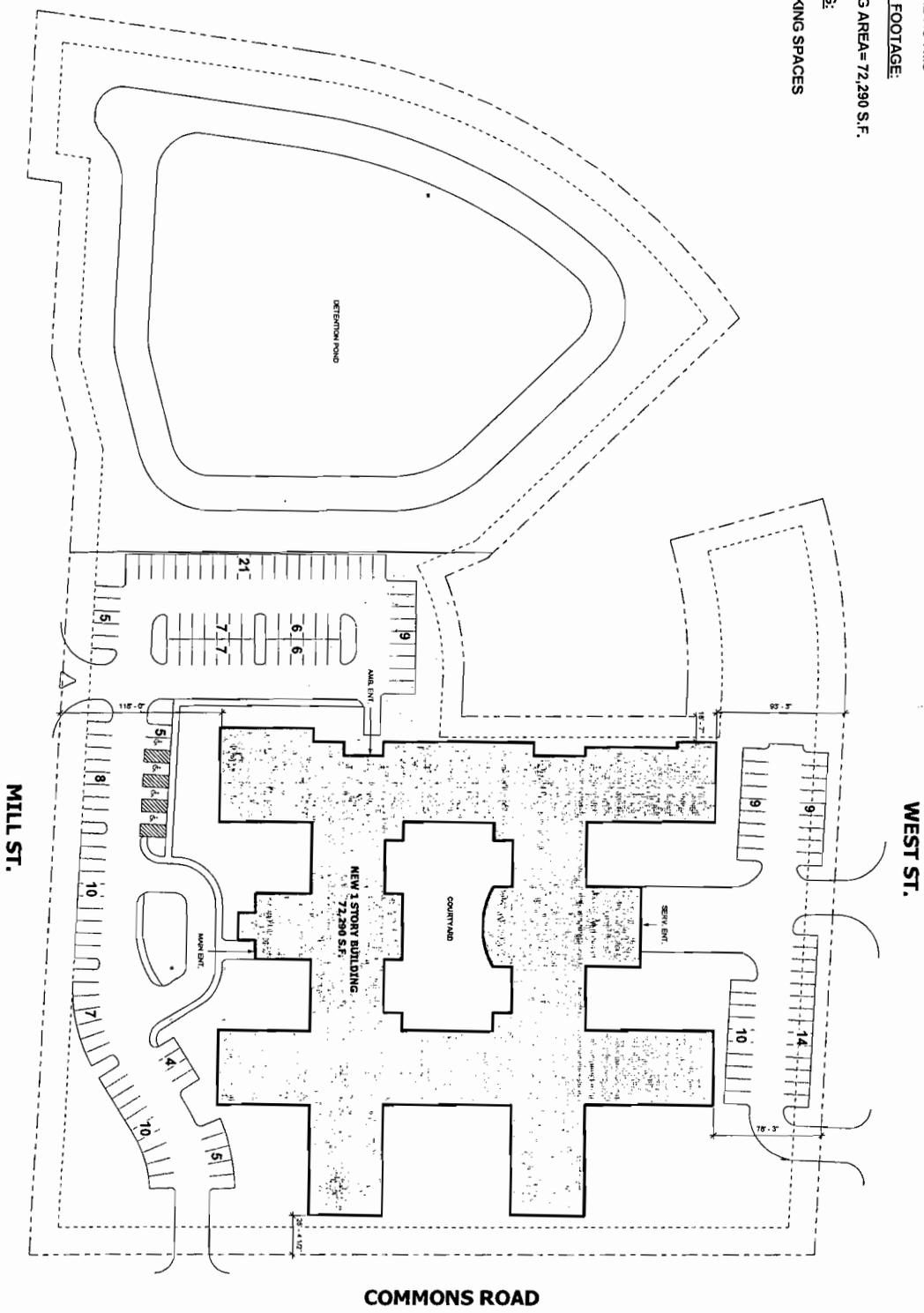
Appendix C

ROOM COUNT:
 100 PRIVATE ROOMS
 10 SEMI-PRIVATE ROOMS
 110 TOTAL ROOMS

SQUARE FOOTAGE:
 BUILDING AREA = 72,290 S.F.

PARKING:
 152 PARKING SPACES

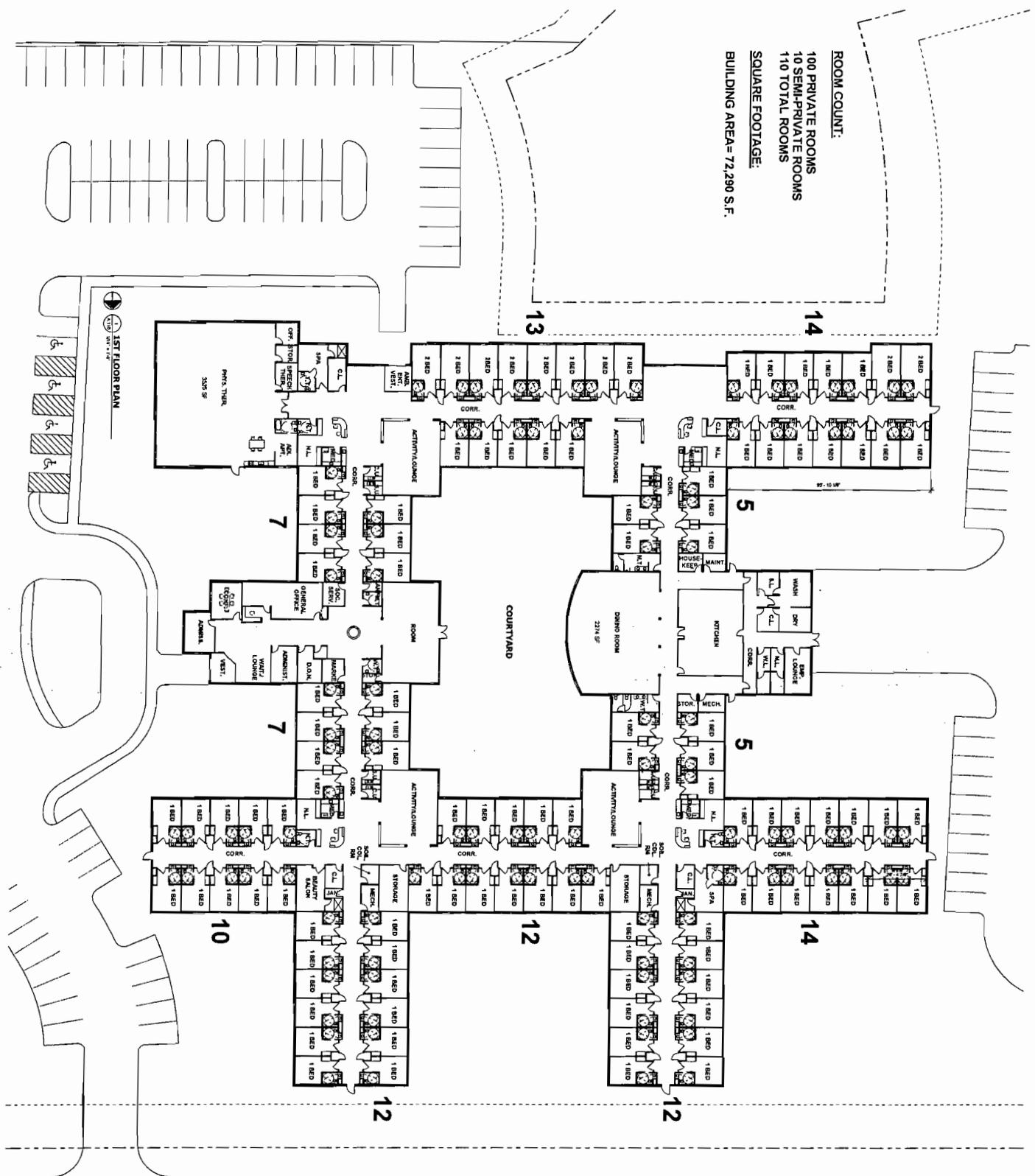
SITE PLAN



TRANSITIONAL CARE FACILITY		PRELIMINARY DESIGN		5/8/2013 3:36:43 PM		<small>THIS DOCUMENT IS THE PROPERTY OF THE ARCHITECT AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THE ARCHITECT.</small>								
NAPERVILLE, IL														
C 100	SITE PLAN	<table border="1"> <thead> <tr> <th>Rev.</th> <th>Date</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		Rev.	Date	Description						2401 2401 PRO PAVE & B 2401 PRO PAVE & B 2401 PRO PAVE & B		2401 PRO PAVE & B 2401 PRO PAVE & B 2401 PRO PAVE & B
Rev.	Date	Description												

158

ROOM COUNT:
 100 PRIVATE ROOMS
 10 SEMI-PRIVATE ROOMS
 110 TOTAL ROOMS
 SQUARE FOOTAGE:
 BUILDING AREA = 72,290 S.F.



COMMONS ROAD

TRANSITIONAL CARE FACILITY
NAPERVILLE, IL
A 110

1ST FLOOR PLAN

PRELIMINARY DESIGN

5/8/2013 3:36:39 PM

NO.	DATE	DESCRIPTION

2401
 1000 N. WILSON AVE.
 NAPERVILLE, IL 60563
 TEL: 630.884.8800
 FAX: 630.884.8875
 WWW.2401CORPORATION.COM

2401 CORPORATION
 1000 N. WILSON AVE.
 NAPERVILLE, IL 60563
 TEL: 630.884.8800
 FAX: 630.884.8875
 WWW.2401CORPORATION.COM

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Appendix D

Dept./Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet that is:			
		Existing	Proposed	New Construction	Modernized	As Is	Vacated Space
CLINICAL							
Patient Rooms	5,522,618	-	20,240	20,240	-	-	-
Patient Bathrooms	1,582,568	-	5,800	5,800	-	-	-
Nurses Station/Med Prep	272,857	-	1,000	1,000	-	-	-
LR/DR/Activity	1,604,397	-	5,880	5,880	-	-	-
Exam Room	79,128	-	290	290	-	-	-
Kitchen/Food Svc	556,627	-	2,040	2,040	-	-	-
PT/OT	1,302,890	-	4,775	4,775	-	-	-
Laundry	477,499	-	1,750	1,750	-	-	-
Janitor Closet	54,571	-	200	200	-	-	-
Clean/Soiled Linen	129,607	-	475	475	-	-	-
Beauty/Barber	136,428	-	500	500	-	-	-
Total CLINICAL	11,719,192	-	42,950	42,950	-	-	-
NON CLINICAL							
Office/Admin	412,612	-	1,500	1,500	-	-	-
Kitchen	330,089	-	1,200	1,200	-	-	-
EE Lounge	110,030	-	400	400	-	-	-
Locker, Training	110,030	-	400	400	-	-	-
Mechanical	220,060	-	800	800	-	-	-
Lobby	467,627	-	1,700	1,700	-	-	-
Storage/Maint	687,686	-	2,500	2,500	-	-	-
Corridor/Public Toilet	3,245,879	-	11,800	11,800	-	-	-
Structure/Misc	880,238	-	3,200	3,200	-	-	-
Stairs/Elevators	481,380	-	1,750	1,750	-	-	-
Total NON CLINICAL	6,945,630	-	25,250	25,250	-	-	-
TOTAL	18,664,822	-	68,200	68,200	-	-	-

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LOCKWOOD NP PARTNERS LLC

1630 DES PERES RD, STE. 310
ST LOUIS, MO 63131

Great Southern Bank
www.greatsouthernbank.com
80-7332/2865

1003

Date: 06/24/2013

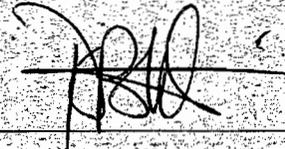
Pay To
The Order Of **ILLINOIS HEALTH FACILITIES & SERVICES REV BOARD**

Two Thousand Five Hundred Dollars

\$2,500.00****

ILLINOIS HEALTH FACILITIES & SERVICES REV BOARD

13-038 Transitional Care Center of Naperville



⑈001003⑈ ⑆286573322⑆ 5509003589⑈

LOCKWOOD NP PARTNERS LLC
V-002300-ILLINOIS HEALTH FACILITIES & SERVI
Print As: ILLINOIS HEALTH FACILITIES & SERVICES REV BOARD

1003

Date: 06/24/2013

Date	Bill #	Reference Number	Amount Due	Amount Paid/Applied
06/24/2013	062413		\$2,500.00	\$2,500.00
Net Amount				\$2,500.00

LOCKWOOD NP PARTNERS LLC
V-002300-ILLINOIS HEALTH FACILITIES & SERVI
Print As: ILLINOIS HEALTH FACILITIES & SERVICES REV BOARD

1003

Date: 06/24/2013

Date	Bill #	Reference Number	Location	Amount Entered	Amount Paid
06/24/2013	062413				
642355-General - Permits	LTC Application for Permit		950000	\$2,500.00	\$2,500.00
Net Amount					\$2,500.00