



# STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

<b>DOCKET ITEM:</b> A-01	<b>BOARD MEETING:</b> July 24, 2018	<b>PROJECT NUMBER:</b> 14-022
<b>PERMIT HOLDERS(S):</b> Asbury Court Nursing and Rehabilitation, LLC Des Plaines Property, LLC		
<b>FACILITY NAME and LOCATION:</b> Asbury Court Nursing and Rehabilitation, Des Plaines		

## **STATE AGENCY REPORT** **PERMIT RENEWAL REQUEST**

### **I. Background**

On August 27, 2014, the State Board approved Project #14-022. The permit authorized the establishment of a 71-bed general long term care facility, in Des Plaines. The State Agency notes the project is obligated, and the current project completion date is: July 31, 2018. Project cost: \$7,717,839.

The State Agency notes the permit holders submitted the permit renewal request on June 13, 2018. This submittal was in accordance with 77 IAC 1130.740(d), which states that renewal requests must be received by the State Agency at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

### **II. Findings**

The State Agency notes this is the **third** renewal request for this project and it appears the permit holders have submitted all of the information required in Section 1130.740 for a permit renewal. Board Staff also notes the permit holders submitted an Alteration to the existing permit, by increasing the project cost from \$7,212,934 to \$7,717,839 (7%). The alteration was approved on September 26, 2017.

#### IV. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of January 31, 2019. This would extend the project's completion date by six months, from July 31, 2018 to January 31, 2019.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the construction phase of the project is complete and the facility is awaiting its licensure surveys. The permit holders estimate this to occur in the next 3-6 months.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders' state the following events occurred, which delayed completion of the project:

The permit holders attribute the delays to initial design changes, and a change in the construction contractor as the need for a second permit renewal. This, in turn, delayed the project completion/facility inspection dates.

- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate \$7,656,050 (99.2% of the total project cost) has been expended to date and can attest to the existence of sufficient financial resources to complete the project.
- E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the altered permit amount of \$7,717,839.

#### V. Project Description & Other Background Information

The permit authorized the establishment of a 71-bed general long term care facility, in Des Plaines. Project cost: \$7,717,839.

Permit Issuance Date:	August 27, 2014
Project Obligation Date:	February 27, 2016
Original Project Completion Date:	July 31, 2016
Proposed Project Completion Date: (12-months, 1 <sup>st</sup> renewal request)	July 31, 2017
Proposed Project Completion Date: (12-months, 2 <sup>nd</sup> renewal request)	July 31, 2018
Proposed Project Completion Date: (6-months, 3 <sup>rd</sup> renewal request)	January 31, 2019

## **VI. Applicable Rules for Permit Renewal Requests**

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

77 IAC 1130.230(h)(5) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

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

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

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

## **VII. Other Information**

Appended to this report are the following: the permit holders' documents for a permit renewal.



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606-1599 • 312.819.1900

**RECEIVED**

JUN 13 2018

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

June 12, 2018

Via Federal Express

Anne M. Cooper  
(312) 873-3606  
(312) 819-1910  
acooper@polsinelli.com

Michael Constantino  
Illinois Department of Public Health  
Health Facilities and Services Review Board  
525 West Jefferson Street, Second Floor  
Springfield, Illinois 62761

**Re: Permit Renewal Request – Asbury Court Nursing and Rehabilitation  
(Proj. No. 14-022)**

Dear Mr. Constantino:

I am writing on behalf of Des Plaines Property, LLC and Asbury Court Nursing and Rehabilitation, LLC (collectively, the "Permit Holders") to request a renewal of Project permit 14-022, Asbury Court Nursing and Rehabilitation. On August 27, 2014, the Illinois Health Facilities and Services Review Board ("Board") approved the Permit Holders' application to establish a 71-bed general long-term care facility to be located at 1750 Elmhurst Road, Des Plaines, Illinois (the "Project"). Due to delays in licensure survey, the Permit Holders respectfully request a six month renewal of the Project permit and a new project completion date of January 31, 2019.

**1. Requested Project Completion Date**

The Permit Holders request the Board grant a six month renewal of the Project permit and establish January 31, 2019 as the new project completion date.

**2. Status of the Project**

Construction is complete and the facility is currently awaiting licensure survey. Based upon prior past experience, the Permit Holders anticipate licensure could take an additional three to six months.

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Mr. Michael Constantino  
June 12, 2018  
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The current project costs paid is \$7,656,049.68.

**3. Statement Regarding Completion of the Project**

As described more fully in the application, the Permit Holders are constructing a 71-bed general long-term care facility to be located in Des Plaines, Illinois. Construction is complete, and the facility is awaiting licensure survey. Accordingly, the Permit Holders respectfully request a six month extension.

**4. Confirmatory Evidence of Project Compliance**

Attached as Attachment 1 is the affidavit from Michael Zahtz confirming that the Permit Holders are complying with the scope and costs of the project approved by the Board pursuant to Project Permit #14-022

Based on the above information, which is provided to the Board in compliance with Section 1130.740 of the Illinois Administrative Code, the Permit Holders formally request a six month renewal of its permit for Project #14-022 and a new project completion date of January 31, 2018.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely

A handwritten signature in cursive script that reads 'Anne M. Cooper'.

Anne M. Cooper

Attachments

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

ASBURY COURT NURSING & REHABILITATION

REQUEST FOR RENEWAL OF PROJECT PERMIT # 14-022

I, Michael Zahtz do hereby affirm and testify:

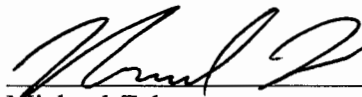
1. I am an authorized representative of the Permit Holders, Asbury Court Nursing & Rehabilitation, LLC and Des Plaines Property, LLC. I have personal knowledge of the facts stated herein.

2. Based on my personal knowledge of the on-going project to establish a 71-bed long-term care facility to be located at 1750 Elmhurst Road, Des Plaines, Illinois, I can attest that the project's cost and scope are in compliance with those approved by the Illinois Health Facilities and Services Review Board.

3. Additionally, I can attest that there currently exists sufficient financial resources to complete the project.

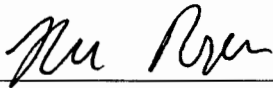
FURTHER THE AFFIANT SAYETH NOT.

The undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.



Michael Zahtz  
Manager  
Asbury Court Nursing & Rehabilitation, LLC

Subscribed and sworn before me  
This 11th day of June 2018



Notary Public

