



SENT VIA EMAIL AND UPS NEXT DAY DELIVERY

June 11, 2021

Ms. Courtney Avery, Administrator
Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Permit # 19-004, Smith Village;
Annual Progress Report

Dear Ms. Avery:

On April 30, 2019 the Illinois Health Facilities and Services Review Board granted a permit to Washington and Jane Smith Community – Beverly d/b/a Smith Village for the major modernization of existing space, resulting in a 78-bed general long-term care unit (a reduction of 22 GLTC beds) in 70,852 gsf at a cost of \$23,874,680. On behalf of the Applicant, I am writing this letter to comply with Illinois Admin. Code Section 1130.760 (Annual Progress Reports).

Current Status:

The project is currently on schedule and is proceeding according to the terms identified in the approved permit. The GMP contract for the building construction has been signed, the building permit was received on December 5, 2019 and the foundation permit for the new addition was received on April 13, 2020. The new roof on the existing building and the relocation of the trash corral has been completed. Phases I and IV of the modernization to the existing skilled nursing building has been completed and temporary occupancy was received on March 27, 2021.

On March 30, 2021 Smith Village discontinued 7 nursing care beds and is now operating with 93 licensed skilled nursing beds all towards the end goal of modernizing and reducing capacity to 78 upon completion of the project.

Construction of the new addition has been completed and paperwork will be submitted to IDPH in June for licensing of the addition. Due to the pandemic Phases 2 and 3 have been combined and work on these phases began in April 2021. As of April 30, 2021, the construction is 80% complete with only phases 2 and 3 which is the modernization of the south end of the building yet to be completed.

A Smith Senior Living Community

2320 West 113th Place Chicago, Illinois 60643 T 773 474 7300 F 773 474 7302 smithvillage.org



Project Costs:

Appended herein (**EXHIBIT A**) is a project cost and sources of funds chart illustrating the approved line items and the corresponding expenditures that have been made per line item.

Project Financing:

The method and sources of funds have changed as originally approved. On October 25, 2019, the Smith Village Plan of Financing was completed. The Illinois Finance Authority issued \$23,608,000 Variable Rate Bonds Series 2019A which were directly purchased by First Midwest Bank. The loan proceeds will be a construction draw down used to finance the modernization of the Smith Village skilled nursing building, to fund the capitalized interest during construction and to provide for the cost of issuance.

Simultaneously, the Illinois Finance Authority issued \$25,000,000 Variable Rate Bonds Series 2019B which were directly purchased by Huntington Bank and issued \$5,119,000 Variable Rate Bonds Series 2019C which were directly purchased by First Midwest Bank. The loan proceeds from the Series 2019B and Series 2019C Bonds were used to refund the existing Series 2016 Bonds and provide funds to cover the Series 2016 swap terminations and pay the cost of issuance.

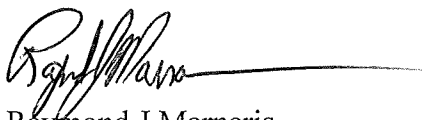
On May 7, 2020 a project alteration was approved which increased the amount of debt financing from \$19,687,012 to \$23,608,000 and decreased the amount of funding through cash and securities from \$4,187,668 to \$266,680.

Project Completion:

The financial commitment/obligation has been satisfied. Financing was issued and the construction contract is in place as represented in the previous Annual Progress Report and permit alterations. The anticipated date of completion is still on schedule for January 31, 2022 as stated in the permit letter. This project remains in compliance with all the conditions and items of the permit.

Should you have any questions or concerns, please do not hesitate to contact me on behalf of the Applicant.

Sincerely,



Raymond J Marneris
Chief Financial Officer

ENCLOSURES

C: Michael Constantino, Chief Project Review
John Kniery, Health Care Consultant

Smith Village
Project No. 17-004
Appendix A

PROJECT COSTS AND SOURCES OF FUNDS

Use of Funds	Cost	Expended to Date	% Expended
Preplanning Costs	\$ 336,000	\$ 278,900	83%
Site Survey and Soil Investigation	\$ 150,000	\$ 133,605	89%
Site Preparation	\$ 707,000	\$ 683,008	97%
Off Site Work	\$ -	\$ -	
New Construction Contracts	\$ 2,439,386	\$ 2,284,927	94%
Modernization Contracts	\$ 12,609,000	\$ 10,229,565	81%
Contingencies	\$ 2,135,289	\$ 154,459	7%
Architectural/Engineering Fees	\$ 1,552,839	\$ 1,089,225	70%
Consulting and Other Fees	\$ 1,323,500	\$ 842,750	64%
Movable or Other Equipment	\$ 1,492,695	\$ 951,581	64%
Bond Issuance Expense	\$ 295,305	\$ 237,678	80%
Net Interest Expense During Construction	\$ 833,666	\$ 189,105	23%
Fair Market Value of Leased Space or Equipmen	\$ -	\$ -	
Other Costs to be Capitalized		\$ -	
Acquisition of Building or Other Property		\$ -	
Total Uses of Funds	\$ 23,874,680	\$ 17,074,803	72%
Source of Funds			
Cash and Securities	\$ 266,680	\$ 266,680	100%
Pledges	\$ -	\$ -	
Gifts and Bequests	\$ -	\$ -	
Bond Issues	\$ -	\$ -	
Mortgages	\$ 23,608,000	\$ 16,808,123	71%
Leases	\$ -	\$ -	
Governmental Appropriations	\$ -	\$ -	
Grants	\$ -	\$ -	
Other Funds and Sources	\$ -	\$ -	
Total Sources of Funds	\$ 23,874,680	\$ 17,074,803	72%