



STATE OF ILLINOIS
HEALTH FACILITIES AND SERVICES REVIEW BOARD

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

DOCKET ITEM: A-2	BOARD MEETING: December 16, 2014	PROJECT NUMBER: 08-082
PERMIT HOLDER(S): Rest Haven Illiana Christian Convalescent Home, Inc.		
FACILITY NAME and LOCATION: Victorian Village, Homer Glen		

STATE BOARD STAFF REPORT
THIRD PERMIT RENEWAL REQUEST

I. Background

On September 1, 2009, the State Board approved Project #08-082. The permit authorized the establishment of a 50-bed skilled nursing facility in 39,030 GSF of space in Homer Glen. The State Agency notes the project is obligated, and the current project completion date is December 31, 2014.

II. Findings

The State Agency notes the permit holders submitted the permit renewal request on November 24, 2014. This submittal was **not** 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, and a \$500.00 late fee accompanied the renewal request. Board Staff notes this is the permit holders fifth permit renewal request. The first permit renewal request was granted on August 30, 2011, extending the project completion date to December 31, 2012 (16 months). The second permit renewal request was approved by the State Board on December 10, 2012, and extended the project completion date to February 28, 2014 (14 months). The third permit renewal request was approved on February 20, 2014 (7 months). The fourth permit renewal was approved on August 27, 2014 (3 months). The obligation period was extended 12 months on March 15, 2011, from March 1, 2011 to March 1, 2012.

III. The Permit Renewal Request

A. Requested Completion Date: The permit holders request a completion date of April 30, 2015. This would extend the project’s completion date by four months, from December 31, 2014, to April 30, 2015.

B. Status of the Project and Components Yet to be Finished: The permit holders state the construction phase of the project is completed, temporary permits for occupancy have been obtained, and the following item remain to be completed:

- IDPH architectural inspection
- IDPH regional Public Health Office survey

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 note initial delays in the attainment of financing, weather related construction delays, delays in the delivery of construction supplies, and mandated changes from the Village of Homer Glen to manage storm water retention and outdoor lighting, resulted in the need for the past three permit renewal requests. This latest request is to allow for IDPH's nursing/licensure inspection.

D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate \$4,743,191 (44.3% of the total project cost) has been expended to date.

E. Anticipated Final Cost of the Project: The permit holders estimate the final cost of the project will **not** be within the permit amount of \$10,697,539, and the permit holder anticipates submitting a permit alteration to increase the project cost, in early 2015.

IV. Project Description & Other Background Information

The permit authorized the establishment of a 50-bed skilled nursing facility as part of an assisted living/independent living facility in Homer Glen. The skilled nursing facility will contain 39,030 GSF and have an estimated project cost of \$10,697,539.

Permit Issuance Date: September 1, 2009

Original Project Completion Date: August 31, 2011

Extended Project Obligation Date: March 1, 2012

Project Obligation Date: February 21, 2012

Extended Project Completion Date: December 31, 2012
(first renewal request, 16 months)

Extended Project Completion Date: February 28, 2014
(second renewal request, 14 months)

Extended Project Completion Date: July 31, 2014

(third renewal request, 5 months)

Extended Project Completion Date: December 31, 2014
(fourth renewal request, 3 months)

Extended Project Completion Date: April 30, 2015
(fifth renewal request, 4 months)

V. Applicable Rules for Permit Renewal Requests

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

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

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

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

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

VI. Other Information

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



PROVIDENCE
Life Services

Via Overnight Carrier

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street--2nd Floor
Springfield, IL 62761

November 21, 2014

RECEIVED

NOV 24 2014

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Request for Permit Renewal -
Victorian Village Skilled Nursing Facility
Project No. 08-082 (the "Project")

Dear Ms. Avery:

We are asking the Board's approval for a 4-month permit renewal of our Project.

The Illinois Health Facilities and Services Review Board previously granted a permit ("Permit") to construct a 50-bed long term care facility on our existing Victorian Village retirement community in Homer Glen. The Board has subsequently approved permit renewals, the most recent renewal through December 31, 2014. Construction is now complete. We have submitted Final Occupancy Checklist Certifications for Request of Inspection to IDPH. The Project is now complete except for IDPH architectural and nursing inspections and approvals.

Project Overview and Status

The Project adds a 50-bed skilled facility to our existing campus that includes independent living and assisted living services. As described in our original application, the Project is the first long term care facility in Illinois to employ a true "small house" concept. Consequently, the 50-bed skilled development encompasses three separate, inter-related buildings on the current Victorian Village campus. Thirty skilled nursing beds will be housed in a newly constructed two-story building, with 15 units per floor. This building will offer more focused physical, occupational and speech therapies to assist with rehabilitation. The remaining 20 beds would be housed in 2 one-story buildings, each containing 10 skilled nursing units which will serve people with more long term health needs.

Reason for Delay

We are seeking a four-month extension of the Permit to accommodate the IDPH inspection process. In our previous permit renewal application we had underestimated the time necessary for IDPH inspections. As previously reported, early delays on the Project related to financing, local permitting issues and finally the harsh winter of 2013-2014 and related construction delays. Construction on the two 10-bed buildings were complete before the present deadline, but there were more construction delays on the larger building for which construction is now complete as well. Because of this our submittal of all required documentation to IDPH did not occur by September 5, 2014 as previously intended. Final Occupancy Checklist Certifications for Request of Inspection were submitted November 04, 2014 and we now await final IDPH architectural inspection and IDPH Regional Public Health Office Survey.

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With You. For You.

The IDPH architectural division has reviewed our final checklist submission and we have now addressed the questions raised by IDPH in those filings. We've been informed by the IDPH architectural office inspections are currently being scheduled in the last week of December at the soonest. Therefore to accommodate the inspection process and another 30-45 days to address any findings and re-inspections the projected completion is February 28, 2015. Upon architectural approval, IDPH Regional Health Office will need to perform their nursing licensure inspections before IDPH can issue a license for a new facility. Given the holiday season and assuming 30-45 days for the Nursing Survey inspection/approval process, we are requesting April 30, 2015 as our new Permit Completion date.

Requested Completion Date

We ask the Board for a four-month Permit Renewal from December 31, 2014 to April 30, 2015.

Confirmation of Project Compliance

We confirm that the Project's scope remains in compliance with the permit. By separate application we will be requesting a permit alteration to address cost increases to the Project. As indicated in the Permit Alteration we are confirming that we have sufficient financial resources to complete the Project.

Project Costs

By means of a separate application will be requesting a Permit Alteration to reflect increased project costs. We ask that this Project Cost section of our permit renewal application be addressed in that forthcoming permit alteration application.

We are enclosing a check in the amount of \$1,000 for the application processing fee. We are available to address questions related to this request for extension of the Project. Please contact me or our counsel Joe Ourth (312-876-7815) if we can be of assistance. We look forward to continuing to work with you on this Project.

Sincerely,



Jeffrey S. Courtney

V.P. of Development/Construction

cc: Mike Constantino
Joe Ourth



With You, for You!

Invoice Number	Date	Description	Amount	Discount	Paid Amount
VIC VILLAGE SM HSE	November 21, 2014	Application Fee	\$1,000.00	\$.00	\$1,000.00

RECEIVED

NOV 24 2014

HEALTH FACILITIES &
SERVICES REVIEW BOARD

TOTALS:	\$1,000.00	\$.00	\$1,000.00
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Providence Development Group

18601 N. Creek Drive
Tinley Park, IL 60477
(708) 342-8100

08-082

Victorian Village

MB Financial Bank
South Holland, IL 60473

003297

DATE

11/21/2014

AMOUNT

\$1,000.00

One Thousand Dollars And 00 Cents

Pay to the Order of:

Illinois Department of Public Health

525-535 West Jefferson Street
Springfield, IL 62761-0001

OPERATING FUND

Barry Vandenberg

⑈003297⑈ ⑆071001737⑆ ⑈3500020445⑈

Security Features Included. Details on back.