

Nursing Facility  
1021 West E. Street  
Belleville, IL 62220  
618-233-2095  
618-233-2109 fax



Retirement Apartments  
901 West E. Street  
Belleville, IL 62220  
618-233-2318

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We are a non-profit, faith based organization.

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SEP 16 2015

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

**VIA FEDERAL EXPRESS**

September 15, 2015

Courtney R. Avery, Administrator  
Illinois Health Facilities Planning Board  
525 West Jefferson Street  
Springfield, IL 62761

**RE: Annual Progress Report  
St. Paul's Home, Project # 13-003**

Dear Ms. Avery:

In accordance with the requirements of 77 Ill. Admin. Code 1130.760, St. Paul's Home presents the attached Annual Progress Report.

Should you have any questions about this report, please contact: Susan Franklin at (314) 726-0111 or [susanf@standrews1.com](mailto:susanf@standrews1.com), or our attorney for this CON matter, Mark J. Silberman at (312) 499-6713 or [MJSilberman@duanemorris.com](mailto:MJSilberman@duanemorris.com).

Sincerely,

**Susan Franklin**  
Operations Director  
St. Andrew's Management Services  
314-726-0111 ext. 1143

Cc: Mark J. Silberman

St. Paul's Home  
1021 W. E Street  
Belleville, IL 62220

## **Project # 13-003**

# **Annual Progress Report**

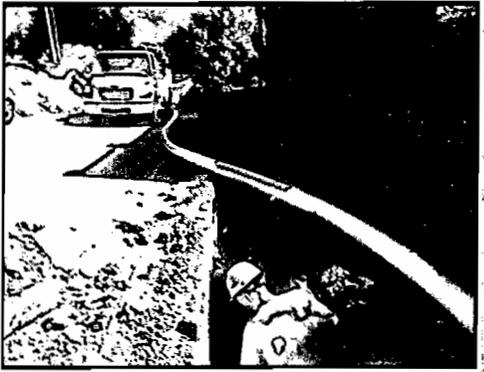


a) *Each permit holder shall submit annual progress reports to HFSRB staff every 12 months from the permit issuance date until the project is complete. The Annual Progress Reports are due by the anniversary date of HFSRB approval of the permit. The reports shall include:*

- 1) *current status of the project, including the percentage of the project finished, components finished and components yet to be finished, and any changes in the scope of the project and size*

The “modernization” of St. Paul’s Home is virtually complete. Design and construction documents were completed in the fall of 2013 and IDPH approval for construction was obtained in November, 2013.

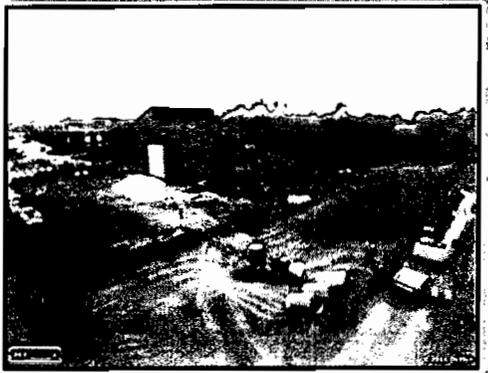
Construction began in early December, 2013 and the construction of the modernized facility is completed. The demolition and site restoration is all that remains to be done. Upon the completion of the building, we undertook the process of obtaining the necessary inspections, and occupancy permits. There was an unexpected delay in the time necessary for the Illinois Department of Public Health to survey the completed facility and, after the survey was successfully completed, there was an unexpected delay in receiving permission to relocate the residents of the existing building into the newly completed portion of the facility. The delay resulted from a lack of understanding on how to approach both the licensing of the modernized facility, as well as how to address the certification of the beds. Those issues have since been resolved and the existing building will be demolished, and site restoration work will be completed. The scope and size of the project has not changed since Certificate of Need Approval.



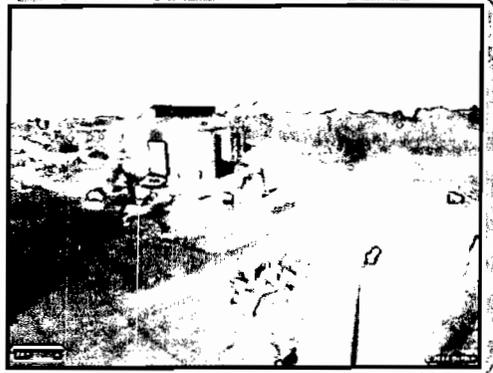
Utility relocation



Preliminary site work



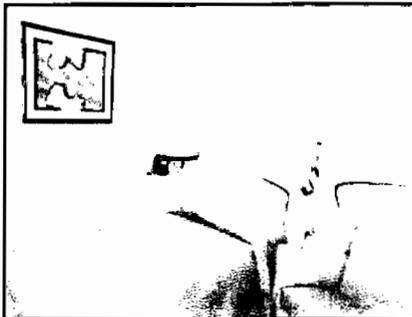
48" storm sewer main installation



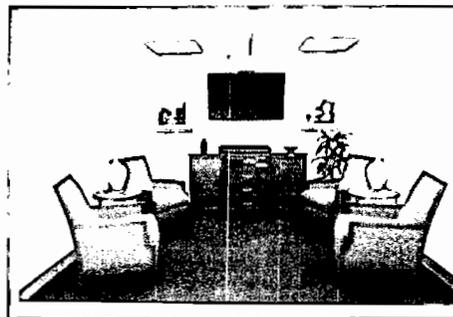
Site work continues



Winter delay



Studio rooms



Entertainment Lounge

- 2) *cost incurred to date and an itemized listing of the total current estimated project costs and a comparison of those costs to the approved permit*

Uses of funds as of July 31, 2015.

<b>Uses of Funds</b>	<b>Cost</b>	<b>Invoiced (Paid) To Date</b>	<b>% Complete</b>	<b>Balance</b>
General Contractor (1)	\$20,200,838	19,245,426	95%	\$955,412
Contingency	\$500,000	88,811	18%	411,189
Architectural Fees	\$904,565	906,308	100%	(1,743)
FF&E (Major and Minor)	\$1,200,000	1,046,503	87%	153,497
Existing Debt Payoff	\$2,733,089	2,733,089	100%	\$0
Capitalized Interest – Senior Loan	\$700,676	615,782	88%	84,894
Demolition	\$840,000	6,626	1%	833,374
Development Fees	\$455,000	455,000	100%	\$0
Licensing Expenses	\$200,000	145,677	73%	54,323
Borrower Legal	\$80,000	80,000	100%	\$0
Construction Management	\$186,750	195,625	100%	(8,875)
Abatement	\$171,150	19,830	12%	151,320
Geotechnical Testing/Civil	\$198,909	110,586	56%	88,323
Pre Marketing Costs	\$75,000	8,826	12%	66,174
Builder's Risk	\$45,181	45,181	100%	\$0
Financing Costs	\$668,142	\$668,142	100%	\$0
Sponsor Legal Fees	\$100,000	\$100,000	100%	\$0
<b>Total</b>	<b>\$29,259,300</b>	<b>\$ 26,061,412</b>	<b>89%</b>	<b>\$ 3,197,888</b>

(1) includes General Contractor of \$18,700,838 + Renovation of \$850,000 + Low Voltage Services of \$650,000

3) *the method of financing the project and sources of funds*

Project financing was obtained via a commercial loan through FirstBank, 11901 Olive Boulevard, St. Louis, MO 63141. This loan closed on December 11, 2013.

<b>Sources of Funds</b>	
St. Paul's Home & Foundation	\$2,244,454
St. Paul Church Gift/Loan	\$414,846
Loan Proceeds (FirstBank)	\$21,600,000
Investment of STARS & CA	\$5,000,000
<b>Total Sources</b>	<b>\$29,259,300</b>

4) *the anticipated date of completion*

When we reported in 2014, based upon the information then available, the phased project completion was anticipated on the following dates:

- Construction activities complete for the "modernization" portion of the project – January 19, 2015
- Residents relocated to "modernized" facility – August 1, 2015
- Demolition of existing buildings and project completion – August 15, 2015.

The delay in obtaining the necessary approvals created a 4 month gap during which the building was completed but entirely vacant. At this point, having completed the modernization portion of the project, we are proud to have successfully relocated the residents into the modernized portion of the facility, which took place by the scheduled opening in August 7, 2015. Since that time, we have begun demolition of the original portion of the facility and are confident that demolition of the existing building and the final processing of information necessary for project completion will be in an orderly fashion.

Please note that our CON approval letter shows a project completion date of November 1, 2015. We are aware of this discrepancy and the reporting requirements necessary to request an additional permit renewal to push back our completion date. Our request will be submitted prior to September 17, 2015 (45 days prior to the identified project completion date). However, we felt it prudent to acknowledge that requirement within this report.