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May 15, 2019

**VIA FEDEX**

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

**RECEIVED**

**MAY 16 2019**

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

**Re: Permit Renewal Request-Transitional Care of Fox Valley, Aurora  
Project #16-002**

Dear Ms. Avery:

On May 10, 2016, the Illinois Health Facilities and Services Review Board (“HFSRB”) approved Project #16-002, a project to construct and establish a 68 bed general long term category of service to be located at 4020-4090 East New York Street, Aurora, Illinois. The purpose of this letter is to request a Permit Renewal pursuant to 77 Ill. Admin. Code 1130.740. Enclosed you will find a check with the permit renewal fee. This is our first renewal request.

**Request Project Completion Date**

The permit holder requests that the HFSRB grant a permit renewal and establish Thursday, August 31, 2021 as the project completion date for this project.

**Status of the Project**

The project has faced numerous delays since the Board approved this project. We are happy to report that we are finalizing architectural and construction plans for the facility and anticipate breaking ground in November 2019. Our general contractor has estimated a construction timeline of 14-16 months once we begin construction.

We have also continued to work in earnest with the Department Housing and Urban Development (“HUD”) on funding for the project and have been informed that we may be able to close in October of this year. While we have no reason to expect a delay with our HUD financing, it is not uncommon for HUD to request additional time and additional delays would push the ground breaking date for construction.

The requested additional time is necessary to complete construction of the facility and allow for the requisite Illinois Department of Public Health (“IDPH”) life safety and licensure inspections. This additional time will allow for the final reconciliation of costs and expenses to allow for proper final cost reporting to the Board.

As this Board knows, there were several unforeseen delays with the project. The largest of which were delays in zoning approval. This was the result of the Aurora Planning and Development Division requiring the sub-division of the property where the facility will be located. The effect of this previously unannounced requirement resulted in a delay in the submittal of our architectural plans to the IDPH Division of Life Safety and Construction. Other delays included litigation regarding the permit for the project. competitors filed an administrative review action in Circuit Court requesting that the Court overturn the Board’s approval. After extensive delay the action was voluntarily dismissed by the competitors on May 31, 2017.

#### **Statement Regarding Project Completion**

Since the resolution of the zoning issues and ongoing litigation, significant progress was made on the project. The project was financially committed on July 27, 2018 through the execution of the construction contract to build the skilled nursing facility and has been reported to the Board. However, additional time is necessary to complete the project in an orderly fashion. Given the scope of the overall undertaking, it seemed worthwhile to request additional time to ensure appropriate completion of the project.

To date approximately \$600,000 of the approved \$15,903,691 has been expended on the project. The project is progressing consistent with the application underlying the permit approved by the HFSRB and will be completed in accordance with the terms of the permit letter issued by the HFSRB. We do not anticipate the need to alter the project in any way, as we expect to come in on budget.

#### **Confirmatory Evidence of Permit Compliance**

Enclosed is a verified statement from Brad Haber, one of the Managing Principals of Innovative Health, LLC. The verified statement confirms the permit holders are complying with the scope, costs, and conditions of the project approved by the HFSRB, pursuant to the permit letter issued for this project. Additionally, the aforementioned verified statement confirms that the project will be funded through cash and securities and a mortgage as described in the application for the project.

If you have any questions or need any additional information regarding the project or this permit renewal request, please feel free to contact me at 312-212-4967.

May 15, 2019  
Page 3

Very truly yours,

BENESCH, FRIEDLANDER,  
COPLAN & ARONOFF LLP

A handwritten signature in black ink, appearing to read "Juan Morado, Jr.", with a stylized flourish at the end.

Juan Morado, Jr.

JM:  
Enclosures

cc: Jeannie Mitchell, General Counsel (via email)  
Mike Constantino, Senior Project Reviewer (via email)

State of Illinois  
County of Cook

**Verification**

I, Brad Haber., being first duly sworn, on oath, depose and state as follows:

1. I serve as one of the Managing Principals of Innovative Health, LLC an owner and the entity responsible for the management of Transitional Care of Fox Valley, Aurora.
2. The project to construct and establish a 68 bed general long term facility in 52,000 square feet is progressing consistently with the commitments reflected in the permit letter issued for this project.
3. Our project costs remain on track and in accordance with the terms of the project approved by the Illinois Health Facilities and Services Review Board, Project #16-002.
4. The project's costs and scope continue to comply with the application the HFSRB approved for Project # 16-002.
5. Sufficient financial resources remain available to complete Project #16-002.

Under penalties as provided by law pursuant to § 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct.



\_\_\_\_\_  
(signature)

5/10/19

\_\_\_\_\_  
(date)