ALDEN ESTATES OF BARTLETT
ALDEN BARTLETT INVESTMENTS
4200 WEST PETERSON AVENUE, SUITE 140
CHICAGO, ILLINOIS 60646
(773) 286-3883

RECEIVED
JUN 10 2019
HEALTH FACILITIES &
SERVICES REVIEW BOARD

SENT VIA HAND DELIVERY

June 7, 2019

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 # 16-006, Alden Estates of Bartlett

Annual Progress Report

Dear Ms. Avery:

On May 10, 2016 the Illinois Health Facilities and Services Review Board granted a permit to Alden Estates of Bartlett for the construction and establishment of a 68-bed general long-term care facility. On behalf of the Applicant, I am writing this letter to comply with section 1130.760 (Annual Progress Reports) of the 77 Illinois Administrative Code.

1) **Current Status of the Project:**

The Review Board approved the permit for our Alden Estates of Bartlett on May 10, 2016 for construction of a new skilled facility in Bartlett. Currently, all the necessary site plan, engineering, environmental and soils studies have been completed. We currently have final PUD approval from the Village of Bartlett. However, this project has posed certain challenges. The site is situated in a way that the adjacent property shares with us ingress, egress and detention. Construction of the neighboring, but unrelated assisted living memory care facility complicated the construction of our facility. Fortunately, the adjacent property owner recently completed construction of their assisted living memory care facility. After their construction completion we have been negotiating with them on additional terms as well as costs on these shared amenities, and are pleased that we completed these negations in the last week. We will now be going back to the Village with a few modifications to the shared entrance way, parking and pond. Therefore, we will need to modify the current PUD.

Our HUD financing has commenced and is in process for this Project. Once final working drawings have been complete, we will forward to HUD as part of their final review process.

Design drawings have been completed and final working drawings on this Project will commence once we finalize the revised PUD. Although approximately 2.3% of the project cost has been expended, all construction components remain to be finished. Project costs incurred through April 30, 2019 are $434,856 as detailed on the attached chart.

The project was timely obligated May 1, 2019 with signing of the construction contract.

2) **Project Costs:**

The Project remains within approved requirements of the Permit with respect to Project cost. Attached with this letter is an itemized listing of Project costs in comparison to the approved Permit amounts.

3) **Project Funding:**

The method of financing the Project remains a combination of equity and debt. Upon closing of the HUD financing we anticipate that there will be sufficient financial resources to complete this Project. We confirm that nothing has been undertaken on this Project that would cause the Project to be out of compliance with what was approved by the Board. The Project will be constructed in compliance with the scope and cost of the Project as approved by the Board. Funding sources are summarized on the attached table.

4) **Anticipated Date of Completion:**

Under the existing permit Project completion is scheduled for December 31, 2019. As detailed in the request for extension of the financial commitment period and in the Current Status (item 1) above, we have experienced some significant delays that create a domino effect on other components to complete before construction can commence. We are working diligently to get the PUD revised, but timing and approval will be in the control of the Village. Final design drawings cannot be completed until the PUD is approved. We expect to need additional time for project completion and will keep the board apprised of the situation.

Please let me know of any questions on this material, or if additional information needs to be provided.

Sincerely,

Randi Schullo

Enclosures

cc: Mike Constantino, Chief, Project Review
John Kniery, Health Care Consultant
Joe Ourth, Attorney at Law

Alden Estates of Bartlett - Project 16-006
Annual Progress Report 2019

Use of Funds			
	Total Project Permit	Expended - April 2019	Percentage Expended of Total
Preplanning Costs	$42,500	$40,183	95%
Site Survey & Soil Investigation	$40,000	$10,832	27%
Site Preperation	$600,000	$0	0%
Off-Site Work	$120,000	$0	0%
New Construction	$13,344,545	$0	0%
Contingencies	$1,334,454	$0	0%
Architectural / Engineering Fees	$1,100,925	$177,058	16%
Consulting and Other Fees	$684,259	$206,783	30%
Movable or Other Equipment	$593,188	$0	0%
Bond Issuance Expense	$582,300	$0	0%
Net Interest Expense During Construction	$534,481	$0	0%
Other Costs to be Capitalized	$50,000	$0	0%
Total	**$19,026,652**	**$434,856**	2%
Sources of Funds			
Cash and Securities	$3,126,652	$434,856	
Mortgages	$15,900,000	$0	
Total	**$19,026,652**	$434,856	