

**Approved 5/27/20**

**EXECUTIVE COMMITTEE**

**April 20, 2020**

**@ 5:00 p.m.**

<b>COMMITTEE MEMBERS PRESENT:</b>	<b>Andrew Rand</b> – Chairman; <b>James Fennell</b> – Vice Chairman; <b>Jennifer Groves Allison, James Dillon, Kate Pastucha, Rachel Reliford, Rob Reneau, Steven Rieker, Paul Rosenbohm, Phillip Salzer, Sharon Williams</b>
<b>MEMBERS ABSENT:</b>	
<b>STAFF PRESENT:</b>	<b>Scott Sorrel</b> - County Administrator; <b>Shauna Musselman</b> – Assistant County Administrator; <b>Jodi Hoos, Larry Evans</b> - State's Attorney's Office; <b>William Watkins, Jr.</b> – County Board Member; <b>Paul Letcher, Julie Ciesla</b> – Finance; <b>Angela Loftus, Gretchen Pearsall, Jamie Dowell</b> – County Administration; <b>Brian Asbell, Doug Gaa, Chris Watkins</b> – Sheriff's Office; <b>Kathi Urban, Andrew Braun</b> – Planning & Zoning; <b>Mark Little</b> – Chief Information Officer; <b>Nicole Bjerke</b> – County Treasurer; <b>Jessica Thomas</b> - Auditor
<b>VISITORS:</b>	<b>Robert Gates</b> – Attorney; <b>Chris Setti</b> – Greater Peoria Economic Development Council

**Call to Order**

Chairman Rand called the meeting to order at 5:03 p.m.

A motion to suspend the Rules was made by Mr. Reneau and seconded by Mr. Fennell. The motion carried unanimously.

**Public Comments**

Mr. Sorrel read public comments regarding the resolution on the closure of Heddington Oaks from Christina Soens, Richard Fifer, Terry Randolph, Lisa Birdoes, Erik Mahlberg, Melissa Barnes, Donna D., and Allan Frank into the record. Mr. Sorrel entered public comments of a total of 29 respondents into the public record. Mr. Dillon commented that all responses received were in opposition to the closure of Heddington Oaks.

**Resolution**

➤ **Economic Development Small Business Stabilization Program Grant Applications**

Mr. Sorrel advised that several state economic development programs were created as a result of the Governor's Stay at Home Order, including the Downstate Small Business Stabilization Program. He stated the program utilizes a portion of the state's Community Development Block Grant statewide allocation of \$20 million from the U.S. Department of Housing and Urban Development (HUD). He remarked that businesses that are not eligible would be those in communities receiving entitlement dollars directly from HUD, which includes the City of Peoria and businesses considered essential. He advised that those that are considered eligible are small businesses in any other municipalities in incorporated and unincorporated Peoria County which have 50 or fewer employees, and meet the federal national objective of urgent need. Mr. Setti added that the business must have been in existence since January 1, 2017 under the same ownership structure. Mr. Setti added that there is no revenue requirement included by the Illinois Department of Commerce and Economic Opportunity (DCEO).

Mr. Sorrel advised that businesses may apply for a grant of up to \$25,000.00 to be used for working capital; primarily for payroll purposes and /or lease/mortgage payments. He stressed that the grant may not be utilized for capital improvements. He stated that the EDC, in

coordination county governments and guidance from the state, has created a process for consolidating requests for a five county area. He advised that 25 eligible applications in a total amount of \$605,000.00 were received for Peoria County.

Mr. Setti thanked the County Administrator and Peoria County for its initiative and leadership in the development of the program. He advised that upon approval by the full County Board, DCEO has 30 days to review the applications for eligibility. He stated that upon approval the county, as the grantee, receives the funding and allocates to the businesses via a Participation of Agreement executed between Peoria County and the benefiting business. Mr. Sorrel reiterated that the final decision on grant awards will be determined by DCEO.

➤ **PRW-LLC dba The Shot Spot Pub**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **A Perfect Pear Boutique**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Bartonville Express Lube and Auto Service**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Johnson & Johnson, P.C.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Rae Jean's Posies & More dba The Flower Box**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Surveillance Technologies**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Presleys Outdoors L.L.C.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Cady's Cars**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **McCormick Auto Place, Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Murray Granite & Marble Works, Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **IDo Events, Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Carlson Jewelers Ltd.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Gregg Florist, Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Coyote Creek Golf Club**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Peacock's Pub**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Peoria Flag & Decorating Co. Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Tracy's Affordable Automotive, Ltd.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **The Trolley, Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Dizzy Deans Ltd.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **J. Weaver, Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Kaydee Evans Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **D's Paint and Body Shop**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Lakeside Custom Builders**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Novel Electronic Designs, Inc.**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

➤ **Jim's Family Restaurant**

A motion to approve was made by Mr. Dillon and Mr. Salzer. The motion carried unanimously.

## **Resolution**

➤ **Regulatory Process to effect the closure of Heddington Oaks, a Skilled Nursing Facility owned and operated by the County of Peoria**

A motion to approve was made by Ms. Williams and Mr. Fennell. Ms. Pastucha acknowledged the emotion and anxiety in the comments received from the public, and commented that a vote to adopt the resolution would begin the lengthy regulatory procedure for closure, providing residents the opportunity to seek other accommodations. Mr. Sorrel advised that following adoption of the resolution the application for closure will be prepared and filed with the state's Health Facilities & Services Review Board (HFSRB), who will then render a final decision. He advised that following that decision, the County would have 60 days to coordinate resident transitions with residents, their families and other skilled nursing facilities in the community. He also noted that there is no regulatory provision regarding relocation distances. He commented that during the regulatory process, a notification is required as part of the closure process for skilled nursing facilities within a certain distance.

Mr. Fennell summarized the past several years of financial difficulties, commenting that the financial situation of the facility has become unsustainable. Mr. Dillon summarized the numerous options to improve the financial sustainability of the facility that have been vetted over the past several years, including engaging the expertise of private sector employees from Unity Point.

Mr. Sorrel clarified the intent of the resolution, which is to authorize the Administration to initiate the closure process. He provided a brief summary of the resolution included in the committee packet, highlighting the following salient points:

- Three previous referenda have been approved by voters relating to prior construction of the original Bel-Wood facility or levying property tax. The County Board currently levies

.06¢ of Property Tax; by law the amount could be increase to .10¢, while financially it would be necessary to increase the amount to .13¢, stressing that the need is greater than statute permits.

- The County Board has worked with multiple processes, partners, and corrective actions over the past several years to positively impact census, revenue, staffing, and regulatory environments.
- Subject matter experts from OSF and Unity Point Health were appointed to the County Health Committee in 2016 for a two-year term to provide advice and recommendations, which were implemented when possible. In 2018, Peoria County entered into a strategic partnership with OSF POINTcore to further that work and create a new financial model.
- Both the financial model utilized for construction and the model created in partnership with OSF Healthcare's POINTcore required the facility to average 27-28 Medicare residents per day; the average has been 14 Medicare residents per day.
- The facility has seen a significant negative impact relating to regulatory and societal changes since the replacement of Bel-Wood Nursing Home, including the implementation and drafting of the Administrative Rules for home health care and managed care.
- Consistent staffing issues.
- Significant regulatory violations have negatively impacted the facility's Star Rating.
- Substantial loss of reserves, with a current negative reserve of \$1.4 million.
- Although a combination of collection efforts and the creation of a Bad Debt Policy have reduced the figure somewhat, aged accounts receivable stand at just over \$8 million.
- Revenue received from Medicaid funded beds does not cover costs.

Ms. Allison noted several points brought up in the public comments regarding the County's expressed concern in taking care of the elderly population at Heddington Oaks and the potential option of an outside party purchasing the facility. Mr. Sorrel advised that a part of the deliberations of the County Board has been to provide direction for the creation of an advocacy position within Peoria County government to assist with transitions to other facilities and to provide a resource to the community as an access to services. He also remarked that Peoria County has reached out to a local healthcare network to assist in outplacement, counseling, and family advocacy. He also noted that additional Employee Assistance Program (EAP) referral capabilities for social and emotional counseling has been put in place for Heddington Oaks employees.

As regards a potential sale of the facility, Mr. Sorrel stated that under current Bond Covenants sale is limited to a not-for-profit organization vs. a for-profit organization. In addition, the Peoria County Code and State law asserts that if Peoria County has asked voters to construct a skilled nursing facility or levy a property tax, the County must seek voter approval to sell the real estate. He added that there is no provision or requirement in State statute to seek voter approval for the closure of the facility; the process is strictly regulatory and administrative.

Ms. Reliford acknowledged the efforts of the County Board, community partners, local hospitals, and outside resources to attempt to achieve a tenable financial solution while being mindful and respectful of the community served by the County Board. Mr. Reneau noted that several of his family members were residents of Bel-Wood Nursing Home, and while this process and discussion has been difficult, he agreed that all viable options were considered before the final decision to close the facility was made.

A vote was taken via roll call vote, and motion passed unanimously (11-0).

**Adjournment**

The meeting was adjourned by Chairman Rand at 6:54 p.m.

*Recorded and Transcribed by: Jan Kleffman*