



STATE OF ILLINOIS  
**HEALTH FACILITIES AND SERVICES REVIEW BOARD**

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3518 • FAX. (217) 785-4111

August 19, 2011

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Kara Friedman, Attorney  
Polsinelli Shughart PC  
161 North Clark Street, Suite 4200  
Chicago, IL 60601

RE: **PERMIT**: #11-034 - DSI Scottsdale Renal Center

Dear Ms. Friedman:

On August 16, 2011, the Illinois Health Facilities and Services Review Board ("Board") approved the application for permit for the referenced project based upon the project's substantial conformance with the applicable standards and criteria of Part 1110 and 1120. In arriving at a decision, the State Board considered the findings contained in the State Board Report, the application material, and any testimony made before the State Board.

- **PROJECT**: #11-034 - DSI Scottsdale Renal Center - The permit holders are approved for the change of ownership of DSI Scottsdale Renal Center, 4651 West 79<sup>th</sup> Street, Chicago. The operating entity licensee is DSI Renal Inc. and the owner of the site is Scottsdale Center, LLC.
- **PERMIT HOLDER**: Davita, Inc. 601 Hawaii Street, El Segundo, California and DSI Renal, Inc. 424 Church Street, Suite 1900, Nashville, Tennessee
- **PERMIT AMOUNT**: \$22,295,899
- **PROJECT OBLIGATED BY**: September 30, 2011
- **PROJECT COMPLETION DATE**: September 30, 2011

This permit is valid only for the defined construction or modification, site, amount and the named permit holder and is **not transferable or assignable**. In accordance with the Planning Act, the permit is valid until such time as the project has been completed, provided that all post permit requirements have been fulfilled, pursuant to the requirements of 77 Ill. Adm. Code 1130.

The permit holder is responsible for complying with the following requirements in order to maintain a valid permit. Failure to comply with the requirements may result in expiration of the permit or in State Board action to revoke the permit.

1. **OBLIGATION-PART 1130.720**

The project must be obligated by the Project Obligation Date, unless the permit holder obtains an "Extension of the Obligation Period" as provided in 77 Ill. Adm. Code 1130.730. Obligation is to be reported as part of the first annual progress report for permits requiring obligation within 12 months after issuance. For major construction projects which require obligation within 18 months after permit issuance, obligation must be reported as part of the second annual progress report. If project completion is required prior to the respective annual progress report referenced above, obligation must be reported as part of the notice of project completion. The reporting of obligation must reference a date certain when at least 33% of total funds assigned to project cost were expended or committed to be expended by signed contracts or other legal means.

2. **ANNUAL PROGRESS REPORT-PART 1130.760**

An annual progress report must be submitted to IHFSRB every 12-month from the permit issuance date until such time as the project is completed.

3. **PROJECT COMPLETION REQUIREMENTS-PART 1130.770**

The permit holder must submit a written notice of project completion as defined in Section 1130.140. Each permit holder shall notify IHFSRB within 30 days following the project completion date and provide supporting documentation within 90 days following the completion date and must contain the information required by Section 1130.770. **Please note the Illinois Department of Public Health will not license the proposed facility until all of the Board's permit and post permit requirements have been completed.**

This permit does not exempt the project or permit holder from licensing and certification requirements, including approval of applicable architectural plans and specifications prior to construction. Should you have any questions regarding the permit requirements, please contact Mike Constantino at 217-782-3516.

Sincerely,



Courtney Avery, Administrator  
Illinois Health Facilities and Services Review Board

cc: Dale Galassie, Chairman