

**Section X, Economic Feasibility Review Criteria**  
**Criterion 1120.310(c), Reasonableness of Project and Related Costs**

1. The Cost and Gross Square Feet by Department is provided in the table below.

<b>Table 1120.310(c)</b> <b>COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE</b>								
Department (list below)	A	B	C	D	E	F	G	H
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*	Gross Sq. Ft. Mod. Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)		Total Cost (G + H)
ESRD	\$305.29			9,703			\$2,962,193	\$2,962,193
Contingency	\$28.41			9,703			\$275,640	\$275,640
TOTALS	\$333.70			9,703			\$3,237,833	\$3,237,833

\* Include the percentage (%) of space for circulation

2. As shown in Table 1120.310(c) below, the project costs are below the State Standard.

<b>Table 1120.310(c)</b>			
	Proposed Project	State Standard	Above/Below State Standard
Site Preparation	\$14,000	5% of Construction and Contingency Costs = $5\% \times (\$2,962,193 + \$275,640)$ $= 5\% \times \$3,237,833 =$ \$161,892	Below State Standard
New Construction Contracts and Contingencies	\$3,237,833	\$262.22 per gross square foot x 9,703 gross square feet = \$2,544,321	Exceeds State Standard
Contingencies	\$275,640	10% of New Construction Costs = $10\% \times \$2,962,193 =$ \$296,219	Below State Standard
Architectural/Engineering Fees	\$244,753	5.57% – 8.37% x (Construction Costs + Contingencies) = $5.57\% - 8.37\% \times (\$2,962,193 + 275,640) =$ $5.57\% - 8.37\% \times \$3,237,833 =$ \$180,347 - \$271,006	Meets State Standard
Consulting and Other Fees	\$297,000	No State Standard	No State Standard
Moveable Equipment	\$525,183	\$50,601.13 per station $\$50,601.13 \times 24 =$ \$1,214,427	Below State Standard
Other Costs to be Capitalized	\$198,819	No State Standard	No State Standard

1. New construction costs and contingencies exceed the Board standard by \$71.47 per GSF (or \$693,512). This is due to the fact the Applicants will develop and construct the facility themselves. Generally, when a dialysis project involves new construction, a third party developer will build the facility and lease it to the dialysis provider. As a result, the costs to build the core and shell are the developer's costs and captured in the fair market value of the leased space,

which is a non-reviewable cost. In this case, the cost to build the core and shell (\$1,734,037) will be borne by the Applicants and reflected in the new construction contract and contingency costs. Importantly, the overall costs to build the Replacement Facility (\$4,517,588) is consistent with the project costs of other recently approved dialysis projects in the Chicago metro area, e.g., Tinley Park Dialysis - \$3,665,882, FMC New City - \$5,375,998, Calumet City Dialysis - \$4,118,967.