

May 11, 2017

Via Email

Mr. Michael Constantino
Supervisor, Project Review Section
Illinois Health Facilities & Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761-0001

Re: Silver Oaks Hospital, Project No. 17-009

Dear Mike:

As you know, we are counsel to Silver Oaks Behavioral LLC d/b/a Silver Oaks Hospital ("Silver Oaks Hospital"), Silver Oaks Behavioral Realty LLC ("Silver Oaks Realty"), New Lenox Behavioral Innovations LLC ("NLBI"), New Lenox Behavioral Innovations Realty LLC ("NLBI Realty"), US Healthvest LLC ("USHV"), and Silver Cross Hospital and Medical Centers ("Silver Cross Hospital," and collectively with Silver Oaks Hospital, Silver Oaks Realty, NLBI, NLBI Realty and USHV, the "Applicants") in regard to the above-referenced Project. We are in receipt of your information request dated April 18, 2017, and on behalf of the Applicants, please see the below responses:

Question 1: Please provide a copy of the admission and charity care policies for the proposed new hospital.

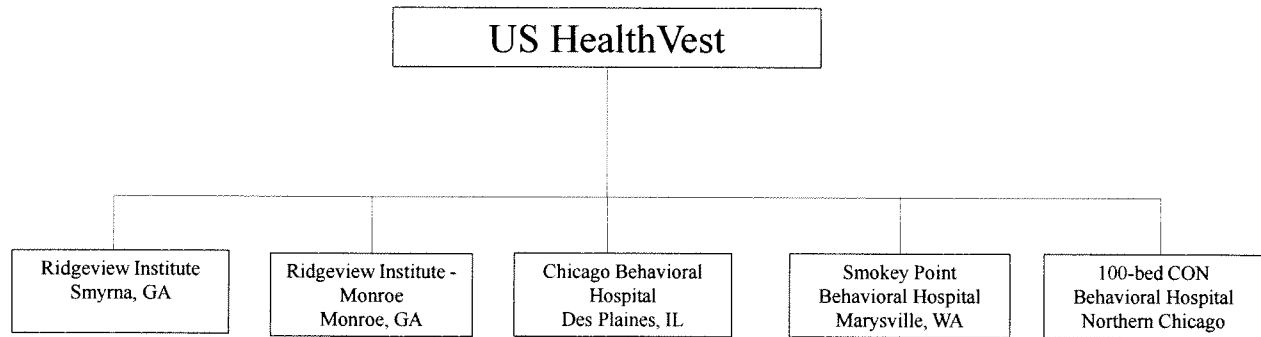
Answer 1: See Attachment 1.

Question 2: Please provide the members of the LLC who own more than 5% of US HealthVest, LLC and the US HealthVest, LLC organizational chart for the entire company not just the Illinois facility.

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Answer 2:Members of US HealthVest, LLC with greater than 5% ownership:

Polaris	39.5%
F-Prime	18.3%
Richard Kresch	14.3%
Oak HC/FT	9.1%

US HealthVest Organization Chart

Question 3: Please provide the number of beds that will be dedicated to child, adolescent, and adults.

Answer 3: The proposed Hospital has been designed in units. The units can expand or contract in size permitting separation of diverse patient populations so that clinical integrity is maintained and commingling of patients is avoided. In other words, the census split between adult and children/adolescent can vary depending on the exact demands of the community at any point in time. Initially, the Applicants are projecting that 85 beds will be dedicated to adult patients and 15 beds will be dedicated to children/adolescents.

Question 4: Please provide the number of beds that will be certified for Medicare and Medicaid.

Answer 4: All of the beds will be certified for Medicare and Medicaid.

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Question 5: Please provide evidence that the property for the Silver Oaks Hospital is zoned for its intended use?

Answer 5: The site upon which Silver Oaks Hospital will sit is currently zoned for hospital use. More specifically, on or about July 11, 2016, the Village of New Lenox rezoned the site upon which Silver Oaks Hospital will sit to H Hospital District. A copy of Ordinance No. 2580 approving the rezoning by the Village of New Lenox is attached at Attachment 5; as are copies copy of the relevant H Hospital District sections of the New Lenox Municipal Code (i.e., Division 6, Section 106-191, et seq. (Hospital District)).

Question 6: Please provide the approximate payor mix for the hospital.

Answer 6: See page 455 of the Silver Oaks Hospital Certificate of Need Application at paragraph 5, which provided as follows: “The Applicants believe that the payor mix at Silver Oaks Hospital will resemble the payor mix in the Behavioral Health Department at Silver Cross Hospital (versus the payor mix, in general, at Silver Cross Hospital).”

Silver Cross Hospital Behavioral Health Department (Inpatients Only)			
	FY 2014	FY 2015	FY 2016
Medicaid & Self-Pay Patients	34%	42%	39%
Medicare Patients	30%	26%	27%
Commercial Insurance Patients (HMO and PPO)	36%	31%	34%

So, the Applicants believe that the payor mix at Silver Oaks Hospital will be as follows:

Medicare: 27%
Medicaid: 37%
Other Public: 0%
Private Insurance: 34%
Private Pay: 1%
Charity Care: 1%

Question 7(a): We need the assumptions for the Silver Oaks Hospital’s income statement and balance sheet. Does the income statement include both inpatient and outpatient revenue and expenses?

Answer 7(a): Yes.

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Question 7(b): How were the operating expenses calculated?

Answer 7(b): The Applicants reviewed USHV's operating data and experiences at Chicago Behavioral Hospital, which is located in Des Plaines, Illinois, and Silver Cross Hospital's marketplace data and experiences in New Lenox, Illinois. The proforma balance sheet and income statement for Silver Oaks Hospital were generated based on the collective data and experiences.

Question 7(c): Is the medical director an employee and if so is the compensation included in wages and salaries?

Answer 7(c): No. The medical director at Silver Oaks Hospital will be an independent contractor. Silver Oaks Hospital will report all compensation paid to the medical director on an IRS Form 1099-MISC. The medical director fees are listed as an expense (categorized as medical professional fees) in the Silver Oaks Hospital proforma income statement.

Question 7(d): How is charity care calculated?

Answer 7(d): Charity care was calculated at cost and in accordance with 20 ILCS 3960/3, which provides as follows: "Charity care means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer." Based on the payor mix in the Behavioral Health Department at Silver Cross Hospital, the Applicants are projecting that charity care at Silver Oaks Hospital will equal 1% of the net revenues at Silver Oaks Hospital.

Question 7(e): How is bad debt calculated?

Answer 7(e): Bad debt was calculated at cost and represents the amounts deemed uncollectable primarily because of the patient's or third party payor's unwillingness to pay as determined after collection efforts. Bad debt does NOT include any unreimbursed costs for providing services to low-income and/or underserved patients. Based on the payor mix in the Behavioral Health Department at Silver Cross Hospital, the Applicants are projecting that bad debt at Silver Oaks Hospital will equal 1% of the net revenues at Silver Oaks Hospital.

Question 7(f): How are contractual allowances calculated?

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Answer 7(f): Contractual allowances (i.e., the difference between gross revenue and net revenue) were calculated for the various payors based upon the historical reimbursement experiences at USHV's Chicago Behavioral Hospital in Des Plaines, Illinois.

Question 7(g): What is the number of outpatient visits projected for 2019, 2020 and 2021?

Answer 7(g): 2019 2,532 outpatient visits
2020 5,097 outpatient visits
2021 5,117 outpatient visits

Question 7(h): Are revenue projections based on operating experience?

Answer 7(h): Yes. The Applicants received commitment letters for 2,856 annual, in-patient AMI referrals for 2019 and 5,700 annual, in-patient AMI referrals for 2020. Using those referral letters as a starting point, the Applicants then applied the more conservative Silver Cross Hospital 6.4 average length of stay figure to calculate the projected admissions at Silver Oaks Hospital. See pages 68 to 69 of the Silver Oaks Hospital Certificate of Need Application at paragraphs 7 to 9. Once the projected admissions were calculated, the Applicants generated the projected inpatient revenues for Silver Oaks Hospital by applying the projected payor mix (which is projected to resemble the payor mix in the Behavioral Health Department at Silver Cross Hospital) to the projected adjusted patient days and utilizing the contractual allowances for the various payors based upon the historical reimbursement experiences at USHV's Chicago Behavioral Hospital in Des Plaines, Illinois. The projected outpatient revenue was based upon the operational data and experiences at USHV's Chicago Behavioral Hospital in Des Plaines, Illinois.

Question 8: The start-up and operating deficit is approximately \$30 million. Yet those costs are not reflected in the income statement or the balance sheet for the hospital. How are these costs being funded?

Answer 8: Actually, the \$29,703,601 in estimated start-up costs is a consolidated figure, spread across the respective income statements and balance sheets for Silver Oaks Hospital and Silver Oaks Realty. Silver Oaks Realty will be constructing the facility that will house the proposed Hospital. The construction costs for the facility will be capitalized and the facility appears as an asset on the Silver Oaks Realty balance sheet. Silver Oaks Realty will then rent the facility to Silver Oaks Hospital. The rent appears as an expense on the Silver Oaks Hospital income statement. The rent also appears as income on the Silver Oaks Realty income statement.

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The construction costs will be funded with a combination of available cash and a construction loan. The start-up working capital needs will be funded with available cash.

Question 9: The application for permit states that twenty percent (20%) of the hospital and real estate entities will be owned by Silver Cross and the remainder by US Health Vest, LLC. Is the profit and loss and the equity contribution allocated in the same manner?

Answer 9: Yes. Twenty percent (20%) of the profits and losses and equity contribution will be allocated to Silver Cross Hospital and eighty percent (80%) of the profits and losses and equity contribution will be allocated to USHV.

Question 10: The beginning equity for the Silver Oaks Behavioral Hospital, LLC is approximately \$7.6 million. Is that funded by US HealthVest, LLC or a combination of Silver Cross and US HealthVest, LLC in the amount of the 20% by Silver Cross and the remainder by US HealthVest, LLC?

Answer 10: See above. The beginning equity contribution is being provided by USHV and Silver Cross Hospital on an 80-20 basis.

Please call or write if you any additional questions.

Sincerely,



Edward J. Green

EJGR:sc

cc: Ms. Ruth Colby, Senior Vice President & CSO, Silver Cross Hospital & Medical Centers
Ms. Martina Sze, Executive Vice President, US Healthvest LLC
Mr. Mark Silberman, Esq., Benesch, Friedlander, Coplan & Aronoff, LLP

SILVER OAKS BEHAVIORAL HOSPITAL

POLICY/PROCEDURE: ADMISSION GUIDELINES - DRAFT

POLICY:

Silver Oaks Behavioral Hospital will comply with all regulatory standards related to the admission of patients to a psychiatric hospital.

PROCEDURE:

1. Patients must meet the hospital admission criteria that is applied uniformly to all prospective patients.
2. Patients must be screened to prevent the admission of a prospective patient who requires specialized care not available at the hospital or one who has a physical medical condition that is unstable which might reasonably be expected to require inpatient for the condition.
3. Patient may be screened for admission by a Qualified Mental Health Professional (physician, physician assistant, registered nurse, licensed psychologist, psychological associate, licensed master social worker, licensed social worker, licensed professional counselor or licensed marriage and family therapist). If the QMHP determines that the prospective patient needs an admission examination, a physician must conduct this examination.
4. Patient must have been seen by a physician within 24 hours of admission. An order *for* admission must be issued prior to admission.
5. The request for admission must be in writing and signed by the individual making the request.
6. The patient must be informed of the person's rights at the time of admission.

SILVER OAKS BEHAVIORAL HOSPITAL

POLICY AND PROCEDURE: ADMISSION SCREENING GUIDELINES - DRAFT

POLICY:

Silver Oaks Behavioral Hospital will comply with all regulatory standards related to the admission of patients to a psychiatric hospital.

PROCEDURE:

1. Patients must meet the hospital admission criteria that is applied uniformly to all prospective patients.
2. Patients must be screened to prevent the admission of a prospective patient who requires specialized care not available at the hospital or one who has a physical medical condition that is unstable which might reasonably be expected to require inpatient for the condition.
3. Patient may be screened for admission by a Pre-Admission Screening Professional (physician, physician assistant, registered nurse, licensed psychologist, psychological associate, licensed master social worker, licensed social worker, licensed professional counselor or licensed marriage and family therapist). If the QMHP determines that the prospective patient needs an admission examination, a physician must conduct this examination.
4. Patient must have been seen by a physician within 72 hours or consultation must occur with a physician who has conducted an assessment within 72 hours prior to admission. An order *for* admission must be issued.
5. An individual 16 years of age or older or a person younger than 16 years of age who is or has been married may request admission.
6. The parent, managing conservator or guardian of the prospective patient if the patient is younger than 18 year£ of age and is not and has not been married may request the admission of the patient, except in cases where the guardian or managing conservator is acting as an employee or agent of the state or a political subdivision of the state (e.g. CPS). In such cases the patient if age 16 years or above must consent for admission as well
7. A patient under the age of 18 years may be admitted only if determined to have an Axis I diagnosis listed in the DSM V and services in a setting less restrictive than a hospital have been ineffective or are inappropriate as determined by the QMHP in accordance with the clinical criteria presented
8. The patient must have the capacity to consent for treatment as determined by the physician or the hospital must initiate emergency detention proceedings.
9. The request for admission must be in writing and signed by the individual making the request
10. The patient must be informed of the person's rights as a voluntary patient prior to admission.
11. The administrator or administrative designee must sign a written statement agreeing to admit the prospective patient.

SILVER OAKS BEHAVIORA HOSPITAL

POLICY AND PROCEDURE MANUAL - DRAFT

TITLE: CHARITY CARE POLICY

REVISED:

EFFECTIVE DATE:

REVIEWED:

APPROVED BY: _____
MEDICAL DIRECTOR

DATE: _____

I. Purpose

To define the policy for providing financial relief based on Federal Poverty Guidelines to patients with no health insurance or other state, or federal health payor assistance, and to establish protocols for the requesting and processing of the Financial Assistance Disclosure Forms and supporting income validation documentation.

II. Policy

Uninsured Charity discounts may be provided to uninsured patients or patients over 20 with Medicaid insurance that does not cover free standing psychiatric services. A financial disclosure form should be completed to ensure that no portion of the patient's medical services will be paid by any federal or state governmental health care program (e.g., Medicare, Medicaid, Champus, Medicare HMO, Medicare secondary payor), private insurance company, or other private, non-governmental third-party payor source.

III. Definition

Financially Indigent is defined as those patients who are accepted for medical care who are uninsured with no ability to pay for the services rendered. These patients are also defined as economically disadvantaged and have incomes at or below the federal poverty guidelines.

Accounts may be required to have supporting income verification documentation. The preferred minimum documentation will be the most current year's Federal Tax Return. However, if the patient/responsible party is not able to provide these documentation then choose other types of supporting documentation from the following list below.

- Employer Pay Stubs for the last 2 months
- Written documentation from all income sources
- Copy of bank statements for the last 2 months
- Current credit report

After thorough review of the Financial Disclosure Form and documented research through Medicaid Eligibility denial or other means, a manager may waive supporting documentation when it is apparent that the patient/responsible party is unable to meet the requirement and clearly meets Uninsured Charity guidelines.

All efforts should be documented and entered into the APS patient accounting system. Confidentiality is of utmost importance. HIPAA rules and regulations will be followed.

IV. Authorization/Approval Process

Financially indigent patient adjustments shall be written up on a "Patient Account Adjustment Authorization Form" which must be reviewed and signed off by the facility business office manager or designee and will require the Chief Financial Officer (CFO) prior to posting to the patient's account. An adjustment greater than \$5,000 must be reviewed and signed off by the facility chief executive officer (CEO). All authorization forms will be maintained in the business office financial file of patient.

ORDINANCE NO. 2580

AN ORDINANCE REZONING CERTAIN PROPERTY LOCATED WITHIN
THE VILLAGE OF NEW LENOX, WILL COUNTY, ILLINOIS
(Silver Cross Hospital West Campus)

WHEREAS, certain real estate was annexed to the Village of New Lenox, Illinois and rezoned to the AG Agricultural District on September 21, 1988; and,

WHEREAS, on June 7, 2016, a public hearing was held before the Plan Commission of the Village of New Lenox to consider amendment to the New Lenox Zoning Ordinance.

NOW, THEREFORE, be it ordained by the Mayor and Board of Trustees of the Village of New Lenox, Will County, Illinois, as follows:

SECTION 1: That the land legally described as follows shall be re-zoned to H Hospital District:

THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 5 IN TOWNSHIP 35 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN WILL COUNTY, ILLINOIS, EXCEPTING THAT PART DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION; THENCE NORTH ALONG THE EAST SECTION LINE OF SAID SECTION 250.00 FEET; THENCE WESTERLY ALONG A LINE WHICH IS 250.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH SECTION LINE OF SAID SECTION, A DISTANCE OF 796.21 FEET; THENCE SOUTHWESTERLY A DISTANCE OF 353.02 FEET, MORE OR LESS TO A POINT IN THE SOUTH SECTION LINE OF SAID SECTION, WHICH IS 1046.02 FEET WEST OF THE POINT OF BEGINNING; THENCE EAST ALONG THE SOUTH SECTION LINE OF SAID SECTION TO THE PLACE OF BEGINNING; AND, EXCEPTING THE NORTH 550.00 FEET OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 5, IN TOWNSHIP 35 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN WILL COUNTY, ILLINOIS.

P.I.N. NUMBER 15-08-05-400-024

COMMONLY KNOWN AS Approximately 58 acres located along the west side of Silver Cross Boulevard 550 feet south of U.S. Route 6, New Lenox, Illinois.

Section 2: Severability: That each section and part hereof of this ordinance is deemed to be severable and should any section or part hereof be held invalid or unconstitutional by any court of competent jurisdiction, such ruling shall not affect the validity of constitutionality of the remaining portion(s) of this ordinance.

Ordinance No. 2580

Section 3: Repeal of Inconsistent Ordinances: That all ordinances or parts thereof in conflict with the terms of this ordinance are hereby repealed and of no further force and effect to the extent of any such conflict.

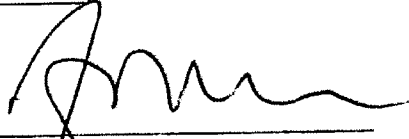
Section 4: Publication: That the Village Clerk is hereby directed to publish this ordinance in pamphlet form.

Section 5: Effective Date: That this ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form as provided by law.

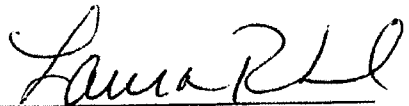
PASSED THIS 11th day of July, 2016
with 6 members voting AYE, with -0- members voting NAY, and with
1 members ABSENT, the Mayor voting aye; and said vote being MADSEN
aye, BUTTERFIELD absent, BOWDEN aye, SMITH aye,
FINNEGAN aye, and JOHNSON aye.

VILLAGE CLERK

APPROVED this 11th day of July, 2016.

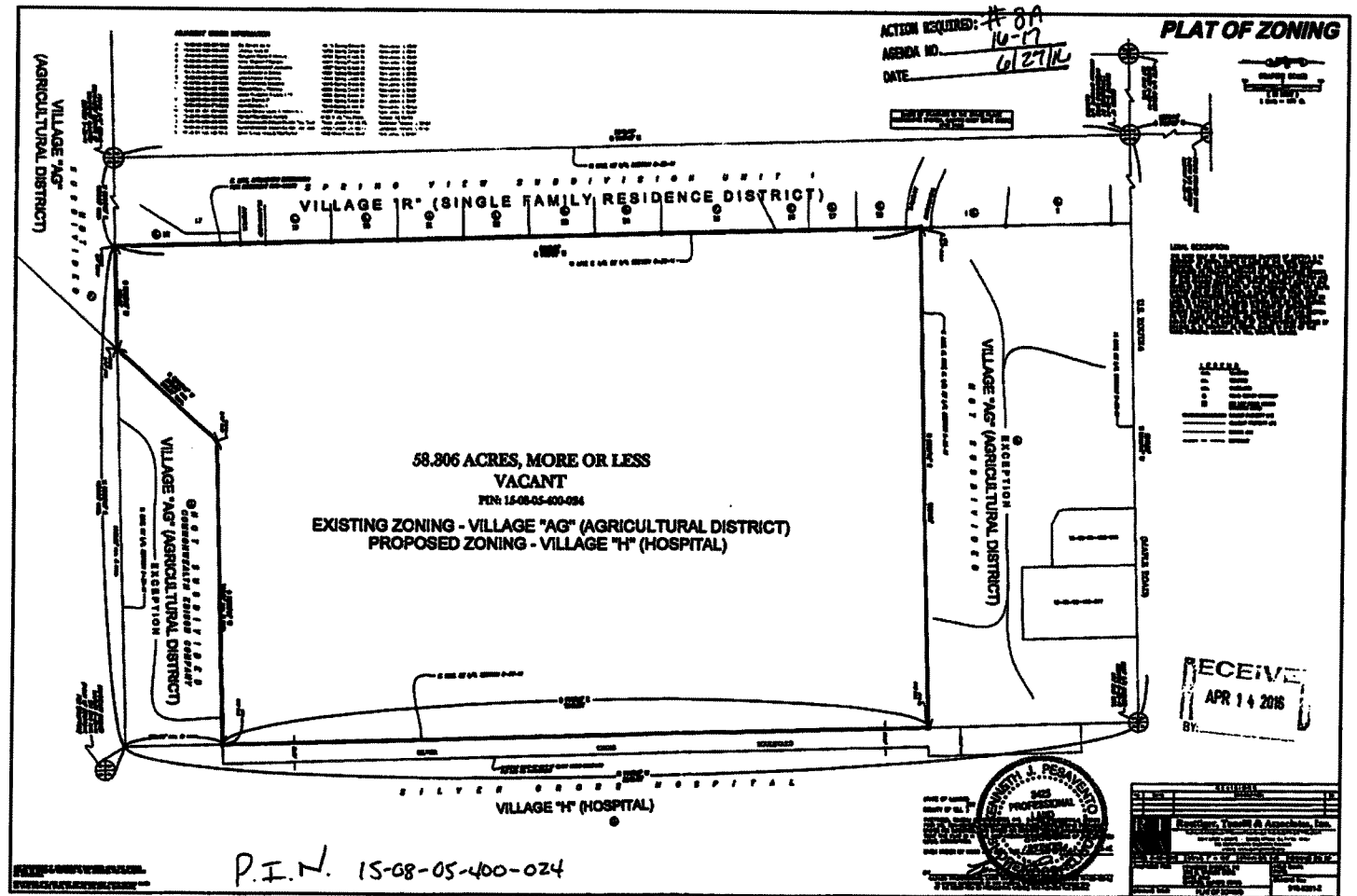

MAYOR

ATTEST:


VILLAGE CLERK

THIS ORDINANCE PREPARED BY:
AFTER RECORDING RETURN TO:
Laura Ruhl, Village Clerk
Village of New Lenox
1 Veterans Parkway
New Lenox, IL 60451

P.I.N. 15-08-05-2400-024



Sec. 106-2. - Definitions and rules of construction.

(a) The rules and definitions contained in this subsection shall be observed and applied in the interpretation of all other sections in this chapter, except when the context clearly indicates otherwise.

- (1) The word "lot" includes the words "plot," "piece" and "parcel."
- (2) The word "building" includes all other structures or improvements of every kind, regardless of similarity to buildings.
- (3) The phrase "used for" includes the phrases "arranged for," "designed for," "intended for," "maintained for" and "occupied for."
- (4) The word "person" includes a firm, association, organization, partnership, trust, company or corporation, as well as an individual.
- (5) The masculine gender includes the feminine and neuter.

(b) The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Hospital means an acute care and short-term general hospital licensed by the state, which provides medical, surgical, psychiatric and obstetrical care primarily to inpatients and emergency room, ambulatory and clinical care for outpatient diagnosis and treatment, and other uses customarily associated with a hospital. A "Hospital" shall include, but is not limited to, offices for hospital administrators and hospital employees, including physicians who work for or are under contract with the hospital; hospital support facilities, such as medical laboratories, diagnostic testing centers, physical therapy and inpatient pharmaceutical facilities; storage facilities for medical equipment and supplies; hospital operations and maintenance facilities, such as food service and laundry facilities, housekeeping and maintenance storage areas; extended care facilities; overnight accommodations and cafeteria facilities for on-duty hospital employees and medical residents; medical libraries, research and educational facilities; cogeneration, incineration, water, electrical and heating equipment facilities; and off-street parking facilities.

The term *hospital* does not include:

- (1) Any person or institution required to be licensed pursuant to the Nursing Home Care Act, as amended;
- (2) Any person or facility required to be licensed pursuant to the Alcoholism and Other Drug Abuse and Dependency Act;
- (3) Any facility operated solely by and for persons who rely exclusively upon treatment by spiritual means through prayer, in accordance with the creed or tenets of any well recognized church or religious denomination; or
- (4) An Alzheimer's disease management center alternative health care model licensed under the Alternative Health Care Delivery Act.

(Code 1981, §§ 10-2-5, 10-10-1-6.B; Ord. No. 1131, § 1, 3-26-1997; Ord. No. 1195, § 1(10-2-5), 5-13-1998; Ord. No. 1199, § 1, 6-10-1998; Ord. No. 1213, §§ 1, 2(10-2-5), 10-28-1998; Ord. No. 1218, § 1(10-2-5), 11-25-1998; Ord. No. 1464, § 1, 5-13-2003; Ord. No. 1563, § 1, 7-13-2004; Ord. No. 1826, § 1, 12-19-2006; Ord. No. 1909, §§ 1—3, 1-21-2008; Ord. No. 1934, § 1, 3-24-2008; Ord. No. 1935, § 1, 3-24-2008; Ord. No. 1964, §§ 1, 2, 6-23-2008; Ord. No. 2064, § 3, 9-14-2009; Ord. No. 2157, §§ 2, 3, 3-14-2011; Ord. No. 2309, § 1, 12-17-2012; Ord. No. 2399, § 1, 2-10-2014)

Cross reference— Definitions generally, § 1-2.

Sec. 106-191. - Purpose.

The hospital district regulations are intended to assist, encourage and govern the location and method of development of large-scale, multi-functional hospitals and medical campuses and complimentary land uses. The regulations are designed to address the special needs and potential impacts of hospitals and support services to ensure that these uses are designed in a campus setting, including a campus support system of parking, loading and materials handling, and interconnecting system of above and below ground corridors compatible with the surrounding uses. The hospital district is intended to provide regulations on a campus-wide basis by recognizing the interdependency of the various permitted, special, and accessory uses and the resources that are shared between them.

(Ord. No. 1935, § 2, 3-24-2008)

Sec. 106-192. - H hospital district.

(a) *Uses permitted.* In the H hospital district, no land shall be used or occupied and no buildings, structures or premises shall be erected, altered, enlarged, occupied or used, except as otherwise provided in this chapter, for other than one or more of the following specified uses:

(1) Retail businesses which supply commodities on the premises, such as:

- a. Bakeries in which the manufacture of goods is limited to goods retailed on the premises only.
- b. Book and stationery stores.
- c. Camera stores.
- d. Candy and confectionary stores.
- e. Delicatessens.
- f. Drugstores.
- g. Floral shops.
- h. Gift shops.
- i. Grocery and food stores.
- j. Ice cream stores.
- k. Restaurants, cafeterias or coffee shops.

(2) Personal service establishments which perform services on the premises, such as:

- a. Barber shops.
- b. Beauty parlors and hair salons.
- c. Dry cleaners, but not a central plant serving more than one retail outlet.
- d. Fitness centers.
- e. Nail salons.
- f. Tailors.
- g. Other similar uses to those listed herein as recommended by plan commission and approved by the village board.

(3) Business service establishments which perform services on the premises, such as:

- a. Ambulance services.
- b. ATM installations wholly enclosed within a building.

- c. Classrooms with laboratory facilities.
 - d. Daycare centers.
 - e. Other similar uses to those listed herein as recommended by Plan Commission and approved by the village board.
- (4) Professional office establishments, such as but not limited to:
- a. Chiropodist's offices.
 - b. Chiropractor's offices.
 - c. Dentist's offices.
 - d. Doctor's, surgeon's and/or physician's offices.
 - e. Imaging facilities, which may include mobile technology.
 - f. Laboratories, medical and dental; and medical wet labs.
 - g. Medical and dental clinics.
 - h. Medical and dental office buildings.
 - i. Optician's offices.
 - j. Osteopath's offices.
 - k. Outpatient care facilities, including ambulatory facilities, fitness centers and emergency freestanding care facilities.
 - l. Residential care and treatment facilities including:
 - 1. Assisted living facilities.
 - 2. Independent living facilities.
 - 3. Medical support facilities.
 - 4. Nursing homes and personal care facilities.
 - 5. Rehabilitation facilities.
 - m. Schools and daycare centers accessory to any permitted or special use in this district.
 - n. Other similar uses to those listed herein as recommended by plan commission and approved by the village board.
- (5) Public, quasi public and governmental buildings and facilities, such as:
- a. Hospitals as defined in section 106-2(b) (including free standing power plants which are intended to support a hospital and related facilities.)
 - b. Off-street parking areas, including parking structures.
- (b) *Special uses permitted.* Upon application to the plan commission, review and recommendation by the plan commission, and issuance by the village board of trustees of a permit therefore, the following uses may be operated as special uses:
- (1) Similar and compatible uses to those allowed as permitted uses in this district.
 - (2) Churches or places of religious worship.
 - (3) Financial institutions.
 - (4) Freestanding wireless communication facilities.
 - (5) Helicopter landing areas or heliports.
 - (6) Planned unit developments.

- (7) Public utility substations and transmission facilities not otherwise permitted in section 106-192(a)(5).
 - (8) Undertaking establishments and funeral parlors.
 - (9) Wireless communication facilities mounted on existing structures.
 - (10) Attached solar energy systems when mounted on a building wall or roof facing a public or private street, subject to the requirements of article XI of this chapter.
 - (11) Freestanding solar energy systems when located in front of the principal structure on the lot and beyond the front building setback line, subject to the requirements of article XI of this chapter.
 - (12) Small wind energy systems, subject to the requirements of article XI of this chapter.
- (c) *Temporary uses permitted.*
- (1) Upon application to the community development department, the following uses may be operated as temporary uses:
 - a. Construction signs not to exceed 100 square feet in sign area for each face. No part of any construction sign shall exceed 20 feet in height. Signs shall be non-illuminated. Each permit shall specify the location of the sign. Signs shall be located on private property, no closer than 15 feet to the edge of the pavement. In areas where sidewalks exist, signs shall be placed a minimum of two feet beyond the private property side of the edge of the sidewalk. For projects having frontage on two collector and/or minor arterial streets, as classified in the village's comprehensive plan, one construction sign shall be permitted along each such frontage. Construction signs shall be valid for a period of not more than 36 months, and shall be granted on a per unit/phase basis. A construction sign may be a wall or freestanding sign.
 - b. Temporary buildings for construction offices and/or for the storage of construction materials and/or equipment, both incidental and necessary to construction and/or related to the development of the site and not for the sale of buildings or parcels located in the development. Each permit shall specify the location of the building and the area of permitted operation. Temporary buildings shall not be located within the required perimeter, front, side or rear yard setback as specified in section 106-192(e)(3), (4), (5) and (6) unless authorized by the village board. One sign, not exceeding 32 square feet and identifying the contractor and/or project, may be placed on the temporary building. Each such permit shall be valid for a period of not more than 36 months, and shall be granted on a per unit/phase basis. All temporary buildings permitted under this section shall be removed within six months of issuance of a final certificate of occupancy for any building within a development on the site for which the temporary buildings were necessary.
 - (2) Upon application to the zoning board of appeals, review and recommendation by the zoning board of appeals and issuance by the village board of a permit therefore, the following uses may be operated as temporary uses:
 - a. Temporary yard for construction materials and/or equipment, both incidental and necessary to construction in the zoning district. Each permit shall specify the location of the yard and the area of permitted operation. Each such permit shall be valid for a period of not more than 36 months, and shall be granted on a per unit/phase basis.
 - b. Temporary uses other than those permitted in Section 106-192(c)(1).
 - c. Temporary use for a stationary merchant, subject to the following:
 - 1. Submittal requirements.
 - i. A written statement as to the applicant's experience in operating similar businesses in the village or other communities.

- ii. If the applicant does not own or lease the property at which the stationary business will operate, then a written statement from the property owner(s) that grants permission for the applicant to operate the stationary business. Any restrictions imposed by the property owner must be clearly identified.
 - iii. The applicant shall provide proof of general liability insurance in the amount of at least \$1,000,000.00 for injury or death arising out of operation of the stationary business, listing the village as additionally insured. No cancellation or reduction in coverage may occur during the operation of the stationary business.
 - iv. Proposed duration, use (type of seasonal items, foods, preparation methods - prepackaged or cooked/prepared on-site, etc.) and days/hours of operation of the stationary merchant.
 - v. A sketch plan, drawn to scale, that shows: the parcel boundaries of the property where the proposed stationary merchant will be located; the footprint and dimensions of all existing and proposed buildings and structures on the subject property; all curb cuts, drive aisles, and parking spaces on the property; the required number of parking spaces for the existing use on the property, the number of parking spaces provided, and the number of parking spaces the proposed stationary merchant will occupy shall be noted; the exact location of the proposed stationary merchant, which includes the exact location of the vehicle / other conveyance, proposed lighting locations, proposed signage on the vehicle or other conveyance, description of equipment and devices that will generate noise, and all other activities associated with the proposed stationary business. Tables, chairs, fences, barricades etc. for a stationary merchant are prohibited.
2. Approval standards.
- i. No more than one stationary merchant shall be allowed per individual lot, zoning lot, business/industrial park or shopping center. Notwithstanding the forgoing, there shall be no more than five temporary use permits for stationary merchants in the village at one time.
 - ii. A stationary merchant shall not be located within 100 feet of a residential district or a property recommended for residential use in the village's comprehensive plan.
 - iii. The stationary merchant vehicle or other conveyance shall be located on an improved surface per village requirements. The stationary merchant vehicle or other conveyance shall not be located within the required building setbacks of the underlying zoning district.
 - iv. All food, beverages and seasonal items shall be sold from the permitted stationary merchant vehicle or other conveyance. A drive-through shall not be permitted in conjunction with the stationary merchant.
 - v. The stationary merchant shall provide a self-enclosing trash receptacle. The stationary merchant area must be kept clean and free of litter, garbage and debris during its hours of operation. No waste, liquids, litter or garbage shall be dumped onto sidewalks, gutters, storm drainage inlets or streets.
 - vi. The location of the stationary merchant shall not negatively impact the public health, safety and welfare, including but not limited to traffic flow, fire lanes, pedestrian circulation and off-street parking. The subject property shall provide for the minimum number of required off-street parking spaces for the existing permanent / primary use(s).
 - vii. Speakers shall be prohibited on the vehicle or other conveyance used for the stationary merchant.

- viii. Free-standing signs shall not be permitted in conjunction with the stationary merchant.
 - ix. Connection to village water and sewer is prohibited. Any connection to a source of electricity must comply with village requirements.
 - x. The stationary merchant shall obtain any necessary licenses from the village.
 - xi. A fire extinguisher shall be located at the stationary merchant, and the applicant must adhere to any requirements of the jurisdictional fire district.
 - xii. A stationary merchant shall comply with all requirements of the county health department.
 - xiii. The stationary merchant operation shall be removed entirely from the site on a daily basis. The stationary merchant area shall be cleaned of litter, garbage and debris at closing each day. No overnight storage of any kind shall be allowed.
 - xiv. The hours of operation shall be limited to the hours between 7:00 a.m. and 9:00 p.m. However, upon recommendation of the zoning board of appeals and approval by the village board, different hours of operation may be permitted or restricted.
3. Duration and renewal.
- i. The temporary use permit for the stationary merchant shall be allowed for a period of six calendar months (180 days), and shall have the effective dates of either: (a) January 1 through June 30, or (b) July 1 through December 31.
 - ii. Upon request, the village board may renew the temporary use permit for the stationary merchant for an additional six calendar months (180 days) having the effective dates of either: (a) January 1 through June 30, or (b) July 1 through December 31, so long as there are no more than five temporary use permits for stationary merchants in the village at one time.
4. Fees and security deposit.
- i. \$100.00 for temporary use; \$100.00 for an extension or renewal.
 - ii. A \$500.00 security deposit to be used for any necessary clean-up not performed after expiration of the temporary use. Once the temporary use has expired, the applicant has ten days to remove any vehicle, other conveyance and debris from the subject property. If the stationary merchant area is properly cleaned after expiration of the temporary use as evidenced by a village inspection, then the \$500.00 security deposit would be returned to the applicant.
- d. Parking lot designated for a special event, subject to the following:
- 1. Each business shall be permitted a maximum of four special event permits per calendar year.
 - 2. Each special event permit shall be valid for no more than four consecutive days.
 - 3. There shall be a minimum of 30 calendar days between special event permits issued for the same location.
 - 4. Each application for a special event permit shall include the following:
 - i. A completed special event permit application, including the purpose of the special event and contact information for the owner of the business and the sponsor of the event.
 - ii. A site plan depicting the location of all proposed accessory structures, including but not limited to all proposed tents, stages, speakers, inflatable screens and temporary restroom facilities. The village board may require temporary fencing or

other security measures if it determines such fencing and/or security is necessary to protect the public health, safety and welfare.

- iii. A parking plan, indicating the number of parking spaces to be lost during the duration of the special event and making accommodations for additional parking so that an adequate number of parking spaces are provided for the business and the special event.
 - iv. A handicap accessibility plan.
 - v. An explanation of the types of all activities proposed during the special event, such as outdoor entertainment, sale of alcoholic beverages, security and crowd control measures.
 - vi. The proposed hours of operation of the special event.
 - vii. An exterior lighting plan depicting all temporary lighting fixtures, power supplies and extension cords.
 - viii. A certificate of insurance indicating general liability coverage in the amount of \$1,000,000.00 and listing the village as additionally insured.
- (d) *Accessory uses permitted.* Accessory uses, buildings or other structures and devices customarily incidental to and commonly associated with a permitted use or special use may be permitted, provided they are operated and maintained under the same ownership, on the same parcel, and do not include structures or features inconsistent with the permitted use or special use. Accessory uses may include:
- (1) Administration buildings;
 - (2) Attached solar energy systems when mounted on a side or rear building wall or roof, subject to the requirements of article XI of this chapter;
 - (3) Conference and seminar buildings;
 - (4) Donation drop boxes for charitable organizations placed within the corporate limits of the village after January 26, 2009 shall be permitted accessory uses if approved by the property owner, subject to the following:
 - a. There shall be no more than three donation drop boxes on any one zoning lot;
 - b. The base of each donation drop box shall not exceed 16 square feet in area;
 - c. The maximum height of each donation drop box shall be five feet;
 - d. Donation drop boxes shall be located on a hard surface;
 - e. Donation drop boxes shall not be located within any required parking space for the primary permitted or special uses on the property;
 - f. Donation drop boxes shall not be located within any required front, rear or side yard setback;
 - g. Donation drop boxes shall be located so as not to interfere with traffic flow or visibility;
 - h. Donation drop boxes shall be maintained in good condition, free from graffiti, and emptied regularly so that donated items are not protruding from the donation drop box or stacked on the ground surrounding the donation drop box;
 - i. All donation drop boxes shall have a sign stating the name of the organization for which the donation is being collected and a telephone number of the contact to report maintenance concerns;
 - (5) Dormitories;
 - (6) Education buildings;

- (7) Freestanding solar energy systems when located in a side or rear yard, subject to the requirements of article XI of this chapter;
- (8) General retail and services such as, but not limited to, pharmacies, gift stores, eating and drinking establishments, barber shops, beauty shops, florists and book stores;
- (9) Gymnasiums;
- (10) Maintenance buildings;
- (11) Parking decks and garages;
- (12) Parking lots;
- (13) Training buildings;

and other functions servicing the visitors, employees and clients of the permitted or special uses.

(e) *Site and structure requirements.*

- (1) *District size.* The minimum size of the H hospital district shall be 60 acres.
- (2) Any tract of land or lot may contain one or more principal buildings, structures or uses, and any building, structure or use may be located on one or more lots or tracts of land.
- (3) *Perimeter yard.* All buildings shall be set back at least 50 feet from any boundary line of the H district. All parking areas shall be set back at least 20 feet from any boundary line or public roadway of the H district. Notwithstanding the foregoing, if the H district is adjacent to property zoned to the C-6 office and research park district or C-7 regional shopping district, all parking areas shall be set back at least 10 feet from any boundary line adjacent to the C-6 or C-7 district; and if the H district is adjacent to any residential district or agricultural property recommended for residential use in the village's comprehensive plan, all parking areas shall be set back at least 50 feet from any boundary line adjacent to an existing or future residential district.
- (4) *Front yard.* All buildings shall be set back at least 50 feet from any front lot line. All parking areas shall be set back at least 20 feet from any front lot line.
- (5) *Side yard.* Except when the side yard is the boundary line of the H district, all buildings less than 55 feet in height shall be set back at least 35 feet from the side lot line. Buildings greater than 55 feet in height shall be set back from the side lot line 35 feet plus one foot for each foot of building height over 55 feet, up to a maximum set back of 50 feet.
- (6) *Rear yard.* Except when the rear yard is the boundary line of the H district, all buildings shall be set back at least 35 feet from the rear lot line. Buildings greater than 55 feet in height shall be set back from the rear lot line 35 feet plus one foot for each foot of building height over 55 feet, up to a maximum set back of 50 feet.
- (7) *Maximum height.* There shall be no height limitations for medical service buildings or hospitals. The maximum height for medical office buildings shall be 135 feet, and for all other buildings, the maximum height shall be 85 feet.
- (8) *Floor area ratio.* The floor area ratio for the H hospital district shall be based upon the gross area of the entire district. There shall be no maximum square footage limitation in the H district, however, the floor area ratio for all buildings and structures in the H district shall not exceed 1.0.

(f) *Required conditions:* The following requirements shall be applicable to all H hospital districts:

- (1) H districts shall consist of a single property that complies with all regulations contained herein, or multiple properties complying with the standards of this Division that possess one or more lot lines contiguous to one another.
- (2) All proposed development shall be comprised of high quality materials consistent with the composition of the existing structures found throughout the H district and shall enhance the

character of the surrounding area through the implementation of innovative design methods reliant upon superior architectural principals.

- (3) All parking facilities located on properties in the H district shall be treated as common or shared parking facilities for all uses contained within each H district.

(g) *Special provisions.*

- (1) *Performance standards.* All activities shall conform with the performance standards established for the I-1 limited industrial district in Division 5 of this article.

- (2) *Lighting.* All exposed sources of light shall be shielded to the extent practical wherever necessary to avoid casting direct light that will create a nuisance in a residential district.

- (3) *Wireless communication facilities.* Wireless communication facilities mounted on existing structures shall be subject to the following requirements:

- a. *Maximum height.* Except all wireless communication devices including, but not limited to antenna and satellite dishes used by and for medical purposes rather than solely for commercial purposes, no wireless communication antenna or equipment shall increase the height of the structure on which it is mounted by more than 20 percent or 20 feet, whichever is the lesser.

- b. *Color.* Wireless communication antenna and equipment shall be painted the same color as the surface to which it is mounted and shall not be visible to the casual observer.

- c. *Accessory structures.* To the greatest extent possible, accessory equipment shall be located inside the structure to which the antenna is mounted. Freestanding accessory structures shall comply with all site and structure requirements of section 106-192(e) and shall be compatible in terms of architecture and site characteristics with the surrounding neighborhood.

- d. *Abandoned or unused facilities.* Abandoned or unused facilities, antennas, and accessory buildings and equipment shall be removed within six months of notifying the FCC of the intent to cease operations at a site. To ensure compliance with this requirement, the wireless service provider shall provide a surety bond or security approved by the village board at the time a building permit is issued, in the amount of the estimate of a certified engineer of 125 percent of the cost of disassembly and removal of the wireless communication facility. The bond shall be renewable every five years.

- (4) Freestanding wireless communication facilities shall be exempt from the site and structure requirements of section 106-192(e) and shall be subject to the following requirements:

- a. *Special use permit.* No special use permit for a freestanding wireless communication facility shall be granted unless the mayor and board of trustees find that the planned wireless communication equipment cannot be accommodated on an existing or approved tower or structure due to one or more of the following reasons:

1. The planned wireless communication equipment would exceed the structural capacity of the existing or approved tower or structure, as documented by a qualified and licensed professional engineer, and the existing or approved tower or structure cannot be reinforced, modified, or replaced to accommodate the planned or equivalent equipment at a reasonable cost;
2. The planned wireless communication equipment would cause interference impacting the usability of other existing or planned wireless infrastructure, as documented by a qualified and licensed professional engineer, and the interference cannot be prevented at a reasonable cost;
3. Existing or approved towers and structures within the search radius cannot accommodate the planned wireless communication equipment at a height necessary

- to function reasonably, as documented by a qualified and licensed professional engineer; or
4. Other unforeseen reasons make it infeasible to locate the planned wireless communication equipment upon an existing or approved tower or structure.
- b. *Towers.* All wireless communication towers shall be self-supporting monopoles. Guyed or lattice towers shall be prohibited. All towers shall be constructed with at least one release point so as to collapse within themselves.
1. *Front yard.* All wireless communication towers shall be set back a minimum of 100 feet from the center line of the road. However, if located on a lot with an existing permitted or special use having a setback in excess of 100 feet, all towers shall have a front yard setback equal to or greater than the setback of the existing principle structure.
 2. *Side yard.* All wireless communication towers shall be set in a minimum of one foot from the side lot line for every one foot in tower height, unless a certified structural engineer demonstrates to the satisfaction of the village engineer that a lesser setback is appropriate.
 3. *Rear yard.* All wireless communication towers shall be set in a minimum of one foot from the rear lot line for every one foot in tower height, unless a certified structural engineer demonstrates to the satisfaction of the village engineer that a lesser setback is appropriate.
 4. *Fall zone.* All wireless communication towers shall be setback a minimum of one foot from all other site improvements for every one foot in tower height, providing a clear fall zone, unless a certified structural engineer demonstrates to the satisfaction of the village engineer that a lesser fall zone is appropriate.
 5. *Maximum height.* No wireless communication tower shall exceed 150 feet in height. Towers exceeding 80 feet in height shall be structurally engineered to accommodate the placement of wireless communication antennas of at least two services or service providers. Towers exceeding 100 feet in height shall be structurally engineered to accommodate the antennas of at least three services or service providers.
 6. *Color.* Freestanding wireless communication towers and antenna shall be painted a neutral color to blend in with their surroundings.
 7. *Accessory structures.* Freestanding accessory structures shall comply with all site and structure requirements of section 106-192(e) and shall be compatible in terms of architecture and site characteristics with the surrounding neighborhood.
 8. *Screening.* When a freestanding wireless communication facility is adjacent to a residential district on a side or rear yard, continuous screening shall be provided in the form of fencing or landscaping along the common property line in accordance with current fence and landscaping restrictions.
 9. *Co-location.* A special use permit shall not be required for the placement of additional antennas or arrays on an existing freestanding wireless communication facility, so long as the height of the structure is not increased and any accessory structures comply with the site and structure requirements of section 106-192(e).
 10. *Abandoned or unused facilities.* Abandoned or unused facilities, antennas, accessory buildings and equipment, and access drives and parking areas shall be removed within six months of notifying the Federal Communications Commission (FCC) of the intent to cease operations at a site. To ensure compliance with this requirement, the wireless service provider shall provide a surety bond or security approved by the village board at the time a building permit is issued, in the amount of the estimate of a certified engineer of 125 percent of the cost of disassembly and removal of all

improvements related to the operation of and access to the wireless communication facility. The bond shall be renewable every five years.

(h) *Modifications within Hospital Zoning District.* Any changes to land or structures within the H hospital district shall be subject to the following provisions:

(1) *Use change.* A change in use within the H district, whether a permitted or special use, which does not require any exterior changes, shall be subject to the following provisions:

a. When a use change occurs within the H district to a use designated as a permitted use under Section 106-192 (a), such use change shall be submitted to the planning and development administrator. Said individual, after consulting with the village engineer, public works superintendent and building and zoning administrator, shall exercise his/her discretion in approving modifications to approved plans. In doing so, he/she may consult the minutes of the village board meetings where the site plans were discussed to ensure any requested modification, while permissible under this Division 6, does not conflict with any additional requirement specified by the village board during its review and approval of the site plan.

(Ord. No. 1935, § 2, 3-24-2008; Ord. No. 2064, § 11, 9-14-2009; Ord. No. 2092, § 9, 3-18-2010; Ord. No. 2109, §§ 35, 36, 5-24-2010)