



STATE OF ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

525 WEST JEFFERSON ST. • SPRINGFIELD, ILLINOIS 62761 • (217) 782-3516 FAX: (217) 785-4111

DOCKET ITEM: A-02	BOARD MEETING: September 13, 2022	PROJECT NUMBER: 19-014
PERMIT HOLDERS(S): MIRA Neuro Behavioral Health Care, LLC		
FACILITY NAME and LOCATION: MIRA Neuro Behavioral Health Center for Children & Adolescents, Tinley Park		

STATE BOARD STAFF REPORT **PERMIT RENEWAL REQUEST**

I. Background

On September 17, 2019, the State Board approved Project #19-014. The permit authorized the establishment of a 30-bed acute care mental illness (AMI) hospital for children and adolescents in Tinley Park. The State Board Staff notes the project is obligated, and the current project completion date is August 1, 2022. Current project cost: \$8,767,222.

State Board Staff notes the permit holders submitted the permit renewal request on June 15, 2022. This submittal was in accordance with 77 IAC 1130.740(d), which states that the State Board must receive renewal requests at least 45 days prior to the permit expiration date. A \$500.00 permit renewal fee accompanied the renewal request.

II. Findings

State Board Staff notes this is the second renewal request for this project and the permit holders have submitted all information required in Section 1130.740 for a permit renewal. The following transactions were approved for project 19-014, during its tenure:

- June 21, 2021, 1st permit renewal, extending the project completion date 12 months, from August 1, 2021, to August 1, 2022.
- September 17, 2019, Type A Modification, to increase project costs from \$5,154,176 to 5,646,921 (9.5%) and increase the project size from 35,682 GSF to 48,000 GSF (34%). Board Staff notes the modification was reviewed and approved in conjunction with overall project approval by the State Board.
- April 26, 2022, Declaratory Ruling is approved by the State Board to alter the project by increasing the overall cost by 55.26% of the approved project amount, from \$5,646,921 to \$8,767,222.

III. The Permit Renewal Request

- A. Requested Completion Date: The permit holders request a project completion date of October 31, 2022. This would extend the project's completion date three months, from August 1, 2022 to October 31, 2022.
- B. Status of the Project and Components Yet to be Finished: The permit holders state the construction phase is complete. Remaining components are certificate of Occupancy from the Village of Tinley Park (expected July 28, 2022), and IDPH inspection/licensure.
- C. Reason(s) Why the Project Has Not Been Completed: The permit holders note previous challenges related to the COVID Pandemic resulted in delays in engaging lenders for financing, architects for the completion of necessary construction documents, and laborers to work on the project.
- D. Evidence of Financial Commitment to Fund the Project: The permit holders indicate that \$7,991,414 (91.2% of the overall project cost), has been expended to date, and that sufficient resources exist to reach project completion.
- E. Anticipated Final Cost of the Project: The permit holders estimate the project will not deviate from the altered permit amount of \$8,767,222.

IV. Project Description & Other Background Information

The permit authorized the establishment of a 30-bed acute mental illness (AMI) hospital for adolescents and children in Tinley Park. Project cost: \$5,646,921.

Permit Issuance Date: September 17, 2019

Project Obligation Date: June 29, 2021

Original Project Completion Date: August 1, 2021

Proposed Project Completion Date: August 1, 2022
(12-month renewal request, 1st request)

Proposed Project Completion Date: October 31, 2022
(3-month renewal request, 2nd request)

V. Applicable Rules for Permit Renewal Requests

77 IAC 1130.740 specifies that a permit holder may request a change in the approved project completion date by applying for a permit renewal.

77 IAC 1130.230(h)(5) states that failure to complete a project or to renew a permit within the prescribed timeframes will subject the permit holders to the sanctions and penalties provided in the Act and this Subpart.

77 IAC 1130.740(b) states that a permit renewal will commence on the expiration date of the original or renewed completion period.

77 IAC 1130.740(c) states that the State Board must be in receipt of a permit renewal request at least 45 days prior to the expiration date of the completion period, and include the following: 1) the requested completion date; 2) a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project to date; 3) a statement as to the reasons why the project has not been completed; and 4) confirmatory evidence by the permit holders' authorized representative that the project's costs and scope are in compliance with what the State Board approved and that sufficient financial resources are available to complete the project.

77 IAC 1130.740(d) states the State Board staff will review the request and prepare a report of its findings. If the findings are that the request is in conformance with all HFSRB criteria, and if this is the first request for this project, then the request, staff's findings, and all related documentation shall be sent to the Chairman. The Chairman, acting on behalf of HFSRB, will approve, deny, or refer the request to the HFSRB for action. If staff finds that all criteria are not positive or, if this is not the first request for this project, or if the Chairman refers this to HFSRB for action, then HFSRB will evaluate the information submitted to determine if the project has proceeded with due diligence (as defined in 77 IAC 1130.140). Denial of a permit renewal request constitutes HFSRB's Notice of Intent to revoke a permit and the permit holders will be afforded an opportunity for an administrative hearing.

VI. Other Information

Appended to this report are the following: the permit holders' documents for a permit renewal.



July 27, 2022

Via Overnight Courier

Mr. John Kniery, Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street - 2nd Floor
Springfield, IL 62761

Subject: MIRA Neuro Behavioral Health Center for Children & Adolescents (MIRA), Project No. 19-014 (the "Project")
Request for Permit Renewal

Dear Mr. Kniery:

We respectfully request a 3-month permit renewal for our Project to allow us to complete the Project referenced above. Construction on the Project is complete and the only remaining items are IDPH inspection and licensure. We had held off filing for the permit renewal in the hope that inspections would be complete by August 1.

On September 17, 2019, the Illinois Health Facilities and Services Review Board granted the Applicants a permit to establish a 30-bed Acute Mental Health for Children & Adolescents in Tinley Park. The current Project Completion Date is August 1, 2022. The Applicant now seek a permit renewal for this Project to October 31, 2022. This is our second request for a Permit Renewal.

Project Overview and Status

The hospital is located in an existing building that has been renovated for patient care. The existing structure is a two-story building previously used as Day Training Facility for Developmentally Delayed and Acutely Mentally Ill adults. The building was purchased by Store Master Funding, XXI, LLC, and space is leased to the Applicant.

Closing on the purchase of the building and real estate occurred on June 29, 2021. The Project was timely obligated on June 29, 2021 with the execution of the lease. Construction of the Project is complete and we anticipate receiving the Certificate of Occupancy from the Village of Tinley Park on July 28. All materials requesting IDPH architectural inspection has been submitted and the application for IDPH licensure has also been submitted.

Project costs incurred through May 13, 2022 (the date of the most recent construction draw) are approximately \$7,991,414. Please refer to the attached chart for a detailed breakdown in costs approved and incurred to date.



Mr. John Kniery, Administrator
Illinois Health Facilities and Services Review Board
Project No. 19-014
July 27, 2022
Page 2

Requested Completion Date

We hope that IDPH inspections and licensure are complete by September 1. Because we cannot control that timing and to allow for any necessary reinspection or delays we are requesting a new project completion date of October 31. We had previously received a 12-month permit renewal so this is our second request.

Statement as to Reasons why the Project has not been completed

The reason for the slight delay is the commonly cited but no less real pandemic challenges and associated supply chain disruptions.

Project Cost and Scope

The Project's cost remains in compliance with what the Health Facilities and Services Review Board approved. Because construction is virtually complete we are confident that the Project will be completed within the amount approved by the Review Board.

Enclosed please find the required \$1,000 application fee. Please let me know of any questions on this application, or if additional information needs to be provided. A table showing the approved project costs and amounts expended are attached.

Thanking you in advance for your assistance.

Respectfully,

MIRA Neuro Behavioral Health Center, LLC

By: 
Matthew Barry - CEO

Enclosure

cc: Joe Ourth

403060172



**MIRA Project Cost
Project No. 19-014
Permit Renewal Request**

Project Costs and Sources of Funds and Amount Expended

Approved Project Costs and Sources of Funds				
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL	SPENT TO DATE
Preplanning Costs				
Site Survey and Soil Investigation				
Site Preparation				
Off Site Work				
New Construction Contracts*	\$5,023,356	\$1,335,322	\$6,358,678	\$5,740,531
Modernization Contracts				
Contingencies	75,000	25,000	100,000	
Architectural/Engineering Fees	158,000	42,000	200,000	143,612
Consulting and Other Fees	175,000	25,000	200,000	198,727
Movable or Other Equipment (not in construction contracts)				
Bond Issuance Expense (project related)				
Net Interest Expense During Construction (project related)				
Fair Market Value of Leased Space or Equipment	536,504	247,040	783,544	783,544
Other Costs To Be Capitalized				
Acquisition of Building or Other Property (excluding land)	888,750	236,250	1,125,000	1,125,000
TOTAL USES OF FUNDS	\$6,856,610	\$1,910,612		\$7,991,414
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL	
Cash and Securities	900,000	438,345	1,338,345	1,149,027
Pledges				
Gifts and Bequests				
Bond Issues (project related)				
Mortgages				
Leases (fair market value)	5,864,903	1,563,974	7,428,877	6,842,387
Governmental Appropriations				
Grants				
Other Funds and Sources*				
TOTAL SOURCES OF FUNDS	\$8,764,903	\$2,002,319	\$8,767,222	\$7,991,414
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.				

*Includes Buildout costs to other entities of space to be leased for purposes other than hospital operations of \$492,745. Those costs will be paid by those two tenants.

MIRA NEURO BEHAVIORAL HEALTH CARE, LLC

11800 S. 75th Ave, Suite 300
Palos Heights, IL 60463
708.671.8440

FIRST NATIONAL BANK OF OTTAWA

4733 Main Street
Lisle, IL 60532
708.239.7719

0596

7/25/2022

PAY TO THE ORDER OF IL Dept of Public Health

\$**1,000.00

One Thousand and 00/100*****

DOLLARS

IL Dept of Public Health
525 W. Jefferson Street
2nd Floor
Chicago, IL 62761

⑈000596⑈ ⑆0?1902399⑆ ⑈510⑈409⑈5⑈



MIRA NEURO BEHAVIORAL HEALTH CARE, LLC

IL Dept of Public Health

0596

Date 7/25/2022 Type Bill Reference

Original Amt. 1,000.00

Balance Due 1,000.00

7/25/2022 Discount Check Amount

Payment 1,000.00
1,000.00

#19-014

PERMIT RENEWAL