

October 9, 2020

Illinois Health Facilities & Services Review Board
525 West Jefferson Street
Springfield, Illinois 62761

Attn: Ms. Courtney Avery, Administrator

Dear Ms. Avery:

At the request of Art Greenlee, Director of Strategy of Trinity Health, Jensen + Partners offers this letter to summarize a facility conditions assessment performed for the hospital in early 2019. We were engaged by Trinity Health to review previous documents and performed a thorough site tour with the Facilities Director, discussing infrastructure conditions, historic project cost and maintenance. This background helped us generate a high-level strategic facility analysis with focus on the facility's suitability for future operations and cost required to correct serious physical plant deficiencies to enable those operations.

Mercy Hospital and Medical Center is a 292 bed community hospital located in Chicago's South Loop region. Currently containing 373 licensed beds it occupies several blocks east of Michigan Avenue to MLK Drive, between 25th and 26th street and one parking lot west of Michigan Avenue between 25th and 26th street. The campus is made up of a single structure hospital from 1965 with smaller additions ranging from 1980 to 2001.

Our report described present-tense conditions and at a high level comparison of capital investment scenarios which either preserved acute care operations or proposed rebuilding on an adjacent site. This latter approach notes infrastructure investments in the existing structure enabling adaptive reuse for alternative non-acute programs.

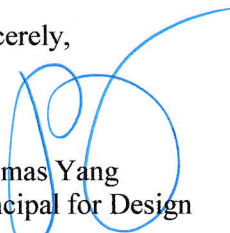
Findings:

In order to continue acute care operations, the 1965 tower in our assessment requires significant investment in infrastructure and code compliance in the next 5 years including but not limited to: utility systems, windows and envelope, emergency power system, roof replacement, structural concrete patch/maintenance, IT systems, clinical equipment, and other code/fire life safety items. Of particular note are safety issues with rust damage over the entire exterior concrete building frame. A city mandated repair and maintenance program is in force to prevent additional pieces of falling concrete. The window system has severe air and moisture leaks which bring winter precipitation into patient use spaces. Plumbing includes galvanized pipes which are 90% occluded in some areas.

It is estimated that between \$125-\$140 million must be invested over five years to update and replace the infrastructural systems identified. An additional \$23-\$35 million would be needed in the following 5 years after the initial investment. Our cost model included confidential input from a local contractor familiar with the facility. An option to replace the hospital on campus and repurposing the existing facility for non-hospital uses was also evaluated at a high level. Our report described these options but did not offer a recommendation, instead serving as a resource for ongoing decision-making.

Please feel free to contact Mr. Greenlee for clarifications which we might offer to these statements and we will respond as directed. Thank you for your attention.

Sincerely,



Thomas Yang
Principal for Design

CC: A. Greenlee – Trinity Health, D. Vukovljak, F. Ridlehoover – Jensen + Partners.