

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Northwestern Medicine Cancer Center Delnor		
Street Address:	304 Randall Road		
City and Zip Code:	Geneva, Illinois 60134		
County:	Kane	Health Service Area:	8
		Health Planning Area:	A-12

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	Delnor-Community Hospital d/b/a Northwestern Medicine Delnor Hospital		
Street Address:	300 Randall Road		
City and Zip Code:	Geneva, Illinois 60134		
Name of Registered Agent:	Danae Prousis		
Registered Agent Street Address:	211 East Ontario Street Suite 1800		
Registered Agent City and Zip Code:	Chicago, Illinois 60611		
Name of Chief Executive Officer:	Maureen A. Bryant		
CEO Street Address:	300 Randall Road		
CEO City and Zip Code:	Geneva, Illinois 60134		
CEO Telephone Number:	630-208-3071		

Type of Ownership of Applicants

- | | | |
|--|--|--------------------------------|
| <input checked="" type="checkbox"/> Non-profit Corporation | <input type="checkbox"/> Partnership | |
| <input type="checkbox"/> For-profit Corporation | <input type="checkbox"/> Governmental | |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Other |

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	211 East Ontario Street Suite 1750, Chicago, Illinois 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	Ann Hall
Title:	Vice President, Administration
Company Name:	Northwestern Memorial HealthCare
Address:	211 East Ontario Street Suite 1750, Chicago, Illinois 60611
Telephone Number:	312-926-6668
E-mail Address:	ann.hall@nm.org
Fax Number:	312-926-0373

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City and Zip Code:	Geneva, Illinois 60134		
County:	Kane	Health Service Area: 8	Health Planning Area: A-12

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	Northwestern Memorial HealthCare		
Street Address:	251 East Huron Street		
City and Zip Code:	Chicago, Illinois 60611		
Name of Registered Agent:	Danae Prousis		
Registered Agent Street Address:	211 East Ontario Street Suite 1800		
Registered Agent City and Zip Code:	Chicago, Illinois 60611		
Name of Chief Executive Officer:	Dean M. Harrison		
CEO Street Address:	251 East Huron Street		
CEO City and Zip Code:	Chicago, Illinois 60611		
CEO Telephone Number:	312-926-3007		

Type of Ownership of Applicants

- | | |
|---|---|
| <input checked="" type="checkbox"/> Non-profit Corporation
<input type="checkbox"/> For-profit Corporation
<input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Partnership
<input type="checkbox"/> Governmental
<input type="checkbox"/> Sole Proprietorship |
|---|---|
- ☐ Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

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Telephone Number:	312-926-6668
E-mail Address:	ann.hall@nm.org
Fax Number:	312-926-0373

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960**]

Name:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	211 East Ontario Street Suite 1750, Chicago, Illinois 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Delnor-Community Hospital d/b/a Northwestern Medicine Delnor Hospital
Address of Site Owner:	300 Randall Road, Geneva, Illinois 60134
Street Address or Legal Description of the Site:	Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name:	Delnor-Community Hospital d/b/a Northwestern Medicine Delnor Hospital		
Address:	300 Randall Road, Geneva, Illinois 60134		
<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
		<input type="checkbox"/>	Other
<ul style="list-style-type: none"> Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 			
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>). **NOTE: A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM** has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.

APPEND DOCUMENTATION AS **ATTACHMENT 5**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS **ATTACHMENT 6**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification :

- ☐ Substantive
- ☒ Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Northwestern Medicine Delnor Hospital seeks approval for the expansion/renovation of the Northwestern Medicine Cancer Center Delnor, located at 304 Randall Road in Geneva, on the campus of Northwestern Medicine Delnor Hospital.

The one-story addition will expand the NM Cancer Center by 15,570 square feet (3,832 square feet of clinical space). The number of infusion stations will increase from 21 to 30. The infusion area, pharmacy, laboratory, and physician's office space will be renovated (6,670 square feet of clinical space).

There is no work proposed for the radiation oncology area of the NM Cancer Center Delnor.

The anticipated project completion date is August 31, 2024.

The total project cost is \$21,857,801.

The project is classified as non-substantive because it does not establish a new category of service or facility as defined in 20 ILCS 2960/3.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$ 63,111	\$ 136,889	\$ 200,000
Site Survey and Soil Investigation	\$ 47,333	\$ 102,667	\$ 150,000
Site Preparation	\$ 536,444	\$ 1,163,556	\$ 1,700,000
Off Site Work			
New Construction Contracts	\$ 1,724,400	\$ 6,332,545	\$ 8,056,945
Modernization Contracts	\$ 1,700,850	\$ 2,981,115	\$ 4,681,965
Contingencies	\$ 342,525	\$ 931,366	\$ 1,273,891
Architectural/Engineering Fees	\$ 284,000	\$ 616,000	\$ 900,000
Consulting and Other Fees	\$ 394,444	\$ 855,556	\$ 1,250,000
Movable or Other Equipment (not in construction contracts)	\$ 1,170,484	\$ 1,829,516	\$ 3,000,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized	\$ 203,533	\$ 441,467	\$ 645,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$ 6,467,125	\$ 15,390,676	\$ 21,857,801
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ 6,467,125	\$ 15,390,676	\$ 21,857,801
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$ 6,467,125	\$ 15,390,676	\$ 21,857,801
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☐ Yes ☒ No
 Purchase Price: \$ N/A
 Fair Market Value: \$ N/A

The project involves the establishment of a new facility or a new category of service
☐ Yes ☒ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ N/A

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☐ Preliminary
☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): August 31, 2024

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

- ☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☒ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☐ Financial Commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable?

- ☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Not Reviewable Space [i.e. non-clinical]: means an area for the benefit of the patients, visitors, staff or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers. [20 ILCS 3960/3]

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON-REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS **ATTACHMENT 9**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: NM Delnor Hospital			CITY: Geneva		
REPORTING PERIOD DATES: From: 1/1/20 to: 12/31/20					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	121	5,501	23,229	0	121
Obstetrics	18	1,304	3,199	0	18
Pediatrics	0	0	0	0	0
Intensive Care	20	1,737	4,718	0	20
Comprehensive Physical Rehabilitation	0	0	0	0	0
Acute/Chronic Mental Illness	0	0	0	0	0
Neonatal Intensive Care	0	0	0	0	0
General Long-Term Care	0	0	0	0	0
Specialized Long-Term Care	0	0	0	0	0
Long Term Acute Care	0	0	0	0	0
Other ((identify)	0	0	0	0	0
TOTALS:	159	8,074	31,146	0	159

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Delnor-Community Hospital *
 in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act.
 The undersigned certifies that he or she has the authority to execute and file this Application on
 behalf of the applicant entity. The undersigned further certifies that the data and information
 provided herein, and appended hereto, are complete and correct to the best of his or her
 knowledge and belief. The undersigned also certifies that the fee required for this application is
 sent herewith or will be paid upon request.

Maureen A. Bryant
 SIGNATURE

Maureen A. Bryant
 PRINTED NAME

President
 PRINTED TITLE

Matthew J. Flynn
 SIGNATURE

Matthew J. Flynn
 PRINTED NAME

VP and CFO, NM West Region
 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 22nd day of October 2021

[Signature]
 Signature of Notary

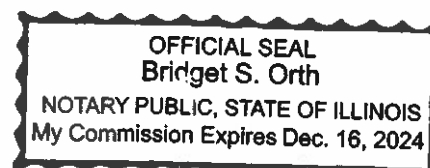
Seal

Notarization:
 Subscribed and sworn to before me
 this 22nd day of October 2021

[Signature]
 Signature of Notary

Seal

*Insert the EXACT legal name of the applicant



CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors;
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist);
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist);
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Northwestern Memorial HealthCare (NMHC) *
in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act.
The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.



SIGNATURE

Dean M. Harrison
 PRINTED NAME

President and CEO
 PRINTED TITLE



SIGNATURE

John A. Orsini
 PRINTED NAME

SVP and CFO
 PRINTED TITLE

Notarization:

Subscribed and sworn to before me
 this 12th day of October 2021



Signature of Notary

Seal

Notarization:

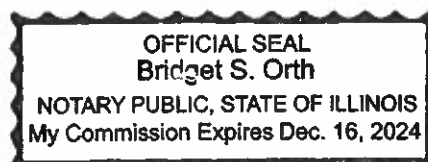
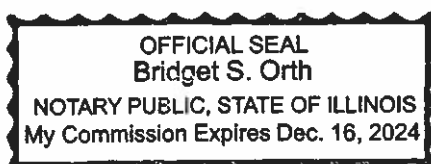
Subscribed and sworn to before me
 this 12th day of October 2021



Signature of Notary

Seal

*Insert the EXACT legal name of the applicant



SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant can submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)**PURPOSE OF PROJECT**

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

- 1) Identify **ALL** the alternatives to the proposed project:

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
 - 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space**

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:
2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
<input checked="" type="checkbox"/> Infusion	21	30
<input checked="" type="checkbox"/> Pharmacy	N/A	N/A
<input checked="" type="checkbox"/> Laboratory	N/A	N/A

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

Project Type	Required Review Criteria
New Services or Facility or Equipment	(b) – Need Determination – Establishment
Service Modernization	(c)(1) – Deteriorated Facilities
	AND/OR
	(c)(2) – Necessary Expansion
	PLUS
	(c)(3)(A) – Utilization – Major Medical Equipment
	OR
	(c)(3)(B) – Utilization – Service or Facility
APPEND DOCUMENTATION AS <u>ATTACHMENT 30</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

VI. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [Indicate the dollar amount to be provided from the following sources]:

<p>_____</p>	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
<p>_____</p>	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated timetable of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
<p>_____</p>	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated timetable of receipts;</p>
<p>_____</p>	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all

	terms and conditions.
_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS ATTACHMENT 33, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION VII. 1120.130 - FINANCIAL VIABILITY

All the applicants and co-applicants shall be identified, specifying their roles in the project funding or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All the project's capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third-party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII.1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (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)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, **including the impact on racial and health care disparities in the community**, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 37.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			

	Outpatient				
	Total				

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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 (20 ILCS 3960/3). Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS **ATTACHMENT 38**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.



SECTION XI -SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM

In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is located in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

1. Applicant: Delnor-Community Hospital 300 Randall Road
 (Name) (Address)
Geneva Illinois 60134 630-208-3000
 (City) (State) (ZIP Code) (Telephone Number)

2. Project Location: 304 Randall Road Geneva, Illinois
 (Address) (City) (State)
Kane Geneva Township Section 5
 (County) (Township) (Section)

3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (<https://msc.fema.gov/portal/home>) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the **Go To NFHL Viewer** tab above the map. You can print a

copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.

If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes___ No X

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN?

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.

If the determination is being made by a local official, please complete the following:

FIRM Panel Number: _____ Effective Date: _____

Name of Official: _____ Title: _____

Business/Agency: _____ Address: _____

 (City) (State) (ZIP Code) (Telephone Number)

Signature: _____ Date: _____

NOTE: This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

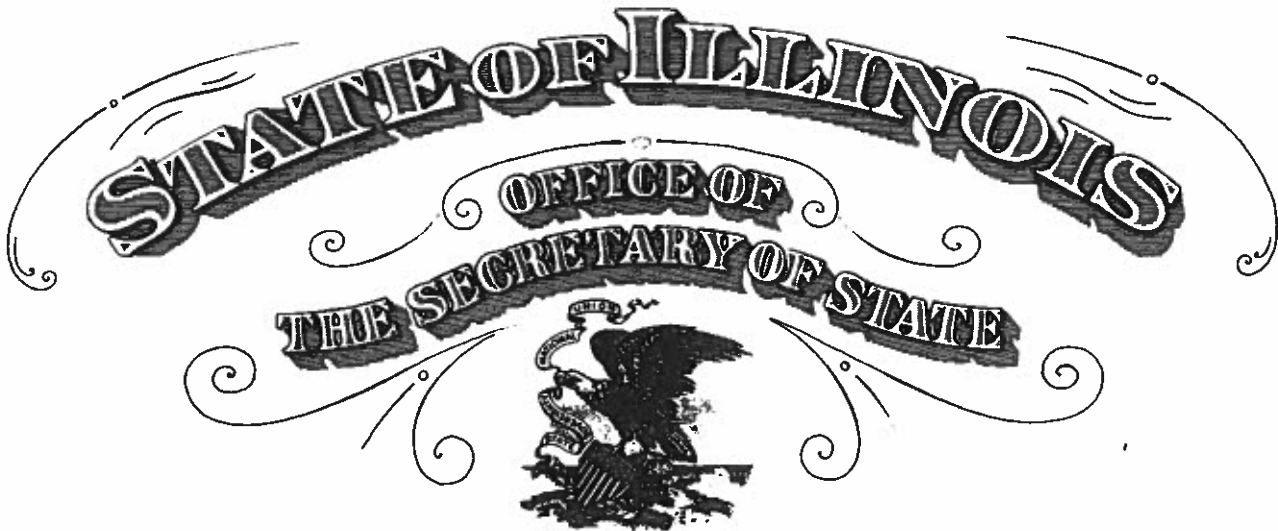
If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

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File Number

5432-979-2



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

DELNOR-COMMUNITY HOSPITAL, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 29, 1986, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 14TH day of OCTOBER A.D. 2021 .

Jesse White

SECRETARY OF STATE

Authentication #: 2128702078 verifiable until 10/14/2022

Authenticate at: <http://www.ilsos.gov>

ATTACHMENT-1

File Number

5257-740-3



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

NORTHWESTERN MEMORIAL HEALTHCARE, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 30, 1981, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 23RD day of AUGUST A.D. 2021 .

Jesse White

SECRETARY OF STATE

Authentication #: 2123502510 verifiable until 08/23/2022

Authenticate at: <http://www.ilsos.gov>

ATTACHMENT-1

FILED FOR RECORD
KANE COUNTY, ILL.

2002 MAY -3 PM 2:00

Sandy Weyman
RECORDER

2002K058177

QUIT CLAIM DEED
Statutory (Illinois)
(Corporation to Corporation)

THE GRANTOR DELNOR
COMMUNITY HEALTH SYSTEM a
not for profit corporation created and
existing under and by virtue of the laws of
the State of Illinois

(The Above Space for Recorder's Use Only)

and duly authorized to transact business in the State of Illinois, for the consideration of Ten and no/100 (\$10.00)
DOLLARS, and other good and valuable consideration in hand paid, and pursuant to authority given by the Board
of Directors of said corporation, CONVEYS and QUIT CLAIMS to DELNOR COMMUNITY HOSPITAL, a not
for profit corporation organized and existing under and by virtue of the laws of the State of Illinois having its
principal office at the following address 300 Randall Road, Geneva, Illinois 60134 all interest in the following
described Real Estate situated in the County of Kane and State of Illinois, to wit:

SEE EXHIBIT A ATTACHED HERETO AND BY THIS REFERENCE
MADE A PART HEREOF

Permanent Real Estate Index Number(s): 12-05-476-002

Grantess Address *7*

Address(es) of Real Estate: 300 Randall Road, Geneva, Illinois 60134

Recorded under power of attorney E. Section 3.
Book 1042, Page 100
Date: 5/2/2002 *Jeani O. Byrd*

Chg
19.-

CHICAGO TITLE INSURANCE CO.
Kane County Office
Geneva, Illinois 60134
Phone 232-5788

19.-

CH01/12222267.1

2002K058177

In Witness Whereof, said Grantor has caused its corporate seal to be hereto affixed, and has caused its name to be signed to these presents by its _____ President, and attested by its Assistant Secretary, this 1st day of May, 2002.



DELNOR COMMUNITY HEALTH SYSTEM

By: _____

President

Attest: _____

Assistant

Secretary

-2-

CH01/1222267.1

2002K058177

2

State of ILLINOIS)
) SS.
 County of Kane)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Craig A. Luxmore personally known to me to be the President of the Deinor Community Health System, an Illinois not for profit corporation, and Deanna Hodel personally known to me to be the Assistant Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Assistant Secretary, they signed and delivered the said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 1st day of May, 2002.



C-Denise Weigand
 Notary Public

Commission expires August 15, 2004

This Instrument Was Prepared By
 and return to:

Steven B. Kite
 Gardner, Carton & Douglas
 321 North Clark Street, Suite 3400
 Chicago, Illinois 60610

SEND SUBSEQUENT TAX BILLS TO:

Deinor Community Hospital
300 Randall Road
Geneva, IL 60134

-3-

CH01/1222267.1

2002K058177

3



CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1410 000496012 KA
 STREET ADDRESS: DELNOR HOSPITAL SITE
 CITY: COUNTY: KANE
 TAX NUMBER: 12-05-476-001-0000

LEGAL DESCRIPTION:

PARCEL ONE:

LOT 1 OF UNIT NO. 1, DELNOR-COMMUNITY HOSPITAL SUBDIVISION, GENEVA, KANE COUNTY, ILLINOIS, IN THE CITY OF GENEVA, KANE COUNTY, ILLINOIS.

PARCEL TWO:

THAT PART OF LOT 2, UNIT NO. 1, DELNOR-COMMUNITY HOSPITAL SUBDIVISION, GENEVA, KANE COUNTY, ILLINOIS DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 2; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 466.36 FEET; THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF SAID LOT FORMING AN ANGLE OF 135 DEGREES 15 MINUTES 24 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTER-CLOCKWISE THEREFROM) 14.38 FEET TO A WESTERLY FACE OF A BUILDING FOR A POINT OF BEGINNING; THENCE SOUTHERLY ALONG SAID WESTERLY FACE FORMING AN ANGLE OF 135 DEGREES 16 MINUTES 56 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTER-CLOCKWISE THEREFROM) 0.08 FEET TO AN ANGLE IN THE WESTERLY FACE OF SAID BUILDING; THENCE SOUTHEASTERLY ALONG A SOUTHWESTERLY FACE OF SAID BUILDING FORMING AN ANGLE OF 224 DEGREES 30 MINUTES 32 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTER-CLOCKWISE THEREFROM) 22.15 FEET TO A SOUTHERLY FACE OF SAID BUILDING; THENCE EASTERLY ALONG SAID SOUTHERLY FACE FORMING AN ANGLE OF 224 DEGREES 55 MINUTES 08 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTER-CLOCKWISE THEREFROM) 0.19 FEET TO SAID NORTHEASTERLY LINE OF SAID LOT; THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY LINE FORMING AN ANGLE OF 44 DEGREES 42 MINUTES 36 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTER-CLOCKWISE THEREFROM) 22.34 FEET TO THE POINT OF BEGINNING, IN THE CITY OF GENEVA, KANE COUNTY, ILLINOIS.

PARCEL THREE:

THAT PART OF LOT 2, UNIT NO. 1, DELNOR-COMMUNITY HOSPITAL SUBDIVISION, GENEVA, KANE COUNTY, ILLINOIS DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 2; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 387.0 FEET TO THE WESTERLY FACE OF A BUILDING FOR A POINT OF BEGINNING; THENCE SOUTHERLY ALONG SAID WESTERLY FACE FORMING AN ANGLE OF 90 DEGREES 02 MINUTES 29 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTER-CLOCKWISE THEREFROM) 0.05 FEET TO AN ANGLE IN SAID WESTERLY FACE; THENCE EASTERLY ALONG A SOUTHERLY FACE OF SAID BUILDING AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE 65.12 FEET TO THE NORTH LINE OF SAID LOT; THENCE WESTERLY ALONG SAID NORTH LINE 65.12 FEET TO THE POINT OF BEGINNING, IN THE CITY OF GENEVA, KANE COUNTY, ILLINOIS.

PARCEL FOUR:

THAT PART OF LOT 2, UNIT NO. 1, DELNOR-COMMUNITY HOSPITAL SUBDIVISION, GENEVA, KANE COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER

LEAD

2002K058177

4



CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1410 000496012 KA
 STREET ADDRESS: DELNOR HOSPITAL SITE
 CITY: COUNTY: KANE
 TAX NUMBER: 12-05-476-001-0000

LEGAL DESCRIPTION:

OF SAID LOT; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 387.0 FEET TO THE WESTERLY FACE OF A MULTI-STORY BRICK BUILDING; THENCE SOUTHERLY ALONG SAID WESTERLY FACE FORMING AN ANGLE OF 90 DEGREES 02 MINUTES 29 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTERCLOCKWISE THEREFROM) 0.05 FEET TO AN ANGLE IN SAID WESTERLY FACE FOR A POINT OF BEGINNING; THENCE EASTERLY ALONG A SOUTHERLY FACE OF SAID MULTI-STORY BUILDING AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE 65.12 FEET TO THE NORTH LINE OF SAID LOT; THENCE EASTERLY ALONG SAID NORTH LINE 14.24 FEET TO AN ANGLE IN SAID NORTH LINE; THENCE SOUTHEASTERLY ALONG A NORTHEASTERLY LINE OF SAID LOT FORMING AN ANGLE OF 135 DEGREES 15 MINUTES 24 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTERCLOCKWISE THEREFROM) 14.33 FEET TO A WESTERLY FACE OF SAID MULTI-STORY BUILDING; THENCE SOUTHERLY ALONG SAID WESTERLY FACE FORMING AN ANGLE OF 135 DEGREES 16 MINUTES 56 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTERCLOCKWISE THEREFROM) 0.08 FEET TO AN ANGLE IN THE WESTERLY FACE OF SAID MULTI-STORY BUILDING; THENCE SOUTHEASTERLY ALONG A SOUTHWESTERLY FACE OF SAID MULTI-STORY BUILDING FORMING AN ANGLE OF 224 DEGREES 30 MINUTES 32 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTERCLOCKWISE THEREFROM) 22.15 FEET TO A SOUTHERLY FACE OF SAID MULTI-STORY BUILDING; THENCE SOUTHWESTERLY ALONG A LINE FORMING AN ANGLE OF 106 DEGREES 23 MINUTES 06 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTERCLOCKWISE THEREFROM) 38.91 FEET TO A NORTHEASTERLY CORNER OF A 3-STORY BRICK BUILDING; THENCE WESTERLY ALONG A NORTHERLY FACE OF SAID 3-STORY BRICK BUILDING 37.09 FEET TO AN ANGLE IN SAID NORTHERLY FACE; THENCE NORTHERLY ALONG AN EASTERLY FACE OF SAID 3-STORY BUILDING 21.50 FEET TO AN ANGLE IN SAID EASTERLY FACE; THENCE WESTERLY ALONG A NORTHERLY FACE OF SAID 3-STORY BUILDING 12.70 FEET TO AN ANGLE IN SAID NORTHERLY FACE; THENCE SOUTHERLY ALONG A WESTERLY FACE OF SAID 3-STORY BUILDING 21.45 FEET TO A NORTHERLY FACE OF SAID 2-STORY BUILDING; THENCE WESTERLY ALONG SAID NORTHERLY FACE 16.52 FEET TO AN ANGLE IN SAID NORTHERLY FACE; THENCE SOUTHERLY ALONG A WESTERLY FACE 0.50 FEET TO A NORTHERLY FACE OF SAID BUILDING; THENCE WESTERLY ALONG SAID NORTHERLY FACE 20.05 FEET TO A NORTHWEST CORNER OF SAID 3-STORY BRICK BUILDING; THENCE NORTHERLY ALONG A LINE FORMING AN ANGLE OF 90 DEGREES 27 MINUTES 39 SECONDS WITH THE LAST DESCRIBED COURSE (MEASURED COUNTERCLOCKWISE THEREFROM) 60.45 FEET TO THE POINT OF BEGINNING, IN THE CITY OF GENEVA, KANE COUNTY, ILLINOIS.

LEGALD

2002K058177



Flood Plain Requirements

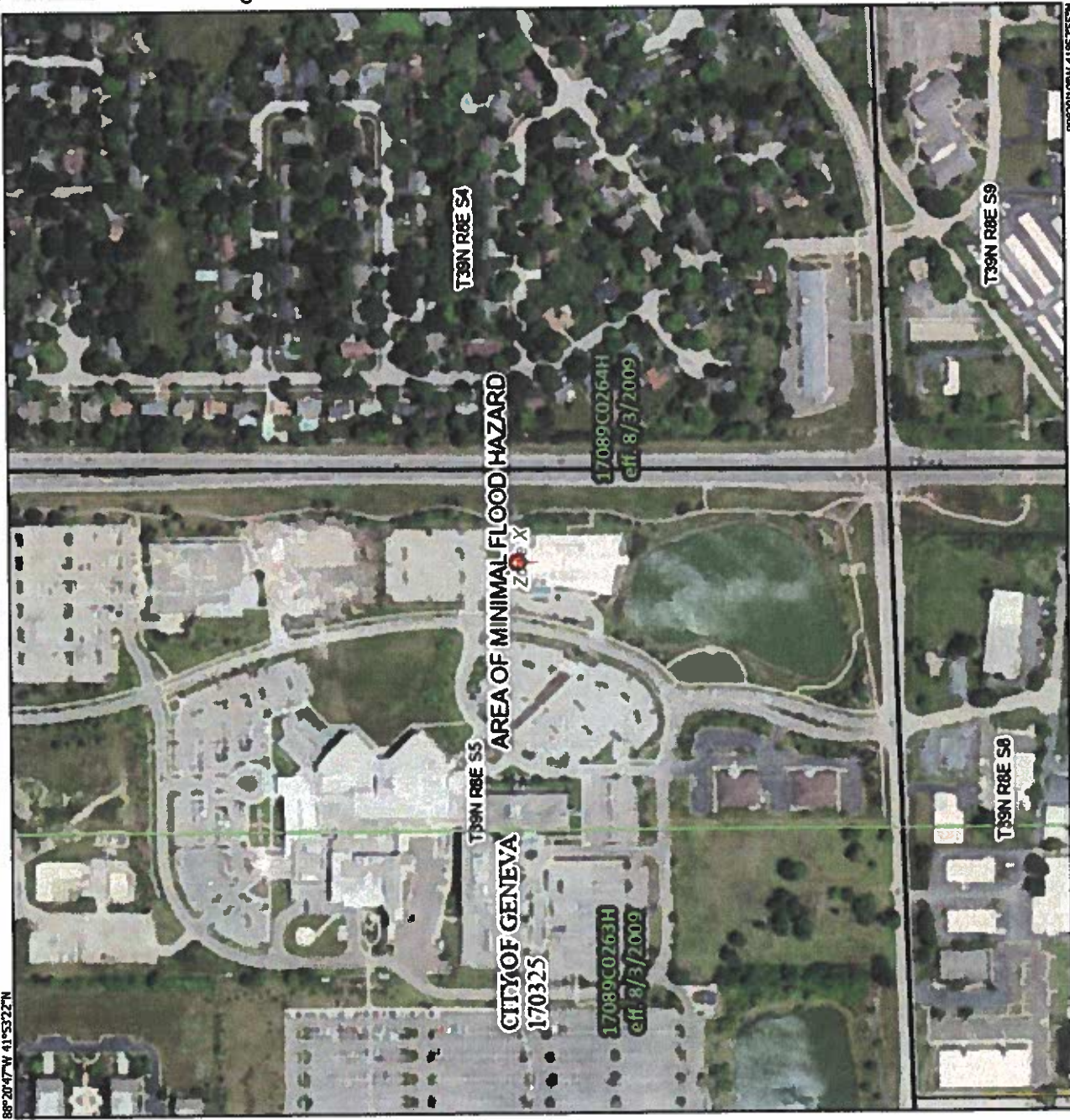
The location of the proposed project is 304 Randall Road, Geneva, on the campus of Northwestern Medicine Delnor Hospital.

By their signatures on the Certification page of this application, the Applicants attest that the project is not located in a flood plain and complies with the Flood Plain Rule under Illinois Executive Order #2006-5 according to the FEMA floodplain map on the following page.

National Flood Hazard Layer FIRMette



88°20'47"W 41°53'22"N

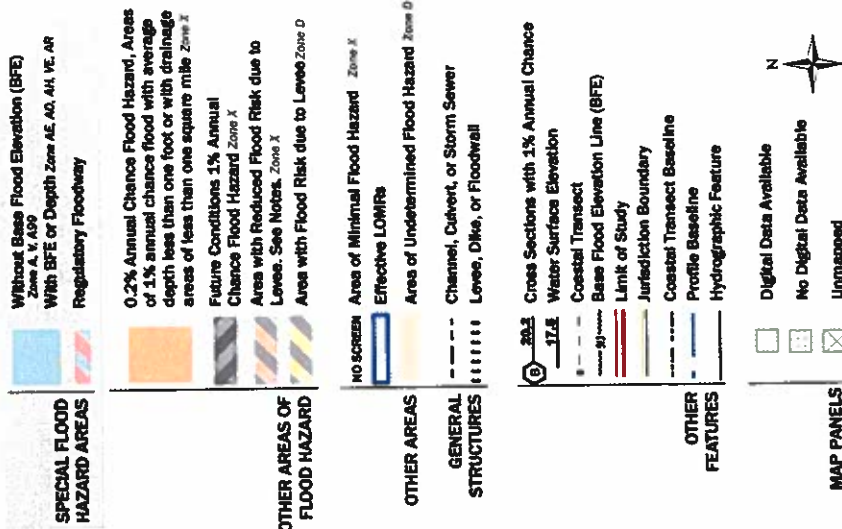


0 250 500 1,000 1,500 2,000 Feet

Basemap: USGS National Map: Orthoimagery: Data refreshed October, 2020

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT



The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was reported on 9/22/2021 at 11:36 AM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is valid if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Historic Resources Preservation Act Requirements

The location of the proposed project is 304 Randall Road, Geneva, on the campus of Northwestern Medicine Delnor Hospital. The letter from the Illinois Historic Preservation Agency on the following page confirms that no historic, architectural, or archaeological sites exist within the project area.



Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271

www.dnr.illinois.gov

Mailing Address: 1 Old State Capitol Plaza, Springfield, IL 62701

JB Pritzker, Governor

Colleen Callahan, Director

Kane County

Geneva

CON - 1-Story Addition and Rehabilitation for Cancer Center, Northwestern Medicine Delnor Hospital
300 Randall Road
SHPO Log #011081621

August 30, 2021

Bridget S. Orth
Northwestern Memorial HealthCare
211 East Ontario St., Suite 1750
Chicago, IL 60611

Dear Ms. Orth:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please call 217/782-4836.

Sincerely,

A handwritten signature in black ink that reads "Carey L. Mayer".

Carey L. Mayer, AIA
Deputy State Historic
Preservation Officer

Project Costs and Sources of Funds

The line item costs attributed to clinical components were calculated as a percentage of clinical square footage when actual break-outs were not available.

Itemization of each line item:

Line 1 – Preplanning Costs – (\$200,000) – this includes:

- Pre-Construction Services
 - Budgeting
 - Schedule
 - Site Logistics
 - Permit Support

Of the total amount, \$63,111 is the clinical Preplanning costs which is 1.28% of the clinical New Construction, Modernization, Contingencies, and Equipment costs.

Line 2 – Site Survey and Soil Investigation – (\$150,000) – this includes:

- Geotechnical monitoring, survey, storm water protection, and analysis of site soils

Of the total amount, \$47,333 is the clinical Site Survey and Soil Investigation cost.

Line 3 – Site Preparation – (\$1,700,000) – this includes:

- General Site Work
 - Earth moving
 - Shoring
 - Unit paving
- Utility Company Service Work
 - Relocation, temporary and permanent services as required for power, gas, telecom, and cable
- Extensive Stormwater Detention Work
 - The existing basin located south of the existing building currently provides stormwater detention for the majority of the Delnor Hospital campus. The basin has an existing capacity of 12.68 acre-feet, and discharges to a culvert located near the intersection of Keslinger Road and Randall Road. As part of the proposed project, the north end of the existing basin will be filled in to accommodate the expanded building footprint. The proposed fill will result in a net loss of 0.91 acre-feet of storage which will need to be compensated for to comply with current local and county regulations. To recoup the lost volume, the basin will be expanded along the west and south sides. The expanded basin will provide a total volume of 12.74 acre-feet, and the pond edge will be restored with native vegetation. No modifications are proposed to the basins normal water line, high water line, and outlet control.

Prior to constructing the proposed basin improvements/building expansion, erosion control measures will be installed in accordance with the stormwater Pollution Prevention Plan. After completion of this step, the existing water level in the pond will be lowered below the elevation of the sheet pile wall that is proposed along the building's south face. After the water level has been lowered, the existing grade will be de-mucked and a stone road installed. The sheet pile wall will then be installed from the compacted stone road. The lowered water level of the pond will be maintained below the sheet pile installation line.

After completion of the sheet piling, the building foundations will be excavated and installed. The site will then be backfilled to the working grade to continue the steel and exterior envelope installations. When the building is enclosed, the sheet pile will be cut and removed to the design elevation. The site will be filled to the final grade and landscaping installed. The pond level will then be restored to the existing normal water line.

Of the total amount, \$536,444 is the clinical Site Preparation cost. Together with Site Survey and Soil Investigation, this is 15.49% of the clinical new Construction and Contingencies costs.

Line 5 – New Construction Contracts – (\$8,056,945) – this includes:

- All construction contracts/costs to complete the project. Includes Group I fixed equipment and contractor's markups, overhead, and profit. Costs are escalated to the mid-point of construction.

Of the total amount, \$1,724,400 is the clinical New Construction cost.

Line 6 – Modernization Contracts – (\$4,681,965) – this includes:

- All construction contracts/costs to complete the project. Includes Group I fixed equipment and contractor's markups, overhead, and profit. Costs are escalated to the mid-point of construction.

Of the total amount, \$1,700,850 is the clinical Modernization cost.

Line 7 – Contingencies - (\$1,273,891) – this includes:

- Allowance for unforeseen New Construction and Modernization costs

Of the total amount, \$342,525 is the clinical Contingency cost which is 10.0% of the clinical New Construction and Modernization costs.

The clinical New Construction and Contingencies cost per square foot is \$495. The clinical Modernization and Contingencies cost per square foot is \$280.50. Both are above the state standard due to the following differences in the 3rd quartile RS Means calculation that is used by the HFSRB and the actual project:

- Substructure: \$7.62/sf difference
 - The proposed project includes:
 - 14" thick foundation walls as opposed to 12" thick walls
 - Rammed aggregate piers for existing soil stabilization
 - 5" thick slab on grade instead of 4" thick slab on grade
- Shell: \$23.58/sf difference
 - The proposed project includes:
 - steel columns instead of concrete columns
 - steel instead of concrete roof structure
 - stone, brick, and metal with metal stud exterior walls instead of brick with CMU enclosure
 - curtain wall instead of wood windows
 - aluminum doors instead of wood doors
 - skylights
- Interiors: \$17.57/sf difference
 - The proposed project includes:
 - drywall partitions that extend above the ceiling to the deck and include insulation in the framing
 - a sliding door for each infusion bay
 - ceramic tiles
 - 2x2 ceiling tiles instead of 1x1
 - Specialty paint coating that has a higher cost of material and installation
- Services: \$47.46/sf difference
 - The proposed project includes additional MEP services not included in the base RM Means number, such as:
 - gas boiler
 - lighting controls
 - security system
 - 400kW generator
- Equipment & Furnishings: \$24.11/sf difference
 - The proposed project includes:
 - specialty millwork that includes custom glove dispenser holders and paper towel dispenser holders

Additionally, while the state standard allows for 3% escalation to the midpoint of construction, actual escalation rates are at an unprecedented high. According to Engineering News-Record, from 2020 to 2021, the actual escalation rate was 12.15%. Assuming a higher escalation rate would result in an additional \$61.53/sf.

The total of the above cost justifications is \$181.87.

Line 8 – Architectural / Engineering Fees – (\$900,000) – this includes:

- Programming
 - Gather information for occupant space requirements. Review and analysis NMHC space standards and prepare the Space Occupancy Program which will list square footage requirements and include individual attributes of the departments and all information pertinent to the planning and design of the project.
- Schematic Design:
 - Develop diagrammatic plans and documentation to describe the size and character of the building in a way that meets all programmatic and functional objectives, as well as accounting for all structure, shafts, elevators and stairs, communications and electrical closets, and all other design constraints; such as traffic flow and circulation patterns, exterior elevations and conceptual drawings outlining the exterior design approach.
 - Determine the capacity needed for all building systems (such as electrical, mechanical, plumbing, fire protection, and vertical transportation) as well as support functions (such as pharmacy and materials management) necessary for the uses proposed on the floors.
 - Provide statement of Probable Construction Cost.
- Design Development:
 - Develop detailed drawings and documentation to describe the size and character of the interior space as well as the overall building. Includes room layouts, structural, mechanical, electrical, plumbing, exterior elevations and sections, site plan, landscape plans, and parking garage layout.
 - The equipment and furniture consultants will prepare room-by-room FF&E requirement list. The requirements list identify room name, item description, product specification, and total quantity required. The product specifications include installation requirements that will be provided to the architect/engineer to ensure that spaces and building systems are planned to appropriately accommodate the equipment.
- Construction Documents:
 - Provide drawings and specifications
 - Prepare documentation for bidding and assembling a Guaranteed Maximum Price.
 - Assist in filing Construction Documents for approval by City and State agencies
 - Signage and Way Finding expertise
- Bidding and Negotiation Phase Services:
 - Revise Construction Documents as necessary in accordance with Reconciled Statement of Probable Construction Cost
- Construction Administration Phase Services:
 - Advise and consult during Construction Phase
 - Attend weekly job progress meetings
 - Provide on-site representation to review progress/quality of work

- Prepare written interpretations of Contract Documents including Bulletins and information requests
- Correct Errors or Omissions in the drawings, specifications and other documents
- Review and approve Contractor's submittals
- Submit notifications for work which does not conform to Contract Documents
- Review and analyze requests for Change Orders
- Assist Construction Manager with punchlist completion
- Assist Construction Manager with Final Completion including system testing and commissioning
- Inspect Project after correction of work period for deficiencies and update Construction Manager

Of the total amount, \$284,000 is the clinical Architectural / Engineering Fee. This amount is 7.54% of the clinical New Construction, Modernization, and Contingencies costs.

Line 9 – Consulting and Other Fees – (\$1,250,000) – this includes:

- Charges for the services of various types of consulting and professional experts including:
 - Commissioning Agent - \$10,000
 - Life Safety Review Consultant - \$15,000
 - Material Testing third party - \$35,000
 - Medical Equipment Planner - \$45,711
 - Parking Study Engineering - \$30,000
 - Construction Management - \$1,114,289

Of the total amount, \$394,444 is the clinical Consulting and Other Fees cost.

Line 10 – Movable Capital Equipment – (\$3,000,000) – this includes:

- All furniture, furnishings, and equipment for the proposed project. Group I (fixed) equipment is included in the New Construction and Modernization line items above. Group II and III medical equipment is included herein.

The Architect will be retained to provide specific expertise during equipment planning and specification, and to assist and ensure effective use of available funding. Equipment planning will be closely coordinated with architectural design.

FFE procurement will be managed by NM with support from outside consultants. Total acquisition costs will be evaluated during market assessment and contract award, including purchase, installation, training, and maintenance. The approval process during contract award will be consistent with existing hospital financial procedures.

Warehousing, training, acceptance testing and other logistical issues will be defined and scheduled.

Product standards will facilitate detailed equipment planning and appropriate building design, maximize the effectiveness of competitive bidding, and minimize costs for training and long-term maintenance.

Clinical and/or financial analysis of new technology will be done to determine that it is a prudent investment. New technology selected for use will support NM's primary mission, via criteria such as clinical outcomes, turnaround, or productivity.

Freight and installation costs are also included in the estimate.

Equipment Type	Estimated Cost
Infusion 11 Semi-Private Infusion Bays Treatment Carts IV Pump with stands Exam Stools 1 Private Infusion Bay/Procedure Patient Bed Treatment Carts IV Pump with stands Exam Stools Overbed Table Pharmacy Pass-Through Assemblies Scrub Sink Gowning Bench Biological Safety Hood Laminar Flow Hoods Powder Hood Ultra-Low Freezer Freezer, Upright Refrigerators, Upright Supply Carts Staff and Patient Toilets Registration Area Cash Drawers Safe Waiting Room Defibrillator, AED Defibrillator, wall cabinet Ice/Water Dispenser	\$1,075,484
Physicians' Offices/Clinic Exam tables Diagnostic boards	\$716,989

Exam stools Vitals Monitors Staff and Patient toilets Staff Workroom Freezer, under-counter Centrifuge Refrigerator, under-counter Work table Registration Area Cash drawers Safe Defibrillator, AED Defibrillator, wall cabinet	
Furnishings Waiting Room furniture Patient recliners Office furniture Monitor arms	\$657,527
Technology Computers Monitors Printers Phones Device Integration iPad Translation Wireless Network Distributed Antenna System	\$450,000
Other Artwork Interior Signage Keying	\$100,000

Of the total amount, \$1,170,484 is the clinical component of the Moveable Capital Equipment cost.

Line 14 – Other Costs To Be Capitalized – (\$645,000) – this includes:

- Permits and Fees – IDPH, CON, etc. - \$200,000
- Landscaping - \$254,984
- Signage - \$30,000
- Tree Removal - \$70,000
- Other Fees – City of Geneva Utility - \$90,016

Of the total amount, \$203,533 is the clinical component of the Other Costs to be Capitalized.

Project Status and Completion Schedules

Anticipated project construction start date: April 2022

Anticipated midpoint of construction date: February 2023

Anticipated project construction substantial completion date: October 2023

Anticipated project completion date: August 31, 2024

Project obligation is contingent upon permit issuance. Delnor plans to sign the contract with the general construction contractor in February 2022 that will be subject to CON approval. This contract will obligate the project. The CON Contingency section of the contract is below:

The following Supplementary Conditions modify the Agreement and General Conditions between Northwestern Memorial Healthcare and M. A. Mortenson Company ("the Contractor"). Where a portion of the Agreement or General Conditions is modified or deleted by these Supplementary Conditions, these Supplementary Conditions shall control. The unaltered portions of the Agreement or General Conditions shall remain in effect.

S-1. Certificate of Need. NMHC and the Contractor acknowledge and agree that in addition to permitting required by the City of Geneva, Illinois Department of Public Health ("IDPH") and any other Governmental Authority, this Project and Agreement are subject to the issuance of an appropriate Certificate of Need ("CON") by the Illinois Health Facilities and Services Review Board (the "Board"). The Contractor shall cooperate with NMHC's application to the Board for the CON.

Northwestern Memorial HealthCare Open CON Permits

CON #19-048: Palos Health Mokena Medical Office Building

CON #20-011: NMH Galter 11, 12 Beds

CON #20-013: Bloomingdale Medical Office Building

CON #21-008: Old Irving Park Medical Office Building

CON #21-015: Winfield Town Center Medical Office Building

CON #21-022: NM Surgery Center, Warrenville – Addition of Specialties

Cost Space Requirements

		Departmental Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Department	Cost	Existing GSF	Proposed GSF	New Const.	Modern- ized	As Is	Vacated Space
CLINICAL							
Infusion Center	\$ 2,980,020	6,991	10,273	3,832	4,924	1,517	0
Pharmacy	\$ 347,820	787	1,364	0	1,364	0	0
Laboratory	\$ 97,410	1,781	1,754	0	382	1,372	0
Clinical Subtotal =	\$ 3,425,250	9,559	13,391	3,832	6,670	2,889	0
NON-CLINICAL							
Physician Office Space (Medical Oncology)	\$ 4,740,165	6,292	14,682	8,390	3,783	2,509	0
Administrative	\$ 1,418,475	3,385	4,619	1,234	3,385	0	0
Waiting/Public	\$ 1,545,390	4,845	6,178	1,333	3,708	1,137	
MEP Systems	\$ 1,609,630	1,937	2,718	781	165	1,772	0
Non-Clinical Subtotal =	\$ 9,313,660	16,459	28,197	11,738	11,041	5,418	0
TOTAL =	\$ 12,738,910	26,018	41,588	15,570	17,711	8,307	0
OTHER							
Preplanning Costs	\$ 200,000						
Site Survey & Soil Investigation	\$ 150,000						
Site Preparation	\$ 1,700,000						
Off-Site Work	\$ -						
Contingencies	\$ 1,273,891						
A/E Fees	\$ 900,000						
Consulting & Other Fees	\$ 1,250,000						
Movable or Other Equipment	\$ 3,000,000						
Bond Issuance Expense	\$ -						
Net Interest Expense During Construction	\$ -						
Other Costs To Be Capitalized	\$ 645,000						
Acquisition of Building (excluding Land)	\$ -						
Other Subtotal =	\$ 9,118,891						
GRAND TOTAL =	\$ 21,857,801						

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES – INFORMATION REQUIREMENTS

Criterion 1110.110(a)

BACKGROUND OF APPLICANT

A listing of all health care facilities owned or operated by the applicants, including licensing, and certification if applicable.

Northwestern Memorial HealthCare:

	IDPH License No.	Joint Commission Organization No.
Northwestern Memorial Hospital	0003251	7267
Northwestern Lake Forest Hospital	0005660	3918
Central DuPage Hospital Association	0005744	7444
Delnor-Community Hospital	0005736	5291
Marianjoy Rehabilitation Hospital & Clinics	0003228	7445
Kishwaukee Community Hospital	0005470	7325
Valley West Community Hospital	0004690	382957
Northern Illinois Medical Center (McHenry)	0003889	7375
Northern Illinois Medical Center (Huntley)	0003890	7375
Memorial Medical Center (Woodstock)	0004606	7447
Palos Community Hospital	0003210	7306
Grayslake Freestanding Emergency Center	22002	3918
Grayslake ASTC	7003156	3918
Grayslake Endoscopy ASTC	7003149	3918
Cadence Ambulatory Surgery Center	7003173	n/a
The Midland Surgical Center*	7003148	n/a
Illinois Proton Center	n/a	n/a
Palos Health Surgery Center*	7003224	n/a

*denotes partial ownership > 50%

A certified listing of any adverse action taken against any facility owned and/or operated by the applicants, directly or indirectly, during the three years prior to the filing of the application.

By the signatures on the Certification page of this application, the Applicants attest that no adverse action has been taken against any facility owned and/or operated by Northwestern Memorial HealthCare during the three years prior to the filing of this application. For the purpose of this letter, the term “adverse action” has the meaning given to it in the Illinois Administrative Code, Title 77, Section 1130.140.

Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, by not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

By the signatures on the Certification page of this application, the Applicants authorize HFSRB and DPH to access any documentation which it finds necessary to verify any information submitted, including, but not limited to official records of DPH or other State agencies and/or the records of nationally recognized accreditation organizations.

Criterion 1110.110(b)**PURPOSE OF PROJECT**

1. *Document that the project will provide health services that improve the health care or well-being of the market area population to be served.*

The purpose of this project is to expand oncology services and oncology clinic space to meet current and projected demand at Northwestern Medicine Cancer Center Delnor.

2. *Define the planning area or market area.*

The market area for the project is the primary service area for NM Delnor Hospital which is comprised of the following 14 zip codes surrounding the hospital: 60119, 60134, 60144, 60147, 60174, 60175, 60177, 60183, 60506, 60507, 60510, 60539, 60542, 60554. This market area is the source of approximately 73.4% of Delnor's admissions.

3. *Identify the existing problems or issues that need to be addressed.*

Cancer is a leading cause of death within the Delnor service area. Between 2014 and 2016, the annual average age-adjusted cancer mortality rate was 142.3 deaths per 100,000 residents in Kane County. Lung cancer remains the leading cause of cancer deaths in Kane County, followed by female breast cancer, prostate cancer and colorectal cancer.

Demand for oncology services at Delnor has grown substantially over the last five years. From FY15 – FY20, infusion hours at Delnor increased by 59%. Additionally, the healthcare and hospital consulting firm, Sg2, projects continued growth in infusion services in Delnor's PSA through 2029. In order to accommodate the current and projected demand for infusion services at Delnor, additional infusion stations need to be added.

4. *Cite the sources of the documentation.*

Sources of information include:

- Hospital Records
- Sg2 Analysis
- FY18 Delnor Hospital Community Health Needs Assessment

5. *Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.*

Increasing capacity at the Northwestern Medicine Cancer Center Delnor will improve the health of the service area by increasing access to oncology services.

6. *Provide goals for the proposed project.*

The goal of the proposed project is to expand the number of infusion stations and oncology physicians' office space in the Northwestern Medicine Cancer Center Delnor to meet current and projected demand for oncology services at Delnor.

Criterion 1110.110(d)**ALTERNATIVES**

The proposed project will increase access to oncology care at the NM Cancer Center Delnor. In the proposed project, both the oncology clinic space (physicians' offices) and infusion area will be expanded in its current location by building a one-story addition to the existing Cancer Center.

The proposed project is the only feasible option for expanding oncology services at Delnor.

The following alternatives were considered for the project:

1. Use space in an existing medical office building on campus
2. Relocate patients to infusion center at Warrenville location

Alternative 1: Use Space in an Existing Medical Office Building on Campus

There are three medical office buildings on the Delnor campus:

Building	Total Size	Available Space
302 Delnor	74,400 sf	1,800 sf
308 Delnor	8,100 sf	4,000 sf
351 Delnor	107,700 sf	None

While the medical office buildings are proximate to the NM Cancer Center Delnor, there is insufficient available space to accommodate the 15,500 square feet of additional space that is needed for the project.

This alternative was rejected because it did not meet the space requirements of the project.

Alternative 2: Relocate Patients to Infusion Center at the Warrenville Location

NM also offers infusion services NM Cancer Center Warrenville, located less than 15 miles from Delnor. The Warrenville location has 24 infusion stations. From FY15 to FY20, the number of infusion visits at this location increased by 63%. In FY20, the infusion stations had a utilization rate of 67% which is higher than utilization rate used by facility planning firms for infusion centers associated with academic medical centers (see ATTACHMENT-15).

This alternative was rejected because this location does not have the capacity to accommodate the additional Delnor oncology volume.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE**Criterion 1110.120****SIZE OF PROJECT**

For areas in which there are no HFSRB size standards, NM's planning team members, architects, and consultants utilized existing functional standards and incorporated experience from other developments in the healthcare system during the past 2+ decades of growth.

Clinical Components**Infusion Center**

The proposed project renovates and expands the current infusion area of the NM Cancer Center Delnor. Currently, there are 6 semi-private infusion bays and 15 private infusion rooms. The proposed project will convert the semi-private bays into private and add 9 rooms for a total of 30 private infusion bays.

Infusion services include intravenous and catheter-based infusion for chemotherapy, targeted therapies, immunotherapy, blood transfusions, and fluids.

Comparison of Space to Standard

The proposed square footage for the Infusion Center is 10,273 GSF. There is no State Guideline for Square Footage for infusion services.

Pharmacy

The proposed project increases the pharmacy space in the cancer center.

The on-site pharmacy eliminates the need for drugs to be couriered to the building which also eliminates unnecessary treatment delays, spoilage, and limited ability to offer clinical trials. The pharmacy also allows a pharmacist to easily counsel patients and families and establish a more personal relationship during infusion treatments.

The additional space is needed to accommodate additional hoods in the chemo hood rooms, additional Pyxis machines in the medication room, and an additional work station in the work space. A changing room will also be added.

Comparison of Space to Standard

The proposed square footage for the Pharmacy is 1,364 GSF. There is no State Guideline for Square Footage for pharmacy.

Laboratory

The proposed project also includes a small modernization of the existing laboratory.

Laboratory testing is necessary and integral to the diagnosis and treatment of cancer patients. Laboratory testing is routinely performed prior to patients receiving chemotherapy to ensure the patient is healthy enough to withstand treatment.

Space for storage that will be adjacent to the entry of the existing laboratory will added.

Comparison of Space to Standard

The proposed square footage for the Pharmacy is 1,754 GSF. There is no State Guideline for Square Footage for laboratory.

SIZE OF PROJECT				
DEPARTMENT	PROPOSED GSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Infusion Center	10,273	N/A	N/A	N/A
Pharmacy	1,364	N/A	N/A	N/A
Laboratory	1,754	N/A	N/A	N/A

Non-Clinical Components

There are no State Guidelines for the non-clinical components of this project.

Physician Office Space (Medical Oncology)

The proposed project includes physician office space for the Northwestern Medicine Regional Medical Group's (RMG) medical oncology specialists. RMG provides NM healthcare services in the Chicago west and northwest suburbs. Additional space is needed to accommodate the growth in demand for oncology services at the Delnor Cancer Center as detailed in ATTACHMENT-15.

The oncology clinic area will provide space for approximately 12 full-time medical oncologists and 10 part-time oncology specialists.

The Physician Office Space areas in the proposed project total 14,682 GSF.

Administrative

The proposed project includes a relocation of a conference room and the addition of a dictation room and financial counseling room. The administrative area also includes the addition of three check-out stations.

The Administrative areas in the proposed project total 4,619 GSF.

Waiting/Public

The existing lobby and waiting area will be renovated and expanded slightly to accommodate additional seats.

The waiting/public areas in the proposed project total 6,178 GSF.

MEP Systems

The mechanical room will be renovated to accommodate new boilers and an electrical room will be added. The project expansion also included a new receiving room, which moves and upgrades the generator in the service area. The expansion requires three new AHU units on the roof: 1 large unit for the physicians' office space; 1 smaller unit for the infusion area; 1 small unit for the pharmacy.

The MEP systems areas in the proposed project total 2,718 GSF.

PROJECT SERVICES UTILIZATION

The proposed project does not involve any services, functions, or equipment for which HFSRB has established utilization standards in 77 Ill. Admin Code 1100; however, a detailed explanation for NM's determination of the number of required infusion stations is included in this attachment.

Infusion

The NM Cancer Center Delnor is a comprehensive program for medical, surgical, radiation oncology, and supportive services. As part of Northwestern Medicine, the Delnor Cancer Center is affiliated with the Robert H. Lurie Comprehensive Cancer Center of Northwestern University, which is ranked as the #8 top cancer program in the country by U.S. News & World Report, advancing clinical research and innovative cancer treatments.

From FY15 to FY20, infusion hours at Delnor increased by 59%, from 19,034 hours to 30,188 hours. Additionally, the healthcare and hospital consulting firm, Sg2, projects continued growth in infusion services in Delnor's PSA through 2029. In order to accommodate the growing demand for infusion services at Delnor, the proposed project will increase the number of infusion stations by 9 stations to 30.

While there is no industry standard for utilization of infusion resources, facility planning firms have used a 65% utilization rate for the planning of infusion centers associated with academic medical centers (AMCs). AMC infusion centers typically have higher patient acuity, higher than average same-day cancellations, and complex multidisciplinary care. The NM Strategy team worked with The Advisory Board to determine the median utilization rate for AMC/NCI-designated cancer centers and found the rate to be 60%.

Infusion hours grew by an average annual increase of 11.7% from FY15 to FY20.

	Historic Utilization					
	FY15	FY16	FY17	FY18	FY19	FY20
Infusion Hours	19,034	23,562	24,025	25,964	26,692	30,188
# of Stations	19	19	19	21	21	21
Annual Hours of Operation	46,930	46,930	46,930	51,870	51,870	51,870
Infusion Utilization	41%	50%	51%	50%	51%	58%

Assuming the same average annual increase rate of 11.7% as was experienced, the Delnor infusion stations will be operating at utilization rate of 65% by FY25 (two years after project completion), which is higher than the NM Strategy team/The Advisory Board median utilization rate of 60%.

	Projected Utilization				
	FY21	FY22	FY23	FY24	FY25
Infusion Hours	33,101	36,295	39,798	43,638	47,850
# of Stations	21	21	21	30	30
Annual Hours of Operation	51,870	51,870	51,870	74,100	74,100
Infusion Utilization	64%	70%	77%	59%	65%

There is no State standard for utilization for infusion.

Pharmacy

The proposed project expands the pharmacy at the Delnor Cancer Center to accommodate the growth in infusion services. There is no State standard for utilization for pharmacy services.

Laboratory

The proposed project includes renovation to a small part of the laboratory at the Delnor Cancer Center. There is no State standard for utilization for laboratory services.

Comparison of Utilization to Standard

DEPARTMENT	UTILIZATION		STATE STANDARD	MEET STANDARD?
	HISTORICAL UTILIZATION FY19 FY20	PROJECTED UTILIZATION FY24 FY25		
Infusion Services	51% 58%	59% 65%	N/A	N/A

UNFINISHED OR SHELL SPACE

Not Applicable – there is no unfinished or shell space planned in the project.

M. Criterion 1110.270 – Clinical Service Areas Other than Categories of Service

Service	# of Existing Key Rooms	# of Proposed Key Rooms
Infusion	21	30
Pharmacy	N/A	N/A
Laboratory	N/A	N/A

Infusion

The proposed project will expand infusion services at the NM Cancer Center Delnor.

The NM Cancer Center Delnor is a comprehensive program for medical, surgical, radiation oncology, and supportive services. As part of Northwestern Medicine, the Delnor Cancer Center is affiliated with the Robert H. Lurie Comprehensive Cancer Center of Northwestern University, which is ranked as the #8 top cancer program in the country by U.S. News & World Report, advancing clinical research and innovative cancer treatments.

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While there is no industry standard for utilization of infusion resources, facility planning firms have used a 65% utilization rate for the planning of infusion centers associated with academic medical centers (AMCs). AMC infusion centers typically have higher patient acuity, higher than average same-day cancellations, and complex multidisciplinary care. The NM Strategy team worked with The Advisory Board to determine the median utilization rate for AMC/NCI-designated cancer centers and found the rate to be 60%.

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The proposed project expands the pharmacy at the NM Cancer Center Delnor to accommodate the growth in infusion services. There is no State standard for utilization for pharmacy services.

Laboratory

The proposed project includes renovation to a small part the laboratory at the NM Cancer Center Delnor. There is no State standard for utilization for laboratory services.

SECTION VI. 1120.120 – AVAILABILITY OF FUNDS

Not Applicable – proof of bond rating was submitted as part of CON #21-008.

SECTION VII. 1120.130 – FINANCIAL VIABILITY

Not Applicable – proof of bond rating was submitted as part of CON #21-008.

VSECTION VIII. 1120.140 – ECONOMIC FEASIBILITY**A. Reasonableness of Financing Arrangements**

Not Applicable – see bond rating documents

B. Conditions of Debt Financing

Not Applicable – the proposed project does not involve debt financing

C. Reasonableness of Project and Related Costs

COST AND GROSS SQUARE FEET BY DEPARTMENT									
Department	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot		GSF		GSF		Const. \$	Mod. \$	
	New	Mod.	New	Circ.*	Mod.	Circ.*	(A x C)	(B x E)	
CLINICAL									
Infusion Center	\$ 450.00	\$ 255.00	3,832		4,924		\$ 1,724,400	\$ 1,255,620	\$ 2,980,020
Pharmacy	\$ -	\$ 255.00	0		1,364		\$ -	\$ 347,820	\$ 347,820
Laboratory	\$ -	\$ 255.00	0		382		\$ -	\$ 97,410	\$ 97,410
Clinical Subtotal	\$ 450.00	\$ 255.00	3,832		6,670		\$ 1,724,400	\$ 1,700,850	\$ 3,425,250
Clinical Contingency	\$ 45.00	\$ 25.50					\$ 172,440	\$ 170,085	\$ 342,525
Clinical Total	\$ 495.00	\$ 280.50	3,832		6,670		\$ 1,896,840	\$ 1,870,935	\$ 3,767,775
NON-CLINICAL									
Physician Office Space	\$ 450.00	\$ 255.00	8,390		3,783		\$ 3,775,500	\$ 964,665	\$ 4,740,165
Administrative	\$ 450.00	\$ 255.00	1,234		3,385		\$ 555,300	\$ 863,175	\$ 1,418,475
Waiting/Public	\$ 450.00	\$ 255.00	1,333		3,708		\$ 599,850	\$ 945,540	\$ 1,545,390
MEP Systems	\$1,795.00	\$1,259.00	781		165		\$ 1,401,895	\$ 207,735	\$ 1,609,630
Non-Clinical Subtotal	\$ 539.49	\$ 270.00	11,738		11,041		\$ 6,332,545	\$ 2,981,115	\$ 9,313,660
Non-Clinical Contingency	\$ 53.95	\$ 27.00					\$ 633,255	\$ 298,112	\$ 931,366
Non-Clinical Total	\$ 593.44	\$ 297.00	11,738		11,041		\$ 6,965,800	\$ 3,279,227	\$ 10,245,026
TOTALS	\$ 899.99		15,570		17,711		\$ 8,862,640	\$ 5,150,162	\$ 14,012,801

D. Projected Operating Costs

Project Direct Operating Expenses – FY25
Infusion (including Pharmacy)

Total Direct Operating Costs	\$ 46,572,377
Units of Service – Visits	19,938
Direct Cost per Unit of Service	\$ 2,335.86

E. Total Effect of the Project on Capital Costs

Projected Capital Costs – FY25

Equivalent Adult Patient Days (Delnor)	126,096
Total Project Cost	\$ 21,857,801
Useful Life	25
Total Annual Depreciation	\$ 874,312.04
Depreciation Cost per Equivalent Patient Day	\$ 6.93

SECTION IX. SAFETY NET IMPACT STATEMENT

Not Applicable – the proposed project is NON-SUBSTANTIVE and does not involve discontinuation.

SECTION X. CHARITY CARE INFORMATION

With a mission-driven commitment to provide quality medical care regardless of the patient's ability to pay, NMHC is dedicated to improving the health of the most medically underserved members of the community. NMHC's financial assistance programs and outreach services continue to expand so that we are able to serve the most vulnerable in our communities. Through our financial assistance programs and Presumptive Eligibility policy, NMHC continues to provide medically necessary health care for those in need.

NMHC's commitment to our patients and communities has never been more evident as during the COVID-19 pandemic. The simultaneous demand for access to lifesaving healthcare services, rapid scientific discovery, immediate development of novel treatments, participation in expansive public health strategies, and response to our communities' basic needs for food, personal protective equipment (PPE) and reliable information was met in a way that only an organization of dedicated caregivers could respond — through relentless, compassionate delivery of uncompromised, high-quality care.

Through the course of the pandemic, NMHC not only provided the highest level of care for patients in our communities, but also continued to expand upon our commitment to improve access to care. From deepening relationships with FQHCs and community clinics, to improving telehealth collaborations and expanding transitional care programs, FY20 was a year of reinvigorated commitment to improving the health of our communities.

Driven by the continued participation of NMHC in Illinois' Medicaid program, the total cost of care provided under government-sponsored Medicaid and Medicare programs increased in FY20. In FY20, the unreimbursed cost of government sponsored indigent health care services for NMHC totaled approximately \$866.7 million.

During FY20, Northwestern Memorial HealthCare contributed more than \$1.16 billion in community benefits programs including charity care, other unreimbursed care, research, education, language assistance, and other community benefits.

Northwestern Memorial HealthCare

	FY18	FY19	FY20
Net Patient Revenue	\$4,877,615,420	\$5,665,736,442	\$5,570,736,744
Amount of Charity Care (charges)	\$ 321,715,102	\$ 354,450,428	\$ 411,965,498
Cost of Charity Care	\$ 65,929,276	\$ 68,334,946	\$ 89,728,349

Note: numbers do not reflect the impact on acquisitions/affiliations for periods prior to the acquisition/affiliation.

Delnor-Community Hospital

	FY18	FY19	FY20
Net Patient Revenue	\$ 354,008,975	\$ 376,622,449	\$ 363,610,720
Amount of Charity Care (charges)	\$ 16,825,594	\$ 20,496,851	\$ 12,043,131
Cost of Charity Care	\$ 1,904,436	\$ 1,918,515	\$ 2,736,476