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April 24, 2023

VIA E-MAIL

John P. Kniery
Board Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson, Second Floor
Springfield, IL 62761

Re: Permit Renewal Request – Project #22-029 Ascension St. Joseph Surgery Center

Dear Mr. Kniery:

We represent Ascension Saint Joseph MSK JV, LLC, Ascension Health, Presences Chicago Hospital Network d/b/a Presence Saint Joseph Hospital-Chicago, Lakeshore ASC Ventures, LLC, IBI ASC Ventures, LLC, and Illinois Bone and Joint Institute, LLC, (“Permit Holders”) with regard to a permit issued for Project #22-029. On January 31 2023, the Illinois Health Facilities and Services Review Board (“HFSRB”) approved Project #22-029, an application to establish a four operating room ambulatory surgical treatment center (“Project”). The facility will be located 331 West Surf Street, 5th Floor, in Chicago, Illinois 60657. The Project was anticipated to be completed by August 1, 2023. The purpose of this letter is to request a Permit Renewal pursuant to 77 Ill. Admin. Code 1130.740. A check with the permit renewal fee is being submitted under separate cover. This is our first renewal request.

Requested Project Completion Date

The permit holder requests that the HFSRB grant a permit renewal and establish Friday, December 31, 2023, as the project completion date for this project.

Status of the Project

This Project involves modernization of an existing space within the Saint Joseph Hospital Outpatient Pavilion. There will be construction within the space that is associated with the conversion of the existing outpatient procedures rooms to an ambulatory surgical treatment center.

An architect has been engaged and completed plans for the facility have been submitted to the Illinois Department of Public Health Division of Life Safety and were recently approved. Building permits from the City of Chicago are pending approval at this time.

Substantive construction for the conversion of the space has not begun, and overall, the Project is approximately 5% complete. Since approval of the Project the Permit Holder has also continued their evaluation of various pieces of medical equipment for the facility. As a result, the Permit Holder recently submitted an alteration request to increase the overall project budget. The Permit Holder has also sought and received approval for a construction loan to complete the balance of the work needed for the project. The proposed financing terms were favorable to the Permit Holder and warranted a change in the source of funds for the Project. Given the various delays experienced to date and out of an abundance of caution the Permit Holders are requesting a December 31, 2023 completion date.

Statement Regarding Project Completion

As result of their ongoing work to obtain the necessary regulatory approvals and building permits for this Project it has led the Permit Holders to seek the extension of the completion date for the Project. There is an expectation that the issuance of the building permits is imminent, and the Permit Holder remains optimistic that the modernization work will be completed by the new proposed project completion date of December 31, 2023.

To date approximately \$954,766 of the approved \$11,015,760 has been expended on this Project.

Confirmatory Evidence of Permit Compliance

Enclosed is a verified statement from John D. Baird, Chief Executive Officer of Ascension Saint Joseph Hospital and Manager of Ascension Saint Joseph MSK JV, LLC, that confirms the Permit Holders are currently complying with the scope, costs, and conditions of the Project approved by the HFSRB, pursuant to the permit letter issued for this project. Additionally, the aforementioned verified statement confirms that there are sufficient financial resources available to complete this project.

If you have any questions or need any additional information regarding the project or this permit renewal request, please feel free to contact me at 312-212-4967.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF, LLP



Juan Morado, Jr.

State of Illinois
County of Cook

Verification

I, John D. Baird, being first duly sworn, an oath, depose and state as follows:

1. I serve as Chief Executive Officer of Ascension Saint Joseph Hospital and Manager of Ascension Saint Joseph MSK JV, LLC, two of the Permit Holders for Ascension Saint Joseph Surgery Center MSK, Project #22-029.
2. This project involves the establishment of a 4 operating room ambulatory surgical treatment center located at 331 West Surf Street Road 5th Floor, in Chicago, Illinois 60657.
3. Construction on the project has been delayed to date as approval for the facility design plan was only recently approved by the Illinois Department of Public Health Division of Life Safety. Additionally, the Permit Holder expects supply and material delays necessary to complete the project given recent updates from the Project's General Contractor.
4. The Permit Holders have applied for building permits and are awaiting the necessary permits from the City of Chicago to begin construction of the facility.
5. While at this time the project's costs and scope comply with the application of the HFSRB approved for Project #22-029, the Permit Holder has recently submitted an alteration request to increase the project's overall costs.
6. Sufficient financial resources remain available for the facility to complete project #22-029.

Under penalties as provided by law pursuant to Sec. 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct.

 (signature)

4/24/2023 (date)