



150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606 • (312) 819-1900

November 15, 2023

Anne M. Cooper
312.873.3606
312.276.4317 Fax
acooper@polsinelli.com

Via Federal Express
Via Certified Mail

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

**Re: Montrose Behavioral Health Hospital (Proj. No. 22 – 034)
Permit Alteration Request**

Dear Mr. Kniery:

Pursuant to Section 1130.750 of the Illinois Health Facilities and Services Review Board (“HFSRB”) rules, I am writing on behalf of Acadia Healthcare Company, Inc. and Chicago BH Hospital, LLC d/b/a Montrose Behavioral Health Hospital (the “Permit Holders”) (collectively, the “Permit Holders”) to request an alteration to the above referenced project to increase the total project costs to \$36,405,997.

As you are aware, the HFSRB approved the Permit Holders’ certificate of need application for the modernization of the Montrose Behavioral Health Hospital adult building located at 4840 North Marine Drive, Chicago, Illinois (the “Project”). Modernization of the adult building, which was constructed in the 1960s, presented numerous challenges that were outside the scope of the original project, which increased the construction cost of project. For example, exterior envelope improvements were not part of the original scope but had to be addressed once internal demolition exposed deterioration that had to be fixed properly. Sanitary and storm line improvements below slab in the existing building were required due to deterioration which affected the scope of work on the first floor.

The HFSRB’s rules allow for certain alterations to a project for which a permit has been issued. As set forth in 77 Ill. Admin. Code 1130.750, an increase up to 7% of the approved gross project is an allowable alteration that requires HFSRB approval. For your review, I have attached the following documents:

- Attachment – 7 (Project Costs and Sources of Funds)

polsinelli.com

Atlanta	Boston	Chicago	Dallas	Denver	Houston	Kansas City	Los Angeles	Miami	Nashville	New York
Phoenix	St. Louis	San Francisco	Seattle	Silicon Valley	Washington, D.C.	Wilmington				

Polsinelli PC, Polsinelli LLP in California



Mr. John Kniery
November 15, 2023
Page 2

- Attachment – 9 (Cost Space Requirements)
- Attachment – 36C (Cost and Gross Square Feet by Department)

By this letter, the Permit Holders request the HFSRB approve this alteration.

Sincerely,

A handwritten signature in blue ink that reads "Anne M. Cooper".

Anne M. Cooper

Attachments

Project Costs and Sources of Funds

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$11,402,643	\$18,296,715	\$29,699,358
Contingencies	\$915,141	\$450,741	\$1,365,882
Architectural/Engineering Fees	\$998,114	\$715,489	\$1,713,603
Consulting and Other Fees	\$129,176	\$63,624	\$192,800
Movable or Other Equipment (not in construction contracts)	\$1,866,620	\$919,380	\$2,786,000
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	\$434,397	\$213,957	\$648,354
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$15,746,091	\$20,659,906	\$36,405,997
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$15,746,091	\$20,659,906	\$36,405,997
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$15,746,091	\$20,659,906	\$36,405,997
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Section I, Identification, General Information, and Certification
Cost Space Requirements

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							
Nursing	\$10,681,164	31,752			31,752		
Admissions/Intake	\$619,159	1,819			1,819		
Pharmacy	\$102,320	381			381		
Total Reviewable	\$11,402,643	33,952			33,952		
NON-REVIEWABLE							
Administration	\$1,600,956	3,756			3,756		
Dietary	\$294,339	1,871			1,871		
Dining/Activity/ Day Room	\$612,279	2,110			2,110		
ECT Clinic	\$350,173	967			967		
Maintenance	\$108,377	652			652		
Mechanical/ Electrical	\$12,526,407	2,352			2,352		
Circulation – Horizontal	\$995,056	2,086			2,086		
Circulation - Vertical	\$625,708	2,954			2,954		
Total Non-Reviewable	\$17,113,295	16,748			16,748		
Misc – (Roofing, Exterior Improvement)	\$1,183,420	50,700			50,700		
Total Construction	\$29,699,358						
Other Project Costs							
Contingencies	\$1,365,883						
Architectural/Engineering	\$1,713,603						
Consulting/Other	\$192,800						
Moveable and Other Equipment	\$2,786,000						
Other Costs to be Capitalized	\$648,353						
Total Other Project Costs	\$6,706,639						
Total Use of Funds	\$36,405,997						

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(c), Reasonableness of Project and Related Costs

1. The Cost and Gross Square Feet by Department is provided in the table below.

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 Mod.	New Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
REVIEWABLE									
Nursing		\$336.39			31,752			\$10,681,164	\$10,681,164
Admissions/Intake		\$340.38			1,819			\$619,159	\$619,159
Pharmacy		\$268.56			381			\$102,320	\$102,320
Contingency		\$26.95			33,952			\$915,141	\$915,141
TOTAL REVIEWABLE		\$362.80			33,952			\$12,317,784	\$12,317,784
NON-REVIEWABLE									
Administration		\$426.24			3,756			\$1,600,956	\$1,600,956
Dietary		\$157.32			1,871			\$294,339	\$294,339
Dining/Activity/ Day Room		\$290.18			2,110			\$612,279	\$612,279
ECT Clinic		\$362.12			967			\$350,173	\$350,173
Maintenance		\$166.22			652			\$108,377	\$108,377
Mechanical/ Electrical		\$5,325.85			2,352			\$12,526,407	\$12,526,407
Circulation- Horizontal		\$457.84			2,086			\$995,056	\$995,056
Circulation – Vertical		\$211.82			2,954			\$625,708	\$625,708
Roofing, Exterior Improvements								\$1,183,420	\$1,183,420
Contingency		\$26.91			16,748			\$450,741	\$450,741
TOTAL NON-REVIEWABLE		\$1,119.38			16,748			\$18,747,456	\$18,747,456
TOTALS		\$612.73			50,700			\$31,065,240	\$31,065,240
* Include the percentage (%) of space for circulation									

REF. #	INV. #	DATE	INVOICE DESCRIPTION	AMOUNT
55771801	111423-2	11/14/23	CRINV 074195-718457 - Manteno adult building CON permit alteration (Pick G. Kus) 80; 111423	1,000.00
		TOTAL	NET	\$1,000.00

DOCUMENT HAS A COLORED BACKGROUND PRINTED ON CHEMICAL REACTIVE PAPER & ARTIFICIAL WATERMARK - HOLD AT AN ANGLE TO VIEW



900 W 48th Place
Suite 900
Kansas City, MO 64112

US Bank
1201
WYANDOTTE
Kansas City, MO
64106

DATE
NOV 15, 2023

827082
NUMBER **827082**

AMOUNT

\$*****1,000.00

PAY: ONE THOUSAND AND 00/100 DOLLAR(S)

TO THE ORDER OF
Illinois Department of Public Health
Division of Environmental Health- Structural Pest Control Program
525 W Jefferson Street
Springfield, IL 62761

VOID AFTER 1 YEAR


AUTHORIZED SIGNATURE

TWO SIGNATURES REQUIRED FOR AMOUNTS OVER \$25,000.00

⑈827082⑈ ⑆101000187⑆ ⑆4343953230⑈

ORIGIN ID: CHIA (312) 819-1900 ANNE COOPER POL SINELLI PC 150 N RIVERSIDE PLAZA SUITE 3000 CHICAGO, IL 60606 UNITED STATES US		SHIP DATE: 15NOV23 ACTWGT: 0.50 LB CAD: 253865944M/SX13600
TO MICHAEL CONSTANTINO IL HEALTH FAC AND SERVS REV. BD 525 W JEFFERSON ST. 2ND FL SPRINGFIELD IL 62761		BILL SENDER
(217) 765-1557 INV: PO:	REF: 074195718457 2454 DEPT:	




REL#
3785346

TRK# 7864 3857 4233
 0201

THU - 16 NOV 10:30A
 PRIORITY OVERNIGHT



XP SPIA
 IL-US **STL**
62761

583J5/FOB2/9AE3

FOLD on this line and place in shipping pouch with **bar code** and **delivery address** visible

1. Fold the first printed page in half and use as the shipping label.
2. Place the label in a waybill pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.
3. Keep the second page as a receipt for your records. The receipt contains the terms and conditions of shipping and information useful for tracking your package.

Legal Terms and Conditions

Tendering packages by using this system constitutes your agreement to the service conditions for the transportation of your shipments as found in the applicable FedEx Service Guide, available upon request. FedEx will not be responsible for any claim in excess of the applicable declared value, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the applicable FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of 100 USD or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is 500 USD, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see applicable FedEx Service Guide. FedEx will not be liable for loss or damage to prohibited items in any event or for your acts or omissions, including, without limitation, improper or insufficient packaging, securing, marking or addressing, or the acts or omissions of the recipient or anyone else with an interest in the package. See the applicable FedEx Service Guide for complete terms and conditions. To obtain information regarding how to file a claim or to obtain a Service Guide, please call 1-800-GO-FEDEX (1-800-463-3339).