

April 19, 2024

VIA E-MAIL

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

Re: Annual Project Report and Notice of Financial Commitment, Project #22-045 Surgery Center of Illinois

Dear Mr. Kniery:

I am writing on behalf of Surgery Center of Illinois, LLC (the "Permit Holder") in regard to Project #22-045 for the Surgery Center of Illinois. This letter is being submitted pursuant to 77 Ill. Admin Code Section 1130.760, please accept the following as our annual progress report.

Current Status of the Project

Through March 31, 2024, the project is 15% complete. Substantive construction of the facility has not begun. Phase 1 architectural plans are complete and have been submitted to the Design and Construction Safety Unit of the Illinois Department of Public Health. Upon submission of an application for a local building permit from Oak Lawn it was determined that a zoning change and variance would be required for the proposed facility. The proposed facility is to be located on several parcels of land located in Oak Lawn that were previously used for non-healthcare related commercial use. A couple of the parcels where the facility will be located do not have the correct zoning designation for healthcare use.

The delays in construction are directly attributable to the zoning issue which the Applicant has been diligently working through. The proposed zoning change application has already been filed and is up for consideration at the May 2024 meeting. The project has been financially committed through the selection of the general contractor, American Medical Buildings for the project and payment of associated construction costs.

Cost Incurred to Date and Method of Financing

The amount of funds expended on the project through March 31, 2024, is approximately \$178,330. The method of financing and the sources of funds for the project have not changed since the approval of the Project by the Board on March 21, 2023. At this time, we believe the total

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project costs at completion of the project will be in line with the approved project costs listed in the original application.

Anticipated Date of Completion

The scope of the project has remained consistent with the approved permit for Project #22-045. At this time the Permit Holder will be submitting a permit renewal request to extend the project completion date due to the delays related to zoning.

If you have any questions or need any additional information regarding the project, please feel free to contact me via phone at 312-212-4967 or via email at JMorado@beneschlaw.com.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

A handwritten signature in black ink, appearing to read "Juan Morado Jr.", with a stylized flourish at the end.

Juan Morado Jr.