

RECEIVED

SEP 13 2024

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

September 6, 2024

To: Mr. John Kniery Mr. Michael Constantino
Administrator Project Review
Health Facilities and Services Review Board
525 W. Jefferson St.
Springfield, IL 62761

From: Joseph Hagerty
104 Glenwood Drive
Glen Carbon, Illinois 62034
618-581-5015

Subject: Project 24-026
BJC Medical Clinics Building

The purpose of this letter is to request more information on the above project. I have a general interest in commercial developments in the Edwardsville area. The information in the permit application is extremely limited, especially regarding programmatic functions and space.

My questions are as follows:

1. What is in the project?

The project is described as the build-out of approximately 23,000 sq ft of vacant space (page 5) but only 3,223 sq ft of space is itemized in the SIZE table on page 41. This itemized space is specific to infusion therapy, general radiography (relocating), MRI, CT, and mammography. The physician office space component of the project is not listed on this table. Is that space active exam rooms? If so, how many rooms, what patient volumes are forecasted (standard of 2,000 annual visits per room) and how much space is planned for the rooms (standard of 800 sq ft per room)? The permit application provides no information about the offices other than their total construction cost of \$5,549,730 (page 61).

Permit application 21-010 for the initial medical clinics building referenced forty-eight (48) exam rooms. Were these built as required and are they now in use? If the new space includes exam rooms, then how many exam rooms will there be in total in the building after the completion of 24-026?

2. Was there/is there shell space?

Pages 39 and 43 of application 24-026 both refer to 23,000 sq ft of "shell space." Permit 21-010 stated that there is no shell space (page 15). Which is accurate?

Both the original permit application 21-010 (on page 34) and permit application 24-026 (on page 32) reference the building as having a total of approximately 56,000 sq ft.

Permit 21-010 shows an assignment of 55,747 sq ft of space (pages 37 and 56) as the project that was approved by HFSRB. That would imply that there was no shell space in the 56,000 sq ft building since all space is allocated. Yet, permit application 24-026 refers to 23,000 sq ft of available vacant space. Was project 21-010 built as stated in the permit application (in which case there would be no available vacant space), or was some of the 56,000 sq ft of space not built-out (which would mean that the 55,747 sq ft project was not built as approved in 2021)?

3. Is this project modernization of current space or new construction?

There are references throughout the permit application to the project as a modernization project. Yet the tables showing costs refer to this as new construction. Which is accurate?

4. Are surgical procedures to be performed in the building?

Are there going to be surgery suites or procedure rooms in the building? If so, what is the space and cost associated with them? Do these rooms already exist, or are they part of the undefined "ancillary and support services" referenced in page 5 of 24-026? I have seen recruitment materials for GI surgeons to work at this location. Permit application 24-026 states (page 5) that the facility "will not include an IDPH-licensed surgery center." Does the facility include rooms for surgery and/or procedures, as an office-based practice setting and not a licensed setting? If so, in which permit application is this addressed?

5. Equipment cost is half of the entire capital budget. What equipment is included?

Approximately \$11.4 million (specifically \$11,367,426) is budgeted for Moveable and other Equipment not in Construction Contracts. That amount is almost half of the total \$23,076,474 capital cost for the entire project 24-026. That is a significant capital expenditure for equipment for a project like this. Of this \$11.4 million equipment cost, over \$6.2 million is for "physician offices." Why is this so much higher than the \$1 million budget for equipment in physician offices for the original project 21-010 (page 35)?

Information provided in the permit application is very sparse for a \$23 million project. I hope that the review process answers the above questions so that there can be a complete understanding of what has been built under the original permit application and what is proposed in the current application.

I ask that the State's project website includes responses to the above questions.

A handwritten signature in black ink, appearing to read "Joe Regatta". The signature is stylized with a large, looping initial "J" and a long, horizontal stroke extending to the right.