



Fresenius Medical Care

RECEIVED

October 21, 2013

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson, 2nd Floor
Springfield, IL 62761

Re: Request For Second Permit Renewal Section 1130.740
Project: #10-063, Fresenius Medical Care Lakeview
Permit Holder: Fresenius Medical Care Chicagoland, LLC and Fresenius
Medical Care Holdings, Inc.

Dear Ms. Avery:

Fresenius Medical Care Chicagoland, LLC is seeking to renew the permit for Fresenius Medical Care Lakeview, #10-063. Enclosed is a \$500.00 permit renewal fee. This project was altered September 19, 2012. The permit amount is for \$1,280,746. This report summarizes the current status of the project.

Sincerely,

Lori Wright
Fresenius Medical Care
Senior CON Specialist

cc: Clare Ranalli

October 4, 2013

Request For Second Permit Renewal Section 1130.740

Project: #10-063, Fresenius Medical Care Lakeview

Permit Holder: Fresenius Medical Care Chicagoland, LLC and Fresenius Medical Care Holdings, Inc.

Permit Amount: \$1,280,746

1. **The requested completion date:** *The requested completion date is May 31, 2015.*
2. **a status report on the project detailing what percent has been completed and a summary of project components yet to be finished and the amount of funds expended on the project date**

<u>Key Milestones Completed:</u>	<u>Date Complete</u>
• Project Obligation with Lease Execution	05/31/2011
• Preliminary Plan approved, notice sent to the Architect to proceed.	09/19/2011
• Construction Drawings Completed	10/19/2011
• Scope of Project sent out for bids	10/21/2011
• Building permit granted	10/27/2011
• Construction Commencement	02/08/2011
• Permit Renewal Request	04/12/2012
• Permit Alteration Granted	09/20/2012

- Second Permit Renewal Request 10/21/2013

Key Actions that need to be completed:

<u>Action</u>	<u>Target Date</u>
• Construction contract awarded	02/28/14
• Misc. Purchase orders placed	04/01/14
• Vendor Installs	06/01/14
• Certificate of occupancy granted	07/01/14
• 1 st Patient Dialyzed	08/01/14
• ESRD Federal Certification Survey	11/01/14
• Project Complete with receipt of Certification letter	02/01/15

The project is approximately 10% complete and is expected to be complete by May 31, 2015.

3. a statement as to the reasons why the project has not been completed

This project was originally delayed due to a permit modification reducing the expansion from 8 stations down to 4. There was also a delay in finalizing architectural plans for the site.

In late 2011 plans for an internal change of ownership to allow for possible physician investment prompted a CON submittal to change ownership from Fresenius Medical Care of Illinois, LLC to wholly owned Fresenius Medical Care Chicagoland, LLC. Permit was granted in January 2012. The possibility of physician investment created ongoing negotiations further delaying the project. The change of ownership for this facility was completed in August and the expansion project can now move forward.

4. evidence of financial commitment to fund the project

Sources and Uses of Funds

All Project financing to date has been funded from available cash and its equivalents as reported on the company's financial statements. The right to occupy the premises has been secured through a leasing arrangement. This leasing arrangement was utilized to obligate the project. None of the project costs have exceeded the approved permit amounts.

Total committed for Project

PROJECT COST AND SOURCES OF FUNDS		
	Committed	Spent
Preplanning Costs	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A
Site Preparation	N/A	N/A
Off Site Work	N/A	N/A
New Construction Contracts	N/A	N/A
Modernization Contracts	642,000	0
Contingencies	60,000	0
Architectural/Engineering Fees	50,000	48,345
Consulting and Other Fees	N/A	N/A
Movable or Other Equipment (not in construction contracts)	150,000	0
Bond Issuance Expense (project related)	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A
Fair Market Value of Leased Space or Equipment	378,746	378,746
Other Costs To Be Capitalized	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A
Total Committed For Project	1,280,746	
	Spent	427,091

5. **anticipated final cost of the project** *There have been no other changes to the cost of the project after the alteration September 2012. Final cost will be within the original permit amount of \$1,280,746.*

Fresenius Medical Care Chicagoland, LLC

In accordance with Section 1130.740 part c, of the Illinois Health Facilities Planning Board rules for renewal of a permit;

I do hereby certify that the project was initiated on 05/31/2011 with the lease execution and; that the financial resources to fund the project are available or otherwise committed; and that the project's cost, scope, design, square footage, number of stations are in compliance with that which the State Board has approved.

By: 

ITS: Richard Stotz, Manager, Regional Vice President

Notarization: 
Subscribed and sworn to before me
This 7th day of OCTOBER 2013

Seal



Fresenius Medical Care Holdings, Inc.

In accordance with Section 1130.740 part c, of the Illinois Health Facilities Planning Board rules for renewal of a permit;

I do hereby certify that the project was initiated on 05/31/2011 with the lease execution and; that the financial resources to fund the project are available or otherwise committed; and that the project's cost, scope, design, square footage, number of stations are in compliance with that which the State Board has approved.

By: B. Mello

ITS: Bryan Mello
Assistant Treasurer

Notarization:

Subscribed and sworn to before me
This 17th day of October 2013

Seal  Jennifer E. Rosa
JENNIFER E. ROSA
Notary Public
Commonwealth of Massachusetts
My Commission Expires
January 21, 2016