

May 17, 2024

VIA EMAIL & U.S. MAIL

Ms. Ruby Potter / Ms. Deanna Dunn
mhcc.confilings@maryland.gov
Program Managers
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215

Re: Second Request for Post Approval Project Change
Construction of a Cancer Center at the
University of Maryland Medical Center (19-24-2438)

Dear Ms. Potter and Ms. Dunn:

On behalf of applicant University of Maryland Medical Center, enclosed are six copies of its "Response to MHCC Informal Questions Dated May 6, 2024" regarding its second Request for Post-Approval Project Change with respect to construction of a cancer center at the University of Maryland Medical Center.

I hereby certify that a copy of this submission has also been forwarded to the appropriate local health planning agencies as noted below.

Sincerely,



Thomas C. Dame

TCD:blr

Enclosures

cc: Wynee Hawk, Director, Center for Healthcare Facilities Planning and Development
Jeanne Marie Gawel, Acting Chief, CON, MHCC
Moirra A. Lawson, Program Manager, Certificate of Need, MHCC
Alexa Bertinelli, Assistant Attorney General, MHCC
Caitlin Tepe, Assistant Attorney General, MHCC
William Chan, Program Manager, MHCC
Dr. Ihuoma Emenuga, Health Commissioner, Baltimore City Health Department
Christopher J. Tully, Esq., Associate Counsel, UMMS
Dana D. Farrakhan, FACHE, Sr. VP, Strategy, Community and Business Development
Scott Tinsley-Hall, Director, Strategic Planning, UMMC
Ella R. Aiken, Esq.
Alison B. Lutich, Esq.

**UNIVERSITY OF MARYLAND MEDICAL CENTER
CONSTRUCTION OF ADDITION FOR CANCER CENTER
Matter No. 19-24-2438**

**Responses to MHCC
Additional Information Questions dated May 6, 2024**

1. **The mechanical penthouse is being moved to the 14th floor and has been included in the MVS analysis for the UMROI exemption request (the footprint for the mechanical penthouse is 22,215 SF and the total SF between the two project MVS analyses is 29,348 SF). Please respond to the following:**
 - a. **You have reported that the increased SF is due to a mezzanine level in the mechanical penthouse. Please describe what is meant by a mezzanine level.**

[Applicant Response](#)

The mezzanine level is an intermediate level elevated above the 14th floor that is open to the 14th floor below (with a 42" railing along the edge). The mezzanine is within the vaulted Electrical Switchgear Room and houses electrical panels and other equipment. A section cut drawing through the 14th floor and mezzanine has been included for clarity and is attached as **Exhibit 17**. Also, revised Table C, showing the area of the mezzanine level separately, is attached as **Exhibit 18**.

- b. **Does the mezzanine have the same 29-foot ceilings reported for the penthouse itself? How does that affect the overall height of the 14th floor?**

[Applicant Response](#)

The 14th floor has 29-foot ceiling height across the majority of the floor. Where the mezzanine is located within the Electrical Switchgear Room is generally halfway between the 14th floor level and the 29'-0" ceiling height above, resulting in a lower ceiling height for a portion of the Electrical Switchgear Room and 12'-6" ceiling height at the mezzanine level (see section cut that is included).

- c. **Revise the MVS analysis to accurately reflect the square footage and ceiling heights of the mechanical penthouse.**

[Applicant Response](#)

The revision of the MVS analysis for the accurate presentation of square footage and ceiling heights, as presented below, also includes updates for the most recent MVS benchmarks as published by CoreLogic in November 2023.

Marshall Valuation Service
Valuation Benchmark – New Hospital Construction

<u>Type</u>	<u>MVS Reference</u>	<u>Hospital</u>
Construction Quality/Class		Good/A
Stories (Includes 14 Floors, Mezzanine and Roof)		16
Perimeter		497
Average Floor to Floor Height		12.7
Square Feet		190,062
Average Floor Area		11,879
A. Base Costs		
Basic Structure	15-24	\$560.00
Elimination of HVAC Cost for Adjustment	15-25	0.00
HVAC Add-On for Mild Climate	15-25	0.00
HVAC Add-On for Extreme Climate	15-25	0.00
Total Base Cost		\$560.00
Adjustment for Departmental Differential Cost Factors	87-8	0.870
Adjusted Total Base Cost		\$486.96
B. Additions		
Elevator (if not in base)	15-36	\$0.00
Other	15-25	0.00
Subtotal		\$0.00
Total		\$486.96
C. Multipliers		
Perimeter Multiplier	15-37	0.95229
Product		\$463.73
Height Multiplier	15-37	1.01603
Product		\$471.16
Multi-story Multiplier	15-25	1.065
Product		\$501.79
D. Sprinklers		
Sprinkler Amount (MVS November 2023 Update)	15-36	\$3.68
Subtotal		\$505.47

E. Update/Location Multipliers		
Update Multiplier (MVS November 2023 Update)	99-3	1.01
Product		\$510.52
Location Multiplier	99-8	0.99
Product		\$505.42
MVS Cost per Square Foot Benchmark		\$505.42

Inclusion of the accurate presentation of square footage and ceiling heights in the MVS analysis does not affect the construction costs associated with the Cancer Center project and related extraordinary cost adjustments. Nor does it affect the total square feet associated with the project. As such the average Cancer Center project cost per square foot of \$546.27 remains unchanged from the CON issued on August 20, 2020, and as modified on October 19, 2023.

As presented below, the Cancer Center project cost per square foot exceeds the revised MVS benchmark by approximately \$41 per square foot.

Source of Cost	Per Square Foot
MVS Benchmark	\$505.42
CC Project Cost	\$546.27
\$ Difference	\$40.85
% Difference	8.08%

- The elevator areas on floors 10-13 are charged in both the UMROI exemption request and the Cancer Center request. This is not permitted. Please revise the MVS for this project, or the UMROI exemption, or both, to include the elevator areas in only one project.**

[Applicant Response](#)

It is not correct that the elevators were double charged in the MVS analyses of the two projects. In the Cancer Center MVS analysis presented in Exhibit 9 to the UMMC Response to Additional Information Questions Dated May 17, 2023, submitted on June 20, 2023, there is an extraordinary cost adjustment of \$6,363,000 to Retro Fit Two New Elevators, Shafts, and Pits into the existing Medical Center. There are also allocations of adjustments for capitalized interest and loan placement fees associated with the retro fit for elevators, shafts, and pits.

In Table 14 MVS Extraordinary Project Cost Adjustments in UMMC’s Request for CON Exemption – Merger Consolidation of UMROI and UMMC, submitted on December 29, 2023, there is a column of Cancer Center Project Cost Adjustments that includes \$6,363,000 to Retro

Fit Two New Elevators, Shafts, and Pits. In that same table, there are three columns associated with UMROI Project Cost Adjustments. In the line related to the Retro Fit Two New Elevators, Shafts, and Pits into the existing Medical Center, there are \$0 in the Rehab Project cost adjustment columns.

While the Cancer Center retro fit cost adjustment is presented in the UMROI Project MVS analysis, the retro fit cost adjustment associated with the Cancer Center is not duplicated in the UMROI Project MVS analysis.

3. **The change request states that much of the increased cost is due to relocation of a number of services and facilities during the connection of the new building to the existing building and that the Cancer Infusion Center move is an interim move. Are the remainder of the facilities being permanently moved or are they also interim move, and if so where?**

Applicant Response

All relocated services and functions were relocated on a permanent basis, except for Cancer Infusion, which is in an interim location and will be moved into the new building when complete.

4. **Regarding Exhibits 2 and 3, Tables C and E, UMMC indicates the following changes between the First and Second Modification requests:**

	First Modification October 2023	Second Modification April 2024	Variance	Percentage (+/-)
Renovation Costs	\$14,100,000	\$32,081,970	\$17,981,970	127.5%
Total Renovation Square Footage	41,644	38,704	(2,940)	-7.1%
Renovation Cost/SF	\$338.58	\$828.91	\$490.33	144.8%

UMMC indicates that the total renovated square footage for the Stoler Cancer Center has decreased from 41,644 SF for the First Project Modification to 38,704 SF with the Second Project Modification, a decrease of 7.1%. Conversely, the total cost of renovations has increased from \$14,100,000 to \$32,081,970, an increase of 127.5%. Please respond to the following:

- a. **Explain the 7.1% decrease (2,940 sf) in total square footage identified as areas involved in the renovation to the North Hospital. What areas have been taken out of the renovations approved in the October 2023 project modification since UMMC has incurred additional renovation costs submitted with the second project modification that include relocation costs and modifications to the South Entrance.**

Applicant Response

At the second floor, 2,940 square feet was inadvertently included in renovation which should have been included in new construction. This does not change the overall square footage of the project.

- b. Why has the cost of renovations increased significantly by 127.5% while the amount of area that UMMC is renovating decreased in a six-month period from October 2023 to April 2024? Have supply chain issues, cost increases, or labor shortages had an impact on the completion of the Stoler Center?**

Applicant Response

The renovation cost includes various enabling projects and permanent and/or temporary departmental moves within the existing hospital which costs were not previously accounted for and are necessary for the construction/completion of the Stoler project and physical connections back to the existing hospital. These renovations include the relocation of Pediatric Specialty, Pediatric Surgery, Radiology Suite, Cancer Infusion, the gift shop, Pastoral Care, and registration/admitting, among other miscellaneous enabling moves within the existing hospital. Costs of required temporary exterior improvements were not originally accounted for in previous submissions and are now included. These improvements include an ADA ramp at the South entrance, valet accommodations, and overhead scaffolding protection at the South entrance. Supply chain issues, cost increases, and labor shortages have not had a significant impact on the completion of the Stoler Center to date.

- c. Does the applicant anticipate any further project modifications or increases in project costs before the completion of the Stoler Center in June 2028?**

Applicant Response

The applicant does not presently anticipate any further project modifications or increases in project costs before completion of the Stoler Center.

- d. While the applicant indicates that the additional project costs are due to renovations, the MVS benchmark for new construction of a Class A, Good Quality General Hospital as reported by the Marshall & Swift Valuation Service in November 2023 is \$560.00/SF. The \$32.1 million in total renovation costs for 38,704 SF calculates to about \$828.91/SF, which exceeds the \$560/SF benchmark for new construction by 48.0%. Please explain why the costs are so much higher for this renovation.**

Applicant Response

The additional renovation cost included in this project change request involves enabling moves of services and functions in areas of the hospital buildings outside the project area. As a result, the square footage affected by of these enabling moves was not included in Table B as square footage of the project. Thus, when attempting to calculate the cost of the project renovation on a cost per square foot basis, the cost appears extremely high. The table below shows the square footage of the areas impacted by the enabling moves, and for each, an estimated cost per square foot.

Enabling Projects	Budget	Area (Sq Ft)	Cost per SF
Relocation of Pediatric Specialty Care	\$325,000.00	3,500	\$92.86
Relocation of Pediatric Surgery Office	\$621,000.00	5,150	\$120.58
Relocation of Radiology Suite	\$1,279,067.00	3,141	\$407.22
Relocation of Gift Shop, Pastoral Care Depts, Outpatient Registration & Admitting	\$2,271,903.00	4,400	\$506.56
Relocation of Cancer Infusion Services	\$5,280,000.00	9,506	\$555.44
Renovation and Moves to Provide Connection to Elevator Service	\$3,200,000.00	2,220	\$1,441.44
G1 South Entrance Modification	\$1,600,000.00	3,978	\$402.21
Miscellaneous Enabling Moves*	\$1,000,000.00	Varies	

*Miscellaneous enabling moves includes cost/square footage of temporary and/or permanent departmental moves and associated renovations to facilitate the new construction but do not have a measurable square footage.

Costs are also included in the renovations for the additional exterior improvements listed below that were required to facilitate the new construction but do not necessarily have a quantifiable associated square footage:

- ADA ramp at the South entrance - \$600,000
- Right-of-Way and Valet accommodations - \$500,000
- Overhead scaffolding protection at the South entrance - \$1,305,000

Supply chain issues, cost increases, and labor shortages have not had a significant impact on the completion of the Stoler Center to date.

- 5. Please discuss whether UMMC has informed the Health Services Cost Review Commission about this second project modification. Does UMMC plan to seek a rate adjustment to its GBR for the \$18,902,790 in additional project costs?**

[Applicant Response](#)

The HSCRC has been informed of the project modification and UMMS is not requesting a rate adjustment to the GBR for the additional project costs.

- 6. Regarding the relocation costs on p. 4, please provide the following:**
- a. The basis or need for \$9,776,970 to relocate for the Pediatric Specialty Care, Pediatric Surgery Office, Radiology Suite, Gift Shop, Pastoral Care Department, Outpatient Registration, Admissions, and Cancer Infusion Services.**

[Applicant Response](#)

The Pediatric Surgery offices, Radiology Suite, Gift Shop, Pastoral Care, Outpatient Registration & admissions and Cancer Infusion were all located in parts of the building that had

to be demolished to facilitate construction of the new building. The table below shows the affected functions and services, as well as the square footage and the place of relocation.

Affected Function / Service	Area	Relocation Site
Pediatric Surgery	5,150 s.f.	Relocated to Paca Pratt Building
Radiology Suite	3,141 s.f.	Relocated to South Hospital, Floor 2, Wing A
Gift Shop	500 s.f.	Relocated to South Hospital, Floor 1, Wing A
Pastoral Care	1,900 s.f.	Relocated to South Hospital, Floor 1, Wing C
Outpatient Registration & Admissions	2,000 s.f.	Relocated to South Hospital, Floor 1, Wing A
Cancer Infusion	9,506 s.f.	Relocated to South Hospital, Floor 7, Wings A, C, and D

b. The basis or need for \$3,200,000 to provide a connection to service elevators on the North Hospital upper floors.

[Applicant Response](#)

The new service elevators are strategically located in the new building so as to provide service to the existing North Hospital. A breakthrough from the North Hospital to the new elevators is required on each floor. Renovation is required on each floor to make these connections and create a corridor to access the new elevator lobby. Drawings of the areas affected by these new connections, by floor, are shown in response to Question 6(c) below. On a cost per square foot basis, the cost of this work is unusually high because these are not typical construction sites. Several specific factors contribute:

- On each floor patient rooms are being disturbed. This work includes removal of plumbing and medical gases, which, to meet code requirements, must be removed back to their source. This removal extends beyond the typically defined limits of construction and the square footage indicated.
- The work on each floor is within an occupied, fully operational patient unit. Each component requires separate Infection Control Risk Assessment (ICRA) and Interim Life Safety Measures (ILSM) plans to be developed and followed throughout the duration of work.
- One of the floors is an occupied, fully operational Adult Psychiatry Unit. Work on this unit requires special care and additional staffing to assure that the site is always secure from patients, tools are never left unattended, no construction worker is alone on the unit; all required to assure continuous patient safety.
- One of the floors is a secured Pediatrics unit. In some ways similar to the Psychiatry unit, special care must be taken to assure patient safety. As a locked unit concern over patient elopement is paramount. Additional construction safety staff are needed to make sure the unit perimeter remains secure during construction work, workers entering and leaving the unit and while materials are being delivered.

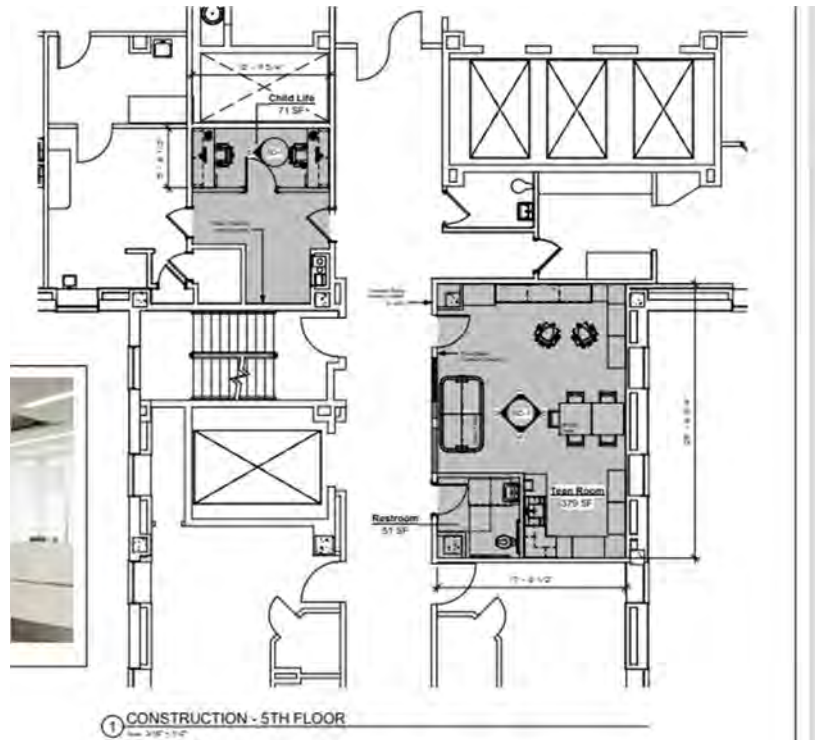
- c. The total square footage for each of the above referenced departments or offices that will be relocated.

Applicant Response

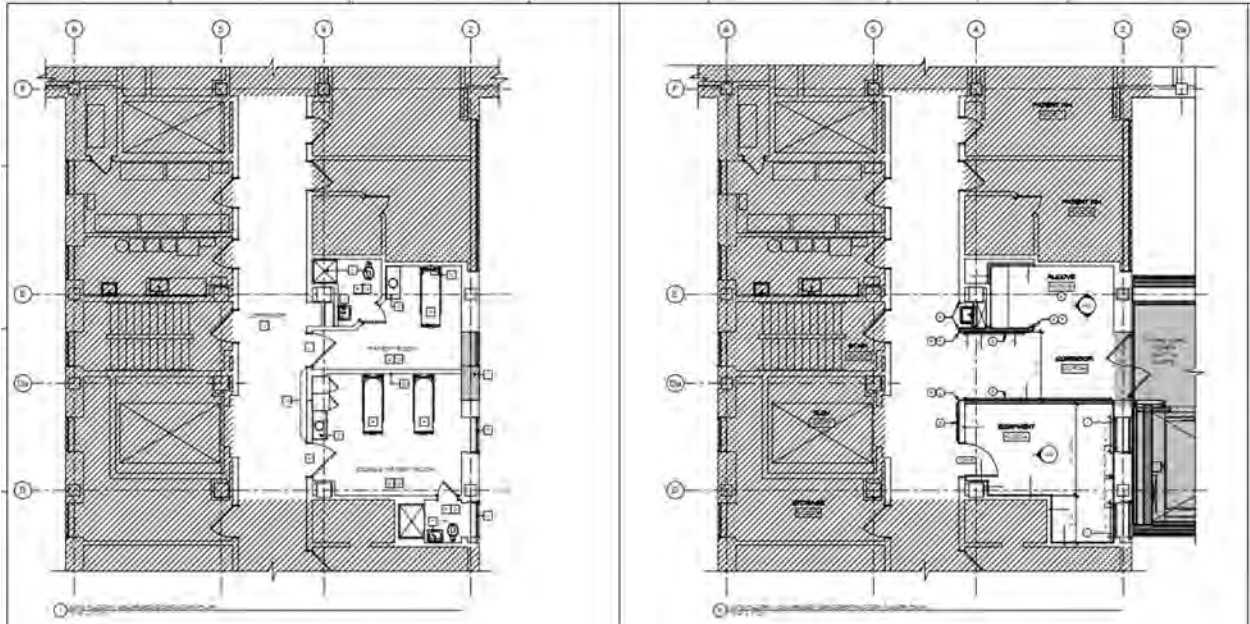
The square footage of the units / departments affected by the elevator connection renovation work is shown in the table below, by floor. Also, drawings of the before and after floor plans for each floor are set forth below.

Floor	Affected Unit / Department	Area
5 th Floor	Pediatrics	650 s.f.
10 th Floor	Medicine Patient Unit	450 s.f.
11 th Floor	Medicine Patient Unit	120 s.f.
12 th floor	Psychiatry Inpatient Unit	500 s.f.
13 th floor	Medicine Patient Unit	500 s.f.

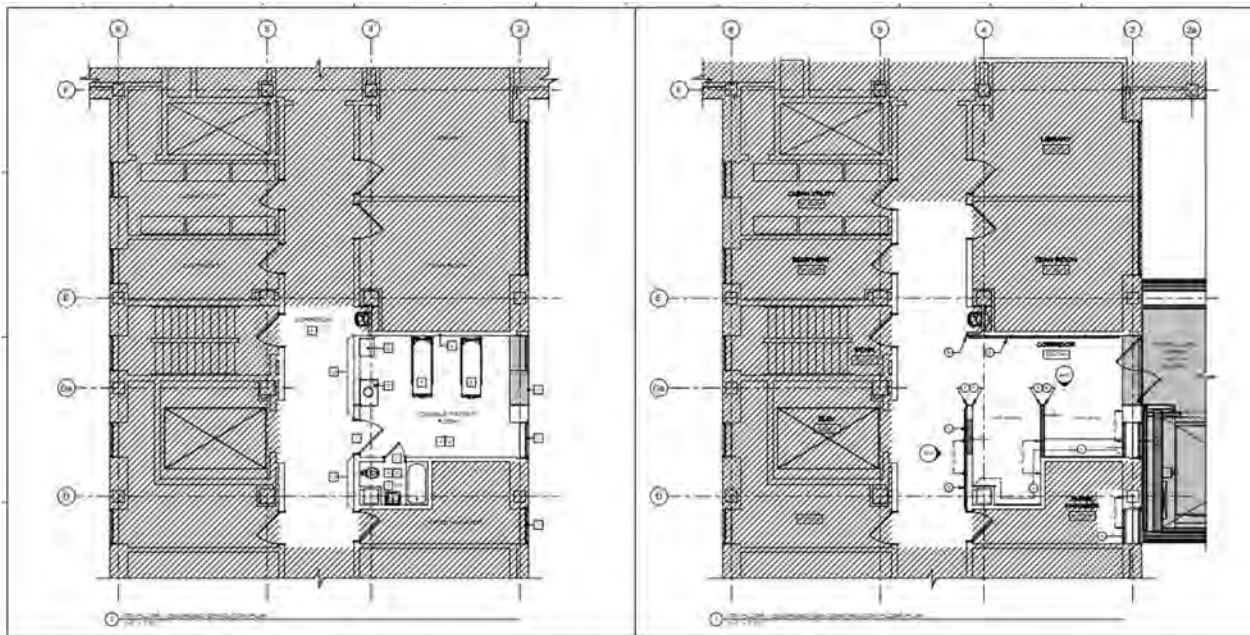
5th Floor Plans



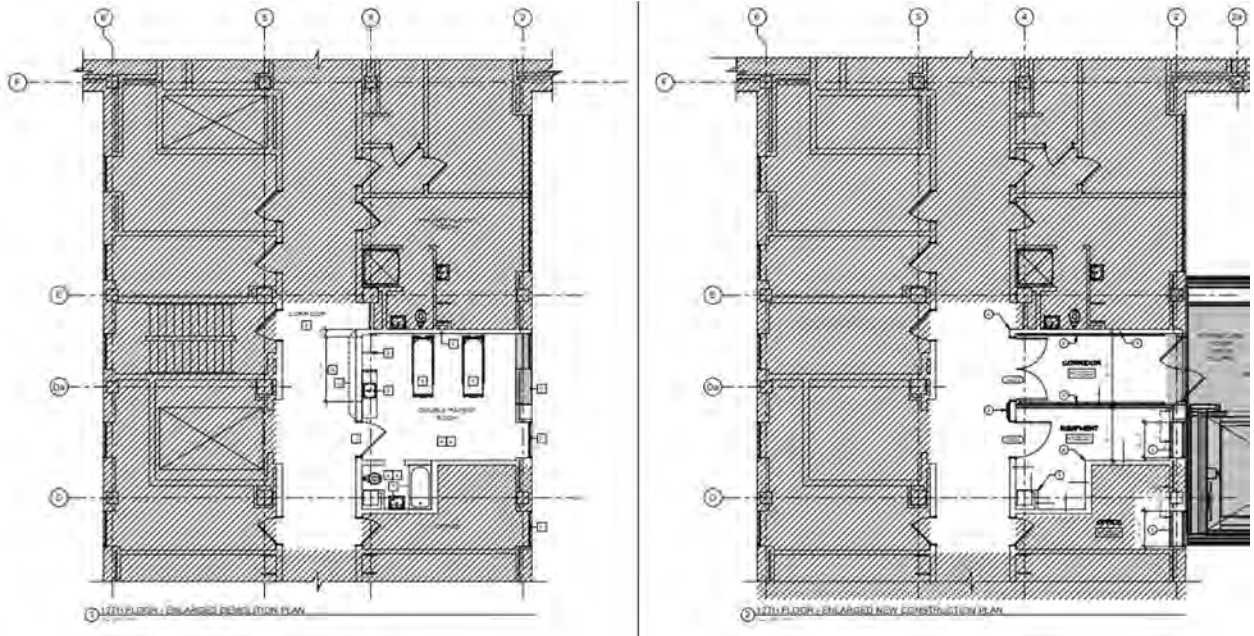
10th Floor Plans



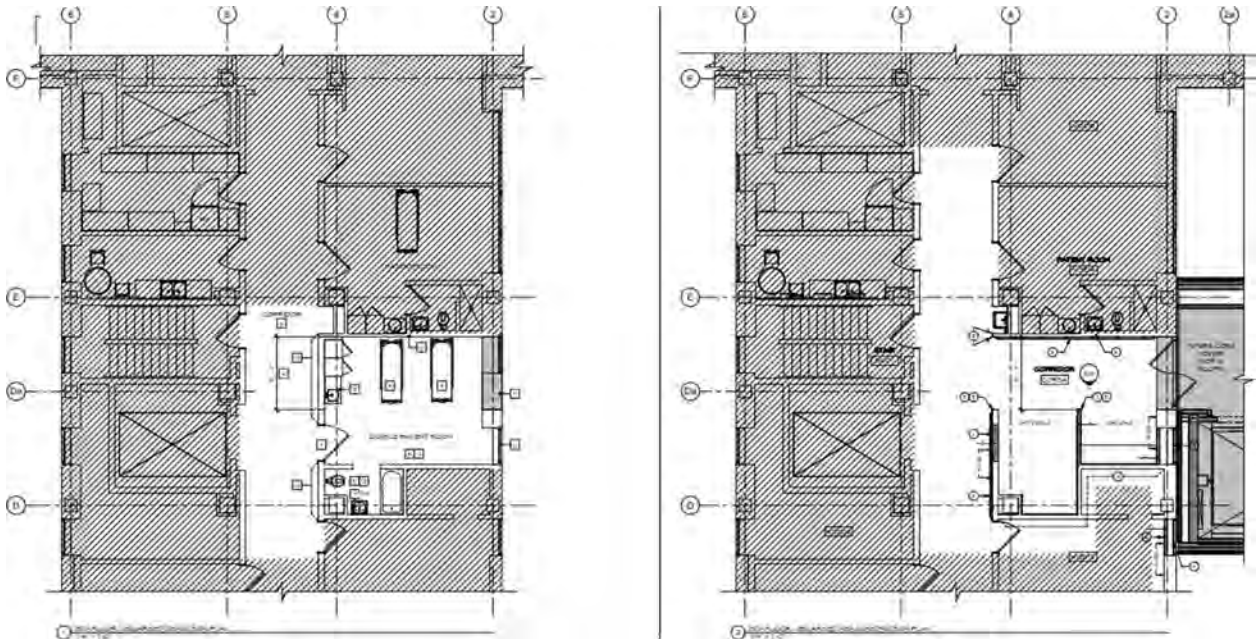
Eleventh Floor Plan



Twelfth Floor Plans



Thirteenth Floor Plans



7. **Your request states that Phase One of the project involved construction and Phase Two involves renovation of the existing space, yet certain renovation cost increases appear to be needed earlier than 2028 (i.e. moving the building entrance). Please provide a breakdown of the activities and the costs involved in the two phases.**

[Applicant Response](#)

The project is being developed in two phases. Phase 1 involves construction of the new building, and Phase 2 involves renovation of the existing adjacent space. However, some work identified as “renovation” in the Project Budget occurred early in the project, i.e., before the completion of Phase 1. This work is entirely related to the enabling moves. As explained in response to Question 6(a), a number of departments and functions had to be relocated in order to clear the space for the new tower. This was budgeted as enabling work, not in the Phase 2 renovation scope. For purposes of the Project Budget (Table E), which classifies work as either “New Construction” or “Renovations,” the cost of the enabling moves work is included in the “Renovations” budget items because it is not new construction.

8. **On p. 7, UMMC indicates that The Stoler Center will “Place project phase in operational service” (a) for Phase 1 New Construction around June 30, 2026, and (b) Phase 2 Renovation Construction around June 30, 2028. Explain what the applicant means by “operational service” for each phase.**

[Applicant Response](#)

The term “operational service” refers to the beginning of patient care services, *i.e.*, licensure and first use of the facility.

- a. **Explain the logistics of implementing the two phases for the Stoler Center, the UM ROI Exemption, and the relocation of the Mechanical Penthouse to the fourteenth floor. A timeline would be helpful.**

[Applicant Response](#)

As noted above, the Stoler Center is being developed in two phases. Phase 1 is the construction of the new building and fit-out of all floors through 8 (and partial 9) as well as the Mechanical Penthouse on the 14th Floor. As part of the Stoler Center Phase 1 construction, Floors 9 (partial) through 13 will be constructed initially as empty “shell” space. Phase 1 will be complete in Spring 2026. Stoler Center Phase 2 will be the renovation of existing spaces within the hospital that are adjacent to the new building.

UM ROI will be the subsequent interior fit-out of the empty “shell” areas constructed during Stoler Phase 1 on Floors 9 (partial) through 13 plus renovation of existing hospital floors 12 and 13, and will be complete in Spring 2028.

- b. **How will UMMC consolidate the Mechanical Penthouse approved with the Stoler Center CON with the UM ROI Exemption to serve the completed fourteen-story addition. Will the mechanical penthouse be completed prior to the beginning of operational service in 2026?**

Applicant Response

The mechanical penthouse will be complete prior to the beginning of operational service in 2026, including all mechanical/electrical equipment needed to serve the Stoler Center floors. Within the mechanical penthouse, space will be left clear for mechanical/electrical equipment for the UM ROI floors, which will be installed in the penthouse for operation in 2028.

- 9. Regarding the modification to the South Entrance, discuss why UMMC did not include these costs for expanding the South Entrance with the October 2023 project modification. Provide the total square footage for the area included in the modification for the South Entrance.**

Applicant Response

UMMC included an approximate cost of \$1,000,000 for the South Entrance modification in the First Request for Project Change Approval, but due to oversight, UMMC failed to include much of the cost of the entrance modification work. The error is being corrected in the Second Request for Project Change Approval.

The area included in the South Entrance modifications is 3,978 square feet.

- 10. As indicated on p. 5, discuss what is included in the \$1.0 million in “other miscellaneous enabling moves to accommodate the construction of the Stoler Center.” Document the cost and the total square footage of the area impacted by this move.**

Applicant Response

The “miscellaneous enabling moves” covers a variety of smaller unrelated projects that involve small amounts of square footage and arise during the course of the complex logistical moves. The most significant projects within this grouping are: the relocation of high voltage electrical feeders that were not discovered during design, at a cost of \$324,771; and installation of a new fiber backbone to assure no service interruption during construction, at a cost of \$320,000. To date, other examples of miscellaneous enabling move projects include:

- Repair to ceilings and walls of a pharmacy that were disturbed when a new emergency exit was constructed (\$2,500).
- Moving linen distribution temporarily to a new location to facilitate installation of new steel beams in their ceiling (\$5,400).
- Consulting and logistics planning (\$43,000).
- Temporary infection control risk mitigation (\$12,750).
- Relocation of some security infrastructure (\$25,191).
- Miscellaneous IST and security line relocations (\$11,400).
- Miscellaneous cleaning and terminal cleaning (\$1,000).
- Temporary signage (\$1,000).

11. What is the basis or need for the remaining \$844,270 in gross interest during the construction period and the \$76,550 in loan placement fees?

Applicant Response

The gross interest and loan placement fees have increased as a result of the project cost modification \$18,902,790 which is sourced in part by \$8,769,475 of additional authorized bonds. The remaining primary source of funds is cash from operations.

12. Explain why there will be no interest on project debt until 2028 in this change request when previously it was reported to start in 2026.

Applicant Response

The interest expense change from 2026 to 2029 relates to the update of the multi-phased project for the UMROI merger and consolidation project. As a result, the final phase of the project, which is the occupancy of the renovated north hospital patient floors, is three years from the original plan. The financial projection table illustrates the recognition of depreciation expense based on phased occupancy expectations based on per generally accepted accounting principles. However, UMMC will capitalize interest on the project over the approximately 3 years and begin to expense interest beginning 2029.

13. Please discuss the progress made by UMMC in raising the \$40.0 million in philanthropy and in having the State of Maryland pledge \$170.0 million in funding (includes the \$125.0 million for the Cancer Center and the \$55.0 million for the UMROI merger and consolidation project) for the fourteen-story Stoler Cancer Center/UMROI tower.

Applicant Response

UMMC has already exceeded fundraising for the philanthropy goal of \$40 million for the Stoler Center.

The State of Maryland has approved \$125 million in support for the Cancer Center project at the conclusion of the 2022 State capital budget. UMMC is actively drawing down the proceeds from the State as the project is progressing.

The State of Maryland has not yet committed to the \$55 million for the UMROI merger and consolidation project. UMMS requested the project funding in September 2023 as part of a routine meeting with the Maryland Department of Budget & Management (“DBM”) to request capital for the 2025-2029 State CIP Budget. The DBM and the Moore Administration indicated that funding for this project was not included in the 2025-2029 CIP budget as submitted as they lacked the time necessary to independently vet the project.

UMMS and UMMC executives continue to meet with the Moore Administration and the DBM to facilitate their analysis of the project and consideration of the funding request in September 2024 for inclusion in the 2026-2030 CIP.

The State of Maryland has a long history of partnering with UMMS to address health disparities and market failures that have led to insufficient health care infrastructure in

vulnerable communities, with recent examples including significant investments in Baltimore City, Prince George’s County and the Eastern Shore. UMMS remains steadfast that this partnership should and will naturally extend to address the next phase of the Shock Trauma continuum of care by relocating the UMROI rehabilitation programs to UMMC. These programs will serve the entire State, and as demonstrated in the Exemption Request, the relocation will improve access to care and patient outcomes.

As stated in previous responses, UMMS is extremely confident the State of Maryland will provide significant financial support to this important project.

14. Please submit Tables J and K.

[Applicant Response](#)

Attached as **Exhibit 19** are revised Tables J and K, as well as Tables G and H, which have been updated.

Table of Exhibits

No.	Description
17.	Section cut drawing through 14th floor and mezzanine
18.	Revised Table C
19.	Revised Tables G, H, J and K

I hereby declare and affirm under the penalties of perjury that the facts stated in the Response to Requests for Additional Information dated May 6, 2024 with respect to the University of Maryland Medical Center Request for Post-Approval Project Change regarding Construction of Addition for Cancer Center, and the attachments thereto, are true and correct to the best of my knowledge, information, and belief.

May 16, 2024

Date

DocuSigned by:

Dana Farrakhan

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Dana Farrakhan

Senior Vice-President, Strategy,

Community & Business Development

UMMC

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DocuSigned by:

Brian Sturm

Brian Sturm

Vice President, Corporate Decision
Support and Capital Planning
UMMS

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DocuSigned by:

Lauren Myatt

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Lauren Myatt, AIA, LEED AP
Senior Project Manager | Project
Executive
UMMS

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DocuSigned by:

Richie Stever

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Richie Stever

Vice President, Real Estate and
Construction

UMMS

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May 16, 2024

Date

DocuSigned by:

Linda Whitmore

Linda Whitmore

Director for Project Development

UMMC

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May 16, 2024

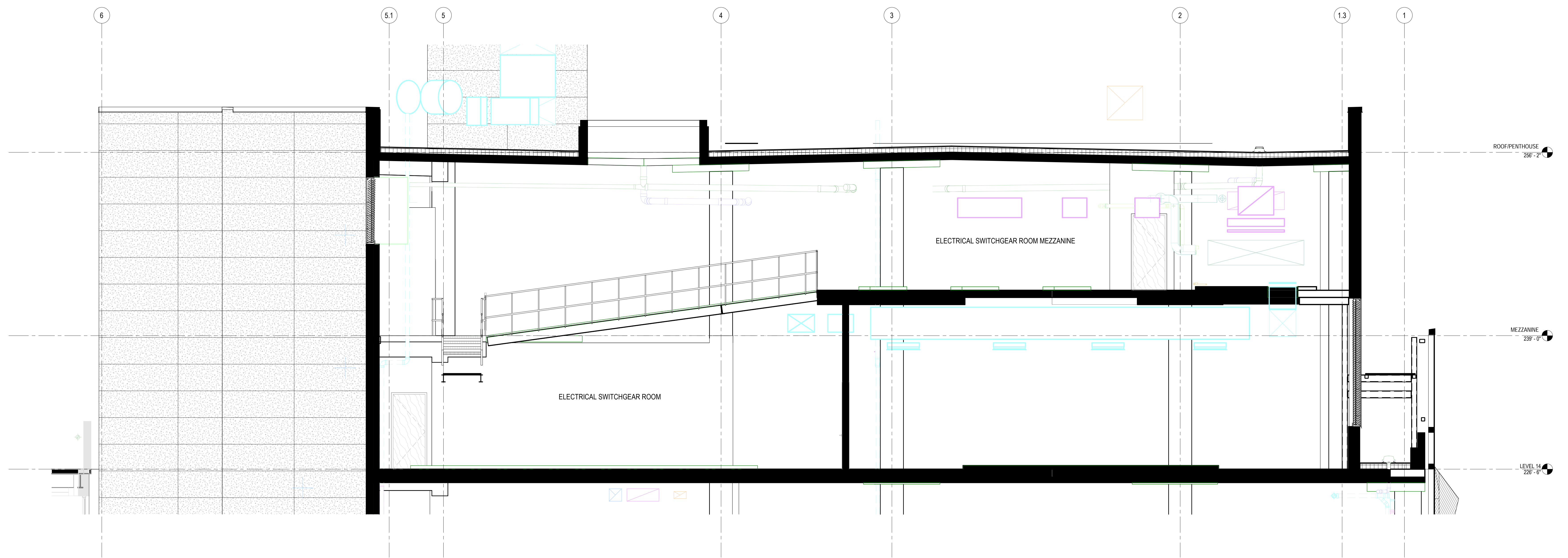
Date

DocuSigned by:

Craig Wheelless

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Craig Wheelless, CHFP

EXHIBIT 17



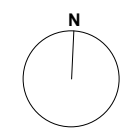
1 PENTHOUSE-MEZZANINE - SECTION
1/4" = 1'-0"

PENTHOUSE MEZZANINE - SECTION

CON

1/4" = 1'-0"

05/09/2024



STOLER CENTER FOR ADVANCED
MEDICINE



EXHIBIT 18

TABLE C. CONSTRUCTION CHARACTERISTICS--Revised May 2024

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garges, medical office buildings, or energy plants), complete an additional Table C for each structure.

	NEW CONSTRUCTION	RENOVATION
BASE BUILDING CHARACTERISTICS	Check if applicable	
Class of Construction (for renovations the class of the building being renovated)*	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>	<input type="checkbox"/>
Class B	<input type="checkbox"/>	<input type="checkbox"/>
Class C	<input type="checkbox"/>	<input type="checkbox"/>
Class D	<input type="checkbox"/>	<input type="checkbox"/>
Type of Construction/Renovation*		
Low	<input type="checkbox"/>	<input type="checkbox"/>
Average	<input type="checkbox"/>	<input type="checkbox"/>
Good	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Excellent	<input type="checkbox"/>	<input type="checkbox"/>
Number of Stories		

*As defined by Marshall Valuation Service

PROJECT SPACE	List Number of Feet, if applicable	
Total Square Footage	Total Square Feet	
GroundFloor	0	3,452
First Floor	12,792	12,325
Second Floor	4,609	2,783
Third Floor	21,925	0
Fourth Floor	22,181	0
Fifth Floor	22,071	5,180
SixthFloor	22,215	0
Seventh Floor	22,215	3,585
Eighth Floor	22,085	7,000
Ninth Floor	10,045	4,378
Tenth Floor	1,211	0
Eleventh Floor	1,211	0
Twelveth Floor	1,211	0
Thirteenth Floor	1,211	0
Fourteenth Floor	15,885	0
Mezzanine	7,263	
Roof Machine Room	1,932	0
Total Square Feet	190,062	38,704
Average Square Feet	11,879	

TABLE C. CONSTRUCTION CHARACTERISTICS--Revised May 2024

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garges, medical office buildings, or energy plants), complete an additional Table C for each structure.

	NEW CONSTRUCTION	RENOVATION
Perimeter in Linear Feet		Linear Feet
GroundFloor	0	257
First Floor	628	864
Second Floor	445	0
Third Floor	688	0
Fourth Floor	627	0
Fifth Floor	628	829
SixthFloor	628	0
Seventh Floor	626	218
Eighth Floor	625	281
Ninth Floor	437	218
Tenth Floor	865	0
Eleventh Floor	155	0
Twelveth Floor	155	0
Thirteenth Floor	155	0
Fourteenth Floor	521	0
Mezzanine	614	
Roof Machine Room	159	0
Total Linear Feet	7,956	2,667
Average Linear Feet	497	
Wall Height (floor to eaves)		Feet
GroundFloor	0	12'-3"
First Floor	12'-6"	12'-6"
Second Floor	12'-6"	0
Third Floor	12'-6"	0
Fourth Floor	12'-6"	0
Fifth Floor	12'-6"	12'-6"
SixthFloor	12'-6"	0
Seventh Floor	12'-6"	12'-6"
Eighth Floor	12'-6"	12'-6"
Ninth Floor	12'-6"	12'-6"
Tenth Floor	12'-6"	0
Eleventh Floor	12'-6"	0
Twelveth Floor	12'-6"	0
Thirteenth Floor	12'-6"	0
Fourteenth Floor	12'-6"	0
Mezzanine	17'-2"	
Roof Machine Room	14'-4"	0
Average Wall Height	12'-8"	

TABLE C. CONSTRUCTION CHARACTERISTICS--Revised May 2024

INSTRUCTION: If project includes non-hospital space structures (e.g., parking garges, medical office buildings, or energy plants), complete an additional Table C for each structure.

	NEW CONSTRUCTION	RENOVATION
OTHER COMPONENTS		
Elevators	List Number	
Passenger	2	
Freight (Hospital)	2	
	Square Feet Covered	
Wet System Fully Sprinklered -Preaction in main electrical rooms and vehicular drive under the buidling.	190,062	38,704
Dry System		
Other	Describe Type	
Type of HVAC System for proposed project	The HVAC system is a fully ducted Variable Air Volume system with air handling units on level 14. Chilled water and heating water is provided	
Type of Exterior Walls for proposed project	Curtain Wall System with glass and spandrel panels on the east & noth facades. Terracotta or stone with windows on the west and south	

EXHIBIT 19

TABLE J. REVENUES & EXPENSES, UNINFLATED - NEW FACILITY OR SERVICE (Revised May 2024)

INSTRUCTION: After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table J should reflect current dollars (no inflation). Projected revenues and expenses should be consistent with the projections in Table I and with the costs of Manpower listed in Table L. Manpower. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable. Specify the sources of non-operating income.

	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.						
Indicate CY or FY		FY26	FY27	FY28	FY29		
1. REVENUE							
a. Inpatient Services							
b. Outpatient Services							
Gross Patient Service Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. Allowance For Bad Debt							
d. Contractual Allowance							
e. Charity Care							
Net Patient Services Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Other Operating Revenues (Specify)							
NET OPERATING REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. EXPENSES							
a. Salaries & Wages (including benefits)		\$ 10,530	\$ 12,964	\$ 15,771	\$ 15,988		
b. Contractual Services		\$ 2,034	\$ 3,520	\$ 5,108	\$ 5,179		
c. Interest on Current Debt							
d. Interest on Project Debt		\$ 8,287	\$ 8,136	\$ 7,977	\$ 7,801		
e. Current Depreciation							
f. Project Depreciation		\$ 12,975	\$ 12,975	\$ 12,975	\$ 12,975		
g. Current Amortization							
h. Project Amortization							
i. Supplies		\$ 1,434	\$ 2,481	\$ 3,601	\$ 3,651		
j. Other Expenses (Specify)							
Other Expense (Utilities)							
TOTAL OPERATING EXPENSES	\$ -	\$ (35,259)	\$ (40,076)	\$ (45,432)	\$ (45,595)	\$ -	\$ -
3. INCOME							
a. Income From Operation	\$ -	\$ (35,259)	\$ (40,076)	\$ (45,432)	\$ (45,595)	\$ -	\$ -
b. Non-Operating Income							
SUBTOTAL	\$ -	\$ (35,259)	\$ (40,076)	\$ (45,432)	\$ (45,595)	\$ -	\$ -
c. Income Taxes							
NET INCOME (LOSS)	\$ -	\$ (35,259)	\$ (40,076)	\$ (45,432)	\$ (45,595)	\$ -	\$ -

TABLE K. REVENUES & EXPENSES, INFLATED - NEW FACILITY OR SERVICE (Revised May 2024)

INSTRUCTION: After consulting with Commission Staff, complete this table for the new facility or service (the proposed project). Table K should reflect inflation. Projected revenues and expenses should be consistent with the projections in Table I. Indicate on the table if the reporting period is Calendar Year (CY) or Fiscal Year (FY). In an attachment to the application, provide an explanation or basis for the projections and specify all assumptions used. Applicants must explain why the assumptions are reasonable.

	Projected Years (ending at least two years after project completion and full occupancy) Add years, if needed in order to document that the hospital will generate excess revenues over total expenses consistent with the Financial Feasibility standard.						
Indicate CY or FY		FY26	FY27	FY28	FY29		
1. REVENUE							
a. Inpatient Services							
b. Outpatient Services							
Gross Patient Service Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. Allowance For Bad Debt							
d. Contractual Allowance							
e. Charity Care							
Net Patient Services Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Other Operating Revenues (Specify)							
NET OPERATING REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. EXPENSES							
a. Salaries & Wages (including benefits)		\$ 11,563	\$ 14,662	\$ 18,371	\$ 19,184		
b. Contractual Services		\$ 2,208	\$ 3,923	\$ 5,845	\$ 6,084		
c. Interest on Current Debt							
d. Interest on Project Debt		\$ 8,287	\$ 8,136	\$ 7,977	\$ 7,801		
e. Current Depreciation							
f. Project Depreciation		\$ 12,975	\$ 12,975	\$ 12,975	\$ 12,975		
g. Current Amortization							
h. Project Amortization							
i. Supplies		\$ 1,628	\$ 2,938	\$ 4,445	\$ 4,698		
j. Other Expenses (Specify)							
Other Expense (Utilities)							
TOTAL OPERATING EXPENSES	\$ -	\$ 36,660	\$ 42,633	\$ 49,614	\$ 50,742	\$ -	\$ -
3. INCOME							
a. Income From Operation	\$ -	\$ (36,660)	\$ (41,095)	\$ (48,083)	\$ (49,227)	\$ -	\$ -
b. Non-Operating Income							
SUBTOTAL	\$ -	\$ (36,660)	\$ (41,095)	\$ (48,083)	\$ (49,227)	\$ -	\$ -
c. Income Taxes							
NET INCOME (LOSS)	\$ -	\$ 36,660	\$ 41,095	\$ 48,083	\$ 49,227	\$ -	\$ -
4. PATIENT MIX							

