

## APPLICATION FOR BENEFITS / LDC

### INSTRUCTIONS

1. The Agency/LDC will not consider any application unless, in the judgment of the Corporation, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the Project).
3. If an estimate is given as the answer to a question, put "est." after the figure or answer, which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return one (1) hard copy of this application and one (1) electronic copy to the Agency/LDC at the address indicated on the application.
6. The Agency/LDC will not give final approval to the application until the Corporation receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that all records in the possession of the Agency/LDC (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are certain elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request such elements be kept confidential.
8. The Agency/LDC has established a non-refundable application fee of One Thousand (\$1,000) Dollars to cover the anticipated costs of processing this application. A check or money order payable to the Agency/LDC must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE CORPORATION UNLESS ACCOMPANIED BY THE APPLICATION FEE. *\$350,000 RB 2/1/1*
9. The Agency/LDC has established a project fee for each project in which the Corporation participates. THIS PROJECT FEE of ~~18%~~ *18%* of the total Project cost IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AGENCY/LDC. The applicant will also be expected to pay to the Agency/LDC all actual costs incurred in connection with the application including all costs incurred by general counsel and bond counsel.
10. The Agency/LDC will charge annually an administrative fee of \$1,500 to cover ongoing compliance and oversight; the fee shall be payable January 1 of each year until all financing documents shall terminate and be discharged and satisfied.

## APPLICATION FOR FINANCIAL ASSISTANCE

### APPLICANT

NAME: UNITED HEALTH SERVICES HOSPITALS, INC

APPLICANT'S STREET ADDRESS: 10-42 MITCHELL AVENUE

CITY: Binghamton STATE: NY ZIP: 13903 PHONE: 607-762-3011

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION:

Rick Borschuk PHONE: 607-762-3011

TITLE: CHIEF FINANCIAL OFFICER EMAIL: rick.borschuk@nyuhs.org

### APPLICANT'S COUNSEL

NAME: Lillian Levy

FIRM: Hinman, Howard & Kattell EMAIL: llevy@hhk.com

ADDRESS: 700 Security Mutual Building, 80 Exchange Street

CITY: Binghamton STATE: NY ZIP: 13901 PHONE: 607-231-6725

### APPLICANT'S ACCOUNTANT

NAME: Alan Gracie

FIRM: Freed Maxick EMAIL: alan.gracie@freedmaxick.com

ADDRESS: 424 Main Street, Suite 800

CITY: Buffalo STATE: NY ZIP: 14202 PHONE: 716-847-2651

PLEASE OUTLINE ON A SEPARATE SHEET OF PAPER ANY OTHER PROFESSIONALS INVOLVED IN THE PROJECT (I.E., DESIGN PROFESSIONAL, GENERAL CONTRACTOR).

## PROJECT SUMMARY

A: TYPE OF PROJECT:

☒

NOT-FOR-PROFIT

☐

OTHER-SPECIFY

B: EMPLOYMENT IMPACT (BROOME COUNTY):

EXISTING JOBS: 4,380

NEW JOBS: 65

C: PROJECT COST: \$ 132,000,000

D: AMOUNT OF BONDS REQUESTED: \$ 121,500,000

E: AMOUNT OF NEW MORTGAGE(S) REQUIRED FOR PROJECT: \$ 0

## APPLICANT INFORMATION

EMPLOYER'S FEDERAL ID NO. 16-1165049

NAICS CODE 622000

1. INDICATE TYPE OF BUSINESS ORGANIZATION OF APPLICANT:

☒

CORPORATION INCORPORATED IN WHAT COUNTRY USA

WHAT STATE New York

DATE INCORPORATED August 1, 1981

TYPE OF CORPORATION 501(c) (3) non-profit

AUTHORIZED TO DO BUSINESS IN NEW YORK: ☒ YES ☐ NO

2. IS THE APPLICANT A SUBSIDIARY OR DIRECT OR INDIRECT AFFILIATE OF ANY OTHER ORGANIZATION(S)? IF SO, NAME OF RELATED ORGANIZATION(S) AND RELATIONSHIP:

United Health Services, Inc.

## MANAGEMENT OF APPLICANT

List all Board of Directors

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
John Carrigg	Chief Executive Officer	None
Rick Borschuk	Chief Financial Officer	None
Kay Boland	Chief Nursing Officer/Chief Operating Officer	None
Dr. R Dave'	Chief Medical Officer	None

WITHIN THE PAST FIVE YEARS HAS THE APPLICANT, ANY AFFILIATE, ANY PREDECESSOR ORGANIZATION OR ENTITY, DIRECTOR, OFFICER, OR ANY CONTRACTOR AFFILIATED WITH THE PROPOSED PROJECT BEEN THE SUBJECT OF:

1. an indictment, judgment, conviction, or a grant of immunity, including pending actions, for any business-related conduct constituting a crime?

☐ YES ☒ NO

2. a government suspension or debarment, rejection of any bid or disapproval of any proposed contract, including pending actions, or for lack of responsibility?

☐ YES ☒ NO

3. any final governmental determination of a violation of any public works law or regulation, or labor law regulation?

☐ YES ☒ NO

4. a consent order with the NYS Dept. of Environmental Conservation?

☐ YES ☒ NO

5. an unsatisfied judgment, injunction or lien for any business-related conduct obtained by any federal, state or local government agency including, but not limited to, judgments based on taxes owed and fines and penalties assessed?

☐ YES ☒ NO

6. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated in a bankruptcy?

☐ YES ☒ NO

IF THE ANSWER TO ANY QUESTION 1 THROUGH 6 ABOVE IS YES, PLEASE FURNISH DETAILS ON A SEPARATE ATTACHMENT.

**APPLICANT'S PRINCIPAL BANK(S) OF ACCOUNT** M&T Bank

68 Exchange Street, 2nd Floor, Binghamton, NY 13091

### PROJECT DATA

1. Attach a complete narrative description of Project including location, proposed product lines and market projections, square feet by usage, type of construction, machinery for products, machinery for building, office and parking

2. Attach a photo of the site or existing facility to be improved.

3. Attach copies of preliminary plans or sketches of proposed construction or floor plan of existing facility.

4. Are utilities on site or must they be brought in? If so, which ones?

For Items 1-3 see attached. For item 4, this is an addition to an existing campus so while utilities may be upgraded, moved or expanded they are already on site.

5. Who presently is legal owner of building or site? United Health Services, Hospitals Inc.

6. Is there a purchase option in force or other legal or common control in the project?  
If so, furnish details in a separate attachment.

☐ YES ☒ NO

Is there an existing or proposed lease for all or a portion of the project?

☐ YES ☒ NO

7. If applicant will not occupy 100% of the building in a real estate related transaction, provide information on tenant(s) on a separate sheet including: name, present address, employer fed. ID no., percentage of project to be leased, type of business organization, relationship to applicant, date and term of lease.

8. Zoning district in which Project is located Neighborhood Commercial - Village of Johnson City

9. Are there any variances or special permits required? If yes, please explain:

☒ YES ☐ NO

Currently working on various permits required for construction in the Village of Johnson City.

10. Will the completion of the Project result in the removal of a facility of the Applicant or another proposed occupant of the project from one area of the State of New York to another area of the State? If yes, please explain.

☐ YES ☒ NO

No this is an expansion project of the existing campus with no removal of old buildings or services.

11. Will the completion of the Project result in the abandonment/disposal of one or more facilities of the Applicant located in New York state? If yes, please explain:

☐ YES ☒ NO

No this is an expansion project of the existing campus with no removal of old buildings or services.



12. If the answer to question 10 or 11 is yes, indicate whether any of the following apply to the Project:

A. Is the Project reasonably necessary to preserve the competitive position of the Applicant or such Project Occupant? If yes, please explain: ☐ YES ☒ NO

While the project will not impact our current market share, the addition of this space will serve as a community and out of area draw to our world class medical facility and service line options for patient healthcare needs. The Project is not necessary to preserve but will in fact enhance our position in the market.

B. Is the Project reasonably necessary to discourage the Applicant or such Project Occupant from relocating outside of New York state? If yes, please explain: ☐ YES ☒ NO

The project will have no direct bearing on the commitment of UHS to continue serving as the leading health care provider in the Southern Tier. However the Project will further enhance the capability of UHS on delivering on the UHS Vision: UHS, the region's leading integrated healthcare system, will demonstrate exceptional value in the delivery of coordinated patient-centered care. High quality and financially viable health care is critical to regional economic development and sustainability for the region as a whole.

13. Indicate whether any of the following apply to the Project:

A. Will the Project be operated by a not-for-profit corporation? If yes, please explain ☒ YES ☐ NO

Yes expanded building will be owned and operated by UHS Hospitals which is a tax-exempt entity per the Internal Revenue Service.

B. Will the Project likely attract a significant number of visitors from outside the economic development region in which the Project will be located? If yes, please explain: ☒ YES ☐ NO

UHS currently already attracts patients from up to 2 hours away for several of our tertiary and specialty services. We anticipate the ER expansion project and new private rooms as well as MRI suite on site will be an important additive element to our never-ending pursuit to improve the quality of patient care that we offer.

C. Would the Project Occupant, but for the contemplated financial assistance from The Agency/LDC, locate the related jobs outside New York state? If yes, please explain: ☐ YES ☒ NO

UHS has been in Broome County for over 100 years, tracing our roots back to the formation of the Binghamton City Hospital in 1888. This project has no impact on our dedication to the region.

D. Will the Project preserve permanent private sector jobs or increase the overall number of permanent private sector jobs in the State of New York? ☒ YES ☐ NO

We anticipate a direct impact of up to 100 hires from this project by UHS and countless other construction and related jobs for the general contractor as well as all of the subcontractors who will be associated with this project.

14. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any federal, city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? State Historic Preservation? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

This project requires a full review by the Department of Health (DOH) through their Certificate of Need (CON) process. The CON was submitted in November and approved on 2/6/2020 with limited contingencies, which will be met with in the time frame allotted by DOH. The issuance of tax exempt bonds require the usage of the Agency (as noted in this application) to issue our tax exempt instruments to the public market. We are working with the Village of Johnson City for all required approvals needed locally. No other agencies are required as confirmed with counsel.

15. Describe the nature of the involvement of the federal, state or local agencies described above:

The DOH requires a full CON review which has been completed. We are working with the Agency to ensure our bonds can be issued on a tax exempt basis citing our status as a 503(c) non-profit healthcare organization.

16. Has construction work on this project begun? If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation, completion of foundations, installation of footings, etc.

YES ☐ NO ☒

No physical construction has begun at this point. The CON process is complete and the financing aspect is in process. We have engaged architects and a general contractor for the project and are anticipating completing the design drawing phase of the project in March.

17. Please indicate amount of funds expended on this Project by the Applicant in the past three (3) years and the purposes of such expenditures:

We have spent approximately \$3,000,000 on the project which is composed of \$1,000,000 for a new parking lot to replace the current lot that will be closed during construction and \$2,000,000 on site design, architecture fees and other application fees.

## PROJECT BENEFITS/COSTS

### 1. NAME OF PROJECT BENEFICIARY ("APPLICANT"):

UNITED HEALTH SERVICES HOSPITALS, INC

### 2. PROJECTED PROJECT INVESTMENT:

#### A. Land-Related Costs

1. Land acquisition

\$

2. Site preparation

\$

3,800,000

3. Landscaping

\$

0

4. Utilities and infrastructure development

\$

7,300,000

5. Access roads and parking development

\$

1,000,000

6. Other land-related costs (describe)

\$

0

#### B. Building-Related Costs

1. Acquisition of existing structures

\$

0

2. Renovation of existing structures

\$

11,200,000

3. New construction costs

\$

79,000,000

#### C. Machinery and Equipment Costs

\$

7,100,000

#### D. Furniture and Fixture Costs

\$

2,000,000

#### E. Working Capital Costs

\$

12,600,000



**F. Professional Services/Development Costs**

1. Architecture and Engineering	\$ 7,000,000
2. Accounting/legal	\$ 0
3. Development Fee	\$ 650,000
4. Other service-related costs (describe)	\$ 0
5. The Agency/LDC Fees	\$ 350,000

**G. Other Costs**

\$ 0

**H. Summary of Expenditures**

1. Total Land-Related Costs	\$ 12,100,000
2. Total Building-Related Costs	\$ 90,200,000
3. Total Machinery and Equipment Costs	\$ 7,100,000
4. Total Furniture and Fixture Costs	\$ 2,000,000
5. Total Working Capital Costs	\$ 12,600,000
6. Total Professional Services/Development Costs	\$ 8,000,000
7. Total Other Costs	\$ 0

**TOTAL PROJECT EXPENDITURES \$ 132,000,000**

Have any of the above expenditures already been made by the applicant?  
If yes, please provide details

☒ YES ☐ NO

See comment in 7-18 question 17.

Please list any non-financial public benefits that the project will provide:

See Project Summary attached.

## PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

Please provide estimates of total construction jobs at the Project:

YEAR	CONSTRUCTION JOBS (Annual wages and benefits \$40,000 and under)	CONSTRUCTION JOBS (Annual wages and benefits over \$40,000).
CURRENT	N/A	
YEAR 1	125	\$6,250,000
YEAR 2	125	\$6,250,000
YEAR 3	125	\$6,250,000

Please provide estimates of total annual wages and benefits of total construction jobs at the project

YEAR	TOTAL ANNUAL WAGES AND BENEFITS
CURRENT	\$ N/A
YEAR 1	\$ 8,125,000
YEAR 2	\$ 8,125,000
YEAR 3	\$ 8,125,000

*It is the policy of The Agency/LDC to require the Applicant to use local labor, contractors and suppliers in projects that The Agency/LDC is providing financial assistance for. Please refer to the Appendix A (page 16). Local labor, contractors and suppliers shall be defined as employees and companies residing in the following Counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga, and Tompkins*

## PROJECTED PERMANENT EMPLOYMENT IMPACT

<b>CURRENT EMPLOYMENT FIGURES - YEAR ONE</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning	330	472	472	141
Number of Part-Time Employees earning	370	528	528	159
Total Payroll For Full-Time Employees	\$ 7,000,000	18,000,000	29,000,000	12,500,000
Total Payroll For Part-Time Employees	\$ 6,000,000	14,000,000	19,000,000	9,500,000
Total Payroll For All Employees	\$ 13,000,000	32,000,000	48,000,000	22,000,000

<b>PROJECTED EMPLOYMENT FIGURES - YEAR ONE</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning	0	20	5	40
Number of Part-Time Employees earning	0	0	0	0
Total Payroll For Full-Time Employees	\$ 0	750,000	255,000	4,600,000
Total Payroll For Part-Time Employees	\$ 0	0	0	0
Total Payroll For All Employees	\$ 0	750,000	255,000	4,600,000

<b>PROJECTED EMPLOYMENT FIGURES - YEAR TWO</b>	<b>UNDER \$30,000</b>	<b>\$30,000 - \$50,000</b>	<b>\$50,000 - \$75,000</b>	<b>OVER \$75,000</b>
Number of Full-Time Employees (FTE) earning	0	20	5	40
Number of Part-Time Employees earning	0	0	0	0
Total Payroll For Full-Time Employees	\$ 0	750,000	255,000	4,600,000
Total Payroll For Part-Time Employees	\$ 0	0	0	0
Total Payroll For All Employees	\$ 0	750,000	255,000	4,600,000

## REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency/LDC as follows:

1. **JOB LISTINGS:** Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
2. **FIRST CONSIDERATION FOR EMPLOYMENT:** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/LDC, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
3. **EMPLOYMENT:** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency/LDC, the Applicant agrees to file, or cause to be filed, with the Corporation, on an annual basis, reports regarding the number of people employed at the Project site. The Chief Executive Office shall submit to the Agency/LDC prior to February 1 of each year, a written certification setting forth
  - Number of full-time employees at the Project location in the preceding calendar year;
  - Number of part-time employees at the Project location in the preceding calendar year;
  - Gross payroll of all employees at the Project location in the preceding calendar year.
5. **ABSENCE OF CONFLICTS OF INTEREST:** The Applicant has received from the Agency/LDC a list of the members, officers and employees of the corporation which is publicly viewable at [www.theagency-ny.com](http://www.theagency-ny.com). No member, officer or employee of the Agency/LDC has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Joe Mirabito is a member of the UHS Foundation Board as well as the Agency board. Joe, however in his capacity with the Foundation does not have any interest directly or indirectly in this project.

6. **APPARENT CONFLICTS:** Has the Applicant provided any personal gifts, loans or campaign contributions to any local or State political party or elected individual in the preceding 12 months?

YES ☐ NO ☒ IF YES, PLEASE DESCRIBE:

None noted.

7. **FEES:** This Application must be submitted with a non-refundable \$1,000 application fee to the Agency/LDC (Local Development Corporation).

The Agency/LDC has established a general Corporation fee in the amount of 1% of the total cost of the project. *350,00* *RS 4/11/2010*

The Agency/LDC will charge annually an administrative fee of \$1,500 to cover ongoing compliance and oversight; the fee shall be payable January 1 of each year until all financing documents shall terminate and be discharged and satisfied.

UNITED HEALTH SERVICES HOSPITALS, INC

Applicant

By Rick Borschuk

Title

Chief Financial Officer

## DOCUMENT LISTS

(A copy of this list should be provided to Applicant's legal counsel)

Please ensure that the following items are delivered with the application:

- |  |   |  |
|--|---|--|
| 1. A \$1,000 Application Fee.              | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 2. An EAF (Environmental Assessment Form). | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO |
| 3. Have financing arrangements been made   | <input checked="" type="checkbox"/> YES | <input checked="" type="checkbox"/> NO |

Prior to the closing of this transaction, Applicant shall deliver the following documentation (where applicable to the project) to The Agency/LDC's legal counsel:

- |     |  |   |  |
|-----|--|---|--|
| 1.  | Insurance Certificate<br>Certificate of Worker's Compensation Insurance (Agency/LDC named as additional insured).<br>Certificate of General Liability Insurance (Agency/LDC named as additional insured).<br>Limits not less than \$1,000,000 per occurrence/accident and a blanket excess liability not less than \$3,000,000.<br><br>Certificate of insurance against loss/damage by fire, lightning or other casualties with a uniform standard extended coverage endorsement in an amount not less than the full replacement value of the Facility (Agency/LDC named as additional insured). | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 2.  | Certificate of Incorporation/Articles of Organization together with all amendments or restatements thereto.  | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 3.  | By-Laws/Operating Agreement together with any amendments thereto.  | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 4.  | Good Standing Certificate(s) issued by the State of Incorporation/Organization of the Applicant and NYS.   | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 5.  | Resolutions of the Board of Directors/Members of the Applicant approving the Project.  | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 6.  | List of all Material Pending Litigation of the Applicant.  | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 7.  | List of all Underground Storage Tanks containing Hazardous Materials at the Project.   | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO |
| 8.  | List of all Required Environmental Permits for the Project.  | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 9.  | Legal Description of the Project Premises.   | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 10. | Name and title of person signing on behalf of the Applicant.   | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 11. | Copy of the proposed Mortgage (if any).  | <input type="checkbox"/> YES            | <input checked="" type="checkbox"/> NO |
| 12. | Applicant's Federal Tax ID Number (EIN).   | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 13. | Tax Map Number of Parcel(s) comprising the Project.  | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |
| 14. | Copy of the Certificate of Occupancy (as soon as available)  | <input checked="" type="checkbox"/> YES | <input type="checkbox"/> NO            |



## CERTIFICATION

The information contained in this Application, including employment information, is true and correct. The Applicant is aware that any material misrepresentations made in this Application constitute an act of fraud, resulting in revocation of Agency/LDC benefits.

Applicant hereby releases Agency/LDC and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the Agency/LDC) from, agrees that the Agency/LDC shall not be liable for and agrees to indemnify, defend and hold the Agency/LDC harmless from and against any and all liability arising from or expense incurred by: (i) the Agency/LDC's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the issue of bonds requested therein are favorably acted upon by the Agency/LDC; and (ii) the Agency/LDC's financing of the Project described therein, including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency/LDC or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency/LDC, its agents or assigns, all actual costs incurred by the Agency/LDC in the processing of the Application, including attorneys' fees, if any.

By:

*Rick Bonicelli* 2/17/2020

(Applicant)

Sworn to before me this

17 day of Feb, 2020.

*Kimberley D. Haskell*  
(Notary Public)

KIMBERLEY D. HASKELL

Notary Public, State of New York

No. 01HA4999613

Broome County

My commission expires July 27, 2022

## APPENDIX A – ATTACHMENT TO APPLICATION FOR FINANCIAL ASSISTANCE

### Local General Contractor, Subcontractor, Trades and Labor Policy

It is the goal of the Agency/**LDC** (the Corporation) to maximize the use of local labor for each project that receives benefits from the Agency. This policy applies to general contractors, subcontractors, trade professionals, and their employees. The Agency/**LDC**'s Local Labor Area consists of the following New York State counties: Broome, Chemung, Chenango, Cortland, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins.

Every applicant is obligated to provide written proof and data (see attached ... forms) to the Agency/**LDC** as to the physical location of all the contractors who will work on the project.

The Agency/**LDC** will review the data provided and determine, on a case-by-case basis and in a fully transparent manner, whether the Applicant has substantially conformed to the policy.

An Applicant **will not be deficient** if the proposed project requires specifically skilled labor that is unavailable in the Local Labor Area.

An Applicant **will not be deficient** if the proposed project utilizes parts and supplies assembled elsewhere because no such assembly is available in the Local Labor Area.

An Applicant **will be held non-compliant** with the Labor Policy if it imports labor from outside the Local Labor Area when equal labor that is ready, willing, cost competitive, etc. resides in the Local Labor Area.

***The Agency/**LDC** may determine on a case-by-case basis to waive any portion of this policy for a project or a portion of a project where consideration of warranty issues, necessity of specialized skills, significant cost differentials between local and non-local services, documented lack of workers meeting the Local Labor Requirement or if other compelling circumstances exist.***

In consideration of the extension of financial assistance by the Agency/**LDC**, United Health Services Hospital, Inc (the Applicant) understands the Local Labor Policy and agrees to submit either or both a Local Labor Utilization Report or a Non Local Labor Utilization Report at the time that construction begins on the project to the Agency/**LDC**.

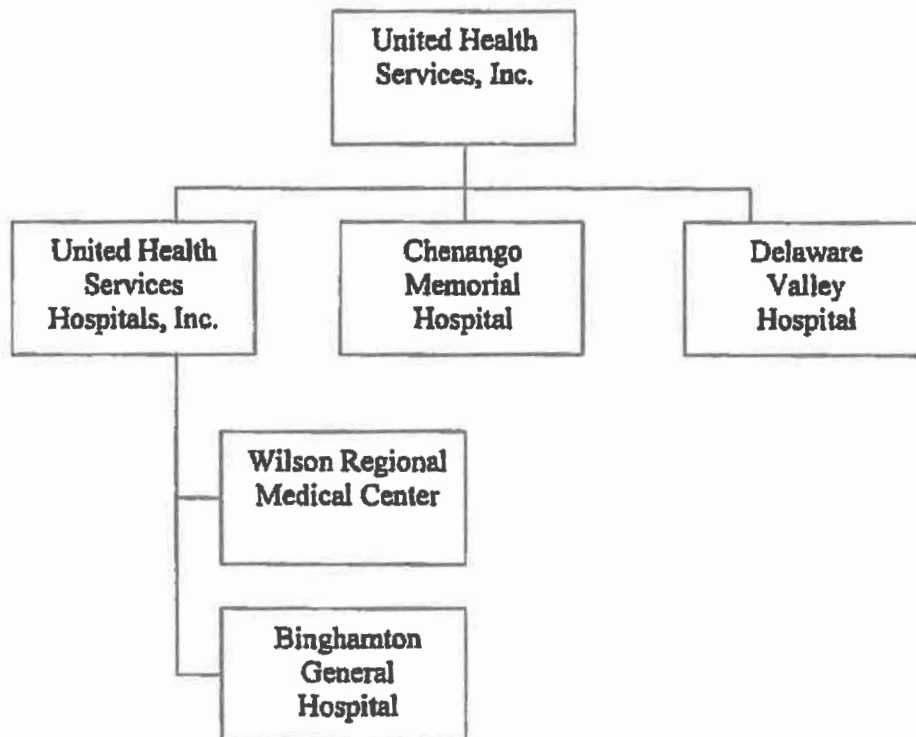
I agree to the conditions of this agreement and certify all information provided regarding the construction and employment activities for the Project as of 2/17/2020 (date).

## **UNITED HEALTH SERVICES HOSPITALS**

### **DESCRIPTION OF ARTICLE 28 NETWORK**

United Health Services Hospitals, Inc. ("UHS") is a not-for-profit corporation whose sole member is United Health Services, Inc. (a not-for-profit parent holding corporation). UHS operates various facilities within the greater Binghamton area, including but not limited to Wilson Regional Medical Center and Binghamton General Hospital. UHS is affiliated through a common parent corporation with various healthcare related organizations, including Chenango Memorial Hospital and Delaware Valley Hospital, among others. Please refer below to a diagram that documents the relationships between each of these hospitals.

UHS – Wilson is a not-for-profit, 280-bed, acute care facility located at 33-57 Harrison Street, Johnson City (Broome County), New York 13790. UHS – Binghamton is a not-for-profit, 220-bed acute care facility located at 10-42 Mitchell Avenue, Binghamton (Broome County), New York 13903. Chenango Memorial Hospital is a not-for-profit, 58-bed acute care facility located at 179 North Broad Street, Norwich (Chenango County), New York 13815. Delaware Valley Hospital is a not-for-profit, 25-bed critical access hospital located at 1 Titus Place, Walton (Delaware County), New York 13856.



# **UNITED HEALTH SERVICES HOSPITALS INC. – WILSON MEDICAL CENTER**

## **PROJECT NARRATIVE**

### **I. INTRODUCTION**

United Health Services Hospitals Inc. – Wilson Medical Center (“UHSW-Wilson” or the “Hospital”) is submitting this Full Review Certificate of Need (“C.O.N.”) Application that seeks approval for the modernization of the Hospital to meet the needs of healthcare delivery in the 21<sup>st</sup> century. UHSW-Wilson is located at 33-57 Harrison Street, Johnson City (Broome County), New York 13790. There will be no change to the Operating Certificate of the Hospital as a result of this major modernization project, which includes the following components:

- Creation of a new, right-sized Emergency Department (“ED”).
- Addition of an MRI unit. The MRI service will be new to the Hospital.
- Creation of a new all-private room medical/surgical (M/S) unit with 30 beds. Because the 30 M/S beds will come from rooms that are currently double-bedded but will become private rooms after the beds are moved, there will be no change to the total number of certified beds at the Hospital.
- Creation of shelled space for the future development of additional private rooms.

The proposed major modernization project represents a significant commitment of the Hospital to transform the delivery of health care services at UHSW-Wilson. In addition, this project is part of the UHSW-Wilson’s Facility Master Plan to modernize healthcare delivery in order to more efficiently and effectively meet the needs of the population it serves.

The historic UHSW-Wilson campus was originally constructed in 1949, and the last major renovation/addition occurred in 1989 (i.e., 30 years ago). Because of this old age, the facility is

unable to accommodate the rapidly changing demands of new healthcare technology within the existing footprint. Please refer to Appendix I for documentation of the age of the buildings at UHSH-Wilson. In addition, the ED is overcrowded, which has created operational inefficiencies (such as throughput challenges that have led to patients leaving the ED without being seen), as well as a disorienting feeling for patients. This project seeks to address these concerns in the most logical way possible, by constructing an improved and expanded Emergency Department.

Although this project impacts the ED and inpatient beds at UHSH-Wilson, the Hospital has been at the forefront of preventing avoidable inpatient admissions and ED visits. In fact, UHSH (including both its UHSH-Wilson and UHSH-Binghamton divisions, as described below) has embraced the shift from inpatient care to outpatient care fostered by New York State. To this end, the 2018 audited financial statement of UHSH shows a ratio of gross revenues for outpatient care to inpatient care of 2:1, which is not a common experience among hospitals in New York State. A cursory review of other hospitals in New York State show that most experience about a 1:1 ratio, demonstrating that UHSH is a leader in New York State when it comes to implementing activities to reduce avoidable inpatient admissions. UHSH has successfully made the transition from a focus on inpatient care to a focus on outpatient care, all while experiencing positive net income.

#### **Brief Background of United Health Services Hospitals**

United Health Services Hospitals, Inc. (UHSH) is a not-for-profit corporation whose sole member is United Health Services, Inc. (a not-for-profit parent holding corporation). UHSH operates various facilities within the greater Binghamton area, including but not limited to Wilson Regional Medical Center (UHSH-Wilson, the subject of this Application) and Binghamton General Hospital (UHSH-Binghamton). UHSH is affiliated through a common parent corporation with various healthcare-related organizations, including Chenango Memorial Hospital and Delaware Valley Hospital, among others.



UHSW – Wilson is a not-for-profit, 280-bed, acute care facility located at 33-57 Harrison Street, Johnson City (Broome County), New York 13790. UHSW – Binghamton is a not-for-profit, 220-bed acute care facility located at 10-42 Mitchell Avenue, Binghamton (Broome County), New York 13903. Chenango Memorial Hospital is a not-for-profit, 58-bed acute care facility located at 179 North Broad Street, Norwich (Chenango County), New York 13815. Delaware Valley Hospital is a not-for-profit, 25-bed critical access hospital located at 1 Titus Place, Walton (Delaware County), New York 13856.

UHSW-Wilson is a vital component to the overall healthcare delivery system in the Southern Tier of New York State. The Hospital is the region's only critical care hospital, and the facility has been designated by the New York State Department of Health (NYSDOH) as a Level II Adult Trauma Center, Primary Stroke Center and Level III Perinatal Center. In addition, the facility is a Regional Heart Center with cardiac surgery, Regional Neurosurgical Center and a Regional Neonatal Center.

#### **Preliminary Site Planning and Community Engagement**

Preliminary planning for this project commenced in December 2018. A subsequent initial kick-off meeting occurred in January 2019, and user group meetings took place in January and February 2019. User groups represented the ED, medical/surgical unit, imaging and lobby functions, and supporting operational disciplines such as the pharmacy, laboratory, biomedical engineering, cardiopulmonary, environmental services, engineering, security, infection control, and information technology were also included in the planning for this project. During these user group meetings, interviews were conducted to assess department operating assumptions such as capacity, staffing, functional requirements, services performed and current operational obstacles.

Meanwhile, data extraction and analysis were undertaken between January 2019 and March 2019, culminating in an initial feasibility analysis in March 2019. During the early stages of conceptual design, the Steering Committee (the decision-making body of UHSW for this project) and the

architectural team determined that planning for the future capacity needs was both prudent and practical. Lastly, in an effort to engage UHSH community partners at a high level, the Hospital conducted a number of meetings with a variety of leaders in the Village of Johnson City, the Supervisor of the Town of Union and representatives of Binghamton University.

The planning and programming activities for this project focused on the following goals:

- Assist in the long-term strategy to consolidate ED visits at UHSH-Wilson, leaving the ED at UHSH-Binghamton to focus on behavioral health issues from the emergency medicine perspective.
- Provide for future flexibility for M/S bed utilization at UHSH-Wilson.
- Identify strategic and functional placement of a new MRI suite.
- Create an all-private inpatient room unit.
- Provide a new front entrance to UHSH-Wilson.
- Reduce the cost of providing health care services through operating efficiencies resulting from increased productivity and throughput and reduced supply costs through standardization.

#### **Brief Description of Project**

Through this project, the Hospital will construct a new, six-(6)-story building addition (plus a basement with mechanical functions) that will house the following functions:

- Level 1: (All Article 28 Clinical)
  - Emergency Department – new construction (building addition)
  - Emergency Department – renovation construction (renovate existing ED)
  - MRI Suite
  - Parking Area
- Level 2: (Article 28 Clinical / Article 28 Shell)
  - Covered Drop-Off (Article 28 Clinical)
  - Lobby (Article 28 Clinical)
  - Shell Space (Article 28 Shell)
  - PACU & Surgery Support (Article 28 Clinical)
  - Respite Garden (Article 28 Clinical)

- Level 3: (All Article 28 Clinical)
  - Medical/Surgical Patient Unit
- Level 4: (Article 28 Shell)
  - Shell Space for Future Use
- Level 5: (Article 28 Shell)
  - Shell Space for Future Use
- Level 6: (Article 28 Shell)
  - Shell Space for Future Use

In addition, the new building will house a mechanical penthouse and helipad on the roof level of the building. Please refer to **Appendix II** for the following documents:

- Site Plan (two (2) pages)
- Selected Massing (five (5) pages)
- Stacking Diagram (one (1) page)
- Building Composition (one (1) page)

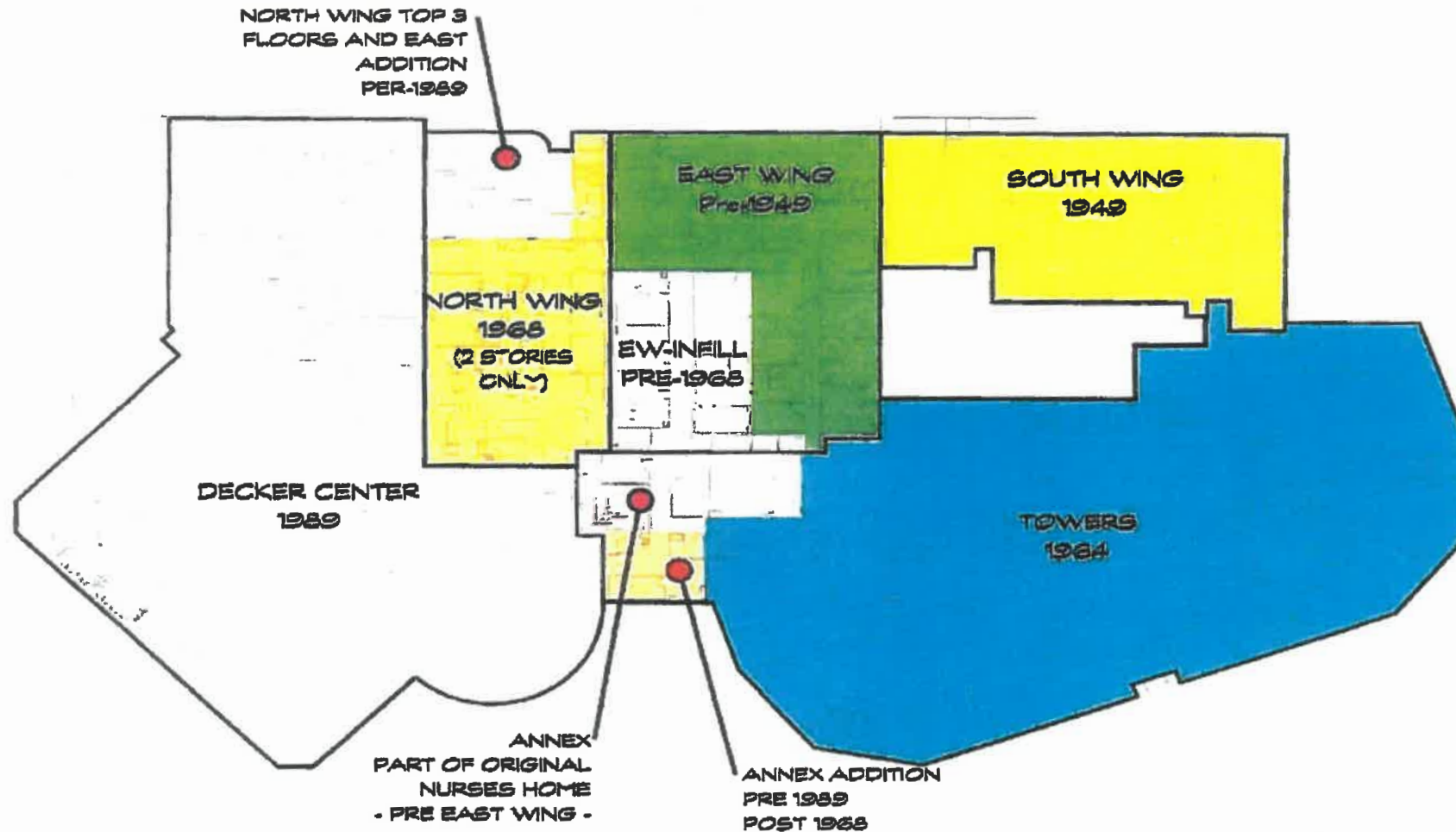
This project includes a total of 159,275 square feet of new construction and a total of 24,100 square feet of existing space that will be renovated. Please refer to C.O.N. Schedule 6 for additional architectural information, and to C.O.N. Schedule 10 for cost/SF estimates for this project.

The following sections provide a description of the service area, document the public need for this project, provide a background of UHSH-Wilson and document the program management activities for the services included as part of this project.



# Life Safety Documentation

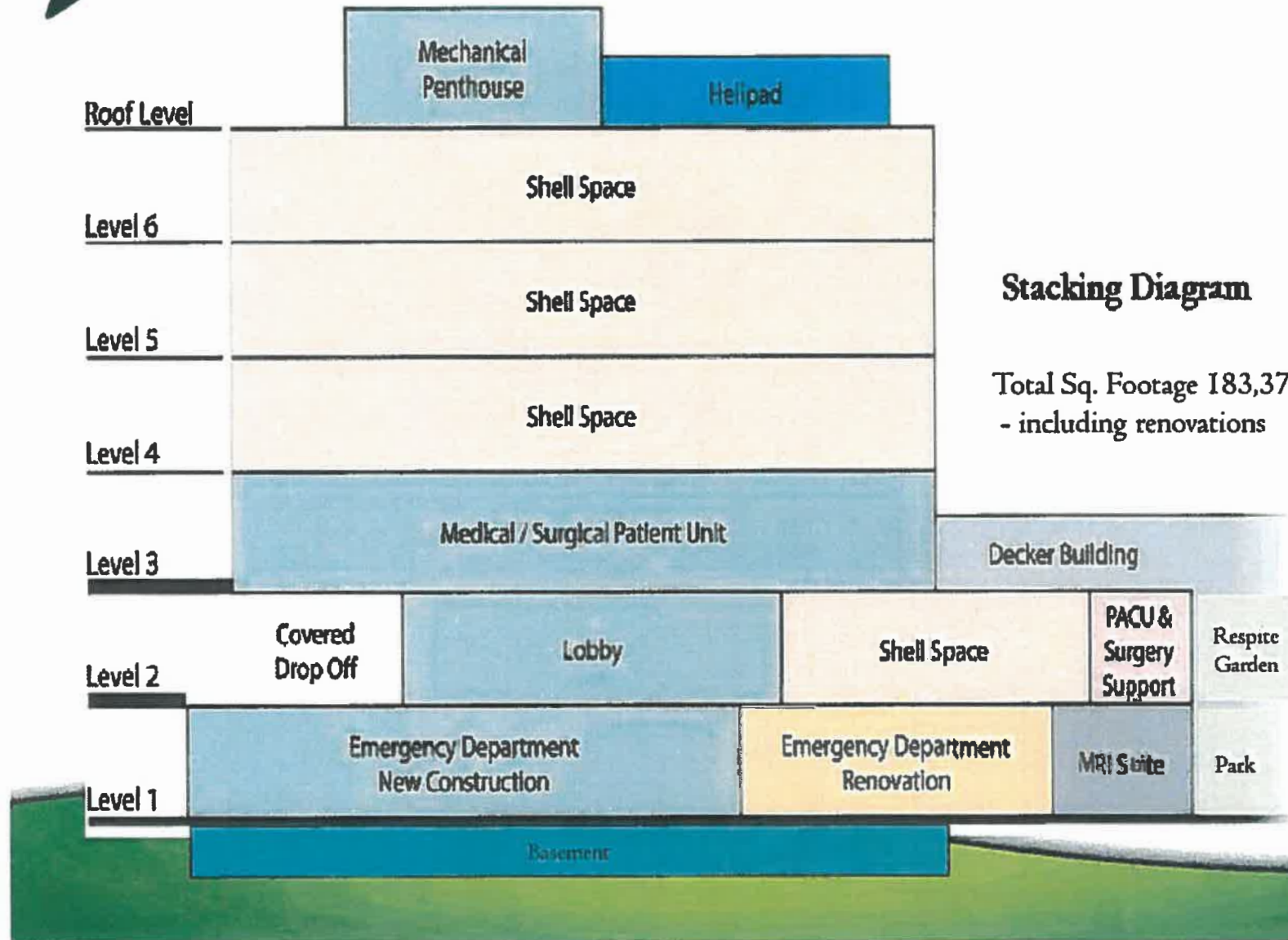
## Building Construction Timeline











Rooftop Penthouse & Heliport

