



EXPANDING BROOKS REHAB TO ARIZONA:
STRUCTURING A NEW
JOINT VENTURE WITH
MAYO CLINIC

SMITH HULSEY & BUSEY

WHEN MAYO CLINIC SOUGHT TO DEVELOP A NEW INPATIENT REHABILITATION FACILITY ON ITS PHOENIX CAMPUS, THE GLOBAL ORGANIZATION HAD NO SHORTAGE OF POTENTIAL PARTNERS.

Ultimately, it chose Brooks Rehabilitation — the Jacksonville-based provider known for its facilities throughout Florida — to help lead the project and expand its model of care beyond the Sunshine State.

The venture marked Brooks' first expansion outside Florida and a significant step toward becoming a national rehabilitation provider. But building a new facility on a major health system's campus required more than clinical expertise. The project also involved complex business real estate, regulatory and financial considerations tied to the partnership.

To structure the joint venture and guide the legal work behind the \$70 million facility, Brooks turned to Smith Hulsey & Busey. While national firms often handle projects of this scale, Brooks chose SHB for its ability to coordinate business real estate, regulatory and corporate matters through a single, integrated team.

"Brooks had a vision for expanding beyond Florida, and Mayo was looking for expert management of a rehabilitation facility," said [Charmaine Chiu](#), chair of SHB's Healthcare practice team.

“YOU CAN'T GET MORE
EXPERT THAN BROOKS.
IT WAS A PERFECT
PARTNERSHIP.” —CHARMAINE CHIU

CONSTRUCTION ON THE FACILITY IS WELL UNDERWAY, WITH AN OPENING PLANNED FOR FALL 2026.

Before shovels went into the ground, though, SHB helped both parties clear numerous legal hurdles.

Managing Partner [Dick Lewis](#) led the project for SHB, providing overall direction corporate structuring and support for the tax-exempt financing for the \$70 million facility. Shareholder [David Roberts](#) provided counsel on parceling Mayo's property, drafting leases and securing land permits, and he negotiated the agreements with Mayo Clinic, developer Anchor Properties, general contractor Kitchell, architect Hoefer Welker and civil engineer Kimley Horn. Chiu managed healthcare licensing and compliance matters. Shareholder [Christopher Dix](#) supported the federal tax aspects of the transaction.

With the initial legal work complete, SHB developed four professional service agreements to staff the project. In doing so, SHB created contracts for the joint venture that assign Brooks to provide supportive staff and physical medicine and rehabilitation physicians. Mayo will provide clinical specialists and diagnostic imaging, and a third-party inpatient hospitalist group will make daily rounds with patients.



FOR BROOKS, THE VENTURE REPRESENTS A MAJOR MILESTONE.

The Arizona facility positions the organization to expand its approach into new markets while partnering with a major health system like Mayo Clinic.

For SHB, handling the venture's full scope of legal work mirrors a broader trend in healthcare of specialists working together to improve outcomes. SHB attorneys provided the multidisciplinary coordination needed to move the project forward efficiently.

"Years ago, a patient might see multiple specialists who never communicated with each other. Now, the best care happens when those specialists work together and share information, because the patient is more than the sum of individual parts," Chiu said. "Our firm works the same way. We have specialists across disciplines under one roof, and we were able to bring those perspectives together to support Brooks and help make this partnership possible."

SMITH HULSEY & BUSEY



ONE INDEPENDENT DR. STE. 3300 | JACKSONVILLE, FL 32202
PHONE: 904.359.7700 | SMITHHULSEY.COM