

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers  
2205 Commonwealth Boulevard, Ann Arbor, Michigan  
Leasehold Improvements for Pediatric Speech Language Pathology, Physical  
Therapy, and Occupational Therapy

Action

Requested: Approval to Proceed with Project

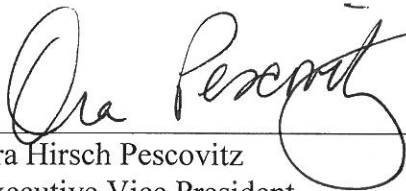
Background:

The relocation of the Pediatric Speech Language Pathology, Physical Therapy, and Occupational Therapy (SLP/PT/OT) services from level 2 of Neuroscience Hospital Unit 2 (the old C.S Mott Children's Hospital) to an off-site ambulatory care location will increase patient access and satisfaction and alleviate space constraints faced in the current location. In addition, the increased presence of University of Michigan Health System pediatric therapy services in the community will capture and retain patients who are increasingly seeking services at private practices. This project will renovate 17,413 square feet in leased space on Commonwealth Boulevard to accommodate this relocation. The scope of this project includes the architectural, mechanical, and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project.

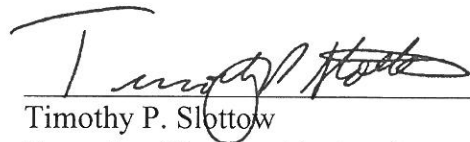
The estimated cost of the leasehold improvements, moveable equipment, furniture, and related expenses is \$3,600,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The project is expected to provide an average of six on-site construction jobs. Construction will be managed by the lessor and is scheduled to be completed in the winter of 2014.

We recommend that the Board of Regents approve the University of Michigan Hospitals and Health Centers 2205 Commonwealth Boulevard, Ann Arbor, Michigan, Leasehold Improvements for Pediatric Speech Language Pathology, Physical Therapy and Occupational Therapy project as described.

Respectfully submitted,



Ora Hirsch Pescovitz  
Executive Vice President  
for Medical Affairs



Timothy P. Slottow  
Executive Vice President and  
Chief Financial Officer

March 2013