

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the  
Regents  
July 16, 2015

Subject: University of Michigan Hospitals and Health Centers  
West Ann Arbor Health Center

Action

Requested: Approval of Project and Authorization to Appoint an Architect

Background:

Ambulatory care activity within the University of Michigan Health System (UMHS) has risen steadily over time and is now nearing two million visits per year. In order to improve patient access to ambulatory care services, UMHS is both actively improving throughput within existing facilities and seeking to expand its capacity. As part of these efforts, the UMHS now proposes the construction of a new and larger health center in the west Ann Arbor market. The existing West Ann Arbor Health Center is 6,000 square feet in leased space in Scio Township. Construction of an approximately 75,000-gross-square-foot facility on property donated to the university in December 2010 (see attached map) will provide a significant expansion in access to an ambulatory diagnostic and treatment center, walk-in clinic, primary and specialty care, infusion, clinical pathology, and radiology services. The new facility will also include adequate surface parking adjacent to the health center. A Certificate of Need will be required from the State of Michigan Department of Community Health for this project.

The estimated cost of the project is \$46,000,000. 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 architectural firms of Project and Design Management and O|X Studio will design the project. The project is expected to provide an average of 52 on-site construction jobs. Design is scheduled to begin immediately and we will return with a construction schedule when we seek approval of schematic design.

We recommend that the Board of Regents approve the University of Michigan Hospitals and Health Centers West Ann Arbor Health Center project as described and authorize commissioning Project and Design Management and O|X Studio for its design.

Respectfully submitted,



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Marschall S. Runge  
Executive Vice President for  
Medical Affairs



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Kevin P. Hegarty  
Executive Vice President and  
Chief Financial Officer

July 2015  
Attachment



Vacant land on Little Lake Drive  
13.9 acres

University of Michigan:  
Off-campus - West Ann Arbor

-  Subject Property
  -  U-M Property
  -  Tax parcel line
- Real Estate Office  
U-M AEC | 6.30.15
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