

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION
ACTION REQUEST

Approved by the Regents
May 19, 2022

Subject: President's Residence
Infrastructure Renovation

Action
Requested: Approval to Proceed with Project

Background:

The University of Michigan's President's Residence is a unique facility on campus as it not only serves as the personal residence of the president and family, but also hosts more than 70 events each year. Built in 1840 at 4,800 square feet, the President's Residence has had four significant additions between 1864 and 1933, increasing its size to 14,000 square feet. It is the oldest building on campus – and among the oldest in the community – and the only surviving structure on the original 40-acre site known as the Diag.

The 5,100 square feet on the ground floor of the residence serves as a gathering place for the university community and is used to host a variety of events, including open houses to welcome new students and student organizations, faculty honoree events such as the Arthur Thurnau Professorships, special guests for commencement activities, and numerous informal meetings and gatherings. An additional 5,200 square feet of private residential space is located on the second and third floors, and the floorplan has largely remained unchanged structurally for decades.

We have unique opportunities to perform major renovations during the periods of transition between university presidents while the house is unoccupied. The university's investments over the past two decades have been underfunded resulting in a significant accumulation of deferred maintenance and necessary updates.

We propose a project to address essential ADA and accessibility upgrades for the public ground floor as well as improving capacity for events to enhance functionality of the living space for the private residence space, and updates that support safety and security. The upgrades will preserve historical features of the home, including the hardwood flooring, library with full wall bookcases, moldings and other woodwork throughout the home, and exterior. The house is listed on the National and State Registers of Historic Places.

The ADA and accessibility upgrades to the ground floor public areas include an ADA-compliant bathroom, a rebuilt outdoor patio with ramp access from the ground-level, new west entrance, new exterior doors and improved connection between the sunroom and the patio.

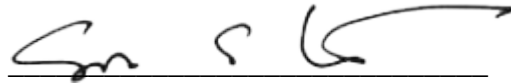
The project scope includes updating safety and security features with additional and updated fire suppression, fire detection and alarm, and security system. Additional deferred maintenance includes repair of interior plaster, exterior stucco, interior and exterior painting, floor refinishing, gutters, trim, built-in energy efficient lighting, infrastructure technology, displays, landscaping, and other maintenance that has accumulated over time. We also propose creating an open kitchen and dining space on the second floor of the residential living area.

The scope of this project also 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 project is up to \$15 million, with total funding to be allocated at the discretion of and oversight by the EVPCFO and will be provided from reserves. The EVPCFO will conduct value-engineering reviews to control scope and cost, utilize university contracts that have previously been negotiated for competitive pricing, and obtain competitive bids where appropriate to complete this project in a cost-effective and expeditious manner. 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 SmithGroup will design the project. The project is expected to provide an average of 57 on-site construction jobs. Construction is scheduled to be completed in the summer of 2023.

We recommend that the Board of Regents approve the President's Residence Infrastructure Renovation project as described, and authorize issuing the project for bids and awarding construction contracts with final budget approval by the EVPCFO.

Respectfully submitted,



Geoffrey S. Chatas
Executive Vice President and
Chief Financial Officer

May 2022