

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Health  
Oakland County Ambulatory Care Expansion

Action Requested: Approval to Proceed with Project and Authorization to Appoint an Architect

Background:

At the March 2024 meeting, the Board of Regents approved the authorization to purchase real estate at 3100 W. Big Beaver Road, Troy, Michigan. The clinical program expansion into Oakland County supports University of Michigan Health's strategy to improve access to patient care services with a broader presence in Southeast Michigan. We propose developing a large multi-specialty ambulatory facility of approximately 220,000 square feet, with a focus on advanced specialty, diagnostic and therapeutic services, which will include an ambulatory surgery and procedures center. The project will also include a multi-story parking deck of approximately 900 spaces. The facility design will emphasize environmental sustainability principles.

The architectural/engineering firm of Hobbs+Black Architects will design the project. Their knowledge and expertise with health care facility design is significant and the basis for our recommendation to appoint them as architect of record to design the new facility. Design is scheduled to begin immediately, and we will return with a construction schedule and an updated project budget when we seek approval of schematic design. Construction is scheduled to be completed in winter of 2026, with a plan to open for patient care by summer of 2027.

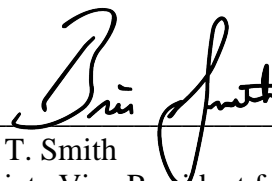
The schematic and future phases of design will inform the proposed budget for the ambulatory care expansion in Oakland County. The estimated budget for the design phases of the project is \$11.24 million. Funding will be provided from University of Michigan Health resources. The construction cash flow 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.

We recommend that the Board of Regents approve the University of Michigan Health Oakland County Ambulatory Care Expansion project and authorize commissioning Hobbs +Black Architects for its design.

Respectfully submitted,



Marschall S. Runge  
Executive Vice President for Medical Affairs and  
Dean, Medical School



Brian T. Smith  
Associate Vice President for Finance

June 2024