Subject: University of Michigan Center for Innovation

Action Requested: Approval of Project, Authorization to Appoint an Architect, and Authorization to award Limited Construction Contracts as described

Background:

The University of Michigan Center for Innovation (UMCI) is a proposed new academic building to be located in downtown Detroit. The proposed building will be the first of 3 buildings to be constructed on the site, with the other two buildings to be constructed by a developer at a future date. UMCI will be a world-class research, education and entrepreneurship center designed to advance innovation and talent-focused community development to propel city, region and statewide job creation and inclusive economic growth by stimulating economic development in the city of Detroit. The program will offer a mixed-model approach that includes both masters’ degrees and workforce development programs that will focus on technology and innovation. The new building will have a basement and 6 stories above grade. The lower floors will contain public-facing programs while the upper floors will be dedicated mostly to graduate programs.

The proposed site of the UMCI project in Detroit is at the intersection of Grand River Avenue and West Columbia Street. (See attached). To address the aggressive design and integrated construction delivery method we are requesting to bid and award design-assist from specialty contractors for the exterior wall system and mechanical, electrical and plumbing systems, including award of long lead equipment and other necessary preparatory work such as utility relocation, excavation and earth retention. The cost of these proposed early packages is approximately $20,000,000 and is included in the project budget. We will return to the Board of Regents to seek approval to award the remainder of the construction contracts along with a construction schedule when we seek approval of schematic design.

The estimated cost of this project is up to $250,000,000. Funding will be provided from a gift, State of Michigan grant and other donations and development activities. 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 firm of Kohn, Pedersen, Fox will design the project.

We recommend that the Board of Regents approve the University of Michigan Center for Innovation project as described, authorize commissioning Kohn, Pedersen, Fox for its design, and authorize the award of early packages as described.

Respectfully submitted,

Geoffrey S. Chatas
Executive Vice President and Chief Financial Officer

Laurie K. McCauley
Provost and Executive Vice President for Academic Affairs

October 2023
Attachment
A portion of 2121 Cass Avenue
2.08 acres

City of Detroit

- Subject property
- Tax parcel

150 Feet