

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

Approved by the
Regents
November 19, 2015

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers
Brighton Health Center South

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 proposes the construction of a new and larger health center in the Brighton market. The existing Brighton facilities include a leased ophthalmology clinic of 6,200 square feet located on Whitmore Lake Road and a leased ambulatory clinic of 41,500 square feet on Challis Road. We propose the construction of an approximately 320,000-gross-square-foot building on university-owned land near the existing Brighton Health Center on Challis Road (see attached map). The new building will include adult and pediatric specialty care, infusion, a comprehensive musculoskeletal center, sleep lab, ambulatory diagnostic and treatment center, radiation oncology, operating rooms, medical procedure unit, pharmacy, radiology, and lab services. Convenient surface parking will be provided on-site. A Certificate of Need will be required from the State of Michigan Department of Community Health for this project.

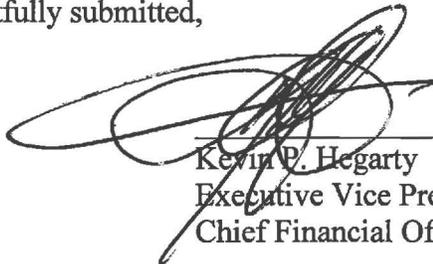
The estimated cost of the project is \$175,000,000. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by bond proceeds or increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Board of Regents. The architectural firm of HKS Architects will design the project. The project is expected to provide an average of 125 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 Brighton Health Center South project as described and authorize commissioning HKS Architects for its design.

Respectfully submitted,

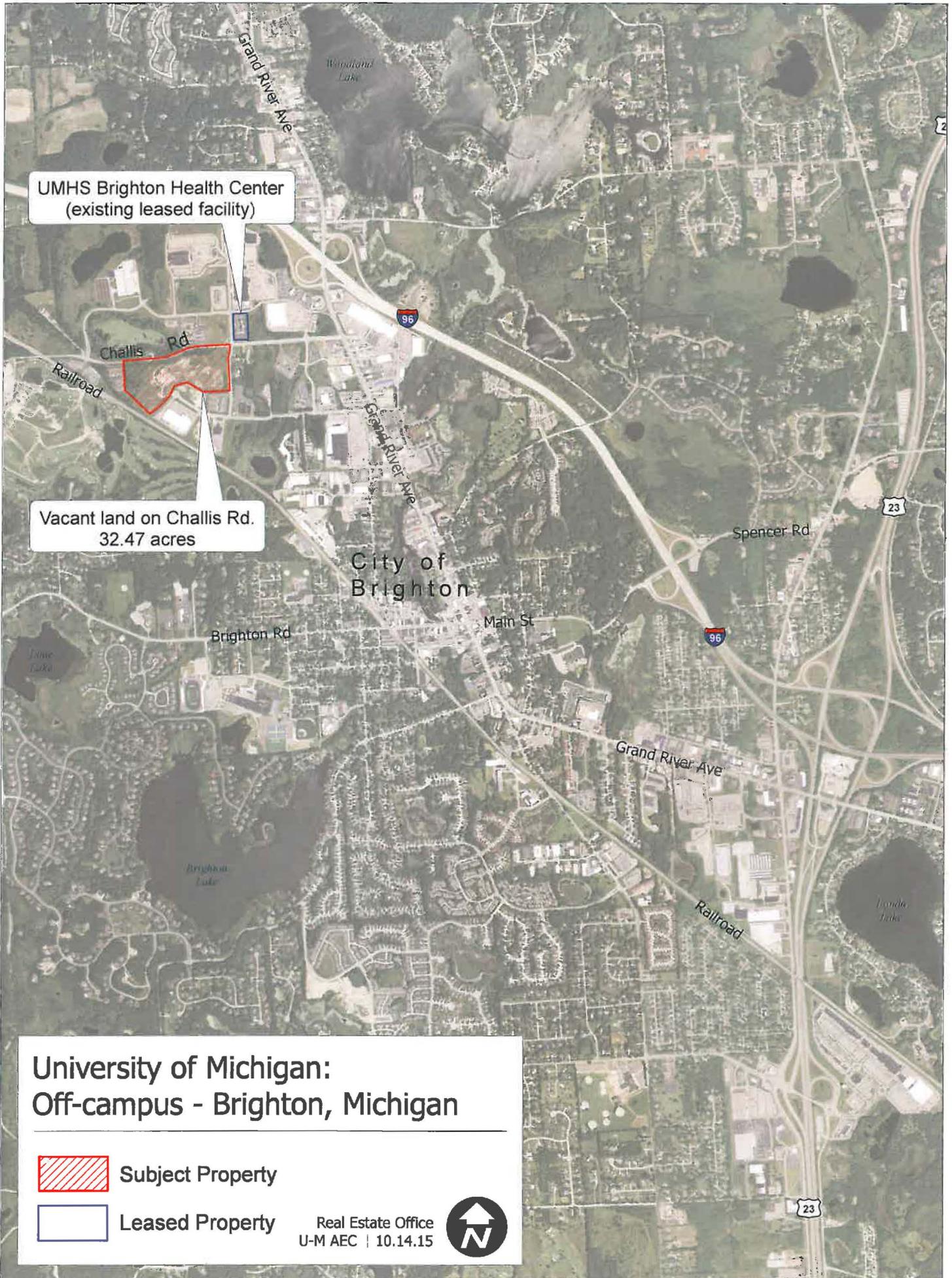


Marschall S. Runge
Executive Vice President for
Medical Affairs



Kevin P. Hegarty
Executive Vice President and
Chief Financial Officer

November 2015
Attachment



UMHS Brighton Health Center
(existing leased facility)

Vacant land on Challis Rd.
32.47 acres

University of Michigan: Off-campus - Brighton, Michigan

 Subject Property

 Leased Property

Real Estate Office
U-M AEC | 10.14.15

