The University of Michigan Regents Communication

Request for Action

Subject: Research Computing Center

Action Requested: Approval to Proceed with Project

Background:

The University of Michigan recently purchased real estate along Textile Road in Ypsilanti Township totaling 144-acres for the site for a new Research Computing Center. The center will house high-performance computing equipment, providing U-M faculty, students and their collaborators with computing power to solve the world's most complex challenges. This will also create economic opportunities for the State of Michigan by promoting the co-location of federal researchers from Los Alamos National Laboratory ("LANL"). Additionally, the university will engage with the local community to develop accompanying projects that address community needs (see attached resolution).

Phase I of the Research Computing Center will be approximately 150,000 gross square feet including the co-located academic research facility. Subsequent expansion of the facility ("Phase II") will be determined by research mission requirements once Phase I is operational. The final facility size is not expected to exceed 300,000 gross square feet.

The Phase I estimated cost is $450,000,000 and the total cost of construction for Phases I and II is not-to-exceed $785,000,000. Phase I funding will be provided by a State of Michigan grant and university bond proceeds with debt service paid from a combination of rental payments and general fund resources. The construction cash flow may be provided, all or in part, by bond or note proceeds, secured by a pledge of General Revenues, and authorized by the Board of Regents. Phase II funding will be provided from either university bond proceeds or bond proceeds secured by third-party rent payments. The architectural firm of SmithGroup Inc. will design the project. Construction of Phase I is scheduled to be completed in the fall of 2031.

We recommend that the Board of Regents approve the Research Computing Center project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,



Robert A. Hewlett III
Executive Vice President
and Chief Financial Officer

November 2026

Attachment: Research Computing Center: Community Partnership and Investment Resolution

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WHEREAS, The University of Michigan recognizes that its operations, presence, and activities can have a positive impact on the surrounding community and that strong relationships with neighboring communities are essential to long-term success; and

WHEREAS, The University of Michigan should build on successful positive programs in the Ypsilanti area, such as the University of Michigan Health Ypsilanti Health Center. This center provides specialty care, diagnostic testing, and primary care closer to residents who might otherwise need to travel to Ann Arbor. The project helps address health disparities and social determinants of health. The center brings a substantial workforce and patient population into downtown Ypsilanti. Ypsilanti's city manager estimated approximately 500 persons are employed in the area each day.

WHEREAS, The University of Michigan shall deepen its commitment to the greater Ypsilanti area and community by building on the successful partnership model established in Ann Arbor, engaging in sustained dialogue with local leaders to identify shared priorities and commit to advancing them.

WHEREAS, The University of Michigan recognizes that support for local schools, parks, recreational facilities, nonprofit organizations, and public service contributes significantly to the quality of life of its residents; and

WHEREAS, The University of Michigan will be a responsible community partner that creates meaningful, tangible, and lasting benefits for the communities in which it operates; and

WHEREAS, The University of Michigan is engaged to establish a proactive approach to identifying and funding community needs and developing mutually beneficial partnerships within Ypsilanti Township and its community organizations;

NOW, THEREFORE, BE IT RESOLVED, that The University will develop and implement a comprehensive Community Partnership Program for Ypsilanti Township residents, focusing on areas such as:

1. **Education:** Establish partnerships and provide support for local public schools, educational programs, students, teachers, career readiness initiatives, and other educational opportunities such as partnering with Eastern Michigan University and other higher education institutions.
2. **Parks and Recreation:** Identify and fund opportunities to support, improve, maintain, or beautify community parks, playgrounds, recreational facilities, trails, and community recreational programming.
3. **Community Organizations:** Partner with community organizations to provide appropriate financial, in-kind, volunteer, and other support to nonprofit organizations and community-based organizations serving residents of Ypsilanti Township.
4. **Community Infrastructure, Environmental Enhancement, and Public Safety:** Identify and fund opportunities to assist with community improvements, public safety initiatives, environmental enhancements, and other projects that improve residents' quality of life.

BE IT FURTHER RESOLVED, that the President, or a designee, shall be accountable for the development and implementation of the Community Partnership Program; and

BE IT FURTHER RESOLVED, that university shall:

- Develop a proposed framework for the Community Partnership Program, including potential funding levels and the source of those funds, eligible organizations, selection criteria, implementation priorities, and measurable goals.
- Work to engage directly with local leadership and/or relevant community stakeholders to identify the most meaningful opportunities for investment including through the engagement of a Community Advisory Committee.
- Ensure that the program is administered in a transparent and consistent manner.

BE IT FURTHER RESOLVED, that university leadership shall present, by March 31, 2027, a proposed Community Partnership Program framework to the Board of Regents for review, including recommended initiatives, anticipated financial commitments, measurable goals, and an implementation timeline.

BE IT FURTHER RESOLVED, that the Community Partnership Program shall be established before the Research Computing Center begins operations; and

BE IT FINALLY RESOLVED, that the University President shall provide the Board of Regents with an annual public report detailing community investments, partnerships established, and resources committed to the program and progress towards the program's measurable goals.