

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents

July 21, 2006

Subject: University of Michigan Hospitals and Health Centers
Domino's Farms Leasehold Improvements for the Division of Allergy

Action Requested: Approval to Proceed with Project

Background:

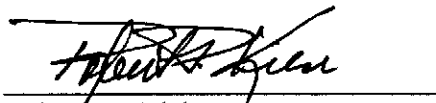
The Department of Internal Medicine's Division of Allergy proposes to establish a University of Michigan Allergy Clinic at Domino's Farms. The proposed project will include relocating the Division of Allergy offices and clinic currently located in the Taubman Health Center, as well as approximately ten percent of the Allergy clinics located at the Briarwood Complex and at the Reichert Building on the Saint Joseph Mercy Hospital campus in Ypsilanti, into leased space at Domino's Farms. The new space will enable the Allergy team to expand clinical, educational, research and community services. In addition, the Allergy program at Domino's Farms will house the UM Food Allergy Center, that will become a regional referral site for adult and pediatric patients with food allergies. The space vacated in the Taubman Center will be programmed to increase activity in other clinical divisions of the Department of Internal Medicine's Gastroenterology Division.

The renovation at Domino's Farms will include 7,800 gross square feet of space to provide exam rooms, waiting areas, offices, and support areas. The scope of this project includes the architectural, mechanical and electrical work necessary to accomplish these improvements. There will be no impact on parking from this project.

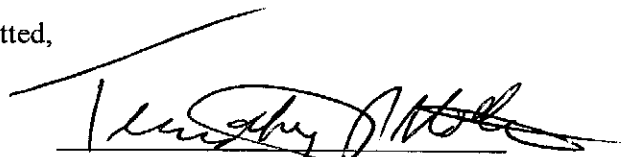
The estimated cost of the project is \$1,455,000. Funding will be provided from Hospital and Health Centers' resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. Construction will be managed by the lessor and is scheduled to be completed in Fall 2006.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers Domino's Farms Leasehold Improvements for the Division of Allergy project as described.

Respectfully submitted,



Robert P. Kelch
Executive Vice President
for Medical Affairs



Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

July 2006