

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
Argus Building
Radiation Oncology Leasehold Improvements

Action

Requested: Approval to Proceed with Project

Background:

The University of Michigan leases space within the Argus Building to support research for the Department of Radiation Oncology. The department is expanding its clinical programs into space currently occupied by research faculty and staff. Due to the limited availability of contiguous space within the Hospital and Medical School, the research personnel will move to the Argus Building where they can benefit from being located together.


The renovation will involve 9,339 gross square of space. The Department of Radiation Oncology is requesting a reconfiguration of the space to increase the utilization by a greater number of employees. The reconfiguration of space will yield additional offices and dry laboratory rooms for research. 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 \$1,400,000. Funding will be provided from the Department of Radiation Oncology existing discretionary fund. The construction cash flow may be provided, all or in part, from tax-exempt debt secured by a pledge of Hospital Gross Revenues. Initially, the project may be financed by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The construction will be managed by the lessor and is scheduled to be completed in Spring 2003.

We recommend that the Regents approve the University of Michigan Hospitals and Health Centers (UMHHC) Argus Building Radiation Oncology Leasehold Improvements project as described.

Respectfully submitted,


Timothy P. Slottow
Interim Chief Financial Officer


Lazar J. Greenfield
Interim Executive Vice President
for Medical Affairs

January 2003

APPROVED BY THE REGENTS ON
JAN 16 2003