

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

APPROVED BY THE REGENTS ON

ACTION REQUEST

MAY 20 2004

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
East Ann Arbor Ambulatory Surgery and Medical Procedures Center

Action
Requested: Approval of Schematic Design

Background:


In December 2003, the Regents approved the East Ann Arbor Ambulatory Surgery and Medical Procedures Center project and the appointment of Albert Kahn Associates as the architect.

The design phase has progressed and we are proposing a 49,000 gross square foot building consisting of one floor with rooftop screening for mechanical equipment. This new facility will be located east of the existing Health Center and will provide six operating rooms, four medical procedure rooms, and related support areas. To address the need for an estimated 175 additional parking spaces, the adjacent on-site surface parking lot will be expanded. A Certificate of Need will be required from the Michigan Department of Consumer and Industry Services for the new operating rooms.


The estimated cost of the project is \$30,000,000. Funding will be provided from Hospitals and Health Centers' resources and Medical School resources. 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. Construction is scheduled to be completed in Winter 2006.

We recommend that the Regents approve the schematic design for the University of Michigan Hospital and Health Centers' East Ann Arbor Ambulatory Surgery and Medical Procedures Center project as presented at the meeting.

Respectfully submitted,



Robert P. Kelch
Executive Vice President
for Medical Affairs



Timothy P. Skottow
Executive Vice President
and Chief Financial Officer

May 2004