

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Walgreen Drama Center Project

Action

Requested: Approval of Schematic Design and Authorization to Issue Bids and Award Construction Contracts for Early Procurement Packages

Background:

At the June 2004 meeting, the Regents approved the Walgreen Drama Center (WDC) project and the appointment of Kuwabara Payne McKenna Blumberg Architects (KPMB) for its design. At the February 2005 meeting, the Regents approved the North Campus Auditorium project and KPMB as the architect. As the design developed for each facility, we determined the auditorium would function well directly connected to the WDC. Therefore, we are now requesting schematic design approval for both the Walgreen Drama Center and the North Campus Auditorium as one building. If this action request is approved, we will combine and manage these two projects going forward as one.

The combined project will be 97,500 gross square feet on two floors, with a partial basement and penthouse for mechanical equipment. The estimated net square feet of program space is 55,000. The WDC will house the Arthur Miller Theatre, designed as a flexible courtyard theatre capable of being configured either as thrust or end stage, with a seating capacity of approximately 250 persons. In addition, the WDC will house the Theatre and Drama Department of the School of Music, currently located in the Frieze Building. We anticipate the Frieze Building, containing the Trueblood Theatre, will be demolished. A suitable space in the WDC will be named in the future to honor Professor Thomas Clarkson Trueblood, who was the founder of the department now known as Theatre and Drama. The WDC will also provide classrooms, rehearsal spaces, a scene shop, faculty offices, support space for Theatre and Drama, and an auditorium with a capacity of approximately 460 persons.

The WDC construction will require the elimination of approximately 250 staff and visitor parking spaces. Even though parking lots on North Campus currently have over 300 vacant spaces during peak times, we will be adding parking spaces in various separate projects on North Campus in anticipation of additional demand resulting from this project. We will present a detailed plan at the Regents meeting to address parking during and after construction.

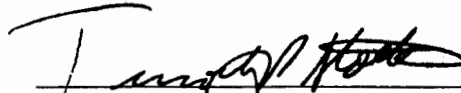
The cost of the combined project is estimated to be \$42,800,000. Funding will be provided from gifts and investment proceeds. More than \$15 million in private support has been received, including \$10 million from Charles Walgreen. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. Construction of the Theatre and Drama faculty and classroom space is expected to be completed in Summer 2006, and the Arthur Miller Theatre interior and auditorium completed in Summer 2007.

APPROVED BY THE REGENTS ON

MAR 17 2005

We recommend the Regents approve the schematic design for the Walgreen Drama Center Project as presented at the meeting, and authorize issuing bids and awarding construction contracts for early procurement packages.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Timothy P. Slottow", written over a horizontal line.

Timothy P. Slottow
Executive Vice President and
Chief Financial Officer

March 2005