THE UNIVERSITY OF MICHIGAN REGENTS COMMUNICATION

ACTION REQUEST

Approved by the Regents January 21, 2010

Subject: Fuller Road Station

Action

Requested: Approval of Project and Authorization to Appoint an Architect

Background:

The City of Ann Arbor and the University of Michigan have entered into a memorandum of understanding for a project to be located on city-owned property on Fuller Road (see attached map) that could eventually lead to a major intermodal transportation complex. One day, the intermodal facility could include rail platforms for access to commuter rail, on-site parking, bicycle station, and even an enclosed connection to the university hospitals. The potential for that future activity has been discussed with representatives from the City of Ann Arbor, the State of Michigan Department of Transportation, the Southeast Michigan Council of Governments, the Washtenaw Area Transportation Study, and the Ann Arbor Transportation Authority and there is general agreement this location is good for regional transportation planning.

The first phase of the development of this major intermodal transportation complex is the Fuller Road Station project which includes site preparation and construction of an intermodal facility that includes: four covered bus loading/unloading zones and waiting areas; a covered area for bike hoops and lockers; parking for 1,000 vehicles (78 percent for university and 22 percent for city use); improvements to Fuller Road immediately adjacent to the site for vehicle access; and upgrades to the multi-use path along Fuller Road.

That includes building the facility on city property, following city code review and inspection, and collaborating with the city for their approval of design. This project is unique since we would be constructing the facility on city-owned property and following city building codes. We will also need approval for the lease on city-owned land since it would be for a period of greater than ten years. We will seek approval of the lease at a later date, but prior to seeking bids or awarding construction contracts for the project. A parking structure operation and maintenance agreement will be developed concurrently with design of the project. The City of Ann Arbor will manage the site preparation at an estimated cost of \$3,000,000. In addition, at the City's expense, they will undertake an environmental assessment of the property. Although there will be a temporary loss of some leased parking spaces during construction, there will be an increase of approximately 780 university parking spaces as a result of this project.

The estimated cost of the project is \$46,550,000. Costs will be shared between the University of Michigan and the City of Ann Arbor in proportion to the number of parking spaces available to each (78 percent and 22 percent respectively). Total university funding, not to exceed \$36,309,000 (78 percent), will be provided from Parking 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

Board of Regents. The parking structure consulting firm of Walker Parking Consultants will design the project. Design is scheduled to begin immediately, and we will return with a construction schedule when we seek approval of schematic design.

We recommend that the Board of Regents approve proceeding with design of the Fuller Road Station project and authorize commissioning Walker Parking Consultants for its design.

Respectfully submitted,

Timothy P. Slottow

Executive Vice President and

Chief Financial Officer

January 2010 Attachment

