

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

EXH	MOTION <i>Brandon</i>
	SECOND <i>Taylor</i>
	ACTION APPROVED BY THE REGENTS
NOTE:	JUL 21 2005

Subject: University of Michigan Hospitals and Health Centers (UMHHC)
Family Medicine Relocation to Domino's Farms
Leasehold Improvements

Action Requested: Approval to Proceed with Project

Background:

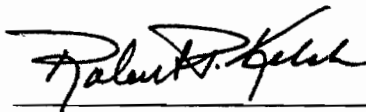
Consistent with national trends, cancer services at the University of Michigan Health System continue to grow. Outpatient migration will continue due to improved cancer drugs, minimally invasive surgeries, and improved outpatient care management. New pharmacological protocols now allow for care to be safely administered in satellite infusion centers closer to patients' homes. With the expected increase in clinical trials and management of highly complex cancer outpatients, additional clinical capacity is required. UMHHC proposes a strategy of expanding cancer services in the Cancer Center building through a series of relocations and renovations and by providing new cancer services at the Canton Health Center.

This project includes the relocation of the Family Medicine Clinic in the East Ann Arbor Health Center (EAAHC) to leased space at Domino's Farms, supporting the goal of improved distribution of primary care services, as well as the expansion of the Japanese and Executive Health programs. In the future, we will return with an action request seeking approval for the relocation of the Geriatrics Program to EAAHC, providing expansion space in the existing Cancer Center building. Family Medicine will occupy 12,500 square feet of combined clinic and office space at Domino's Farms. 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.

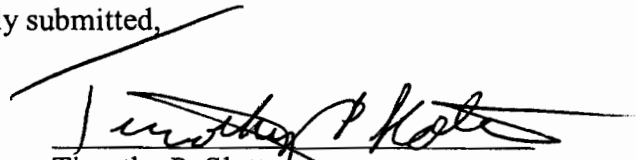
The estimated cost of the project is \$2,650,000 including \$1,618,000 for moveable equipment. Funding will be provided from Hospitals and Health Centers' resources. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, 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 Spring 2006.

We recommend that the Regents approve the Family Medicine Relocation to Domino's Farms Leasehold Improvements 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 2005