



Board of Supervisors

Request from from LSU Health Care Services Division to Approve a Request to Sell the Former Earl K. Long Hospital Property

Date: September 11, 2020

1. Bylaw Citation

Pursuant to Article VII, Section 1

- B. The transfer of title or ownership to any immovable property to or from the Board, whether by sale, assignment, donation, or other mechanism.

2. Summary of Matter

The LSU Health Care Services Division (HCSD) requests approval by the Board of Supervisors to sell property located at 5825 Airline Highway, Baton Rouge, Louisiana 70805.

The property is the site of the former LSU Earl K. Long Medical Center. As a result of the public/private partnership entered into between LSU and Our Lady of the Lake in April of 2013, the hospital building and other adjacent structures were vacated and later demolished leaving mostly vacant land at this 14 acre site. HCSD has no further use for the site, and there are unfunded maintenance costs associated related to this site making it difficult to maintain the site.

HCSD is seeking Board approval to request the Division of Administration, to handle the process of selling the property to include securing an appraisal and site survey of the boundary, advertising and gathering bids and contracts, as well as any and all additional issues associated with the property.

3. Review of Business Plan

HCSD is proposing that proceeds from the sale of the property be returned to HCSD to be used to address deferred maintenance issues on its remaining property.

4. Fiscal Impact

The property would be sold for an amount approved by the Division of Administration and LSU in accordance with state law.

The former Kmart facility was renovated to accommodate the Administrative and Business Office of the Health Care Services Division in 2012 at a cost of \$2.1M. The renovation was an interior renovation that did not include the replacement of the roof. Roof leaks have developed since HCSD has occupied the building putting the interior office space, equipment, medical records as well as business records in jeopardy. A capital outlay request was submitted to replace the roof in 2014, but to date has not been funded. Upon approval by the Board of Supervisors, HCSD intends to submit a request to the Commissioner of Administration to retain the proceeds from the sale of the property to fund the cost of replacing the roof.

5. Description of Competitive Process

HCSD is requesting approval for the Division of Administration to handle all processes associated with the sale of the property.

6. Review of Legal Documents

To be submitted for review when property is sold.

7. Parties of Interest

Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, the LSU Health Care Services Division and the Division of Administration.

8. Related Transactions

HCSD would request the Division of Administration to handle the process of selling the property to include securing an appraisal and site survey of the boundary, advertising and gathering bids and contracts, as well as any and all additional issues associated with the property.

Upon approval by the Board and the Commissioner of Administration, HCSD would use the funds from the sale of the property to offset the cost of replacing the roof on the Administrative and Business Office of HCSD.

9. Conflicts of Interest

None.

10. Attachments

- I. Letter from Chancellor Larry Hollier
- II. Asset Management Report

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Thomas C. Galligan, Jr., Interim President of Louisiana State University, or his designee to:

1. Request the Division of Administration to approve the sale of the LSU Health Care Services Division property located at 5825 Airline Highway, Baton Rouge, and to handle the process of selling the property in accordance with all applicable laws; and
2. Request the Division of Administration to deliver the net sales proceeds to the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College

for the benefit of the LSU Health Care Services Division be used for deferred maintenance issues.

BE IT FURTHER RESOLVED that Interim President Galligan be authorized to sell the former Earl K. Long site thereof, and that Interim President Galligan be authorized to execute an act of cash sale and any and all other documents necessary to accomplish the transaction and to include in such act of cash sale or other documents any terms and conditions as he deems to be in the best interest of LSU.



OFFICE OF THE CHANCELLOR

SCHOOL OF ALLIED HEALTH PROFESSIONS
 SCHOOL OF DENTISTRY
 SCHOOL OF GRADUATE STUDIES
 SCHOOL OF NURSING
 SCHOOL OF MEDICINE IN NEW ORLEANS
 SCHOOL OF PUBLIC HEALTH

July 10, 2020

Thomas C. Galligan, Jr
 LSU Interim President
 3810 West Lakeshore Drive
 Baton Rouge, Louisiana 70808

RE: **Significant Board Matter J**

Request for Approval to sell property located at 5825 Airline Hwy, Baton Rouge, LA 70805

Dear President Galligan: :

The LSU Health Sciences Center New Orleans, Health Care Services Division is requesting approval from the Board of Supervisors to sell the property of the former LSU Earl K. Long Medical Center located at 5825 Airline Hwy, Baton Rouge, LA 70805.

As a result of the public/private partnership between the LSU Board of Supervisors, LSU Health Care Services Division (HCSD) and Our Lady of the Lake Medical Center (OLOL), the property at 5825 Airline Hwy, Baton Rouge, LA was vacated in April, 2013. Since that time most of the structures on the property, including the hospital have been demolished. HSCNO, HCSD is seeking Board approval to request the Division of Administration, to handle the process of selling the property to include securing an appraisal and site survey of the boundary, advertising and gathering bids and contracts, as well as any and all additional issues associated with the property. HSCNO, HCSD has no further use for the property and is unable to continue maintenance associated with the property.

I certify that to the best of my knowledge, we have provided all necessary documentation and that the information contained herein is complete, accurate and in compliance with Article VII, Section 8 of the Bylaws of the Board of Supervisors. We agree to cooperate in any issues related to this matter. Please let me know if any additional information is needed.

Sincerely,

L. H. Hollier, M.D.

Larry H. Hollier, MD, FACS, FACC, FRCS
 Chancellor, LSU Health Sciences Center New Orleans

Cc: Lanette Buie
 Danny Mahaffey

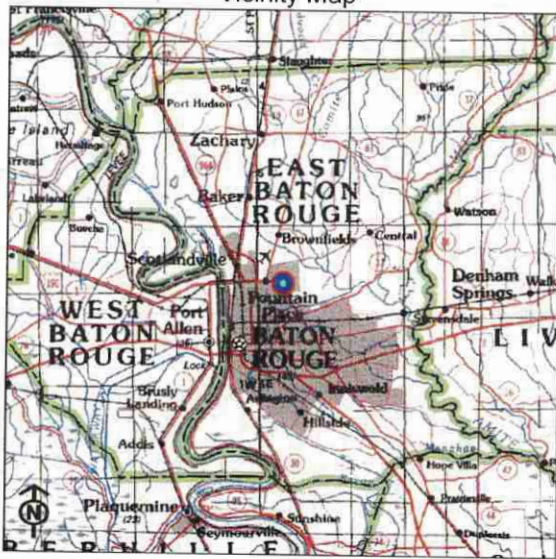
Louisiana Office of State Lands

Asset Management Report - 10/14/2016

0010/217006

EARL K LONG MEMORIAL HOSPITAL

Vicinity Map



Site Map



Status: ACTIVE
Department Name: 19D DEPARTMENT OF EDUCATION
Agency Name: 610 LA HEALTH CARE SERVICES DIV
Group: MEDICAL CENTER / HOSPITALS
Function: HOSPITAL
Facility: EARL K LONG MEMORIAL HOSPITAL
Address1: 5825 AIRLINE HIGHWAY
Address2:
City/State/Zip: BATON ROUGE, LA 70816
Contact: Kathy Viator
E-Mail: kviato@lsuhsc.edu

Phone: 225-358-1002

Land Acquisition: \$263,995.00	Minerals: UNKNOWN	Ownership: OWNED
Convey Docs: 7	First Date: 02/22/1963	
Acreage - Total: 14.27	Owned: 14.27	Leased: 0.00
Active Buildings: 1	Area (Sq Ft): 8,450	ROW: 0.00
Legal Description:		Replacement Cost: \$0
PORTIONS OF LOTS 7, 8, 9, & 10 IN KEENER TRACT, SEC 41, T6S-R1E.		
Additional Notes:		

Approx Land Value:	\$2,639,950.00	Approx Timber Value:	\$0.00
Approx Total Value:	\$2,639,950.00		
Annual Oper/Maint Expense:	\$1,236,072.00	Est Maint Backlog:	\$18,000,000.00
Current State of Utilization:	Full		
Recommendations for Future Utilization:	NA		

Site 2-17-006

Earl K. Long Memorial Hospital

East Baton Rouge, Parish, Louisiana

Statewide Land and Buildings

System Classification

- Full Interest
- Part Interest
- Vacant Land
- Restricted Access
- State Agency Land
- School Indemnity Land
- Lake Bed

State Claimed Water Bodies

- State Claimed
- Claimed by the State and Adjoining Land Owner (Enter at Your Own Risk)
- Judgement, Agreement or Compromise
- Against State Ownership
- Publicly Accessible

Site Boundaries

- Boundary (Document)
- Boundary (Site)
- Section (Tobin)
- Township (Tobin)

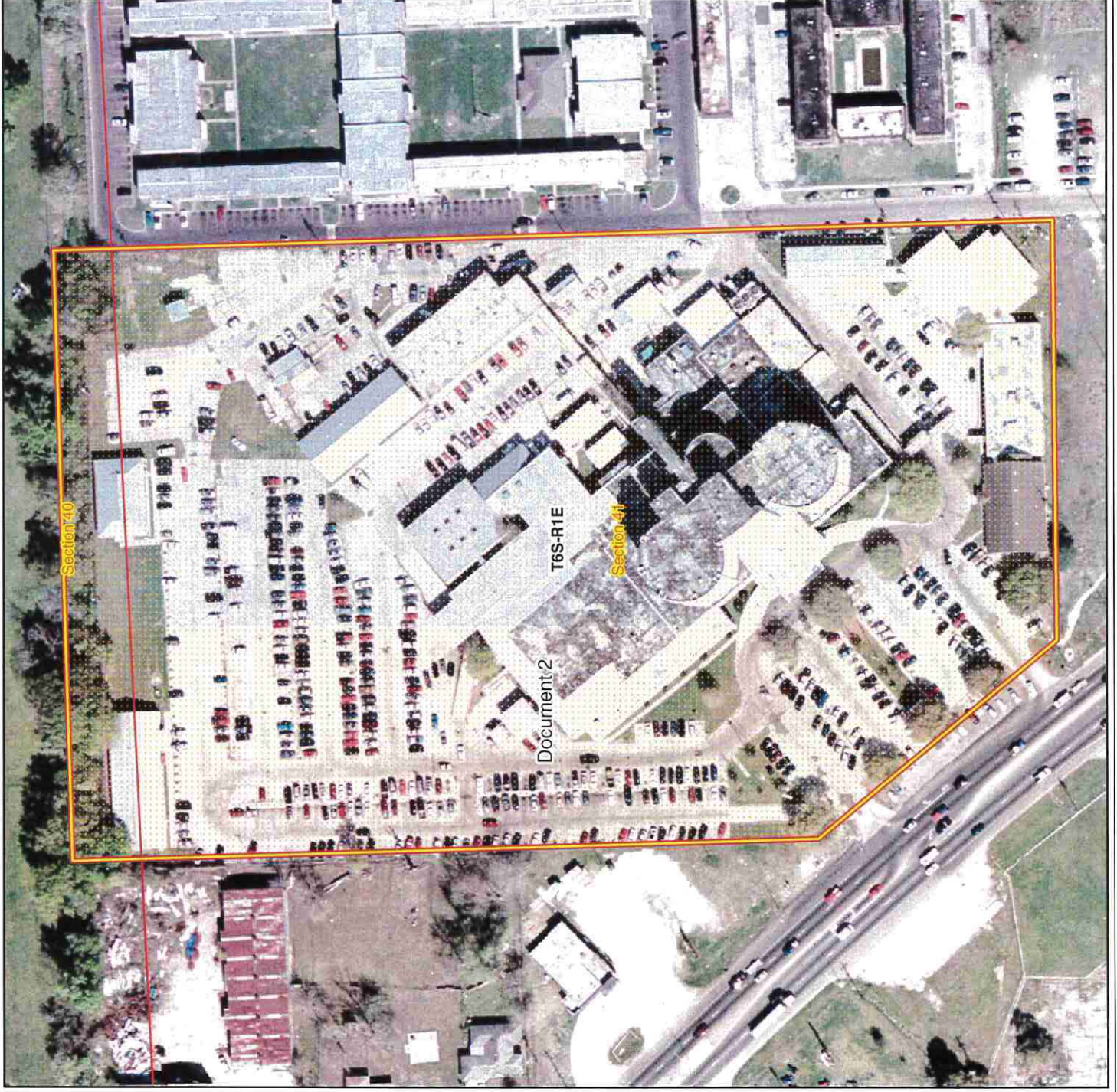


Universal Transverse Mercator
North American Datum 1983
Louisiana North

Image: 2002 1500-meter Orthoimage



Map Date: July 28, 2009





Board of Supervisors

Request from LSU Health Sciences Center - New Orleans to Approve an Intent to Lease Agreement between the LSU Health Foundation and the LSU Board of Supervisors for the Lease of the Clinical Education, Dibert, and L&M Buildings

Date: September 11, 2020

1. Bylaw Citation

Pursuant to Article VII, Section 1

C. Lease of Immovable Property

2. Summary of Matter

The LSU Health Sciences Center – New Orleans (LSUHSC-NO) proposes to enter into an Intent to Lease Agreement with the LSU Health Foundation, New Orleans (Foundation) for the Clinical Education, Dibert, and L&M buildings and land (Properties). The purpose of the Intent to Lease Agreement is to provide an outline of the process and guidelines that the Foundation intends to observe in connection with the competitive selection of vendors and the negotiation of proposed agreements with one or more sublessee(s) for the redevelopment of the Properties and returning them to commerce for LSUHSC-NO students, residents, faculty, staff, visitors and the general public and for such other uses as are consistent to support either residential or mixed uses, related services and other missions and functions of LSUHSC-NO. Once completed, the final Lease Agreement between the Foundation and the LSU Board of Supervisors (LSU Board) will be submitted to the Foundation's Board of Directors and, following approval by the Foundation's Board of Directors, to the LSU Board (and any other agencies required by law) for review and approval. Any subsequent amendments to the Lease Agreement shall follow the same review and approval process.

3. Review of Business Plan

Not applicable until such a time as Foundation proposes a project presented by a vendor.

4. Fiscal Impact

Not applicable.

5. Description of Competitive Process

Not applicable until such time as the Foundation solicits proposals from qualified vendors to develop the Properties.

6. Review of Legal Documents

The final Intent to Lease Agreement will be reviewed by the LSU Office of General Counsel prior to signature by Interim President Galligan or his designee.

7. Parties of Interest

All parties relevant to the approval of this agreement do not have any related interest in the agreement nor will they receive financial gain from this approval.

8. Related Transactions

Not applicable.

9. Conflicts of Interest

None.

10. Attachments

- I. Intent to Lease Agreement, with property descriptions, and campus map with property location (Exhibit "A")
- II. Letter from Chancellor Larry Hollier, MD

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize the President of Louisiana State University, or his or her designee, to approve the proposed Intent to Lease Agreement (Agreement) with the LSU Health Foundation, New Orleans (Foundation) for the Clinical Education, Dibert, Butterworth, Hutchinson and L&M buildings and land.

BE IT FURTHER RESOLVED that the President of Louisiana State University, or his or her designee, is hereby authorized by and empowered for and on behalf of and in the name of the Board of Supervisors, in consultation with General Counsel, to include in the Agreement any and all provisions and stipulations that he deems in the best interest of the Board of Supervisors.

**INTENT TO LEASE AGREEMENT FOR THE LSU HEALTH SCIENCES
CENTER – NEW ORLEANS, DIBERT, L&M, AND LSU MEDICAL SCHOOL
BUILDINGS**

Between

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL
AND MECHANICAL COLLEGE**

and

LSU HEALTH FOUNDATION, NEW ORLEANS

**THIS INTENT TO LEASE AGREEMENT FOR THE LSU HEALTH SCIENCES
CENTER-NEW ORLEANS, DIBERT, L&M AND LSU MEDICAL SCHOOL BUILDINGS,
AND LAND** (herein "Agreement") is entered into effective as of the ____ day of _____, 2020
(the "Effective Date"), by and between

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND
AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional
corporation organized and existing under the Constitution and laws of the State of
Louisiana, domiciled in the Parish of East Baton Rouge, said State, appearing herein
through Daniel T. Layzell, Vice President for Finance and Administration and Chief
Financial Officer of Louisiana State University, duly authorized and empowered by said
Board of Supervisors (hereinafter referred to as the "LSU Board"),

and

LSU HEALTH FOUNDATION, NEW ORLEANS, a private nonprofit Louisiana
corporation having a principal place of business located at 2000 Tulane Avenue, New
Orleans, Louisiana, 70112, and represented by Matt Altier, its duly authorized and
empowered President and Chief Executive Officer (hereinafter referred to as
"Foundation"), provides as follows:

WHEREAS, the LSU Board is a public constitutional corporation organized and existing under
the laws of the State of Louisiana, and Louisiana State University Health Sciences Center at New Orleans
(the "University") is an institution under the LSU Board's supervision and management pursuant to La.
R.S. 17:3215;

WHEREAS, the Foundation is a private, non-profit corporation organized and existing under
the Louisiana Non-Profit Corporation law (La. R.S. 12:201, et seq.) whose purpose includes the support
of and benefit for the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361, et seq., the LSU Board is authorized to lease to the
Foundation any portion of the campus of the University;

WHEREAS, the LSU Board and the Foundation seek to further the mission and functions of the
LSU Board through the redevelopment of several unused buildings in the New Orleans Medical District

area and returning these buildings to commerce as either residential or mixed used properties for University's students, residents, faculty, staff, visitors and the general public and for such other uses as are consistent therewith; and

WHEREAS, the LSU Board and the Foundation have agreed to enter into this Intent to Lease to outline the proposed relationship of the parties and the project.

NOW THEREFORE, the parties agree as follows:

1. Purpose

The purpose of this Intent to Lease Agreement is to provide an outline of the process and guidelines that the Foundation intends to observe in connection with the selection of vendors and the negotiation of proposed agreements with one or more sublessee(s) for the redevelopment of several unused buildings in the New Orleans Medical District area and returning these buildings to commerce mixed used properties generally supporting the University's students, residents, faculty, staff, visitors and the general public and for such other uses as are consistent therewith to support University's mixed uses, related services and other missions and functions of the University (herein the "Project"). If an agreement is reached between the Foundation and a sublessee that is acceptable to LSU, LSU intends to lease to the Foundation the following described property; as such property is more fully described further defined in EXHIBIT "A" hereto:

- A. DIBERT BUILDING, bearing a municipal address of 340 South Claiborne Avenue, New Orleans, LA 70112;
- B. L&M BUILDING, bearing a municipal address of 1620 Tulane Avenue, New Orleans, LA 70112;
- C. LSU MEDICAL SCHOOL BUILDING, bearing municipal address of 1542 Tulane Avenue, New Orleans, LA 70112;

Any such lease shall be for the construction and operation of the Project (as will be more specifically described in any resulting lease agreement) pursuant to the authority of La. R.S. 17:3361, *et seq.* or other applicable law.

2. Process

The Foundation will develop a process to manage the development of the Project. The development phase of the Project is expected to involve the following:

A. Through a competitive process, and with the consent of University, the Foundation will seek proposals for one or more sublessees with significant experience in projects similar to the Project. The Foundation will engage in an appropriate competitive process to evaluate potential sublessees.

B. Based on the above outlined process, the Foundation, with the University's approval, will select one or more sublessees possessing significant experience in projects similar to the Project, with which Foundation will negotiate one or more proposed agreements and/or subleases between the Foundation and the sublessee(s).