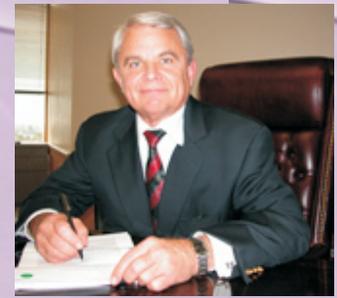


CHANCELLOR'S Notes



January 23, 2009

LSU System responds to FHL misstatements

As I'm sure you are aware, the LSU-VA hospital project has been in the news this week. In light of the repeated misstatements of a small group of activists, I thought you should see the System's response to their letter to Congress. Dr. Fred Cerise, Vice President for Health Affairs and Medical Education, wrote a letter to the Louisiana delegation to set the record straight. Excerpts follow.

The Foundation for Historical Louisiana (FHL) exaggerates the number of properties needed for the LSU facility. The FHL correspondence states that the LSU hospital "requires the expropriation of the property of hundreds of homeowners and small business owners in the Lower Mid City Neighborhood of New Orleans." Of the 58 residential properties, 27 are vacant, leaving 31 occupied residences which will be affected. Only 27 commercial properties in this area are occupied. There are a total of 58 occupied residential and commercial parcels within the site for the new LSU academic medical center.

The FHL letter exaggerates the new hospital's effect on the Mid City Historic District. The FHL letter goes on to claim that the "project will result in the demolition of a significant part of one of the city's most important historic districts." According to the

Programmatic Environmental Assessment conducted by federal agencies in conjunction with the VA/LSU Hospital projects, the location of the LSU Hospital will require the demolition of only 42 of the approximately 4,200 properties in the Mid City Historic District, or about 1% of the properties in the district. Interestingly, during the environmental review process, several blocks of the new LSU hospital location were recommended for removal from the historic district (which is a federal historic district, and is not a locally designated district.) One percent of the properties is simply not a "significant part" of the district.

The FHL misstates its charge from the Louisiana Legislature. The FHL asserts that it "was charged by the 2006 Louisiana Legislature to commission a comprehensive Feasibility Study of Charity Hospital in New Orleans." A resolution, not legislation, was adopted by the Louisiana Legislature that asked the FHL to perform one simple, primary task, which was to determine whether the first three floors of the Charity Hospital building could be used as an interim healthcare facility while permanent replacement facilities were being constructed. The study was not completed until the end of the summer of 2008. It readily became apparent that the study itself was no longer timely, almost three years after Hurricane Katrina, and two years after the study was requested, since LSU was already providing interim hospital services at the Interim LSU Public Hospital since 2006. It should be noted that

the resolution also requested that the FHL assemble a team to assist in the state's negotiations with FEMA to substantiate the extent of damage to the Charity facility, but this was not part of the FHL-commissioned report. The FHL attempts to portray its study as the product of a legislative mandate, when that is not the case.

The FHL report's findings and conclusions have been refuted.

The FHL asserts that the existing Charity Hospital building is structurally sound and can be rebuilt less expensively than building new facilities. The FHL correspondence leads one to believe that the conclusions of their consultant are uncontradicted. Again, this is simply not the case. The Division of Administration, Office of Facility Planning and Control, which is charged with the construction and maintenance of state buildings, prepared an exhaustive rebuttal to the conclusions of the FHL consultant. The state's experts determined that it would be cheaper, quicker, and in the state's best interests to build new facilities, and essentially refuted the conclusions of the FHL consultant.

The FHL's description of the area, the number of residents and businesses purported by the FHL to be affected, the FHL's self-described mandate, and the conclusions of the FHL consultant are inaccurate. The goals and objectives of LSU are the construction of the best possible healthcare and teaching facilities for the citizens and students of the State of Louisiana.