

Foundation for Historical Louisiana

Jerry Jones
Assistant Commissioner of Administration
P. O. Box 94095
Baton Rouge, LA 70804

December 22, 2008

Dear Mr. Jones:

As you know, the Foundation for Historical Louisiana (FHL), at the direction of the State Legislature, commissioned a study regarding the opportunity to rehabilitate Charity Hospital in New Orleans as a state-of-the-art medical center. The Charity Hospital Feasibility Study, conducted by renowned architectural firm, RMJM Hillier, concluded that the Charity Hospital building could not only be rehabbed into a first-rate medical facility, but could be completed for less cost and in less time than alternative plans that require new construction.

On November 26, 2008 your office provided comments regarding the Feasibility Study. While we appreciate the comments, we believe that were based on some misconceptions. Having reviewed those comments, FHL and RMJM Hillier have provided the attached response in an effort to dispel any misunderstandings.

As stated by RMJM Hillier:

The Feasibility Study looked beyond the scope of HCR 89 to foster new ideas and discussions about the Charity Hospital structure and the future of healthcare, good urban planning and sustainability in New Orleans. There is no better way to conserve resources than to re-use and preserve existing structures and neighborhoods. We appreciate the opportunity to respond to the detailed comments from the Louisiana Division of Administration.

The majority of the comments in the letter appear to be rooted in misunderstandings of three primary components of the Feasibility Study.

- *The first misunderstanding is that the project, as proposed in the Feasibility Study, is a restoration of the building. This is not the case at all, but rather a complete gut and new interior build out. It is essentially the construction of a brand new building within an existing structural frame and shell. Having the shell and frame in place, and gutting them to the core saves time and money, and mitigates concerns over unforeseen conditions and associated cost increases to the interiors because they will be completely demolished. The historic features of the main lobby, exterior shell and the two historic auditoriums on the twelfth floor will be retained. A 25% contingency provides for any unforeseen conditions in the core and shell, and in all cases, the cost estimate has assumed worse case scenarios. Reuse of the rich limestone historic shell will provide a warmth and prestige unattainable without considerable expense for a brand new hospital. The light filled contemporary new glass atrium provides a new identity as a modern high tech state-of-the-art hospital: a welcoming gathering place for the community.*

- *The second misunderstanding concerns the timing of the project. There is no land acquisition, the infrastructure is in place, and the steel and shell have been erected. This shaves at least a year off of the project. Questions about the design time are mitigated by project phasing. The project would be submitted as two separate projects, one for core and shell and one for interior construction, allowing documentation of the interior fit-out to be performed concurrently with core and shell renovations. These two components: that the project is a complete retrofit in an unoccupied building, and that the schedules could overlap, are keys to achieving the increased savings in cost and time over a new building. Furthermore, additional savings could be realized in both time and cost since land acquisitions are not necessary. This allows the proposed schedule in the Feasibility Study to be easily achieved.*
- *Third, this is a Feasibility Study, using the MCLNO program as the basis, as opposed to a schematic design. A majority of the comments from the State of Louisiana concern issues that would typically be resolved during the later stages of design in a project, and have been accounted for in contingencies within the cost estimate and overall evaluation, rather than detailed documentation. The purpose of the Feasibility Study was to determine if there were any major factors that would prevent the existing structure from being renovated into a state-of-the-art healthcare facility, rather than providing a solution to every detail.*

The Feasibility Study concluded that Charity Hospital could be rehabilitated into a new state-of-the-art hospital for less cost and in less time than construction of an entirely new facility.

We hope you will take some time to review the attached comments. We look forward to continued discussion around the opportunity afforded by the rehabilitation of Charity Hospital for the benefit of all the citizens of New Orleans. We thank you for your time and consideration concerning this important issue. If you have any questions please feel free to contact me at 225-445-3800.

Sincerely,

Sandra L. Stokes
Executive Vice Chair

cc: Governor Bobby Jindal
Members of the Louisiana House of Representatives
Members of the Louisiana Senate
The Honorable John Kennedy
The Honorable Jay Dardenne
Ms. Angele Davis
The Honorable Jim Tucker
The Honorable Joel T. Chaisson
LSU Board of Supervisors
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