

**BOARD OF SUPERVISORS FOR THE  
UNIVERSITY OF LOUISIANA SYSTEM**

**FACILITIES PLANNING COMMITTEE**

**June 25, 2020**

**Item H.9.**     **Nicholls State University's** request for approval to initially lease the Carmel Inn and Suites, and subsequently purchase it, located at 400 East First Street, Thibodaux, Louisiana 70301.

**EXECUTIVE SUMMARY**

The need for additional space to provide student residential accommodations to ensure a one student per room occupancy for student living areas is desired to prevent the exposure to, and the potential spread of, the Coronavirus (COVID-19) in the future. Nicholls State University has researched the potential lease and purchase of the Carmel Inn and Suites for some time and has determined that this course of action can provide the University with additional facilities to meet the goals of providing students with a single occupancy living space and further the mission of the University to prevent the exposure and potential spread of COVID-19.

The sole intent of this lease and purchase is to use the Carmel Inn and Suites as a residence hall to provide living accommodations to approximately 100 student residents who have been displaced due to COVID-19 social distancing requirements in existing on-campus residence halls. Without this available space, student residents who have been admitted to the University and applied for rooms for the Fall 2020 semester will need to be turned away, risking their enrollment for the semester.

The University will pay a monthly lease payment of up to \$100,000 for the full three-acre facility and grounds, including: 100 guest rooms, business offices, common areas/rooms, dining facilities, and all other social amenity areas housed on the property. The lease shall commence on July 1, 2020 and will expire when the University purchases the Carmel Inn and Suites for the sum of \$1,100,000, a value recently established by the engagement of an appraiser with expertise in the hotel industry.

Based on our research, the University considers this lease rate acceptable to the current market conditions for leases of similar type. This amount represents a value of approximately \$30 per night for hotel rooms accounting for approximately \$90,000 in monthly cost plus approximately \$10,000 in monthly cost for the remaining facilities described above.

It is the University's intent to consider this lease as a sole source since this is the only available property in the area that is located close to the main campus. Furthermore, this action is supported by actions authorized by the Executive Order issued by the Governor of the State of Louisiana addressing COVID-19.

Concurrent with the lease, the University will work with the appropriate State agencies to facilitate the purchase of the Carmel Inn and Suites for the sum of \$1,100,000. The University engaged a certified appraiser to review the property and said appraiser has delivered a report noting that the appraised value of the property is \$1,100,000, thus supporting the purchase price noted herein. The purchase of this property shall be funded using self-generated funds available in the Auxiliary Services fund balance because this is a housing capital outlay expenditure or may also be funded via the sale of the Duhé Building, expected to close first half of FY 20-21, as this is a capital project as well.

Upon approval by the Board, Nicholls State University will proceed with the assistance of System staff, legal counsel, and the other appropriate State agencies to draft the required lease and subsequent purchase in conformity with Louisiana laws and regulations.

Timing of this approval is critical to allow the University to undertake steps necessary to provide accommodations to students returning to campus in early August for the Fall 2020 semester.

### **RECOMMENDATION**

It is recommended that the following resolution be adopted:

***NOW, THEREFORE, BE IT RESOLVED***, that the Board of Supervisors for the University of Louisiana System hereby approves Nicholls State University's request for approval to initially lease the Carmel Inn and Suites, and subsequently purchase it, located at 400 East First Street, Thibodaux, Louisiana 70301.

***BE IT FURTHER RESOLVED***, that prior to execution of final lease and purchase documents, Nicholls State University shall: (a) provide evidence to the UL System office and legal counsel from agencies/parties with transaction process oversight that all transactional and administrative requirements have been satisfied; (b) obtain final review and approval from UL System staff; and, (c) obtain approval from legal counsel that all necessary actions and approvals have been obtained and that documents are in appropriate order for execution.

***BE IT FURTHER RESOLVED***, that the President of Nicholls State University and/or his designee are hereby designated and authorized to execute any and all documents necessary to execute the lease and purchase of the Carmel Inn and Suites property at such times as deemed appropriate to facilitate the lease and purchase transactions approved by this resolution.

***AND FURTHER***, that Nicholls State University will provide the System office with copies of all final executed documents for Board files.



**Nicholls State University**

**Office of the President**

P.O. Box 2001 | Thibodaux, LA 70310 | 985.448.4003 | 985.448.4920 [F]

H.9.

June 23, 2020

*Via Electronic Transmittal Only*

Dr. Jim Henderson  
University of Louisiana System President  
1201 North Third Street, Suite 7-300  
Baton Rouge, LA 70802

Dear Dr. Henderson:

Nicholls State University requests consideration and approval of the following to be placed on the agenda for the June 25, 2020 meeting of the Board of Supervisors for the University of Louisiana System:

*Request to lease and purchase Carmel Inn & Suites.*

Thank you for your assistance in this matter.

Sincerely,

Jay Clune  
President

JC/apf

Enclosures

c: Dr. Alex Arceneaux, Executive Vice President  
Dr. Sue Westbrook, Provost and Vice President for Academic Affairs  
Mr. Terry Braud, Vice President for Finance and Administration  
Ms. Lindsey McKaskle, Interim Athletic Director  
Dr. Todd Keller, Vice Provost  
Dr. Michele Caruso, Interim Vice President for Student Affairs  
Mr. Steven Kenney, Assistant Vice President for Human Resources and CDIO  
Mrs. Paulette Mayon, Internal Auditor  
Dr. James Stewart, Faculty Senate President/ Faculty Association Representative  
Mrs. Renee Hicks, Assistant VP of Strategic Initiatives, Effectiveness and Planning  
Ms. Monique Crochet, Executive Director of Alumni & External Affairs

## Nicholls State University – Housing Request Justification

As we know the abrupt shift to a virtual learning world and the near shuttering of the residence halls in the Spring, 2020 semester has left college students with an array of internal experiences including grief, anxiety, depression, isolation, frustration, and confusion.

We know that students want to return in some way. Anecdotal evidence from SGA representation indicated students want to physically be on campus in the fall, but they want to be here in a manner that supports their health and safety. They expect the university to find means to balance re-opening the doors to their college experience and implementing protocols and decisions that reduce their risk of contracting COVID-19. We also know parents are concerned in general as evidenced by the open letter to NCAA submitted by parents of student athletes urgently asking for more conversation and consideration about the health and safety of their children as universities and college sports begin their return.

Housing numbers support our students' desire to continue their degree path and be a part of residential campus life. As of June 10, 2020 we have placed 905 returning resident students and special new applications. There are as of that same date 466 new incoming student housing applications with deposits who remain unassigned. Furthermore, there are several applications awaiting deposits and we receive new applications weekly. We have offered housing exemptions to several groups in order to reduce the numbers of residents, but the effort has not returned the necessary results.

With North and South Babington being available we will have 1271 beds at single occupancy\* on campus. As referenced above at the June 10, 2020 mark we need 1371 beds to accommodate all student who want to live on campus.

As we prepare to welcome students back to a physical campus their health and safety remain our priority. Universities across the country are identifying ways to maximize health practices and minimize risk as university residence halls are compared by some in epidemiology to cruise ships where the virus will spread easily among a population who are just as likely to be infected but with typically minimal symptomology.

Health experts are predicting a second outbreak in the U.S. this fall and winter with an even higher peak than the first. This has led many institutions to adjust their fall calendars. The University of Louisiana System of which Nicholls State University is a member directed all nine of its institutions to adjust their fall planning to eliminate all face-to-face academic interactions by Thanksgiving.

Opening residence halls at a lower capacity is the mid-level risk according to the CDC with complete closure being the lowest risk and full capacity being the highest risk. Knowing we must mitigate the risk of illness for our students and their families and the risk of a second worse wave in any way possible, single occupancy becomes a necessity in residential living.

The American College Health Association (ACHA) published very thorough guidelines for institutions of higher education to prepare for reopening in the COVID-19 era. In order to decrease the risk of exposure within halls, ACHA's first consideration is single resident per room. They further suggest that, ideally, one resident per bathroom would be the practice but without that option, enhanced and more frequent cleaning should be defined and implemented. Other professionals, including a bioethicist, recommends the same rearranging of room stock so that one student occupies each bedroom. Many universities across the country are heeding this advice.

To that end, we have planned to convert of two double occupancy halls, Calecas and Ellender to single occupancy. To accommodate as many of those displaced students as possible, we are bringing two vacant halls, North Babington and South Babington, back online. It should be noted that those two halls are also traditionally double occupancy, but will be filled as single occupancy during the COVID era.

To better understand the typical student who will be impacted, below are some statistics reflecting the population of Calecas and Ellender Halls.

Over the past seven years:

- 44.26% had an Expected Family Contribution of less than \$1,000.00. (65% of which are African American) (52% were first generation)
- 93% of those students with an Expected Family Contribution of less than \$1,000.00 **did not** have their full need met. (66% of which are African American) (36% were first generation)
- More than half of those students (57%) required the most cost efficient room and board (double occupancy). (65% of which are African American) (64% were first generation)

Fall 2019:

- Calecas
  - All ethnicities other than White: 40 (of 74) = 54%
  - Black/African American: 31 (of 74) = 41%
- Ellender
  - All ethnicities other than White: 118 (of 182) = 64%
  - Black/African American: 94 (of 182) = 51%
- All Three single occupancy new halls combined:
  - All ethnicities other than White: 241 (of 557) = 43%
  - Black: 173 (of 557) = 31%
- For comparison in Fall 2019 overall student population:
  - 18% African American
  - 28% Ethnicity other than White

This data indicate that the most likely students to be displaced by single occupancy adjustments are minorities and those with the highest need for financial assistance. Additionally, students who may or may not be encompassed in these statistics are those who live on campus due to abusive or otherwise unsafe homes, lack of support for their educational goals at home, lack of basic educational necessities such as wifi, and in times of COVID-19 cannot chance going home and potentially exposing high risk relatives to contagion. Inevitably, by not accommodating as many students as possible through the addition of our room inventory, students such as those will be negatively impacted. Such impact is likely to be a barrier to their persistence and ultimately the attainment of their educational goals which may be their only path to improving their quality of life.

\*Single occupancy in this document refers to one person per sleeping area and two persons sharing a bathroom.