LSUHSC breaks ground on $102M student housing development

What started off as an idea in a brainstorming session between LSU Health Sciences Center New Orleans Chancellor Larry Hollier and LSU Health Foundation CEO Matt Altier three years ago has culminated in the first new student housing development on the campus since the 1960s.

A groundbreaking for the $102 million project was held Friday on an empty lot at the corner of Perdido and South Johnson Streets to celebrate the milestone.

The seven-story development, set to be completed in August 2022, will offer 579 beds and consist of a mix of studio, one, two and three-bedroom apartments. Amenities at the site will include community spaces, a lounge, a fitness room, study and meeting rooms throughout the development, an outdoor BBQ area, an in-ground pool and in-unit laundry.

The 324,000-square-foot project will replace the current student housing complex, called the “Gray Ghost” by LSUHSC officials and students, further down Perdido Street. The cinder block structure abuts Interstate 10 and was built in 1967 and has outlived its usefulness, officials said.

Rent for a studio apartment will be $1,215 per month, and rates for a one-bedroom unit will be offered at $1,493 per month. A two-bedroom apartment will run $1,193 per person each month, and rent for a three-bedroom unit will be $917 per person a month.

The project is a public-private partnership between LSU Health Foundation, LSU Health Sciences Center and the LSU Board of Supervisors and Baton Rouge-based Provident Resources Group and will be funded with tax-exempt bonds. The nonprofit development and management firm has financed public projects such as student housing at colleges or universities, affordable housing and health care facilities.

Altier said rental income from the student housing will be used to pay off the mortgage.

“The reason we set it up like this is because state budget is so limited these days that it can pay for things like academic space but not residences,” Altier said. “For a state-of-the-art medical school to not have modern housing, it was far too long.”

New Jersey-based Michaels Student Living is the developer and will handle leasing of the units. The residential real estate firm offers property management, construction and finance services and has seven housing communities in Louisiana.

CORE Construction is the general contractor, and Stantec Architecture is listed as the design team.