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Ronald McDonald House Charities® of Kentuckiana announces \$21 million expansion project

Nonprofit that allows families to stay together while they seek treatment for their ill children at area medical facilities will nearly double capacity with redevelopment of former Medical Society building

(LOUISVILLE, KY) – Ronald McDonald House Charities® of Kentuckiana (RMHCK) today revealed plans for a \$21 million expansion that will nearly double its capacity to keep out-of-town families close to the local hospitals where their sick children are receiving treatment.

The Louisville-based nonprofit organization will redevelop the former Greater Louisville Medical Society Building at 101 W. Chestnut St., adding 20 new guest rooms and increasing the total number of families it can serve annually to nearly 3,000, up from about 1,500. RMHCK also plans an extensive renovation of its existing, adjacent facility at 550 S. First St. once the new building is complete in spring 2019. This is the largest expansion the organization has undertaken since its founding in 1984.

The project comes in response to recent growth in the local pediatric medical community, including a major expansion at Norton Children's Hospital and construction of the new UofL Physicians' Novak Center for Children's Health.

After all renovations are complete in December 2019, the combined buildings, which are connected by hallways on each floor, will have 56 total guest rooms and 63,000 total square feet. Each room will be able to accommodate up to six people, up from the current four. Upgrades and amenities will include en-suite bathrooms for all guest rooms, a new, larger kitchen and community dining room, indoor and outdoor play areas and dedicated quiet rooms.

"As the health care organizations serving children in our region expand, we must also increase our capacity to meet mounting needs," says Hal Hedley, CEO of Ronald McDonald House Charities of Kentuckiana. "We are so fortunate to be able to expand to an adjacent space. After thoroughly evaluating several options, we realized it is essential to stay within 1/3 of a mile of downtown medical facilities, including Norton Children's Hospital, where children of more than 90% of the families we serve receive treatment."

RMHCK purchased the Greater Louisville Medical Society Building in 2016 for \$3.6 million. Construction and renovation costs, along with other project-related expenses, are expected to total \$17 million. RMHCK is also raising \$4 million to help cover increased operating expenses and other future needs. After working on design plans with Studio Kremer Architects and conducting an extensive RFP process,

the RMHCK board of directors has selected <u>Woodbine Construction</u> as general contractor on the project. Some demolition work was completed to evaluate the integrity of the building earlier this year, but renovation work will begin in early September.

The expansion project is being funded by RMHCK's "Keeping More Families Close" capital campaign. In the quiet phase of the campaign, \$18.4 million has been raised to date. In conjunction with the expansion, RMHCK today announced the final, public phase of the campaign to raise the remaining \$2.6 million.

Earlier this month, the global Ronald McDonald House Charities organization announced a \$100 million donation from research-based global biopharmaceutical company AbbVie, which will support 32 Ronald McDonald House expansions across the United States. RMHCK is receiving \$11.7 million from the AbbVie donation — the largest single gift toward the project. For more about the national announcement, click here.

Other major donors to the campaign include:

- Norton Healthcare, \$2 million, \$1 million of which is a challenge grant;
- Local McDonald's Kentuckiana owner/operators, \$1 million;
- Clark Family Foundation, \$500,000, which is a matching grant;
- Ogle Foundation, \$300,000;
- Marshall Family Foundation, \$250,000;
- Ronald McDonald House Charities Global, \$200,000;
- Gheens Foundation, \$100,000; and
- Pete Rutledge, in memory of Betty Rutledge, \$100,000

RMHCK has also been approved for approximately \$1.9 million in federal and state Historic Tax Credits. Both the current Ronald McDonald House building and the former Medical Society building, which housed the University of Louisville Medical School until 1970, are listed on the National Register of Historic Places.

"Norton Children's Hospital appreciates our long-standing partnership with Ronald McDonald House and our shared goal of caring for seriously ill children and their families," says Russell F. Cox, President and CEO of Norton Healthcare. "Ronald McDonald House provides a critical service to families by allowing them to remain together while their children are being cared for at the Hospital. As Norton Children's Hospital continues to grow to meet the needs of children in our community and beyond, it is important that the Ronald McDonald House expand, as well. We are pleased to support their efforts."

"On behalf of McDonald's and each of our local owner/operators, we are proud to support Ronald McDonald House," says Art Davenport, local McDonald's Owner/Operator and RMHCK Capital Campaign Chair. "As our long-time charity of choice, we're especially thrilled to be part of a project that's going to keep more families close to each other and to the medical care they need to thrive."

RMHCK was founded more than 30 years ago after Jef Conner and Hunt Rounsavall, whose daughter was being treated for cancer during a long hospital stay, observed that many parents of critically ill children who came from outside Louisville did not have a place to sleep at night. The Rounsavalls, along with Christine's oncologist, Sal Bertolone, M.D., led the efforts to bring a Ronald McDonald House to Louisville. RMHCK began with 19 guest rooms. It was expanded to 29 rooms in 2003, and to 36 rooms in 2009. In 1992, RMHCK pioneered the effort to add Ronald McDonald Family Rooms – smaller versions of Ronald McDonald House — to local hospitals for the added comfort of families of medically fragile children.

For more information, including a fact sheet, brochure, video, photos, architect's renderings and more, please visit rmhc-kentuckiana.org/what-we-do/keeping-families-close/press-kit.

ABOUT RONALD MCDONALD HOUSE CHARITIES OF KENTUCKIANA

Ronald McDonald House Charities of Kentuckiana (RMHCK) is a nonprofit 501(c)(3) corporation, part of a global organization serving children in 58 countries and regions. Founded in 1984, the Louisville, Ky.-based RMHCK provides the home and support that allows families to stay together while they focus on the healing of their sick children at a critical time. The RMHCK building at 550 S. First Street has 36 guest rooms, four fully stocked kitchens, plus a living room, dining area, laundry room and restrooms on each floor. In cooperation with area medical facilities, RMHCK also operates Ronald McDonald Family Rooms at Norton Children's Hospital, Frazier Rehab Institute and Norton Women's and Children's Hospital. All services are provided at little to no charge to families, and no family is turned away due to an inability to pay. In 2017, RMHCK served 1,451 families with total room nights of 12,364. The organization's annual budget is \$1.6 million, a portion of which is funded by local McDonald's owners/operators, and the remainder from individual and corporate donors. For more information, visit rmhc-kentuckiana.org.

EARNED MEDIA COVERAGE

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WLKY-TV:

https://www.wlky.com/article/ronald-mcdonald-house-announces-20-room-expansion/22878519

WDRB-TV:

http://www.wdrb.com/story/38997832/ronald-mcdonald-house-announces-major-expansion

Insider Louisville:

https://insiderlouisville.com/economy/ronald-mcdonald-house-kicks-off-21-million-expansion-renovation/

The Lane Report:

 $\frac{https://www.lanereport.com/104994/2018/08/ronald-mcdonald-house-charities-of-kentuckiana-announces-21-million-expansion-project/$