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## **Commonwealth Cornerstone Group Announces Tax Credits for Philadelphia Ronald McDonald House**

*Expanded facility will add 88 new bedrooms; helping families of sick children*

**Harrisburg, PA** – Commonwealth Cornerstone Group (CCG) today announced that it has completed a \$6 million New Markets Tax Credit (NMTC) financing transaction that will help fund a much needed expansion of the Philadelphia Ronald McDonald House (PRMH) located in the University City section of West Philadelphia.

PRMH was the first Ronald McDonald House in the world. As part of the worldwide network of Ronald McDonald Houses, it provides temporary residence to families with children suffering from serious illnesses.

The demand on PRMH for resources is so great that 5,306 requests from families could not be accommodated in 2016 because the facility was at capacity. Tax credits provided by CCG and other community development entities will help pay for a 93,000-square-foot expansion to PRMH that will include 88 new rooms. The enlarged facility will have a total of 111 bedrooms, increasing its bedroom capacity by 147 percent. The planned expansion will more than double the number of families served at the facility.

“Most people are aware of the tremendous good work accomplished worldwide by Ronald McDonald Houses,” said Brian A. Hudson Sr., CCG chairman and executive director of the Pennsylvania Housing Finance Agency (PHFA). “Commonwealth Cornerstone Group is proud to be associated with this project, which will help many families struggling on so many levels due to a life-threatening illness to their children.”

CCG was created in 2004 by PHFA to serve as a nonprofit community development entity.

Ronald McDonald Houses have been shown, through a range of studies, to help families in other ways than lodging, including improvement of families’ quality of life during care, strengthening coping ability, and improving sleep quality. PRMH’s local evaluation efforts support these findings, with 99 percent of families surveyed in 2016 reporting that staying at the house helped them maintain their well-being and 97 percent reporting that it made it easier to access care.

PRMH’s current Chestnut Street location is one of its two houses located in Philadelphia. It provides families with a wide range of amenities that include: individual guest bedrooms, a large shared kitchen and dining area, a fully stocked pantry, hot meals served daily, a living room and lounges, laundry rooms, children’s play areas, a teen center, an exercise room, and van shuttle service to hospitals.

The expansion of this location will allow PRMH to increase the number of families served here from an average of 791 families annually to an estimated 1,900 families; it will also increase the available room

*(more)*

nights from 16,425 to 40,150 per year. Notably, about one third of families served each year are low-income, and many others face severe financial distress as a result of their child's illness.

This project is expected to generate roughly 150 construction jobs. In addition, PRMH has started to increase its workforce in preparation for expansion and will ultimately create a total of 15 new permanent jobs. The project also will be retaining 26 full-time and 28 part-time jobs.

The total cost of the project is approximately \$50 million. In addition to the \$6 million New Markets Tax Credits allocation from CCG, PRMH has been awarded additional allocations from other community development entities to allow the project to move forward.

About Philadelphia Ronald McDonald House (PRMH)

PRMH is a 501(c)(3) that was founded in 1974 as the first Ronald McDonald House in the world. Today, PRMH is the model for 365 houses in 42 countries worldwide. PRMH's two house facilities serve as the critical link in bringing together specialized medical care and the children who need it, increasing access to treatment for families who might otherwise be unable to travel to Philadelphia for their child's care. Each year Ronald McDonald Houses save families approximately \$700 million in lodging and meal costs.

About Commonwealth Cornerstone Group

The goal of CCG, through its administration of New Markets Tax Credits, is to fund projects in key areas of communities that have historic or cultural value and offer opportunities to spark economic revitalization. CCG utilizes NMTCs to provide loans and equity investments for business expansion, mixed-use development, and community facilities across Pennsylvania. Examples of past developments that have benefited from CCG's investment of tax credits include Bakery Square in Pittsburgh, the Coal Street Community Facility in Wilkes-Barre, and Schmucker Hall in Gettysburg. Learn more at: [www.commonwealthcornerstone.org/](http://www.commonwealthcornerstone.org/).

About the New Markets Tax Credit Program

The New Markets Tax Credit Program was established by Congress in 2000 to spur new or increased investments in operating businesses and real estate projects located in low-income communities. The NMTC Program attracts investment capital to low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax return in exchange for making equity investments in specialized financial institutions called community development entities, such as Commonwealth Cornerstone Group. The program is administered by the U.S. Department of the Treasury.

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