

## Gift Announcement FAQs

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as of November 21, 2019

### Ernest and Evelyn Rady's Giving

#### 1. What are the details of the Radys' gift?

Ernest and Evelyn Rady have committed a matching gift of \$200 million to Rady Children's—the largest gift in Hospital history and one of the largest gifts to a children's hospital in the U.S.—to create a reimagined healing environment as part of a comprehensive master campus and system plan.

#### 2. What will the gift fund?

The Rady Reimagine Fund, a transformational investment, will refresh the Hospital's physical campus and enable Rady Children's to accelerate a rigorous campus planning process. This process will include remodeling existing facilities to reflect best-in-class design practices and help maintain our goal of delivering consistently excellent care; it also will envision new, state-of-the-art facilities that embrace technology and innovation, helping to achieve our aspirations of being selectively distinctive. In other words, Ernest and Evelyn have again inspired us to completely reimagine the healing environment for children and families.

#### 3. How much have they contributed to Rady Children's in total?

To date, Ernest and Evelyn Rady have invested nearly \$400 million in the Hospital. In 2006, Ernest, Evelyn and American Assets, Inc. pledged \$60 million to support expansions in facilities and programs including construction of the Acute Care Pavilion; eight years later, Ernest and Evelyn invested \$120 million to establish the internationally recognized Rady Children's Institute for Genomic Medicine. In addition, Mr. and Mrs. Rady have supported other Hospital projects and annual matching gifts through Hospital signature events.

#### 4. What inspired the family to make this latest gift?

Ernest and Evelyn trust Rady Children's—which they consider a leading institution fueled by talented physicians and researchers—to make transformational strides in pediatric health care. They have seen the fruits of their early investments: since its establishment, the Genomics Institute has led the nation into a new era of precision medicine and changed the lives of acutely sick infants and children. And they recognize that the greatest possible return on investment is the ability to improve the health and lives of children: in San Diego, across the country and around the world.

#### 5. Is this a matching gift?

Ernest and Evelyn have encouraged similarly inspired donors to make leadership gifts and mirror their investment by creating this Rady Reimagine Fund. Supplemented by other resources, their latest gift will enable the creation of a new healing environment. Their hope is that the community will be similarly motivated to support our aspirations and give to the life-changing care, research, technology and innovation that occur daily across Rady Children's system of care.

## Reimagining the Campus

### **1. Which parts of the campus will be reimagined?**

We are in the early stages of creating our master campus and system plan. This generous gift provides the wherewithal to accelerate our planning and give us an increased opportunity to be bold, innovative and thoughtful about how we best serve our communities.

### **2. How will a new health care environment improve care for children in this community and beyond?**

As the possibilities of pediatric health care expand, Rady Children's also must evolve to fully realize these new opportunities. This unprecedented investment will transform our infrastructure and enable Rady Children's to pursue a rigorous campus redesign to seamlessly integrate the latest technology into clinical care, allow us to expand to meet the pediatric health care needs of our region and beyond and support the health and well-being of our patients, families and staff in a caring and innovative environment.

### **3. Are there constraining factors present in the existing campus?**

While we aim to provide our patients with the best possible care using our existing resources, we recognize that not only has our growth outpaced our infrastructure, but parts of our campus are beginning to show signs of age. Our campus facilities will benefit from being equipped or rebuilt to house the most innovative technology and to incorporate today's best patient-centered design elements for patients, families, caregivers and staff.

### **4. Will the reimagined campus address existing parking and congestion issues?**

In addition to looking at what services are needed, the plan will look at traffic flow, pedestrian flow and parking capacity. Looking across the entire system, we can determine which services need to be at the main campus and which are better served being off campus and embedded in the communities we serve. We want to make the best use of all Rady Children's locations and partnership locations; conducting a master campus and system planning study provides the opportunity to look at this in its entirety.

### **5. What is the timeline for this initiative?**

The master campus and system plan will be completed in FY2020 with construction planning to follow.

### **6. Will this gift cover the total cost of reimagining the campus?**

This gift—and Ernest and Evelyn's votes of confidence—provides the impetus to begin the master planning process. While this commitment is a crucial piece of the overall funding, it will be supplemented with Proposition 4 funds from the State of California, Hospital resources and—most importantly—other generous donors.

## Campus and System Planning Process

### **1. What is Rady Children's master planning and how does it connect to these Institutes of Distinction?**

Rady Children's Hospital turned 65 years old in August 2019. We are currently at a very special juncture—and with that we have an unprecedented opportunity. The launch of this master campus and system planning process is at an inflection point in our over seven decades of providing **consistently excellent** and **selectively distinctive** care to children in our community. With the passage of Proposition 4's bond funding initiative and this

transformational investment from Ernest and Evelyn Rady, we have the wherewithal to take a broad look into the future and create a plan that will serve the children and families of this region and beyond for years to come.

## **2. What is a master campus and systems plan?**

It's a forward-thinking plan to ensure cohesive programs, facilities, technology/infrastructure and environments meet our projected long-term needs.

## **3. Why a master campus and systems plan?**

The first inpatient hospital building on our campus was constructed in the 1950s and was the beginning of a plan to create a facility exclusively for children. That building still exists alongside other buildings constructed from 1980 to 2017 to accommodate growth in the region. Over that time we grew prudently on an as-needed basis to serve the expanding community and with future growth in mind. However to serve the needs of current and future generations and remain **consistently excellent** and **selectively distinctive**, we must look holistically at our campus footprint to develop a plan that ensures delivery of world-class patient care and makes the highest and best use of space and technology on the main campus and in the community.

With the passage of Proposition 4, all California children's hospitals will share a total of \$1.5 billion in bonds for construction, renovation and/or expansion. As a result, Rady Children's has been spending the past few months focusing on assessing the feasibility of a program, facilities, technology and infrastructure plan for the entire system. That doesn't mean we tear it down and start over, but rather look at our system and space and imagine how it could be if built for peak access and efficiency and, more importantly, to remain **consistently excellent** and **selectively distinctive** in patient care, research, teaching and advocacy.

## **4. Does Proposition 4 represent one-time or on-going funding?**

Funding derived from Proposition 4 represents a fixed amount of money, designated for capital investments with up to 15 years to spend. This source of funding is something that collectively California children's hospitals have periodically pursued through the ballot initiative process.

## **5. Why spend on infrastructure and buildings versus people and technology?**

The plan will not just include infrastructure and buildings; it's complementary and comprehensive; it will consider six key components: access to services, a destination campus experience, geographic needs, community partnerships, research and education and Institutes of Distinction. The plan goal is to create stimulating environments and amenities that consider both patients and families and the people who work here. The outcome of this process will help identify the development potential of the campus and regional initiatives over the next 10 to 20 years.

In addition, the Emergency Care Center, the only ED and Level 1 Trauma center dedicated to caring for children and teens in this region, has far exceeded its originally planned capacity. This also is true for critical care areas. Increasingly we are treating the whole child, including their mental and physical health. The need is enormous and it will require additional space for this population and their caregivers as well as for research and teaching activities that will inform and prepare the providers of the future. Investing in the Institutes of Distinction and pursuing other opportunities to be ***selectively distinctive*** will drive program growth.

**6. What does “Institute of Distinction” mean?**

Fulfilling our aspiration of being ***selectively distinctive*** and a world-class pediatric academic healthcare system necessitates big ideas and transformational plans. These are ideas that revolutionize the way we approach health, quality, research and teaching—ideas such as breakthroughs in technology, novel therapies, new paradigms for treatment models or even preventing the origin of a disease. When partnered with transformational philanthropy, big ideas become ***Institutes of Distinction***.

**7. When is this going to start?**

This is the biggest planning project that Rady Children’s has undertaken in its history. It will be a multiphase, multiyear process and we are in the study phase of the project. This has involved feasibility conversations with the Board of Trustees, getting our arms around the potential scope of the project and projecting growth and changes to how health care will be delivered. We’ve also been assembling information and data for preliminary conversations with facilities consultants to convey our vision and needs for the future. The pre-planning has already started and knowing that, along with our own investments, we have the support of Proposition 4 funding as well as Ernest and Evelyn’s generous philanthropic investment, we can truly begin this journey. Our goal is to develop the comprehensive master plan that will include drawings, construction/move timelines, costs and space assignments.

**8. Does the master campus and system plan have sustainability and green energy considerations?**

Yes, as a part of our planning process we will continue to strive for a green agenda. You may recall the Acute Care Pavilion was the first LEED-certified acute-care hospital in California. As a LEED-certified green building, the pavilion is energy efficient and environmentally friendly from the materials used in the construction to how energy is used and released into the environment.