
DeLano School Redevelopment

Phase I: Feasibility Study

Prepared for: City of Kansas City, Missouri

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Contents

DeLano Redevelopment Project Summary.....	4
Background.....	4
Community Advisory and Youth Engagement	5
Development Recommendation	6
Ownership Scenario and Operational Structure Recommendation.....	9
Recommended Next Steps	10
Community Analysis	11
Data Use Limitations and Considerations	11
Insights & Findings.....	12
Youth Housing Need	13
Service Need Analysis	17
Site Overview.....	18
Building Condition	19
Adjacent Community Assets.....	20
Development Scenarios	21
Design Approach.....	22
Historic Building	22
Trauma Informed Design	23
Alignment to Proposed Use	25
Building Program	25
Residential Programs	25
Drop-In Center	27
Potential Future Phase Development Options.....	27
Development Scenario Detail.....	28
Development Timeline	29
Scenario Development Budgets and Annual Operating Costs Overview	30
Scenario 1: All three programs, shared residential supportive services	34
Scenario 2: Housing only, shared residential supportive services	39

Scenario 3: All three programs, central drop-in center, supportive services in residential wings	44
Ownership Scenarios	48
Capital Stack Assembly.....	49
Ongoing Facilities and Programmatic Operations.....	49
Ownership Scenario Detail.....	52
Recommendations & Next Steps	57
Development Recommendation	57
Ownership Scenario and Operational Structure Recommendation.....	58
Recommended Next Steps	59
Creating a Climate for Success	61
Appendices	62

DeLano Redevelopment Project Summary

Background

The Kansas City Public Schools (KCPS) and the City of Kansas City, Missouri (KCMO), along with sector and community partners, have elevated the need for capacity to house youth experiencing homelessness in the Kansas City area. Over the previous two years, regional organizations received 1,600 youth submissions for the transitional living program shared regional application. Fewer than 25% of those who applied were able to access housing due to limited capacity. In addition, Kansas City Public Schools (KCPS) identified over 1,176 students as homeless under the McKinney-Vento Act in the 2022-23 school year, 181 of whom were unaccompanied youth.

KCPS and KCMO have identified the vacant R. J. DeLano School (DeLano), located at 3708 E. Linwood Blvd., Kansas City, MO, as a potential redevelopment opportunity to offer more young people experiencing homelessness and housing instability safe access to housing and supportive services. The redevelopment aims to serve youth ages 14-21 through potential programs including, drop-in center, non-congregate overnight/emergency shelter, transitional housing and/or permanent housing. There is a lack of access to youth transitional and shelter housing in Kansas City's Historic East Neighborhoods, where DeLano is located. Establishing services at the DeLano School would embed access to housing programs and support services in the local community and in direct proximity to youth attending KCPS Central Middle School and Central High School.

In partnership with The STRATA Architecture and MultiStudio, IFF was engaged to complete a Feasibility Study that takes a data-informed approach to the adaptive reuse of DeLano that could ultimately result in a sustained asset for the community, which meets community vision and need. This strategic approach is informed by community voice and community data, balanced with the practical realities of financing and operating costs and considerations. IFF deeply believes that community should be a central driving force in all community development projects and that programs should drive and define facilities. IFF engaged with these values and equitable community development principles at the center of this project.

Ultimately, this Feasibility Study aims to provide stakeholders and decision makers with the important information and data to make informed decisions driving towards transformational change. As such, the following activities are woven throughout this Feasibility study:

Establishing youth housing services at the DeLano School would embed access to programs and support services in the local community and in direct proximity to youth attending KCPS Central Middle School and Central High School.

- *Engage key local community members and sector partners* through a Community Advisory Committee (CAC) to guide and confirm key project details and direction throughout this phase of the work
- *Center youth voice* by engaging both housed and young people with lived experience of homelessness in planning and design feedback sessions
- *Leverage data and research* to identify and affirm the need for youth housing and supportive services in proximity to the project site
- In collaboration with KCMO, KCPS and community advisors, *identify promising practices* for collocating youth housing and supportive services on a single site
- Translate CAC and research learnings into *draft building program and site plan* that aligns with project goals
- With design team support *prepare site test fits* for each development scenario to explore program capacity and program adjacency options
- Based on building program and site test fits, *develop project budgets* for each development scenario
- Together with KCMO and KCPS, *identify building ownership, development approach, potential operating structure, and next steps* to advance the project goals

IFF's process to arrive at the recommended development scenario required all parties to operate with a multitude of unknowns and assumptions. The assumptions were used to inform development options, confirm project feasibility, and prepare a recommendation:

- DeLano redevelopment programs should be accessible to youth ages 14-21
- As of Phase I, the project does not have commitments from future service providers, therefore input from trusted supportive housing sector partners and youth with lived experience of homelessness is critical in defining programmatic requirements
- Financial feasibility will directly depend on operating model and providers; annual program funding will require a mix of public and private sources aligned to existing local provider funding structures
- Financial sustainability of the redevelopment cannot be fully tested and affirmed without defined ownership scenario and provider operators
- All development scenarios reflect the anticipated programs and assumptions and are subject to changes as individual providers for each (or all) programs are engaged

Community Advisory and Youth Engagement

The DeLano redevelopment feasibility phase is grounded in community voice. Convening local youth, supportive housing stakeholders and local community partners positions the redevelopment efforts in alignment with the local capacity, strategy, and vision. Throughout this phase, community partners, sector agencies and key project stakeholders participated in regular Community Advisory Committee (CAC) meetings.

The DeLano CAC positioned key project partners, local stakeholders, and sector partners as deep collaborators in designing the project goals, priorities, and programmatic needs. IFF and the project team looked to the CAC for advice and innovation in formulating solutions and incorporated that advice and recommendations into decisions on project scenarios and direction. The CAC engaged in visioning, informed programmatic considerations, and conceptual site test fits to align on a development scenario that best fits the project goals and programmatic requirements.

Centering the voices of youth with lived experience of homelessness is critical to the success of the DeLano redevelopment efforts. IFF engaged Youth4Change KC, a local youth advisory board, whose participants serve as experts on youth homelessness, KCPS students from Central High School, and KCPS Student District Advisory Council (SDAC) during feasibility to ensure the project vision reflected their priorities and lived experience. Both groups contributed critical feedback on proposed programs, priority service needs, operational opportunities and barriers based on site and building layout, and input on design approach. In each session the project team heard youth affirm the need for the proposed services, especially in the surrounding neighborhood. Their enthusiasm showed during participation and many vocalized interest in staying engaged in planning and fundraising to ensure the realization of this vision. Beyond providing expertise and input, CAC partners and youth alike become meaningful ambassadors of the project as planning continues.

Ultimately, IFF's goal is to support the development of a best practice facility and program, informed by community voice and data to create value and encourage long-term financial and programmatic performance for the adaptive reuse of DeLano. Together with KCMO, KCPS and the CAC, IFF and the project team identified and assessed three possible options for redevelopment of the DeLano Site in support of realizing the project vision:

- Scenario 1: Emergency Shelter, Transitional Living and Drop-In Center on-site with shared residential services
- Scenario 2: Housing programs only with expanded Emergency Shelter program
- Scenario 3: Emergency Shelter, expanded Transitional Living program and centralized Drop-In Center with residential services separated by program

Development Recommendation

Based on IFF's review of the site test fits and development budgets, IFF recommends the project team pursue additional due diligence for **Scenario 3**. This option prioritizes providing all three programs in addition to creating balanced access to transitional living and emergency shelter programs. Leveraging the central auditorium as the drop-in center also maximizes the space in support of community at-risk youth and KCPS McKinney Vento students. This approach will not only achieve the desired programmatic goals but considering a potential future Phase II site development of permanent housing, it offers an opportunity to realize a continuum of supportive housing options on one campus.

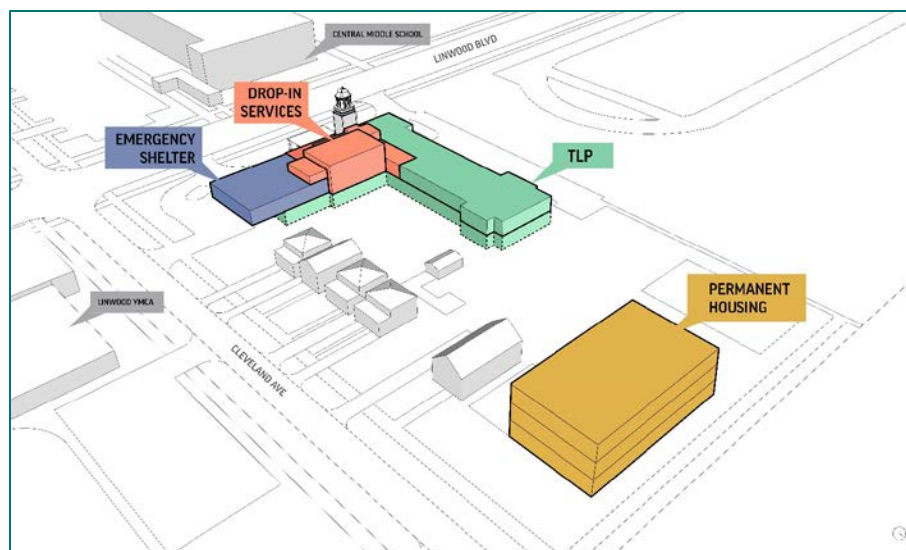


Figure 1 Recommended Development - Scenario 3, including future phase potential permanent housing development

Scenario 3 includes two wings of Transitional Living, a small Emergency Shelter wing and central Drop-In Center. The long-term site plan includes a proposed Phase II Permanent Supportive Housing development on the lot to the north of the DeLano building. The proposed DeLano building layout creates the potential to serve a wide range of needs with three distinct and separate programs under one roof. CAC input, youth feedback and licensing code considerations were applied to the design, along with the design principals and program needs included in detail beginning on page 25. Significant drivers of housing program capacity include the use of non-congregate living units for both TLP and Emergency programs, licensing and staffing capacity for number of youth served per floor, and the existing building structure and natural space division to ensure access to natural light. Scenario 3 achieves a design that maximizes capacity while balancing client experience, programming needs, and physical building constraints.

Table 1 Scenario 3 Program Capacity

	<i>Ages Served</i>	<i>Capacity</i>	<i>Length of Stay</i>
<i>Transitional Living Program</i>	17-21	18-24 beds	18-24 months
<i>Emergency Shelter Program</i>	14-18	15 beds	Up to 30 days
<i>Drop-In Center</i>	14-21	Open	services available daily during open hours
<i>Future Phase II Supportive Permanent Housing</i>	18-24	28 units	Not limited

Through each program, young people access services designed to support their unique pathway to housing access and permanency. Driven by data and informed and affirmed by youth and community feedback, IFF recommends the following supportive services be included in program delivery for Scenario 3:

Table 2 Scenario 3 Recommended Supportive Services

<i>Supportive Services</i>	
<i>Housing Programs</i> (Services accessed separately by program)	<ul style="list-style-type: none"> • Access to case managers • Mental Health services • Support for education, job training and financial planning • Support in accessing physical health services • Access to art, music, and other therapeutic recreational programming • Cooking classes • Rotating programming from external partners
<i>Drop-In Center</i>	<ul style="list-style-type: none"> • Food service • Laundry and showers with storage • Case management • Mental health and substance use disorder support • Physical health – tele-health access, scheduled clinic hours • Vital documents storage/access • Rotating services (job training, legal services, life skills)

Explored in detail on page 47, IFF provided estimated development costs escalated to the year 2025 to reflect anticipated project timeline. IFF recommends that costs are refined as additional details on project strategy, building ownership and service providers are defined. Scenario 3 estimated costs are summarized here:

Table 3 Scenario 3 Estimated Development Costs – Year 2025

	<i>Phase I</i> <i>DeLano Building</i> <i>Redevelopment</i>	<i>Phase II – North Lot</i> <i>Permanent Supportive Housing</i> <i>Development</i>
<i>Total Estimated Development Cost¹</i>	\$23,912,900	\$17,685,300

Currently, the funding strategy for Scenario 3 is not complete. As part of the initial model, IFF included potential structured finance sources for Phase I; a snapshot of potential project funding sources is included in Table 10. The project has potential to access New Market's Tax Credits² (NMTCs) as a project funding source for Phase I, typically 18% of total development costs. The total development costs here include estimated fees associated with accessing NMTC. As a

¹ This development budget completed by IFF RES is for planning purposes only; IFF recommends future phases work with a licensed architect to prepare a detailed project scope, review assumptions with the building and zoning code officials, and solicit pricing from contractors as required to confirm the construction cost. 2025 hard costs assume 2% escalation per quarter over 2 years and 3% annual escalation for all other costs over 2 years.

² New Markets Tax Credit net equity and fees are included for planning purposes only and the actual amount depends on availability, eligibility, pricing of credits, actual transaction fees, and is not guaranteed. Assumes 18% of total development costs for net equity.

complex and competitive resource, access to NMTCs is not guaranteed and should be carefully considered if pursued.

Although the DeLano building is listed as a historic building with the National Register, Scenario 3, in its current design, requires significant interior renovation and, as such, IFF does not model Historic Tax Credits (HTCs) as a funding source. IFF recommends that preliminary design be further reviewed with the Missouri State Historic Preservation Office (SHPO) with the assistance of a preservation consultant to explore the potential to access HTCs as a funding source and associated requirements.

Ownership Scenario and Operational Structure Recommendation

This report summarizes the complex considerations related to ownership on multiple dimensions of the development and operating process. Considering those complexities, IFF's recommendation is for KCPS, through its Repurposing process, to sell to an experienced and mission aligned developer or development partnership. A long-term ground lease with a minimum initial term of thirty years and provisions that readily enable financing could be considered as an alternative, though it presents additional complexities that may impact project viability³.

While there are many structures to consider for operating programming and maintaining the facility, IFF recommends the following, including the roles/responsibilities of each partner. This structure is complimentary to the recommended building ownership scenario and aligns with the promising practice models explored through this engagement.

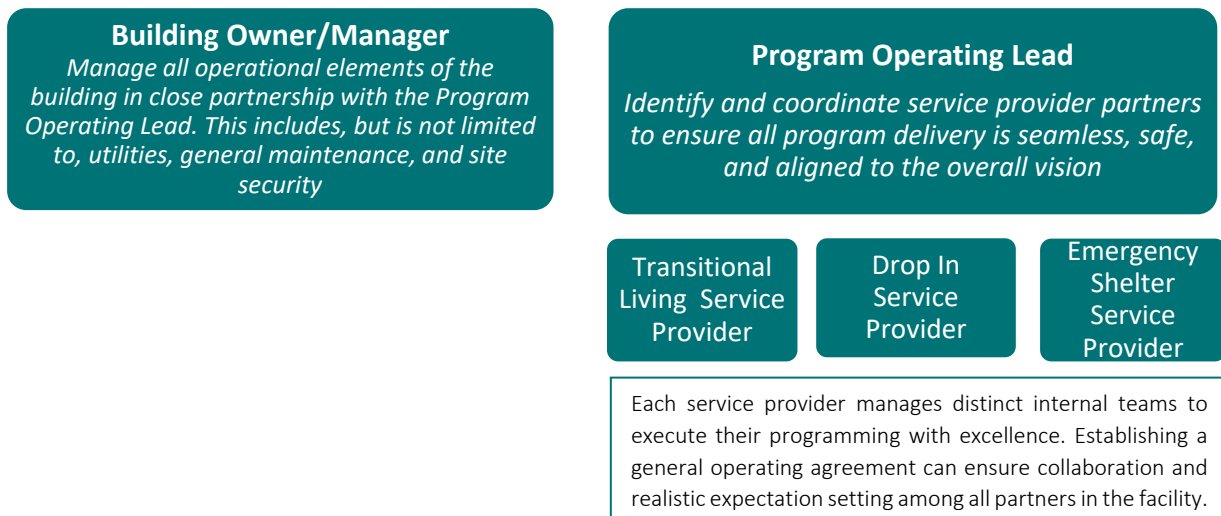


Figure 2 Recommended Operational Structure

³ See Table 24 DeLano Redevelopment Ownership Scenarios for detail on considerations

Recommended Next Steps

A project this complex and challenging won't happen without a proactive and coordinated response with support from a mission-aligned quarterback. IFF is recommending, and is prepared to lead, a second phase of the current engagement focused on identifying highly qualified, capable and mission aligned developer and provider(s). This would be achieved through an RFQ/RFP process fully informed and driven by the findings from the first phase and thoughtful direction of KCPS, KCMO, and the Community Advisory Committee. If engaged, IFF would lead in coordinating individual components and partners to bring to bear their respective areas of expertise in support of project success. The proposed second phase will drive toward establishing a clear and viable development plan for Scenario 3, including defined operating structure, long-term ownership strategy, coordinated near term and long-term fundraising plan and ongoing community engagement strategy.

On a parallel track, KCPS and KCMO should consider the following critical decision points and determine the desired approach. These decisions will impact the financial strategy for both capital funding and annual building operating funding:

- Informed by the Phase I feasibility findings, KCPS should determine if an outright sale or long-term ground lease is the preferred ownership approach to facilitating the reuse of the site for youth supportive housing and services. Regardless of the preferred approach, KCPS should initiate the Repurposing process such that a redevelopment team could secure site control by mid-2024
- KCMO and KCPS should evaluate the need for significant capital to fund the site redevelopment. Any redevelopment partner will need clarity and realistic expectations on initial public funding, if any, and/or partnership in helping organize and/or advocate for other public resources
- KCMO and KCPS should evaluate the need for committed operating funding to sustain long-term programming. Access to on-going operating funds will directly influence the programming success for service providers. Clarity and realistic expectations for public operating funding commitments, if any, and/or partnership in helping organize and/or advocate for other public resources will be necessary to inform development partners approach and influence project viability
- KCPS, particularly because of the proximity of DeLano to Central MS and HS, should consider near term and long-term vision for any desired programming partnership and/or engagement for the redevelopment partner(s) that may complement existing McKinney Vento Student programs and resources and support student access to DeLano services and programs

Community Analysis

In support of realizing a data-informed, community-driven project vision, IFF's Community Data Insights team conducted a detailed analysis from existing research and studies related to the need for housing and supportive services for youth experiencing or at-risk of homelessness. This analysis considers layered geographic areas to frame, identify, and analyze key issues related to youth transitional and emergency housing and supportive service access as they relate to potential onsite programs at DeLano. IFF's analysis included several key components: literature review of similar service models nationwide, youth housing supply and demand analysis, community characteristics analysis, and service need analysis. An online [Story Map](#) layers contextualized data for each of these areas related to the analysis. Additional detail on each component of the analysis, including the literature review, is included in Appendix A.

Informed by local context, IFF established three layers of study area boundaries. The largest study area comprises the MO 604 Greater Kansas City Continuum of Care (GKC CoC) boundary

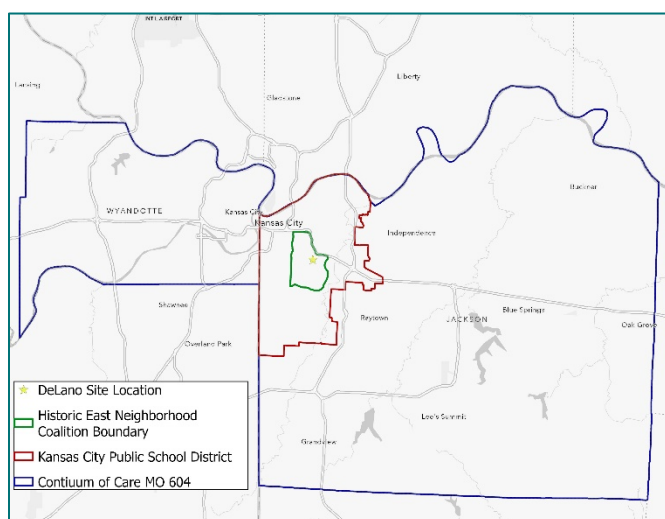


Figure 3 DeLano Study Areas

that includes Jackson County (MO) and Wyandotte (KS). This boundary contains important Point-In-Time (PIT) data for youth accessing housing services through the Continuum of Care system. The second boundary includes Kansas City Public Schools (KCPS), adding context for potential service-recipients, student-aged youth. The third boundary includes the Historic East Neighborhood Coalition (HENC), which centers the analysis around the neighborhood and community immediately surrounding the project site.

Data Use Limitations and Considerations

Access to quantitative data for youth experiencing or at risk of homelessness comes with many complexities. The primary complexity in measuring the number of young people accessing or in need of access to housing comes from how 'homelessness' is defined. The Department of Housing and Urban Development (HUD) definition of homelessness is used to determine eligibility for many federally funded resources and programs, like the Greater Kansas City Continuum of Care (GKC CoC). HUD's definition does not include youth who may find themselves in situations where they are couch-surfing or doubled up with another family, which can leave many youth in need of housing services uncounted and ineligible. HUD data is reported through a Point-in-Time snapshot of housing supply and demand that may not capture a full picture of housing need. For this reason and others, the HUD definition of homelessness is known to

underestimate the number of homeless individuals⁴. A 2001 study found that data collected directly from homeless service providers estimated the annual number of homeless individuals is 2.5 to 10.2 times greater than what can be obtained using a point in time count⁵.

In contrast to HUD's approach for defining homelessness, the Department of Education (DOE) includes additional categories of youth homelessness under the McKinney-Vento Act. Through McKinney-Vento, school-aged youth who are unsheltered, living in hotels/motels, or doubled up (e.g., couch surfing), are considered homeless and eligible for services. This definition includes youth who are experiencing homelessness with their families or who are unaccompanied youth not residing with a parent or guardian. Incorporating McKinney-Vento data from KCPS is critical to understanding a nuanced view of Kansas City school-aged youth need for housing and housing-related services. A primary challenge of addressing McKinney-Vento student homelessness is that many federally funded homeless programs assess eligibility through the HUD definition of homelessness; therefore, students and families who are homeless under the McKinney-Vento definition are not eligible for services funded by HUD-administered programs⁶.

When considering need and access to housing it is also challenging to delineate supply of or demand for housing within a given boundary. Youth within the Kansas City urban core may be placed in housing programs that are members of the Greater Kansas City CoC or with surrounding CoC members in Johnson County, KS or Platte County, MO. It is challenging to quantify availability and need within the study areas as the housing system transcends political and geographical boundaries. Data provided in the following sections explores supply and demand primarily through the study boundaries with additional context included for providers located outside the GKC CoC boundary who also serve Kansas City youth.

In addition to challenges of assessing need within physical boundaries, few datasets differentiate between age groups in line with housing service delivery eligibility. For example, the HUD GKC CoC report includes "youth" data for populations aged 0 to 18 and 18 to 24 years old. While this includes 14 to 21-year-olds, DeLano's target age group, it does not delineate need by that range. GKC CoC reported figures similarly limit access to specific subpopulation data for 17 to 21-year-olds who may be eligible for transitional housing services at DeLano.

Insights & Findings

Available data, including input from community partners and youth experiencing or at risk of homelessness, affirms the need for a wide range of housing services in Kansas City's urban core,

⁴ The National Law Center on Homelessness & Poverty, 2017, Don't Count On It: How the HUD Point-in-Time Count Underestimates the Homelessness Crisis in America, <https://homelesslaw.org/wp-content/uploads/2018/10/HUD-PIT-report2017.pdf>. Accessed 26 July 2023.

⁵ Stephen Metraux et al., Assessing Homeless Population Size Through the Use of Emergency and Transitional Shelter Services in 1998: Results from the Analysis of Administrative Data from Nine US Jurisdictions, 116 Pub. Health Rep. 344, (2001).

⁶ Community Analytics, LLC. City's Houseless Task Force and the City of Kansas City's Housing and Community Development Department, 2022, Kansas City Community Needs Assessment: A Foundation For Ending Homelessness, <https://www.kcmo.gov/home/showpublisheddocument/9036/638016772716270000>. Accessed 26 July 2023.

including transitional and emergency beds as well as wraparound supportive services. Data shows that transitional housing programs can more often lead to housing permanency; the findings also indicate the need, especially for youth who may not be eligible for transitional programs, for services that address a full spectrum of homelessness and housing instability.



Transitional living programs can drive housing stability and permanency outcomes

A 2021 study that followed 564 young people who exited youth transitional housing programs in 15 U.S. cities over a 12-month period found the following outcomes related to housing permanency:

73% exited into stable housing
69% were employed or enrolled in school

Though the complexity in data related to youth homelessness provides an incomplete picture, there is a clear system wide need for youth housing and a particular gap in the immediate neighborhood surrounding DeLano. The limited number of providers located within the urban core requires local youth to access housing in

locations outside of their community and network of support. Although youth may continue to attend their school of origin under McKinney Vento, transportation can be costly and challenging to secure consistently. A building program embedded in a central community and located in direct proximity to critical community assets that delivers a balance of transitional and emergency housing, along with on-site supportive services accessible both to residents and community youth, will be well positioned to meet demonstrated need.

Youth Housing Need

IFF assessed supply and demand for youth transitional housing and emergency shelter beds considering both HUD and McKinney-Vento definitions of homelessness. In line with CoC reporting, IFF quantified available beds only for providers specifically serving the youth population. This approach centers youth access to shelter beds as it would not be possible to quantify how many (if any) beds are being accessed by youth at shelters that serve both youth and adults. Available data affirms the need for additional youth transitional and emergency beds within all three study area boundaries. The mix of housing types provided at the DeLano site will need to consider provider expertise and capacity, composition of youth served and alignment with the project priorities to ensure highest impact. Details and capacity for Kansas City area housing providers included in this analysis are in Appendix A.

Examining housing demand through both the HUD and McKinney Vento definitions of homelessness results in a wide range of data points. This range underscores the challenge for quantifying specific need and highlights the gap in youth who may be ineligible for programs that use the HUD definition of homelessness.

Table 4: McKinney Vento and GKC CoC PIT Homeless Youth Data

2022/23 McKinney Vento Homeless Youth Count	2022 GKC CoC PIT Homeless Youth Count
1,176 (181 unaccompanied)	363 (201 unaccompanied)

Within the GKC CoC dataset, 201 of the 363 identified homeless youth are unaccompanied youth⁷. KCPS reported 1,176 McKinney Vento homeless youth for 2022-23 school year, 181 of whom are unaccompanied. The discrepancy between these categories is enhanced if considering McKinney-Vento counts for additional school districts that fall within the Greater Kansas City CoC boundaries. For the purposes of this analysis, IFF used both the McKinney Vento and CoC unaccompanied homeless youth counts to represent housing demand. Anecdotal input from regional housing providers indicates that the need for youth housing beds is vastly underrepresented by CoC data.

Transitional Housing

Reuse of DeLano in support of youth housing will center impact toward housing stability and permanency. There is a strong relationship between providing youth transitional housing opportunities and long-term stability that may lead to eventual permanency⁸. A 2021 study that followed 564 young people who exited youth transitional housing programs in 15 U.S. cities over a 12-month period found the following outcomes related to housing permanency:

- 73% exited the program into stable housing
- 69% were employed or enrolled in school when they left the program

IFF's analysis of transitional housing supply and demand in the Kansas City system revealed limited access to youth-specific transitional housing beds. There are no youth transitional housing providers within the local HENC boundary. Within the broad GKC CoC boundary there are five providers who offer transitional housing for youth with 74 beds available⁹; reStart, Inc., Drumm Farm¹⁰, Hillcrest Transitional Housing, Our Spot KC – Lion House, and Steppingstone. reStart is the only provider located within the KCPS boundary (10 TLP beds, 10 Maternity Group

⁷ Count includes CoC defined Unaccompanied youth and parenting youth: Parenting Youth – A youth who identifies as the parent or legal guardian of one or more children who are present with or sleeping in the same place as that youth parent where there is no person over age 24 in the household; Unaccompanied Youth – Persons under age 18 who are not accompanied by a parent or guardian and are not a parent presenting with or sleeping in the same place as his/her child(ren). Unaccompanied youth are single youth, youth couples, and groups of youth presenting together as a household.

⁸ Covenant House International, National Network for Youth, and SchoolHouse Connection, 2021, Youth-Supportive Transitional Housing Programs As An Essential Resource for Addressing Youth Homelessness, <https://schoolhouseconnection.org/wp-content/uploads/2021/06/Transitional-Housing-Final.pdf>. Accessed 26 July 2023.

⁹ Transitional housing providers that specifically provide services for youth were the only providers included in the analysis. Any providers that may take some youth, but do not have specific beds set aside for youth or only serve subpopulations of youth were not utilized. Source: HUD MO 604 CoC 2022 PIT and Housing Inventory Counts

¹⁰ As of 2023, Drumm added 11 TLP units. These are not included in the 2022 HUD data shown here. 2023 data reported directly by Drumm staff.

Home beds¹¹). Quantifying the gap in capacity using GKC CoC unaccompanied homeless youth count and KCPS McKinney Vento unaccompanied youth as proxy data for a more direct comparison results in the following need:

Table 5 Youth Transitional Housing Summary

<i>Youth Transitional Housing</i>	<i>Supply (GKC CoC 2022)</i>	<i>Demand (unaccompanied)</i>	<i>Need</i>
GKC CoC boundary 2022 CoC PIT data ¹²	74	201	127
KCPS boundary 2022-23 McKinney-Vento data	20	181	161

It is important to note that housing supply and demand figures include only those providers located within the given boundary. Due to the fluid nature of the populations served, there are providers not included in the GKC CoC counts that also serve youth accessing services in the Kansas City Metro Area:

- Synergy Services in Clay County, MO
- Hillcrest Transitional Housing in Johnson County, KS and Platte County, MO
- reStart, Inc. in Johnson County, KS¹³

These providers offer a total of 36 additional Transitional Housing beds¹⁴ that are known to serve youth from Kansas City, MO. What is not represented in the comparison here is the additional need for youth housing counted by adjacent CoCs. As indicated previously, this paints an incomplete picture of the potential service gap. Though neither the CoC nor McKinney Vento youth homelessness data quantify specific transitional housing need, over the past two years, regional organizations received 1,600 submissions for the shared transitional housing application. Bringing this data into the conversation highlights a higher service gap than is defined by solely considering CoC PIT data.

Table 6: Homeless Youth Data and Transitional Housing Demand

2022/23 McKinney Vento Youth Count	2022 GKC CoC PIT Homeless Youth Count	2021-22 Regional Shared Transitional Living Applications
1,176 (181 unaccompanied)	363 (201 unaccompanied)	1,600

¹¹ As of 2023 reStart has 14 total beds at the Jackson County location – data provided directly from reStart staff and not part of the 2022 HUD records

¹² PIT data is a time bound reflection of capacity. Updated 2023 data was not available at the time of this report and any changes in capacity are not reflected in this report.

¹³ As of 2023 this reStart location was closed and consolidated into the Jackson County location. Data reported directly from reStart staff and not reflected in the 2022 HUD records

¹⁴ HUD data: MO 606 Balance of MO CoC 2022 Housing Inventory Report; KS 505 CoC 2022 Housing Inventory Report

Emergency Shelter Housing

Although transitional housing programs have a higher correlation with housing permanency and associated outcomes, there are many cases where youth are not eligible for transitional housing or are in a “crisis situation” that can’t be immediately solved by the foster care system or transitional housing system. Addressing youth that may be missed by these systems with access to Emergency Shelter beds can fill a critical gap for Kansas City youth experiencing homelessness.

Consistent with youth transitional housing services, there are no youth emergency shelter providers within the local HENC boundary. Within both the KCPS and CoC boundaries there are two providers, reStart and SAVE, Inc., offering dedicated emergency shelter beds for youth with only 28 beds available¹⁵. As with transitional housing, citing specific demand for emergency shelter as a subset of overall youth homelessness counts is challenging. Therefore, both the McKinney Vento and GKC CoC unaccompanied homeless youth counts are used to represent demand for both transitional and emergency housing.

Assessing demand through the GKC CoC lens, 173 additional beds would be needed to meet CoC unaccompanied youth demand. According to the 2022 McKinney Vento data, there are potentially 181 unaccompanied homeless youth that may need housing services in the KCPS boundary, resulting in a potential need for 153 additional emergency beds:

Table 7 Youth Emergency Shelter Housing Summary

<i>Youth Emergency Shelter Housing</i>	<i>Supply (GKC CoC 2022)</i>	<i>Demand (unaccompanied)</i>	<i>Need</i>
GKC CoC boundary: 2022 CoC PIT data	28	201	173
KCPS boundary: 2022-23 McKinney-Vento data for unaccompanied youth	28	181	153

Not included in these figures is one additional youth emergency housing provider located adjacent to the GKC CoC. Synergy Services provides an additional 19 youth emergency housing beds¹⁶ in Kansas City, MO located in Clay County and often receive referrals for youth seeking services within the urban core. There are no additional youth emergency housing providers reported in the 2022 HUD data close to the metro area. As with transitional housing, assessing need with data limitations can depict an inconsistent and incomplete picture that may underrepresent the number of youth in need of emergency housing.

¹⁵ HUD data: MO 604 CoC 2022 Housing Inventory Report. Emergency shelters that specifically provide services for youth were the only providers analyzed. Any providers that may take some youth, but do not have specific beds set aside for youth or only serve subpopulations of youth were not utilized. SAVE Inc. listed as Rapid Rehousing Program – included in emergency shelter count as it is used for overnight youth housing

¹⁶ HUD data: MO 606 CoC 2022 Housing Inventory Report

Service Need Analysis

Providing supportive services in addition to housing is observed in national and local programs as a promising practice. Supportive services can be offered to housing program residents or directly to community youth through drop-in housing resource centers. Acknowledging the many unique needs of youth experiencing or at risk of homelessness, the DeLano project seeks to include a range of supportive services. IFF's analysis evaluates the availability of services for youth in the region as well as the proximity to the DeLano site. In addition to location and availability, community input from the CAC and Youth engagements guides the prioritization of services and add context where service delivery on-site may be critical to successful outcomes for youth.

Promising practice and local input alike pointed to several core supportive services influencing program outcomes¹⁷: Access to Vital Documents¹⁸, Childcare, Clothing, Eyecare, Ready-made Food, Job Training, Life Skills, Legal Services, Mental Health Services, Physical Health Services, and Substance Abuse Support. Input from both the CAC and youth engagements indicated that Mental Health, Life Skills, Physical Health and Substance Abuse Assistance are high priority. Each of the recommended services is highlighted in an online [Story Map](#) with detailed information and statistics on availability throughout the region.

Figure 5 indicates the availability of services within each of the three DeLano study areas. This figure includes data only for non-profit organizations¹⁹ as likely candidates for partnership with DeLano or whose services are likely to be accessed by and accessible to DeLano clients. The online [Story Map](#) provides detail on private service providers within each of the study areas as












		Neighborhood	School District	Continuum of Care
Access to Vital Documents 		0		
Childcare 		13	89	292
Clothing 		2		
Eyecare 		0	12	22
Food 		3	18	33
Job Training 		4	26	48
Life Skills 		4	56	138
Legal Services 		1	28	46
Mental Health Services 		3	12	22
Physical Health Services 		2	84	205
Substance Abuse 		2	8	22

Figure 4 Supportive Service Providers within DeLano Study Area Boundaries

¹⁷ This analysis does not account for factors that may impact the lived experience of the community members accessing services such as program culture, accessibility, individual outcomes, etc.

¹⁸ Access to Vital Documents includes, but is not limited to, birth certificates, state IDs, driver's license

¹⁹ Private childcare service providers are included in Figure 5, as private providers may still provide subsidy childcare slots. Clothing and Access to Vital Documents services are not able to be differentiated at the School District and Continuum of Care boundary level.

well. While there are some priority services available within the local neighborhood, there is a lack of consolidated access. There is a significant opportunity to partner with local service providers, especially those in direct proximity to the site. DeLano sits adjacent to several local providers including KCPS Middle and High Schools, the Linwood YMCA and University Health Clinic at Linwood whose youth programs and services can complement and augment DeLano programming.

Though proximity and availability are key factors in access to services, promising practice for youth housing programs shows delivery of services on-site drives outcomes. Direct access to services removes barriers such as transportation, information, safety and familiarity and offers opportunity to build sustainable connections between individual youth and service providers that can transcend the DeLano building and support continued access. The final selection of on-site services for DeLano will depend on the specific composition of youth served and provider capacity and should consider the nuance of service delivery related to each young person's unique housing situation.

Site Overview

Kansas City Public Schools constructed the DeLano School in 1938 to provide a state-of-the-art



facility to address the academic and therapeutic needs of local children with mental and physical disabilities. The two-story brick building incorporated traditional classrooms, specialized treatment rooms, and a large central ramp to connect the multiple levels. The building retains most of the important spaces and finishes that convey its historical significance. Photographs of the existing building may be found in Appendix B.

Figure 5 DeLano Building - South Facade and Entry

The DeLano School is located at the northwest corner of Linwood Boulevard and Cleveland Avenue. Central Middle School and Central High School are across Linwood to the south. Central Park, which includes green space, a stadium, and tennis courts are located west of the school. Five private homes are to the east of the school, along Cleveland Ave. Three sports courts are located along the north edge of the property. The Linwood YMCA with the University Health Community Care clinic is across Cleveland Avenue to the east of the school, along with a KCPS-owned overflow parking lot that is used during sporting events at the stadium. The Central Christian Church is located on the opposite (southeast) corner of Linwood and Cleveland. The congregation is active in the community. Parking at the DeLano School is on the east and west sides.



Figure 6 DeLano Site and Surrounding Area

The project area includes the area directly surrounding the school, the empty lot to the north of the school on Cleveland Ave., and the area north of the school, including the three sports courts. The area to the east of the school, containing five private residences, is not included in the project area.

The L-shaped building consists of a primary first floor, a lower basement/ground level that is partially below grade, and a small second floor level with only two primary rooms – with all three levels connected by a central oval ramp. An interior renovation including the addition of an elevator was completed in the mid-1990s. Classrooms are located on all three levels of the building. The exterior construction is dominated by a tall masonry tower with limestone accents/detailing and is adjacent to the primary building entrance. It is a brick masonry clad building with limestone ornament with a primary structure of reinforced structural concrete walls/floors/ and roof construction. The Interior construction finishes include terrazzo, linoleum, metal lath & plaster, and painted reinforced concrete masonry units. Primary interior spaces include the front entry, auditorium/multi-purpose room with state, offices, classrooms, support spaces, and a cafeteria. Therapy rooms, including a small pool, remain.

Building Condition

A detailed assessment of the existing DeLano School was completed to assess the feasibility of accommodating the proposed building program on the existing site footprint. A full Phase I Environment Assessment and a NESHAP of the DeLano School were completed, summaries of each can be found in Appendix B. A Phase II ESA is recommended as development direction is defined and further due diligence completed. All scenarios presented here consider the findings

of the environmental assessment, including costs for abatement and remediation of the existing school which was determined is required.

The DeLano School building has been unoccupied for approximately twelve years (2011). Overall, the building is structurally in good condition. The original 1938 structure is a cast-in-place concrete pan joist system with a brick masonry exterior. Selected structural repairs, masonry façade repair, and lintel replacement should be assumed in the renovation and are included in development cost estimates. Although some reuse of systems may be possible, new mechanical, plumbing, electrical, lighting, fire protection (including full sprinkler system), windows, and roof are likely required to support the new program of the building and are assumed in the development costs for all scenarios. With the proposed program, additional egress will be required in all scenarios. One new interior stair tower and one new exterior stair tower are shown in the floor plans to accommodate egress requirements.

Adjacent Community Assets

YMCA

The Linwood YMCA is located directly east of the DeLano School building. With a focus on youth services, the Linwood Y provides a variety of programs including after school enrichment programs, financial literacy programs, chess club, and a teen tech center. Additionally, the Linwood Y provides a variety of programs designed to strengthen the body and mind including exercise classes, swim lessons, youth sports, personal training, and more. In partnership with Urban Community Connections, a mobile food pantry is offered on the second Friday of each month. Drop-in childcare programs have historically been provided and DeLano CAC discussions elevated the possibility of providing those services once again at the Linwood Y location.

University Health

University Health Community Care is located adjoining the Linwood Y building. With a focus on family medicine and behavioral health, the clinic provides care for all ages in the twelve on site exam rooms. Services include general wellness care, preventative care, and chronic conditions management.

KCPS Central Middle and High School

Kansas City Public School District's Central Middle School (grades 7-8) and Central High School (grades 9-12) are located directly south of the DeLano School Building. Both the middle and high schools provide programs including but not limited to Battle of the Brains, Early College Academy, JAG Program, Junior National Society of Black Engineers, Manual Career Tech., National Honor Society, Pylons program, Science Olympiad, STEM Electric Eagles, Success Mentors. These programs are in addition to a wide variety of school activities and sports. The proximity of the DeLano site provides an opportunity to connect KCPS McKinney Vento youth with the anticipated services.

Development Scenarios

The goal of creating and comparing development scenarios is to define program space needs, adjacency needs, inform budgets, and determine site logistical challenges. As a development pathway is selected, additional site investigation will be required to allow some of the more significant cost assumptions to become better defined and reduce any margin of error. It is important to keep in mind that a development scenario is not a design proposal or a final cost analysis and further work with an architect is needed.

Informed by leading practice and community partner input, each scenario includes proposed programs that will directly support youth experiencing housing instability or homelessness:

DeLano Proposed Programs

<i>Transitional Living Program (TLP)</i>	Residential program providing housing to youth ages 17-21 over 18-24 months. Transitional living programs offer wrap around supportive services to youth that aim to improve standard of living, self-sustainability, and independence
<i>Emergency Shelter Program</i>	Residential program providing emergency, short term housing to youth ages 14-18 for up to 30 days. Emergency shelter programs provide wrap around supportive services to mitigate the immediate crisis and support youth with long term housing placement
<i>Drop-In Center</i>	Drop-in services are supportive services available to community youth who are experiencing homelessness, housing instability or food insecurity. Services are available during scheduled operating hours and may include food access, laundry, vital document access, mental health services, case management support and additional services depending on programming

Included in each scenario at a high level are complementary future development options for the site directly north of the DeLano building. The KCPS overflow lot directly to the east could also be considered as an alternate Phase II development site. Each scenario will include a potential Phase II development option pertaining to one of the following programs:

Phase II Development Options

<i>Permanent Supportive Housing</i>	Long term housing options for youth ages 18-24 who have transitioned from a temporary program and are ready for independent living or have recently aged out of foster care and need a subsidized and supportive housing option. Permanent Housing is typically delivered in coordination with a service provider to include supportive services to improve standard of living, foster further independence and ensure future housing stability
<i>Standalone Drop-In Center</i>	For any scenario that does not include a Drop-In center in the contiguous DeLano building, drop-in services as described in the previous table would be provided in a separate standalone facility to the north of DeLano

Design Approach

The conceptual design scenarios were informed by four major elements: the Community Advisory Committee (CAC), youth engagement, historic considerations, and trauma informed design. Throughout this process, conceptual floor plans were presented to, and changes informed by both the CAC and the youth advisory groups at Youth4Change and Central HS.

Historic Building

The DeLano School is of historical significance and was listed with the National Register in 2022²⁰ and, as such, is eligible for preservation incentives such as grants and Historic Tax Credit (HTC) programs. As planning continues, DeLano's National Register status should be considered in



Figure 7 R. J. DeLano School Historic Image

evaluating access to funds and associated requirements that may require Section 106 review²¹. The current design suggests maintaining the exterior historic elements of the building and many of the interior elements. Pending the ultimate building design, the interior renovation may contain significant irreversible changes to the building and historic tax credits are not guaranteed in any scenario. The interior modifications suggested in the

floor plans adjust volumetric space to improve user experience and strengthen program quality (e.g., opening up long corridors for additional communal space). Utilizing trauma informed design principles and creating a highly functional space for the youth engaging in the building is recommended to take priority over maintaining historical elements.

²⁰ DeLano was submitted to the MO State Historic Preservation Office by Rosin Preservation in 2022 and certified with the National Register on 9/25/2022

²¹ Section 106 of the NHPA is the section of that program that requires consideration of historic preservation when there is federal involvement. When a project includes federal action, funding, or approval that may affect properties that qualify for the National Register of Historic Places (NRHP), Section 106 requires federal agencies to consider the effects of the projects and provide the Advisory Council on Historic Preservation (ACHP) the opportunity to comment prior to the agency's decision on them. The DeLano School is listed in the National Register of Historic places and is therefore subject to Section 106 review where federal action, funding, or approval is involved. For additional detail on Section 106 implications see Appendix B.

Trauma Informed Design

The preliminary design process for DeLano centers trauma informed design principles which are represented both in the physical environment and through the interactions created by the delivery of services in that physical space. Throughout the engagement, stakeholders, in particular youth with lived experience of homelessness, were asked to identify and affirm the ways in which these principles should guide the project design. Their input is reflected in the building program, proposed layouts and initial design renderings and will be carried forward as the project evolves.



In addition to these design principles, further elements of trauma informed design are embedded, including:

- *Natural Light: Access to natural light is critical for mental and physical wellness. Skylights have been suggested throughout the building in corridors to deinstitutionalize the circulation journey*
- *Color Choices & Materials: Avoiding stark white colors or intensely bright colors and using warm natural materials wherever possible to create a calming and welcoming environment*
- *Biophilic Design: Research indicates access to and visual connection to gardens and natural outdoor spaces improves the healing process. The floor plans show each residential area having direct access to a courtyard space. Doors are suggested to be added to the central auditorium space with direct access to a landscaped courtyard*
- *Art: Art can be strategically incorporated to improve the emotional experience of occupants. Art is strategically located in renderings and is recommended in the future development*

Centering youth voice, in addition to engaging in overall project and program design, Youth4Change and Central HS students engaged in dot poll exercises to inform interior building design with MultiStudio. The following renderings reflect both design principles and feedback from engaged youth. To learn more about the design feedback process and the resulting renderings see Appendix C.

Figure 9 depicts a residential hallway which is transformed by opening the existing walls to allow for gathering spaces and visual relief down the corridor. The use of natural materials, plants, and the addition of skylights are all intentional mechanisms to provide a sense of calm in the space.

The feature lighting, artwork, and variety of furniture is intended to create a visually interesting experience for residents.



Figure 9 Rendering by MultiStudio - Transitional Living Gathering Space and Hallway

The drop-in center in scenario 3, located centrally within the building, is depicted in Figure 10. By breaking up the large volume into a variety of spaces, the existing multipurpose room and stage are transformed into a welcoming and engaging space. The existing windows are illustrated as new glass doors, allowing for direct physical and visual access to the courtyard space. Natural colors, warm tones and lighting are used in line with trauma informed design principles. The stage is shown as a hang out space, with potential use as a gaming area or space for group movie nights.



Figure 10 Rendering by MultiStudio - Scenario 3 - Drop in Center Community Room

Alignment to Proposed Use

In addition to the current KCMO adopted building code, the facility will be required to follow the Department of Social Services Children's Division Rules for Residential Treatment Agencies for Children and Youth²² partially or wholly, depending on provider programming. As the current drawings are conceptual in nature, additional study will be required to confirm the facility design complies with all codes and rules. Specifically, rule 13 CSR 35-71.080 Buildings, Grounds and Equipment (4)(C) states "No enclosed basement rooms or rooms that are more than one-third below ground level on all four (4) sides shall be used". The ground floor of the building is partially a walk out basement with an inconsistent adjacent grade. Additional excavation or elimination of rooms in this wing may be required to adhere to the requirement pending further review as design approach is finalized. The project team has reviewed the conceptual design with shelter licensing staff at the Missouri Department of Social Services (MODSS); ongoing engagement of MODSS will be critical in ensuring the alignment of program requirements, licensing requirements and building design.

Building Program

Building program, desired spaces, adjacency considerations and operational needs were informed by housing sector partners, youth with lived experience of homelessness, comparable programs representing promising practice, and housing program licensing requirements²³. The program space needs and considerations were applied in all development scenarios to the extent possible with each scenario differing slightly in program square footage and overall building layout. As planning moves forward and service providers are committed, space programming will need to be adjusted to align with each provider's unique program. The designs outlined in the building program detail and following scenarios offer a starting point that demonstrates how the building can accommodate the desired programs.

Residential Programs

The following design elements were incorporated for both Emergency Shelter and Transitional Living Program spaces:

- Each housing program space is secure and accessible only to its enrolled residents
- Access to supportive services is critical for all residential clients
- Access to dedicated and separate outdoor recreational space
- Flexible supportive service space with mix of choice – private, group, open spaces
- Non-congregate sleeping units in alignment with gender-neutral programs
- Units will be flexible and offer choice when selecting a private unit or double
- Direct access to living spaces outside of sleeping units including gathering space, living room area, kitchenette, and laundry
- Safety and security, including access controls, security cameras and building access design achieved without an institutional feel
- Number of units per floor aligned to regulatory requirements

²² Missouri licensing guidelines source: [Missouri Secretary of State: Code of State Regulations \(mo.gov\)](https://www.sos.mo.gov/csr/)

²³ All design work completed in this phase is conceptual in nature. A full review of licensing and code requirements is necessary in the next phase of design development.

Transitional Living Program

In addition to the overarching residential design guidelines, the following are incorporated into the proposed layouts where Transitional Living programming is included:

- Each residential unit will have access to a small kitchenette containing a fridge, sink and cooking appliance
- Each residential unit will contain a full bathroom and shower combination
- To support growth toward independence, TLP residents will have access to staff but may not have staff always stationed within the wing
- Where possible, TLP residents will have a direct entrance secured by access controls
- Recommend 10-12 units per floor²⁴

Emergency Shelter Program

In addition to the overarching residential design guidelines, the following are incorporated into the proposed layouts where Emergency Shelter programming is included:

- Direct access to 24hr staff
- Staff line-of-sight access to rooms and gathering spaces
- Individual bathroom and shower stalls
- Shared kitchenette and laundry
- Maximum 20 units – final count based on provider program and staffing capacity

Residential Program Supportive Services

All development scenarios include residential supportive services. Supportive services for residential clients may often mirror drop-in services. This replication is by design and ensures that residential clients are receiving services in their peer group and aligned to their current needs in supporting independence and future housing permanency. The following services are programmed in each scenario to the extent possible:

Supportive Services

- Access to case managers
- Mental Health services
- Support for education, job training and financial planning
- Support in accessing physical health services
- Access to art, music, and other therapeutic recreational programming
- Cooking classes
- Rotating programming from external partners

²⁴ US Dept. HHS regulations cite a maximum capacity of 20 youth in a single structure or within a single floor of a structure in the case of apartment buildings, with a number of staff sufficient to assure adequate supervision and treatment for the number of clients to be served and the guidelines followed for determining the appropriate staff ratio for Transitional Living Programs. Input from local providers indicated this definition is often interpreted differently. Local providers cited a max of 10-12 individuals per floor as a manageable amount for a TLP program. Final number of units will depend on specific program and aligned to funding requirements

Drop-In Center

Design for the Drop-In Center includes significant input from youth and current housing providers alike. The project team took care to design around the tension between addressing safety and security needs and creating a welcoming, flexible space where youth feel in community. The following design guidelines were incorporated in each scenario where a drop-in center is included:

- Secure access and staff access to security cameras is needed
- Direct access to basic care needs (laundry, showers, food)
- Individual gender-neutral shower and bathroom stalls
- Multiple options for gathering space to allow for age group separation
- Cooking kitchen and access to grab and go food items
- Flexible spaces to accommodate rotating scheduled services on site
- Space for one-on-one conversations and private tele-health conversation

Drop-in Center Services

- Food service
- Laundry and showers with storage
- Case management
- Mental health and substance use disorder support
- Physical health – tele-health access, scheduled clinic hours
- Vital documents storage/access
- Rotating services (job training, legal services, life skills)

Potential Future Phase Development Options

The lot to the north of the DeLano building is comprised of three basketball courts that terrace down in elevation with the western court at the lowest elevation. In all scenarios, it is recommended that at a minimum of one court remain for community use and the KCPS parking lot to the east of the courts could be considered as an alternate site if needed. The development budgets assume a renovation of one court with new surfacing, equipment, and sports lighting.

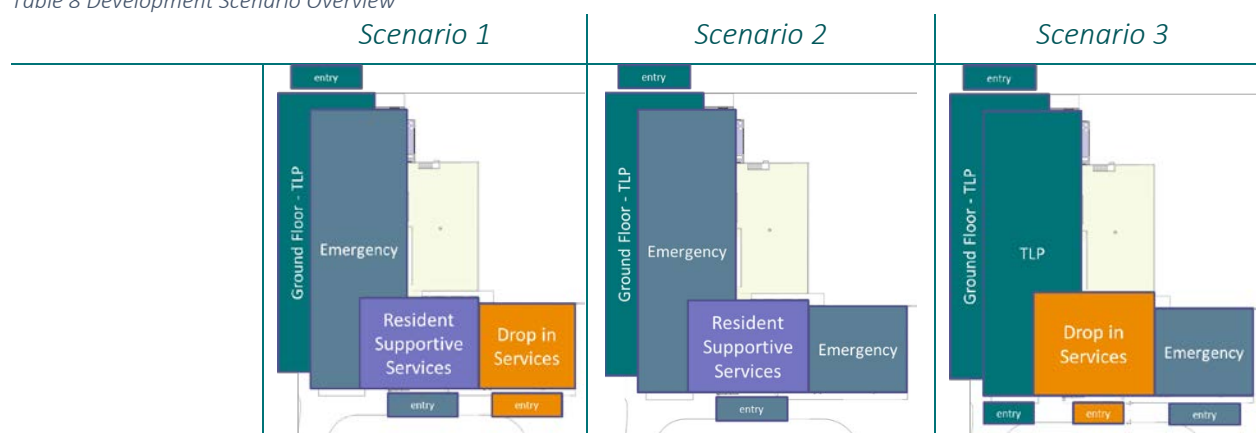
Two options for a potential Phase II development on the north lot are shown in the provided axonometric views, dependent on the scenario. Scenarios 1 and 3 display permanent housing on the north lot. Scenario 2 shows a stand-alone drop-in center on the north lot, as the DeLano building would be dedicated to housing only. Assumptions for each options are as follows:

<i>Permanent Housing²⁵</i>	<p>The permanent housing component would feature long term housing options for youth ages 18-24 who have transitioned from a temporary program and are ready for independent living or have recently aged out of foster care and need a subsidized and supportive housing option. The need for permanent supportive housing was a noted need in several CAC and Youth Engagement meetings, making this portion of the development essential.</p> <ul style="list-style-type: none"> • <i>Three level building</i> • <i>2,800 SF of supportive service spaces</i> • <i>28 units: 70% studio, 30% one-bedroom</i>
<i>Stand-Alone Drop-In Center</i>	<p>Providers and youth engagement members noted many advantages to a stand-alone drop-in center, centered in privacy and security for the TLP and Emergency shelter residents. Despite these advantages, the need for drop-in services is immense, thus including drop-in services in a primary development phase is critical.</p> <ul style="list-style-type: none"> • <i>7,000 SF single story building</i> • <i>Providing all services listed in the Drop-In building program</i>

Development Scenario Detail

Through a series of community engagement activities, including program visioning and design exploration, potential iterations of DeLano's proposed programs, programming supports, and relationships between spaces were explored and are outlined in Table 8. Development of the site will remain somewhat consistent across all three scenarios with variance in how the building is programmed. The visuals provide a snapshot of the differing building program and subsequent differences in housing program capacity. Details for each scenario are included in the following sections.

Table 8 Development Scenario Overview



²⁵ The Phase II North Lot Development for Permanent Housing area and unit breakdown were created for planning purposes only and additional study is required in the next phase of development.

	<i>Scenario 1</i>	<i>Scenario 2</i>	<i>Scenario 3</i>
Description	TLP, Emergency Shelter and Drop-In Center. Shared supportive services for TLP and Emergency.	TLP, 2 Emergency Shelter wings. Shared supportive services for TLP and Emergency. No drop-in center in the building.	2 TLP wings, small Emergency Shelter, centralized Drop-In Center. Supportive services within residential wings.
TLP Capacity	9-12 units	9-12 units	18-24 units
Emergency Capacity	21 units	36 units	15 units
Drop-In Center	Yes	No	Yes
Phase II – North Lot Development	Permanent Housing 28 units	Standalone Drop-In Center	Permanent Housing 28 units

For all development scenarios the following improvements are recommended to bring the building to current code and prepare it for program alignment:

- One additional stair within the building footprint
- One additional stair tower outboard of the building footprint, demolition of the exterior egress ramp
- Improvements to existing elevator, inclusive of additional stop at the stage level
- Excavation of crawlspace for commercial kitchen²⁶
- Site improvements: repaving of all parking areas, renovation to outdoor spaces to functional courtyards
- Overall existing building footprint will remain; development scenarios do not model added square footage in the form of building additions beyond the basement excavation
- New building systems and required repairs throughout

Development Timeline

The estimated development timeline for the DeLano building renovation is provided to guide planning. Portions of the project, including potential development on the north lot, can be phased; development on the north lot is assumed to be completed during a second phase. Estimated construction timelines are dependent on the type of funding utilized, the timing of funding availability, and a smooth design coordination process with continued community engagement. Some funding sources have requirements that will affect the project timeline including fixed application dates, procurement parameters, performance milestones and eligible costs. An experienced developer can manage the many layers, though as a result, the estimated timeline may extend or contract.

²⁶ Depending on final programming, hot meal food service may be required. Excavation and addition of commercial kitchen is included here and should be evaluated as final building program is affirmed.

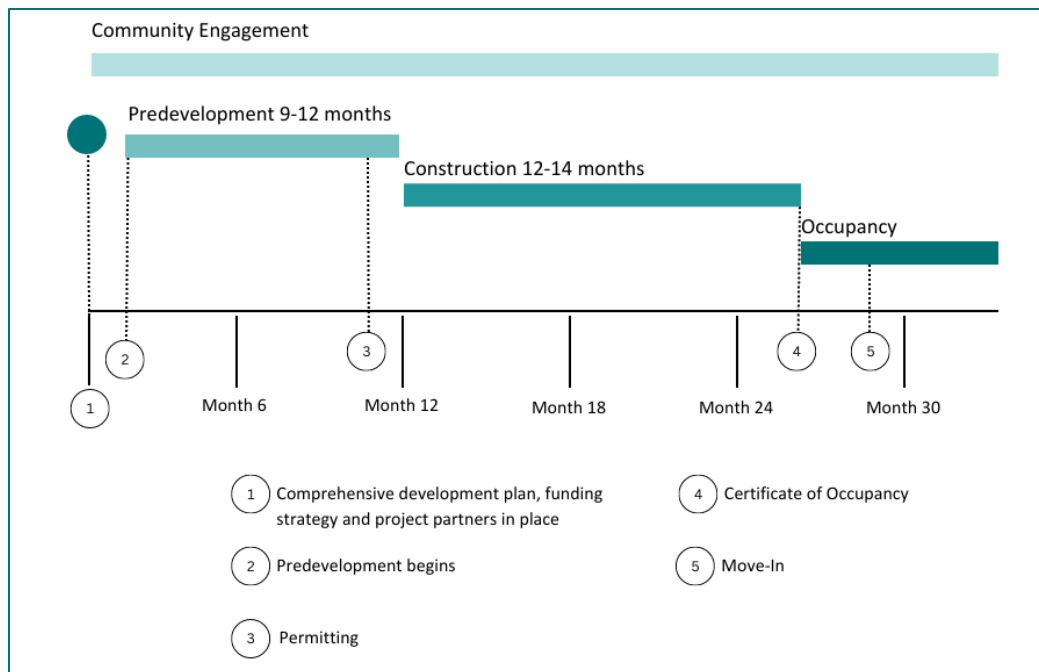


Figure 11 Estimated Development Timeline

Scenario Development Budgets and Annual Operating Costs Overview

Three development scenarios have been provided with order of magnitude estimates of hard cost and soft cost informed by:

- Square footage, schematic program analysis and drawings provided by STRATA and MultiStudio
- Environmental Phase I report and NESHAP identifying RECS (Recognized Environmental Conditions) on the North side of the site, small quantities of asbestos containing materials, and large quantities of lead-based paint
- Actual construction hard cost estimates solicited from historic window suppliers, demolition contractors, abatement contractors, and masonry and lintel repair contractors
- Additional estimates utilizing similar recent local project costs and current market data

This development budgets completed by IFF is for planning purposes only and assumes the project will commence in the year 2025. The scope of construction is similar in all scenarios, with interior program being the true differentiator. Thus, the development budget estimates fall within a close estimate range. The primary difference in the hard costs within the estimates are number of kitchens (driven by TLP units), number of courtyards, and whether historic tax credits are assumed to be pursued. IFF recommends that, as planning advances, the project team works with a licensed architect to prepare a detailed project scope, review assumptions with the building and zoning code officials, and solicit pricing from contractors as required to confirm the construction cost. Final estimates are subject to timing, ongoing market volatility, and approach

to design. The market has been volatile for the past several years and, despite some leveling, it is likely costs will continue to increase. Development estimates are provided for redevelopment of the DeLano School building and site, excluding a Phase II North Lot development.

Table 9 DeLano School Development Cost Estimate Summary

DeLano Development Uses Summary ²⁷	Scenario 1	Scenario 2	Scenario 3
	All 3 with shared residential services	Housing Only	Central Drop-In Center
Project Year	2025	2025	2025
Building Area (SF)	44,120	44,120	44,120
Design / Permitting Period	9-12 months	9-12 months	9-12 months
Construction Period	12- 14 months	12- 14 months	12-14 months
Construction Hard Costs **Inclusive of demolition, site work, and remediation, construction contingency, and GC fees	\$15,726,300	\$15,745,300	\$15,138,100
Professional Fees ²⁸ **A&E, Geotech, Environmental, Traffic, Construction Materials Testing	\$1,620,600	\$1,622,300	\$1,567,600
Financing and Closing Fees ²⁹ **includes fees associated with structured financing	\$2,840,400	\$2,049,200	\$2,626,400
Developer and Project Management ³⁰	\$1,404,700	\$1,406,000	\$1,364,000
Miscellaneous Real Estate Taxes, Insurance, Builders Risk	\$99,800	\$99,900	\$96,900
Furnishings and Equipment **Furniture, Equipment, Data, Communications	\$946,000	\$946,000	\$946,000
Project Contingency **10% of all costs	\$2,263,800	\$2,186,900	\$2,173,900
Total Development Budget	\$24,901,600	\$24,055,600	\$23,912,900
Total Cost (\$) / SF	\$564	\$545	\$542

Estimated development sources listed are included for planning purposes only and are not guaranteed funds. Many sources are dependent on the determined building ownership structure along with the final building design. The DeLano site is in a New Markets Tax Credit (NMTC) eligible census tract and a great candidate for the program, therefore NMTCs are included as a source for Scenario 1 and 3. Scenario 2 models housing programs only; for this reason, it is

²⁷ This development budget completed by IFF RES is for planning purposes only; IFF recommends future phases work with a licensed architect to prepare a detailed project scope, review assumptions with the building and zoning code officials, and solicit pricing from contractors as required to confirm the construction cost 2025 hard costs assume 2% escalation per quarter over 2 years and 3% annual escalation for all other costs over 2 years.

²⁸ Allowance for soft costs related to General Contractor and Architect not related to building product vary in percentage depending on project complexity. Estimate is based on IFF experience with similar projects.

²⁹ Transaction fees are associated with CDE Fees, CDE Reserves, Modeling Fees, Management Fees, Compliance fees, etc., and are typically 1-3% of TDC. When layered with multiple tax credit sources, those fees can compound. NMTC transaction fees are typically higher than those of HTCs. This is reflected in scenarios 1, 2, and 3 based on the type of tax credits being pursued as a source of funds.

³⁰ Developer/project management/owner's representative fee. Fee varies depending on vendor and total development budget. 2025 costs assume 3% annual escalation over 2 years

assumed to be ineligible for NMTC³¹. As the team pursues funding sources, they should consider that the financial structures of New Markets Tax Credit (NMTC) investments have become more complex and less transparent over time. The increased complexity is due, in part, to combining the NMTC with other federal, state, and local government funds. Additionally, access to NMTC relies on multiple variables to fall in place prior to being eligible for an allocation. Moving forward, modeling NMTCs as a source should be considered cautiously and only with a great deal of certainty.

Scenario 1 and 2 include estimated Historic Tax Credits (HTCs). The restrictions associated with that designation related to project scoping and reconfiguration necessary to best accomplish programming may diminish the financial return associated HTCs and ultimately make the project infeasible. In its current design, Scenario 3 requires significant interior renovation and, as such, does not model HTCs as a funding source. Scenario 1 models both NMTC and HTCs; leveraging these sources together is highly complicated and often unlikely, resulting in high transaction costs. Pursuit of this pathway should be given special consideration and scrutiny in developing the capital stack. As further project funding strategy is developed these assumptions should be refined. For a list of potential funding sources and conceptual ideas generated through community engagement, see Appendix D.

Table 10 DeLano Potential Development Sources

DeLano Potential Development Sources Summary	Scenario 1	Scenario 2	Scenario 3
	All 3 with shared residential services	Housing Only	Central Drop-In Center
reBuild KC Grant Funds	\$1,000,000	\$1,000,000	\$1,000,000
Government Grants/Other Sources	TBD	TBD	TBD
Historic Tax Credit Estimate (net equity of QRE) ³²	\$5,035,100	\$5,035,100	<i>may not be eligible</i>
New Markets Tax Credits Estimate (net equity of TDC) ^{33 34}	\$4,482,300	<i>may not be eligible</i>	\$4,304,300

³¹ Housing projects seeking NMTCs may not generate more than 80% of business revenue from rental income. Further understanding of DeLano housing programs and operations will be required to determine potential eligibility of any scenario with housing only.

³² Historic Tax Credit fees and net equity estimate are included for planning purposes only and actual amounts may vary depending on eligible cost, pricing of credits, and actual transaction fees. Assumes 25% of Missouri State credit and a 20% Federal credit of qualified renovation expenses (QRE) and sold at \$0.85 on the dollar. Scenario 3 is assumed to be ineligible based on the high extent of necessary modifications needed to building structures to accommodate anticipated programming and building enhancements.

³³ New Markets Tax Credit net equity and fees are included for planning purposes only and the actual amount depends on availability, eligibility, pricing of credits, actual transaction fees, and is not guaranteed. Assumes 18% of total development costs for net equity.

³⁴ New Markets Tax Credits are assumed to not be eligible on housing only developments. Housing projects seeking NMTCs may not generate more than 80% of business revenue from rental income. Further understanding of DeLano housing programs and operations will be required to determine potential eligibility of any scenario with housing only. Thus, Scenario 2 for the DeLano Project and Scenario 1 and 3 for the Phase II North Lot development do not utilize NMTC financing. This results in lower financing fees in the development budgets.

DeLano Potential Development Sources Summary	Scenario 1	Scenario 2	Scenario 3
<i>Estimated Funding Gap (leveraged loan³⁵, capital campaign, other)</i>	<i>\$14,384,200</i>	<i>\$18,020,500</i>	<i>\$18,608,600</i>
Total Sources Summary	\$24,901,600	\$24,055,600	\$23,912,900

Cost estimates for Phase II North Lot development are included in support of long-term site planning and programming. Two options for future use include a three-level permanent housing structure or a standalone drop-in center. Provided square footage, capacity assumptions and estimated costs for the Phase II North Lot development are for planning purposes only. Preliminary assumptions are based on overall building area and should be refined with further design development.

Table 11 Phase II North Lot Development Cost Estimate Summary

Phase II North Lot Development Cost Summary ³⁶	Scenario 1	Scenario 2	Scenario 3
	Permanent Housing,	Standalone Drop-In Center	Permanent Housing
Capacity	28 units		28 units
Project Year	2025	2025	2025
Building Area (SF)	24,150	7,000	24,150
Design / Permitting Period	9-12 months	9-12 months	9-12 months
Construction Period	12- 14 months	12- 14 months	12- 14 months
Construction Hard Costs **Inclusive of demolition, site work, construction contingency, and GC fees	\$11,318,200	\$3,280,600	\$11,318,200
Professional Fees **A&E, Geotech, Environmental, Traffic, Construction Materials Testing,	\$2,886,100	\$836,600	\$2,886,100
Financing and Closing Fees ³⁷	\$234,700	\$521,900	\$234,700
Miscellaneous Real Estate Taxes, Insurance, Builders Risk	\$77,800	\$37,600	\$77,800

³⁵ Debt service (loan) is included as a potential source to fill an anticipated funding gap and balance sources and uses. As other (non-debt) sources are identified, this number would be adjusted accordingly and in line with the overall project structure

³⁶ This development budget completed by IFF RES is for planning purposes only; IFF recommends future phases work with a licensed architect to prepare a detailed project scope, review assumptions with the building and zoning code officials, and solicit pricing from contractors as required to confirm the construction cost 2025 hard costs assume 2% escalation per quarter over 2 years and 3% annual escalation for all other costs over 2 years.

³⁷ New Markets Tax Credit net equity and fees are included for planning purposes only and the actual amount depends on availability, eligibility, pricing of credits, actual transaction fees, and is not guaranteed. Assumes 18% of total development costs for net equity. New Markets Tax Credits are assumed to not be eligible on housing only developments. Housing projects seeking NMTCs may not generate more than 80% of business revenue from rental income. Further understanding of DeLano housing programs and operations will be required to determine potential eligibility of any scenario with housing only. Thus, Scenario 2 for the DeLano Project and Scenario 1 and 3 for the Phase II North Lot development do not utilize NMTC financing. This results in lower financing fees in the development budgets. HTCs do not apply to new construction.

Phase II North Lot Development Cost Summary ³⁶	Scenario 1	Scenario 2	Scenario 3
Developer and Project Management ³⁸	\$978,000	\$303,900	\$978,000
Furnishings and Equipment **Furniture, Equipment, Data, Communications	\$582,700	\$309,800	\$582,700
Project Contingency **10% of all costs	\$1,607,800	529,000	\$1,607,800
Total Development Costs	\$17,685,300	\$5,819,400	\$17,685,300

In addition to estimated development costs, estimated annual occupancy costs are provided for each scenario to support operational funding strategy and should be refined as planning continues and with input from selected providers. The estimate includes insurance, utilities, security, data and telephone, maintenance, cleaning services and capital reserve and is provided with escalation applied to the year 2025. Actual distribution of occupancy expense responsibility will be determined by multiple factors including the selected scenario and selected project partners and providers.

Table 12 Annual Estimated Building Occupancy Cost Summary

Annual Estimated Building Occupancy Expenses ³⁹	Scenario 1		Scenario 2		Scenario 3	
2025 escalation applied (4% annual)	PSF	total	PSF	total	PSF	total
TLP		\$260,904		\$270,822		\$365,375
Emergency		\$285,983		\$383,899		\$137,142
Drop In		\$107,834		\$ -		\$152,204
Occupancy Expense Total	\$14.84	\$654,721	\$14.84	\$654,721	\$14.84	\$654,721

Scenario 1: All three programs, shared residential supportive services

In response to community, youth and provider input, Scenario 1 prioritizes delivering all three potential services within the contiguous building with similar space dedicated to both Emergency and Transitional youth housing programs. In this iteration, transitional living units are located on the ground floor and emergency shelter units on the first floor. Supportive services are located along the south hallway and in the former auditorium space central to the building.

³⁸ Developer/project management/owner's representative fee. Fee varies depending on vendor and total development budget. 2025 costs assume 3% annual escalation over 2 years

³⁹ Annual occupancy expense estimates are for planning purposes only and informed by IFF knowledge of similar projects and local market data. Refined projected expenses should be pursued as planning continues. 4% annual escalator is applied over 2 years.

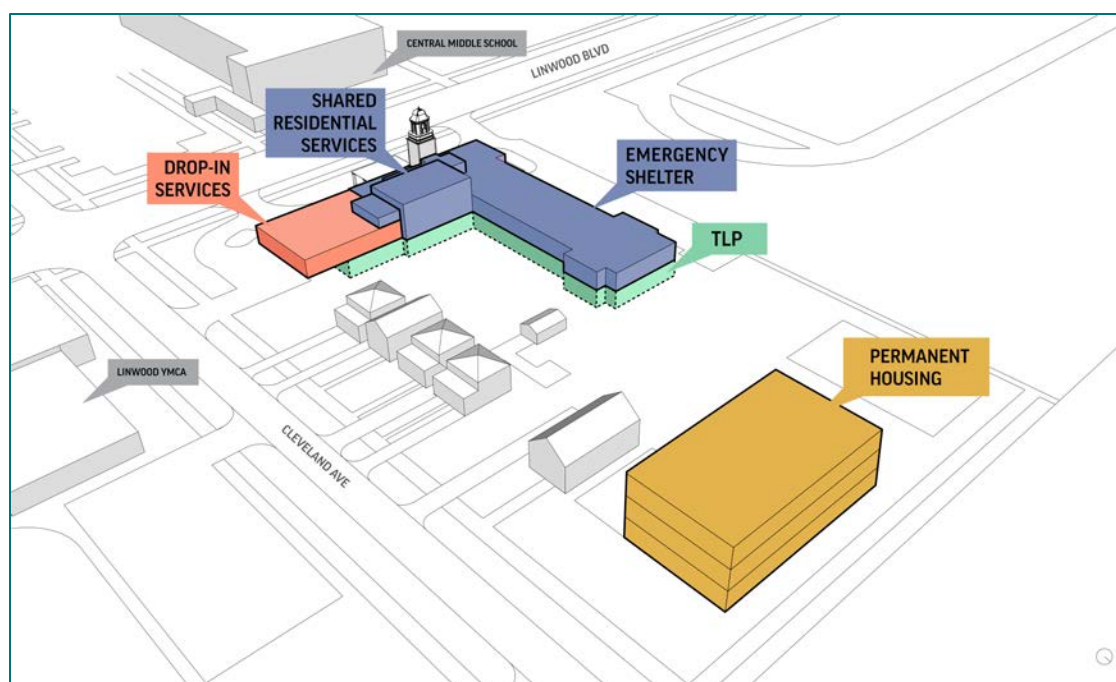


Figure 12 Axonometric View – Scenario 1 with Phase II North Lot development shown

The east wing of the building contains the Drop-In Center, which will have a separate entrance. Access to residential programming and services will be secured and inaccessible to drop-in service clients. The separation of drop-in and residential is intentional and reflects recommendations from local housing providers, acknowledging that the programs are serving youth in different stages of seeking support and housing permanency.

The layout in Scenario 1 is reminiscent of the Fannie C. Harris Center⁴⁰ in Dallas, TX, a promising practice model that the DeLano CAC visited during the feasibility phase. Fannie C. Harris contains a drop-in center in the same building separated by a demising wall and accessed by an independent entrance. It also houses two residential program spaces with a kitchen, shared services, and administrative space accessible to the residential programs only.

Table 13 Scenario 1 Program Capacity

Programs	Scenario 1 Capacity
TLP – Capacity	9-12 units
Emergency – Capacity	21 units
Drop-in Center	Yes
Phase II Development (North Site)	Permanent Housing, 28 units

Space Program

In line with the design approach and program requirements described in the Building Program section, STRATA Architecture and MultiStudio developed scenario building programs and corresponding layout diagrams that center program requirements. The following floor plan diagrams provide an overview of the building program for each of the three floors with colors

⁴⁰ [Fannie C Harris Youth Center | After8ToEducate](#)

corresponding to the legends included for each image. Phase II development on the north lot is not included in the floorplan designs. Detailed design documents are provided in Appendix C.

Table 14 Building Program Summary Scenario 1

Phase I - DeLano Building	Scenario 1 Square Foot
Drop-In Center	5,930
TLP Housing Wing - Ground Floor	8,780
Emergency Shelter Wing 1 (1st Fl West)	10,470
Shared Services (Housing)	14,930
Building Support	4,010
TOTAL	44,120

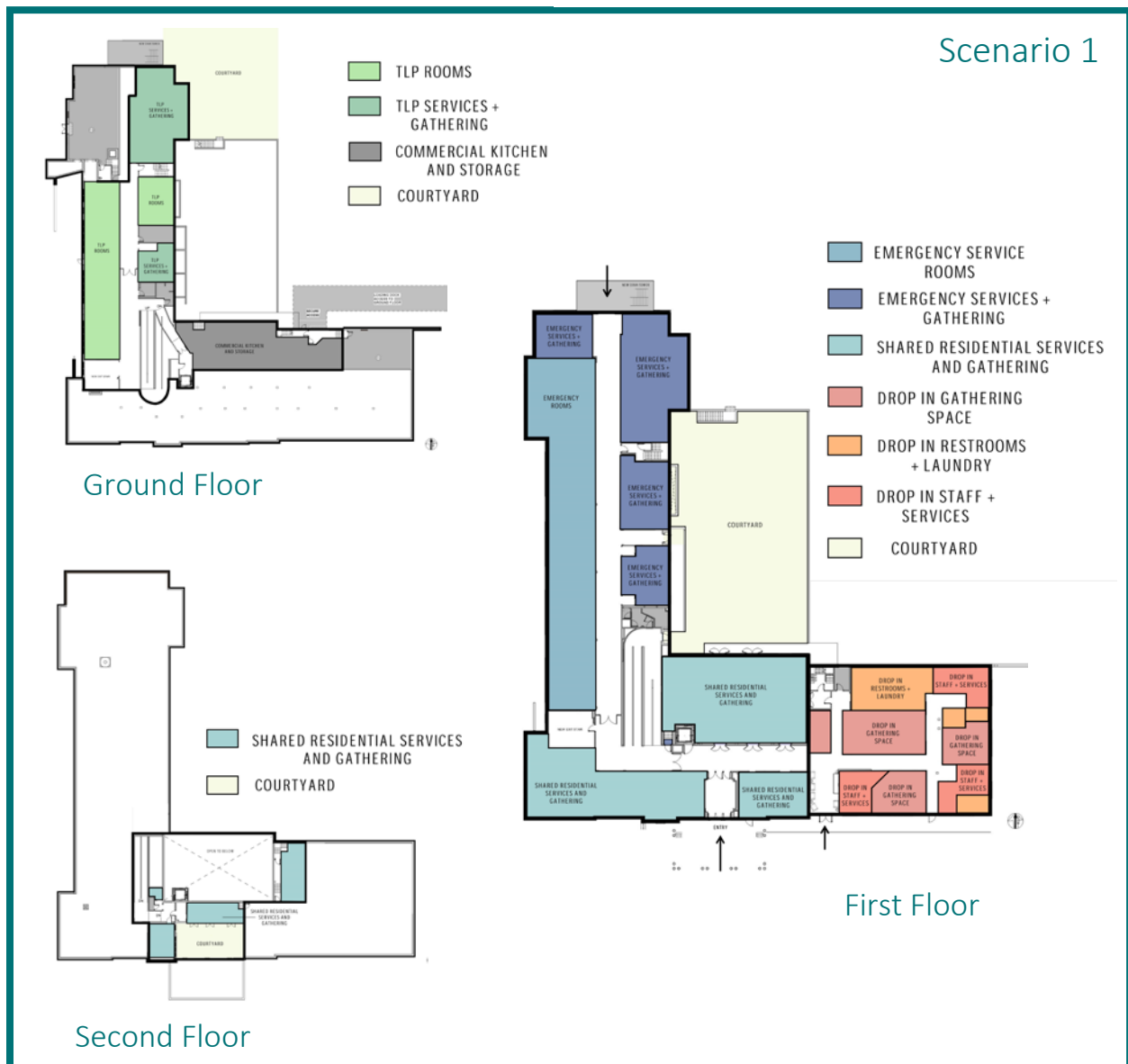


Figure 13 Floor Plan Diagrams – Scenario 1

Estimated Development Budget and Annual Occupancy Expenses

Scenario 1 development cost estimates for the DeLano building renovation and potential Phase II North Lot development are provided in support of near and long-term planning. Because Scenario 1 assumes some potential historic tax credits, additional cost is included for historic window replacement and lead based paint encapsulation. For detail on Scenario 1 development sources, see Table 10. Annual building occupancy cost estimates are provided to support decision making and should be refined as planning continues and with input from selected providers.

Table 15 Estimated Development Budget Scenario 1

DeLano School Development Budget (see footnote 27)	Scenario 1
All 3 programs: Drop In, TLP, Emergency	
Building Area (SF)	44,120
Design / Permitting Period	9-12 months
Construction Period	12- 14 months
Project Year	2025
Construction Hard Costs ⁴¹	\$15,726,300
Professional Fees (see footnote 28)	\$1,620,600
Financing and Closing Fees (see footnote 29)	\$2,840,400
Developer and Project Management (see footnote 30)	\$1,404,700
Miscellaneous	\$99,800
Furnishings and Equipment	\$946,000
Project Contingency 10% of all costs	\$2,263,800
Total Uses Summary	\$24,901,600
Total Cost (\$) / SF	\$564

Table 16 Phase II North Lot Development Budget - Scenario 1

Phase II North Lot Development Budget See footnotes: 36,37, 38	Scenario 1
Permanent Housing, 28 units and supportive services	
Building Area (SF)	24,150
Design / Permitting Period	9-12 months
Construction Period	12-14 months
Total Uses Summary	\$17,685,300

Table 17 DeLano Building Occupancy Expenses – Scenario 1

Annual Building Occupancy Expenses ⁴²	Scenario 1	
2025 escalation applied (4% annual)	PSF	total
TLP		\$260,904
Emergency		\$285,983
Drop In		\$107,834
Annual Occupancy Total	\$14.84	\$654,721

⁴¹ Inclusive of demolition, site work, and remediation, construction contingency, and GC fees. Costs assume 2% quarterly escalation for hard costs and 3% annual escalation for all other costs over 2 years.

⁴² Annual occupancy expense estimates are for planning purposes only and informed by IFF knowledge of similar projects and local market data. Refined projected expenses should be pursued as planning continues. 4% annual escalator is applied over 2 years. Includes insurance, utilities, security, data and telephone, maintenance, and cleaning services and does not account for any Phase II development. Actual distribution of occupancy expense responsibility will be determined by multiple factors including the selected scenario and selected project partners and providers.

Scenario Considerations

If pursuing Scenario 1, the following potential opportunities and barriers should be considered:

<i>Program Operations</i>	<ul style="list-style-type: none"> Consider ages and populations served – required separation of age or gender may impact program capacity for TLP and/or Emergency Shared residential support services require closely coordinated programming to ensure management of access by residential program clients. This operational approach will depend on provider(s) and youth served by each program A single housing provider for both TLP and Emergency could streamline program and building operations Due to separation of housing program clients in gathering space, the auditorium may be underutilized Relationship of individual programs and overall site funding should be considered and coordinated across providers Drop-In Center program may be challenging to fund
<i>Building Design</i>	<ul style="list-style-type: none"> Accommodates 9-12 units for Transitional Living Program <ul style="list-style-type: none"> Unit size is driven by existing windows to ensure access to natural light, resulting in limited capacity for TLP Accommodates 21 units for Emergency Shelter Program <ul style="list-style-type: none"> Units meet licensing square footage requirements Layout is limited; units are long and narrow Drop-In Center <ul style="list-style-type: none"> Designed for complete separation from residential programs May require duplication of services for residential programs and drop in center services Limited gathering space for group programming No access to outdoor space
<i>Building Operations</i>	<ul style="list-style-type: none"> If more than one housing provider is operating residential programming, closely coordinated building safety protocols, information management and scheduling for shared services will be required; a single housing provider for both TLP and Emergency could streamline program and building operations May require shared support service providers – will require lead in coordinating rotating programming Drop-In Center security and access separate and may require duplication of security services Coordination of building-wide services, such as maintenance, security, utilities, janitorial, food service, should be closely coordinated; management and expenses will depend on building ownership and occupancy cost structure
<i>Funding Considerations</i>	<ul style="list-style-type: none"> The initial design approach preserved a portion of historic building elements and may allow project to access state and/or federal Historic Tax Credits as a capital funding source This building program includes drop-in services and may be eligible for New Markets Tax Credits – due to the complexity of NMTC this funding source should be carefully considered

- Scenario 1 utilizes both NMTCs and HTC's on the same project. This is possible but highly unlikely and complicated. Special consideration should be given if pursuing this path

Scenario 2: Housing only, shared residential supportive services

Scenario 2 explores a building program approach centered in maximizing the number of housing beds provided. This iteration shows a majority of Emergency Shelter programming on the first floor resulting in a total capacity of thirty-six (36) emergency shelter beds. Transitional Living Program location and capacity remains the same as Scenario 1 with nine to twelve (9-12) TLP units on the ground floor.

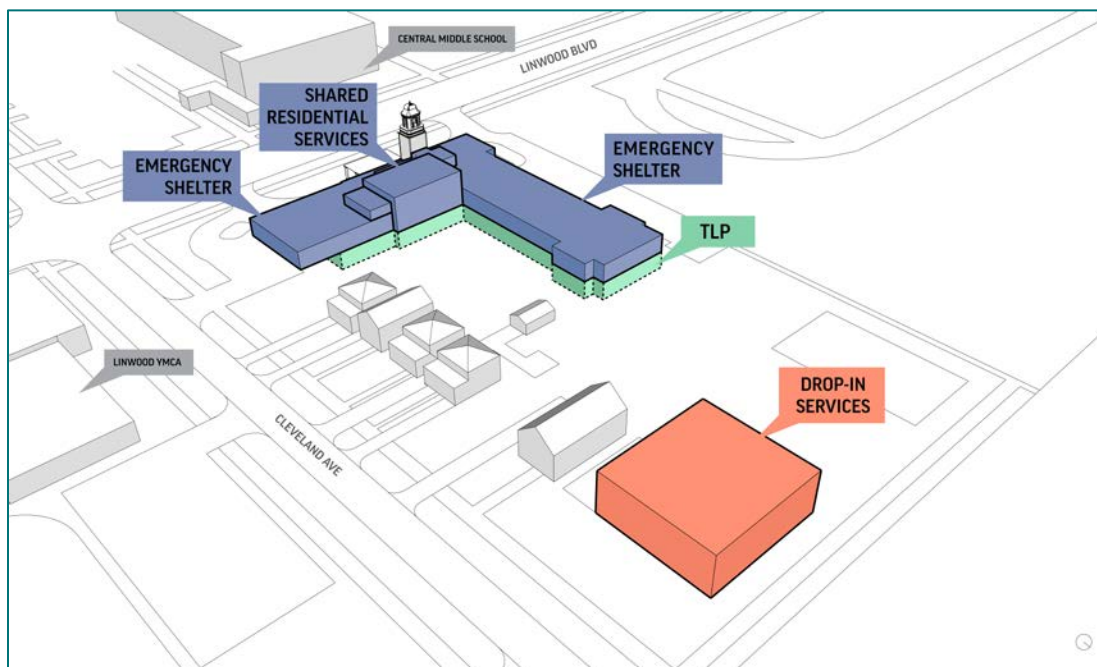


Figure 14 Axonometric View – Scenario 2 with Phase II North Lot development included

Shared residential services would be located centrally on the first floor and accessible to both residential programs, requiring separate programming and controlled access. The contiguous building does not house a drop-in center program; a standalone drop-in center is designated as potential future Phase II development on the north lot.

In place of a drop-in center on site, fifteen (15) emergency beds are included on the east side of the building. This layout was established to create a potential symbiotic relationship between two emergency shelter programs. Currently, many of the local Emergency Shelter providers transfer youth who have reached their 30-day stay limit to beds located twenty or thirty minutes away if another housing option does not become available. This can disrupt services and impact access to their

Table 18 Scenario 2 Program Capacity

Programs	Scenario 2 Capacity
TLP – Capacity	9-12 units
Emergency – Capacity	36 units
Drop-in Center	No
Phase II Development (North Site)	Standalone Drop-in Center

preferred school. If licensed separately, there may be the potential to transfer youth who have reached their 30 day stay limit at a program on the east side of DeLano to an available bed in the program on the west side of the same building. This would allow increased consistency in supportive services and an opportunity for youth to remain in the immediate community. To realize this potential would require close program coordination and approvals from regulatory agencies, which is not guaranteed.

Space Program

The building program for Scenario 2 and associated layouts explore the placement of emergency shelter beds on the east side of the building. The primary difference from Scenario 1 is the replacement of drop-in services with additional housing program while the west and central areas of the building remain consistent. The Phase II North Lot development is not included in the floorplan designs. Detailed design documents are provided in Appendix C

A variation of this scenario, not reflected in the Scenario 2 layouts, could replicate the ground floor TLP wing on the first-floor west wing, doubling the number of TLP beds provided. This option could address expanded TLP capacity and alleviate challenges with access to shared service programming.

Table 19 Building Program Summary Scenario 2

Phase I - DeLano Building	Scenario 2 Square Foot
TLP Housing Wing - Ground Floor	8,780
Emergency Shelter Wing 1 (1st Fl West)	10,470
Emergency Shelter Wing 2 (1st Fl East)	5,930
Shared Services (Housing)	14,930
Building Support	4,010
TOTAL	44,120

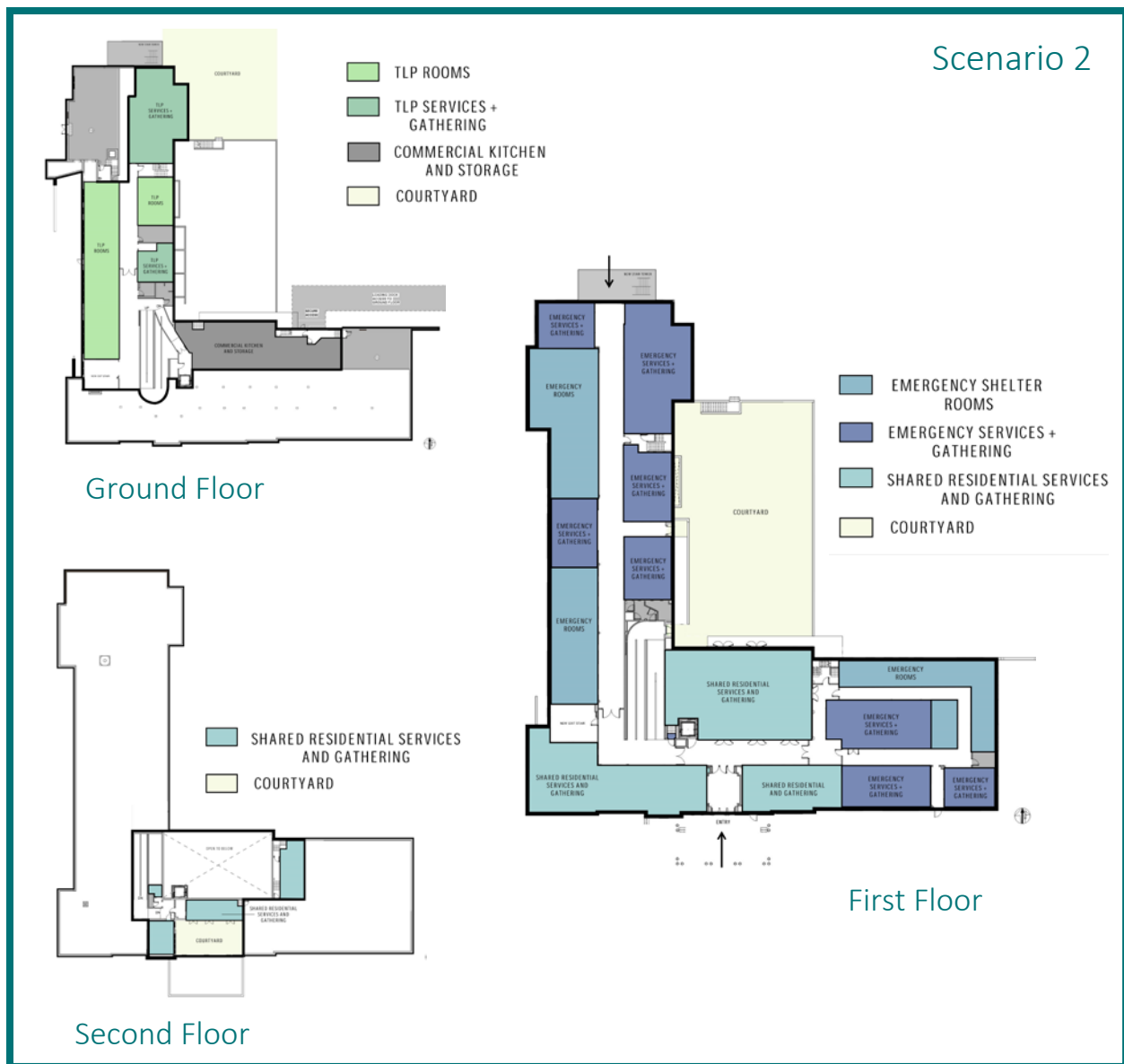


Figure 15 Floor Plan Diagrams - Scenario 2

Estimated Development Budget and Annual Occupancy Expenses

Scenario 2 development cost estimates for the DeLano building renovation and potential Phase II North Lot development are provided in support of near and long-term planning. Because Scenario 2 assumes some potential historic tax credits, additional cost is included for historic window replacement and lead based paint encapsulation. Annual building occupancy expense estimates are provided to support decision making and should be refined as planning continues and with input from selected providers.

Table 20 Estimated Development Budget Scenario 2

DeLano School Development Budget (see footnote 27)		Scenario 2
All 3 programs: Drop In, TLP, Emergency		
Building Area (SF)		44,120
Design / Permitting Period		9-12 months
Construction Period		12- 14 months
Project Year		2025
Construction Hard Costs ⁴³		\$15,745,300
Professional Fees (see footnote 28)		\$1,622,300
Financing and Closing Fees (see footnote 29)		\$2,049,200
Developer and Project Management (see footnote 30)		\$1,406,000
Miscellaneous		\$99,900
Furnishings and Equipment		\$946,000
Project Contingency 10% of all costs		\$2,186,900
Total Uses Summary		\$24,055,600

Table 21 Phase II North Lot Development Budget - Scenario 2

Phase II North Lot Development Budget See footnotes: 36,37, 38	Scenario 2
Standalone drop-in center	
Building Area (SF)	7,000
Design / Permitting Period	8-12 months
Construction Period	12- 14 months
Total Uses Summary	\$5,819,400

Table 22 DeLano Building Occupancy Expenses – Scenario 2

Annual Building Occupancy Expenses ⁴⁴	Scenario 2	
2025 escalation applied (4% annual)	PSF	total
TLP		\$270,822
Emergency		\$383,899
Drop In		\$ -
Annual Occupancy Total	\$14.84	\$654,721

Scenario Considerations

If pursuing Scenario 2 the following potential opportunities and barriers should be considered:

<i>Program Operations</i>	<ul style="list-style-type: none"> Consider ages and populations served – required separation of age or gender may impact program capacity for TLP and/or Emergency Opportunity for transfer of emergency shelter youth between licensed programs when thirty day stay limit has been reached <ul style="list-style-type: none"> Requires close program coordination if more than one provider Approval from licensing agencies is not guaranteed Considerations for managing size of Emergency Shelter program
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⁴³ Inclusive of demolition, site work, and remediation, construction contingency, and GC fees. Costs assume 2% quarterly escalation for hard costs and 3% annual escalation for all other costs over 2 years.

⁴⁴ Annual occupancy expense estimates are for planning purposes only and informed by IFF knowledge of similar projects and local market data. Refined projected expenses should be pursued as planning continues. 4% annual escalator is applied over 2 years. Includes insurance, utilities, security, data and telephone, maintenance, and cleaning services and does not account for any Phase II development. Actual distribution of occupancy expense responsibility will be determined by multiple factors including the selected scenario and selected project partners and providers.

	<ul style="list-style-type: none"> ○ Staff requirements ○ Alignment to existing funding opportunities and appetites ○ System integration – what programs would youth existing the Emergency shelter program access? • Shared residential support services require closely coordinated programming to ensure management of access by residential program clients. This operational approach will depend on provider(s) and youth served by each program • Relationship of individual programs and overall site funding should be considered and coordinated across providers • Drop-In Center not included <ul style="list-style-type: none"> ○ impact on capacity to support KCPS McKinney Vento youth and community youth in need of services
<i>Building Design</i>	<ul style="list-style-type: none"> • Accommodates 9-12 units for Transitional Living Program <ul style="list-style-type: none"> ○ Unit size is driven by existing windows to ensure access to natural light, resulting in limited capacity for TLP • Accommodates 36 units for Emergency Shelter Program <ul style="list-style-type: none"> ○ Units meet licensing square footage requirements ○ West side layout is limited – units are long and narrow ○ East side layout provides centrally located staff area
<i>Building Operations</i>	<ul style="list-style-type: none"> • If more than one housing provider is operating residential programming, closely coordinated building safety protocols, information management and scheduling for shared services will be required • May require shared support service providers – will require lead in coordinating rotating programming • Coordination of building-wide services, such as maintenance, security, utilities, janitorial, food service, should be closely coordinated; management and expenses will depend on building ownership and occupancy cost structure
<i>Funding Considerations</i>	<ul style="list-style-type: none"> • The initial design approach preserved a portion of historic building elements and may allow project to access state and/or federal Historic Tax Credits as a capital funding source • New Markets Tax Credits are assumed to not be eligible on housing only developments. Housing projects seeking NMTCs may not generate more than 80% of business revenue from rental income. Further understanding of DeLano housing programs and operations will be required to determine potential eligibility of any scenario with housing only. Thus, Scenario 2 does not model NMTC financing. This results in lower financing fees in the development budgets.

Scenario 3: All three programs, central drop-in center, supportive services in residential wings

Scenario 3 considers an alternative approach to providing all three core services on site. The west side of the building is comprised of TLP program units and supportive services, Emergency Shelter beds and supportive services are located on the east side of the building. Drop-in services are established in the central building area and auditorium with access via the existing main building entrance.

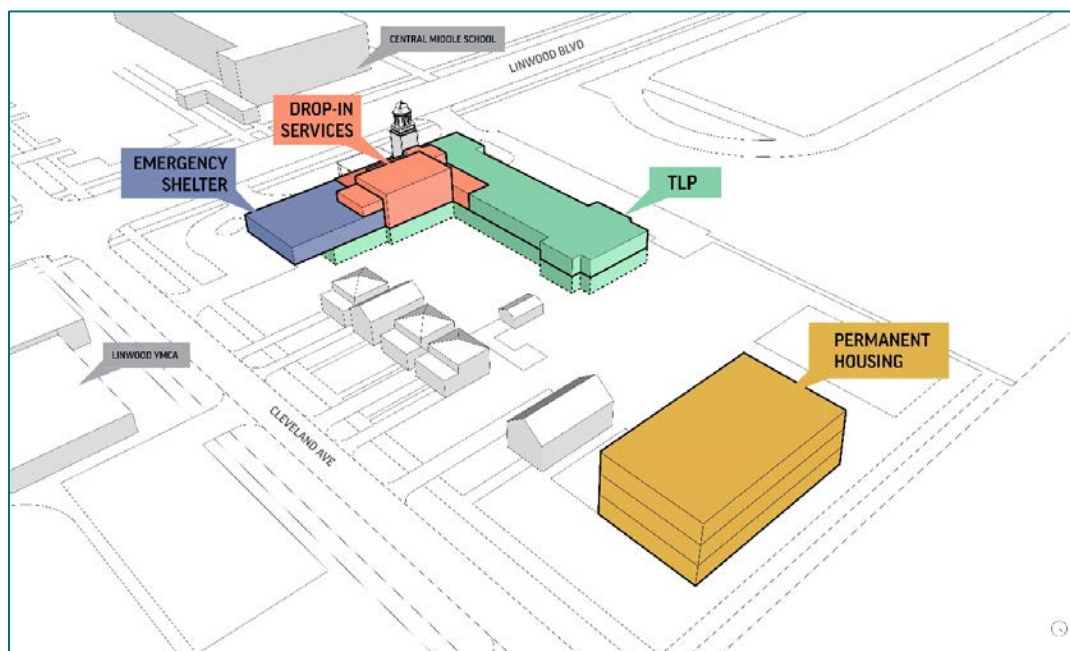


Figure 16 Axonometric View – Scenario 3 with Phase II North Lot development included

This approach accomplishes the following:

- TLP beds are maximized on the west side of the building allowing flexibility for provider program decisions and population served
- Drop-in services are centralized, maximizing the auditorium gathering space and providing opportunity to serve local community and KCPS youth experiencing homelessness and in need of services
- Residential programs can access drop in center space for scheduled programming, allowing more utilization in hours when the drop-in center is closed to the public
- Each residential program has supportive service delivery space embedded directly within the residential wings, eliminating the challenge of programming shared space to maintain separation between populations

Table 23 Scenario 3 Program Capacity

Programs	Scenario 3 Capacity
TLP – Capacity	18-24 units
Emergency – Capacity	15 units
Drop-in Center	Yes
Phase II Development (North Site)	Permanent Housing, 28 units

Space Program

Consistent with Scenario 1, the building program for Scenario 3 prioritizes the delivery of all three services on site. The floorplan diagrams in Figure 17 feature a centralized drop-in center in place of shared residential services and replaces the emergency beds on the first floor west with a second wing of TLP units. The east wing layout containing emergency shelter units is similar to that shown for Scenario 2. A few additional elements to note include the multiple building entries along the south edge of the first floor. In contrast to the other scenarios dedicated outdoor courtyard spaces are available to each of the three programs. Phase II development on the north lot is not included in the floorplan designs. Detailed design documents are provided in Appendix C.

Table 24 Building Program Summary Scenario 3

Phase I - DeLano Building Program	Scenario 3 Square Foot
Drop-in Center	8,920
TLP Housing Wing 1 (Ground Floor)	8,780
TLP Housing Wing 2 (1st Fl West)	12,530
Emergency Shelter Wing 1 (1st Fl East)	5,930
Shared Building Services	3,950
Building Support	4,010
TOTAL	44,120

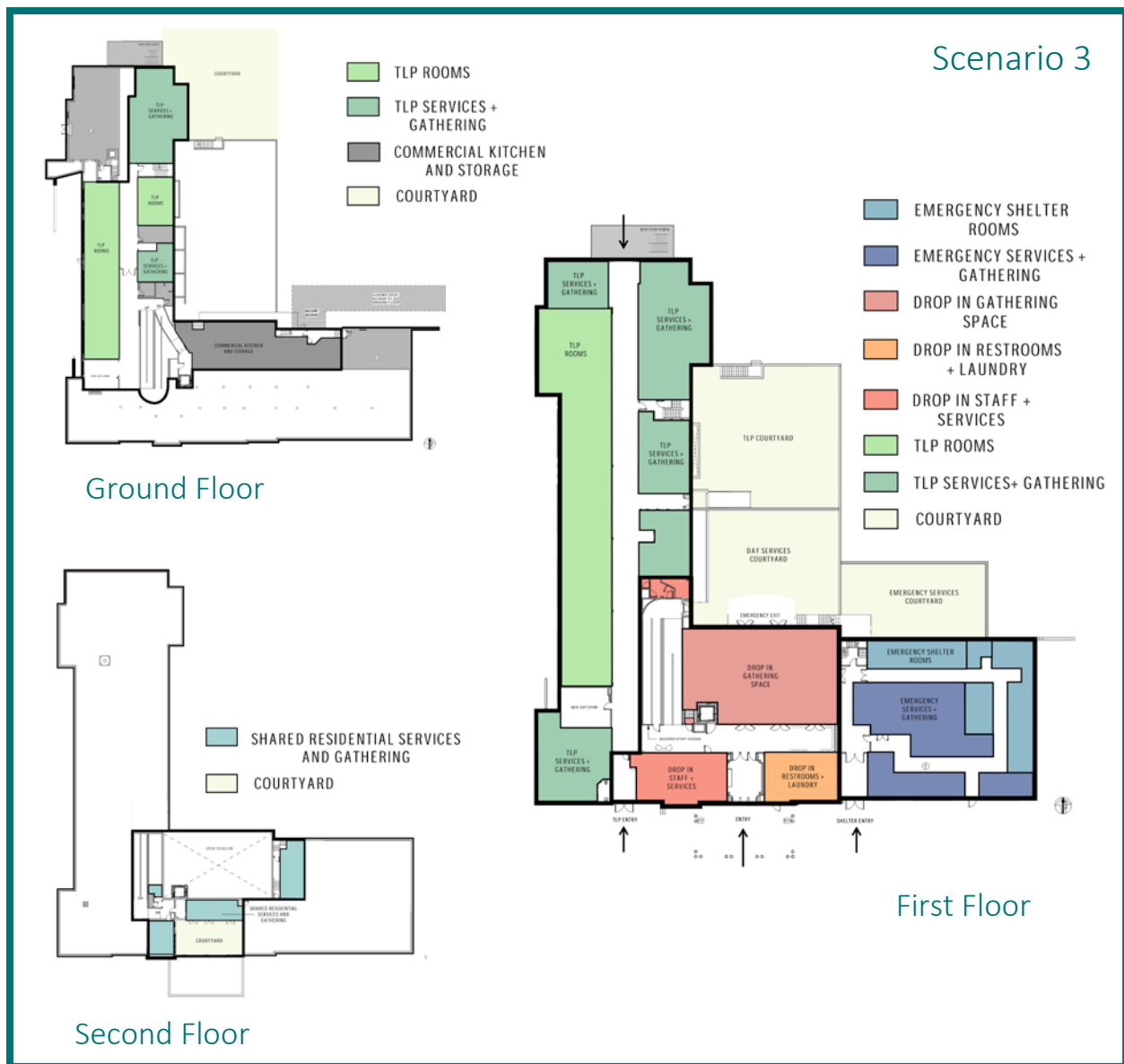


Figure 17 Floor Plan Diagrams - Scenario 3

Estimated Development Budget and Annual Occupancy Expenses

Scenario 3 development cost estimates for the DeLano building renovation and potential Phase II North Lot development are included in support of near and long-term planning. Because Scenario 3 assumes no historic tax credits are possible, the cost of historic window replacement and lead based paint encapsulation is excluded from the hard cost estimate. Annual building occupancy cost estimates are provided to support decision making and should be refined as planning continues and with input from selected providers.

Table 25 Estimated Development Budget Scenario 3

DeLano School Development Budget (see footnote 27) Scenario 3	
Central Drop In Center, TLP, Emergency	
Building Area (SF)	44,120
Design / Permitting Period	9-12 months
Construction Period	12- 14 months
Project Year	2025
Construction Hard Costs ⁴⁵	\$15,138,100
Professional Fees (see footnote 28)	\$1,567,600
Financing and Closing Fees (see footnote 29)	\$2,626,400
Developer and Project Management (see footnote 30)	\$1,364,000
Miscellaneous	\$96,900
Furnishings and Equipment	\$946,000
Project Contingency 10% of all costs	\$2,173,900
Total Uses Summary	\$23,912,900
Total Cost (\$) / SF	\$542

Table 26 Phase II North Lot Development Budget - Scenario 3

Phase II North Lot Development Budget Scenario 3	
See footnotes: 36,37, 38	
Permanent Supportive Housing	
Building Area (SF)	7,000
Design / Permitting Period	9-12 months
Construction Period	12- 14 months
Total Uses Summary	\$17,685,300

Table 27 DeLano Building Occupancy Expenses - Scenario 3

Annual Building Occupancy Expenses ⁴⁶ Scenario 3		
2025 escalation applied (4% annual)	PSF	total
TLP		\$ 365,375
Emergency		\$ 137,142
Drop In		\$ 152,204
Annual Occupancy Total	\$14.84	\$ 654,721

Scenario Considerations

If pursuing Scenario 3 the following potential opportunities and barriers should be considered:

<i>Program Operations</i>	<ul style="list-style-type: none"> Two floors of TLP allow for flexibility in program and populations served Emergency capacity limited though individual rooms allow for maximizing capacity regardless of gender Residential support services may have overlap in staffing and programming but would be delivered within residential wings, maintaining necessary separation of populations, and maximizing programming space within each residential wing
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⁴⁵ Inclusive of demolition, site work, and remediation, construction contingency, and GC fees. Costs assume 2% quarterly escalation for hard costs and 3% annual escalation for all other costs over 2 years.

⁴⁶ Annual occupancy expense estimates are for planning purposes only and informed by IFF knowledge of similar projects and local market data. Refined projected expenses should be pursued as planning continues. 4% annual escalator is applied over 2 years. Includes insurance, utilities, security, data and telephone, maintenance, and cleaning services and does not account for any Phase II development. Actual distribution of occupancy expense responsibility will be determined by multiple factors including the selected scenario and selected project partners and providers.

	<ul style="list-style-type: none"> Relationship of individual programs and overall site funding should be considered and coordinated across providers Drop-In Center utilizes central space <ul style="list-style-type: none"> May be accessible to residents outside of public hours Impact on capacity to support KCPS McKinney Vento youth and community youth in need of services Direct access through main entry (ability for other programs to have discrete entry)
<i>Building Design</i>	<ul style="list-style-type: none"> Accommodates 18-24 units for Transitional Living Program <ul style="list-style-type: none"> Unit size is driven by existing windows to ensure access to natural light, resulting in limited capacity per floor for TLP Accommodates 15 units for Emergency Shelter Program <ul style="list-style-type: none"> Units meet licensing square footage requirements East side layout provides centrally located staff area Access to dedicated courtyard requires additional design exploration including egress requirements Central Drop-In Services <ul style="list-style-type: none"> Requires significant reconfiguration of interior spaces that may impact funding sources Access to outdoor courtyard Some challenges in access to commercial kitchen Maximizes use of auditorium space and volume
<i>Building Operations</i>	<ul style="list-style-type: none"> Multiple access points will require close coordination for building safety protocols May use shared support service providers – will require lead in coordinating rotating programming Coordination of building-wide services, such as maintenance, security, utilities, janitorial, food service, should be closely coordinated; management and expenses will depend on building ownership and occupancy cost structure
<i>Funding Considerations</i>	<ul style="list-style-type: none"> The initial design approach includes significant changes to several interior building elements and may prevent the project from accessing state and/or federal Historic Tax Credits as a capital funding source This building program includes drop-in services and may be eligible for New Markets Tax Credits – due to the complexity of NMTC this funding source should be carefully considered

Ownership Scenarios

As with all dimensions of this study, the ownership considerations are informed by community voice and data, balanced with IFF's development experience, and the practical realities of financing and operating costs and considerations. There are multiple considerations related to the development and ownership of the DeLano facility which have benefits and drawbacks associated with them. In addition to exploring KCPS and KCMO as building owners, the team explored a third-party champion (developer) ownership option, informed by other national models, which offers the separation of the building development/operation from the program

delivery. Typically, the skillset, balance sheet, and operating track record of an entity with the capability to successfully execute and manage a complex development project are not often found within organizations that have the skillset and operating history for the programming anticipated in this space and, as such, the developer provides an opportunity for leverage and synergy on all project dimensions.

There are multiple intersecting considerations for each project component (e.g., capital stack assembly, ongoing facilities operations, and ongoing programmatic operations) related to ownership.

Capital Stack Assembly

A project of this scale requires financial wherewithal, likely including the ability to provide and fulfill multiple guaranties; the demonstrated ability to blend and layer funding and financing sources; and a successful and thoughtful history of bringing community development projects to fruition. Each layer of the capital stack, whether grant or financing, will require underwriting, contractual commitments, and obligations. An independent developer is uniquely equipped and structured to understand and leverage the various sources required for a project of this type. Public entities, KCMO and KCPS, are subject to a myriad of procurement, governance, and budgeting considerations that complicate and may even preclude the project from aggregating the sources necessary. In addition, both public entities have complex real estate portfolios that require careful prioritization of facilities investment dollars and approval processes and restrictions that can complicate capital stack assembly.

Ongoing Facilities and Programmatic Operations

There are two interconnected dimensions of long-term operations with ownership impacts: facilities and programming. Most nonprofit organizations and service providers that own their buildings effectively manage both the requirements associated with funding and maintaining a high-quality, licensed, or licensable facility and the associated expenses ranging from insurance to depreciation. Although some nonprofit organizations and service providers prefer to lease because the skills and infrastructure necessary to be an effective property owner conflict with and/or at least are perceived to take away from a focus on the delivery of and funding for high-quality programs. There is no single best approach to operations but a project of this complexity and scale warrants an exploration of splitting those responsibilities between a developer and service provider. That approach was reinforced in the research the team has done including the visit to the Fannie C. Harris Youth Center.

Exploring Promising Practice

The DeLano CAC had the opportunity to draw both from local expertise and experience along with exploration of similar national models. In March, a group of CAC members visited Dallas, Texas to learn more about a recent project that repurposed a vacant school building for co-located housing and supportive services. [The Fannie C. Harris Youth Center's](#) service model and facility align closely with the project vision for DeLano and the learnings from this program have informed both design and development strategy:

- Collocation of youth shelter services, transitional living, and drop-in center
- Residential supportive services on-site
- Formerly vacant Dallas Independent School District (DISD) building, DISD continues to own - DISD pays utilities and subsidizes residential meals; service providers hold MOUs and do not pay rent
- Residents are required to enroll in DISD; drop in is open to community youth

There are several areas where the Dallas model does not align with local context and would prevent DeLano from replicating certain elements:

- Texas licensing differs – their shelter model aligns more with foster care and has a flexible length of stay and age range. Missouri shelter programs limit length of stay to 30 days
- The Dallas district (DSID) is significantly larger than KCPS, which impacts the district's budget for building operating expenses and capital expenditures
- KCPS approach to McKinney Vento youth would not align with requiring residents to enroll in KCPS

In addition to exploring the ownership structure and programs, the DeLano CAC had the opportunity to sit with the current center Executive Director, founding leaders, and board members to understand the project development pathway and building operating model more deeply. Fannie C. Harris is operated by a nonprofit organization called [After8toEducate](#), which was founded specifically to realize the redevelopment project. A few key elements of the Dallas experience and operating structure have been helpful in framing potential DeLano project funding strategies and options for creative ownership and operating models.



Most notably, the founders of After8 approached the redevelopment through a collective impact model. Collective Impact Model requires five key elements: common agenda, common progress measures, mutually reinforcing activities, communications, and backbone organization. After8toEducate is the backbone organization for Fannie C. Harris and provides oversight for the center, ensuring that the shared values and vision are being upheld by each of the partners. This model allowed After8 to pivot and continue delivering services at Fannie C. Harris when one of its collective partners faltered. Additionally, Fannie C. Harris's structure separates the building from the services by keeping ownership and operating costs within DISD. In this case, building capacity for both After8 and service providers to direct funding primarily toward staffing and program operations.



Looking toward the Kansas City community, stakeholders identified a local example of a similar operating model within the housing sector. The Beehive KC Community Services Collaborative, located in downtown Kansas City, MO, offers holistic housing, healthcare, and social services through an integrated care model. The following operating structure follows a formula similar to Fannie C. Harris.

While this iteration of the collective is new, the building has been owned and maintained by the Downtown Council of Kansas City for many years and has housed other drop-in supportive service providers in the past. Through the current model, services are delivered by two anchor



Figure 18 Sample Ownership Model

tenants, Care Beyond the Boulevard and NourishKC with additional drop-in services provided on a rotating basis. A third partner, Greater Kansas City Coalition to End Homelessness provides support in program oversight and service coordination through the collective. Implementation of the model is still in the early stages and there may be additional iterations to come.

These models offered the DeLano project team concrete examples that reflect successful coordination of a multi-service model in response to complex community needs. The following table provides a high-level overview of some of the key considerations related to the potential ownership roles KCPS, KCMO, and the developer.

Ownership Scenario Detail

Table 28 DeLano Redevelopment Ownership Scenarios

	<i>KCPS as Owner</i>	<i>KCMO as Owner</i>	<i>Third Party Champion as Owner</i>
	<i>Pre-Development</i>		
<i>Acquisition/Site Control</i>	<ul style="list-style-type: none"> • KCPS currently owns the building which eliminates the need for any property transfer. • Disposition to another entity requires approval of public body, 2/3rd vote of KCPS board, with varying internal and external perspectives on value impacting potential sales price. • Building may currently be pledged as collateral with an explicit or stated expectation of value that may complicate and/or prevent a feasible development project. • KCPS may have desire for long-term programmatic control (use restrictions, reversion clauses, etc.). May be achieved through a long-term ground lease with use restrictions which achieves programmatic goals but may impact financing and capital stack options if not structured correctly (i.e., would need to be at least 30 years and with provisions that enable and facilitate financing). 	<ul style="list-style-type: none"> • Would require a long-term ground lease or outright sale provided potential financing options are available. State statute allows sale of surplus school facilities to a governmental entity without an RFP or listing with broker. KCPS could sell the building for \$1 or a low price and be provided assurances there is a commitment to serve KCPS students. There is a history of sites transferred to City after execution of MOU. • Lease or sale requires 2/3 vote of KCPS board. • Often complex mechanics regarding municipal purchases and obligations that may require public approval. • Long-term operational and programmatic requirements associated with transfer, such as commitment to serve KCPS students, may not be feasible or possible through future administrations of KCMO and KCPS. 	<ul style="list-style-type: none"> • Would require a long-term ground lease with an initial term of at least thirty years and provisions that enable financing, or an outright sale provided potential financing options are available (e.g., an acquisition price based on perceived value may not be achievable with appraisal-based acquisition financing). • KCPS could sell the building for \$1 or a low price and be provided assurances there is a commitment to serve KCPS students. Details and tenure of the commitment, including potential revisionary clauses, are critically important for acquisition • Lease or sale requires a 2/3 vote of KCPS board. Could be done through district's existing repurposing process if site declared surplus by board. • A developer can accept reasonable use restrictions and support public benefit concepts and still access grant funding and financing.

	<i>KCPS as Owner</i>	<i>KCMO as Owner</i>	<i>Third Party Champion as Owner</i>
<i>Procurement</i>	<ul style="list-style-type: none"> KCPS' current legal interpretation is that providers and/or operator would be required to follow KCPS procurement requirements, even if operated by another entity under a ground lease. 	<ul style="list-style-type: none"> There will be requirements to follow KCMO procurement policies if the property is acquired and owned by KCMO. 	<ul style="list-style-type: none"> A developer could follow self-imposed equitable community development principles for procurement plus mandated requirements of public and private funding and financing sources. Ground lease provisions may impact dimensions of initial and ongoing procurement and operations.
<i>Project Sources</i>			
<i>Access to Equity</i>	<ul style="list-style-type: none"> KCPS could contribute current or future capital funds toward the project, however the project would be competing for other capital and operating funds across the existing real estate portfolio and subject to policy shifts and administration priorities. 	<ul style="list-style-type: none"> It is uncertain if new sources of funding would be made available for DeLano with or without the acquisition of the building by KCMO. The project would be competing for other capital and operating funds across the existing real estate portfolio and subject to policy shifts and administration priorities. 	<ul style="list-style-type: none"> Long-term ground lease or outright sale provide opportunities for fundraising, financing, and additional creative equity. However, access to fundraising, financing or additional creative equity is not possible with short-term lease or fee developer role unless the provider/operator bore the responsibility of financing (e.g., leasehold improvement loan) or fundraising.
<i>Philanthropic Funds</i>	<ul style="list-style-type: none"> There are multiple opportunities for direct capital or programmatic investment, but those requests compete with the myriad of other capital and operating fundraising done by KCPS. 	<ul style="list-style-type: none"> There are multiple opportunities for direct capital or programmatic investment, but those requests compete with the myriad of other capital and operating fundraising done by KCMO. 	<ul style="list-style-type: none"> Fundraising opportunities can be constrained by intermediary roles and long-term ownership strategy. Thoughtful collaboration and coordination on the capital and operating fundraising

	<i>KCPS as Owner</i>	<i>KCMO as Owner</i>	<i>Third Party Champion as Owner</i>
			strategies between the developer and provider(s) is critical.
<i>Public Funds</i>	<ul style="list-style-type: none"> Public sources are available to school districts through multiple mechanisms but there are competing priorities across a large real estate portfolio. 	<ul style="list-style-type: none"> Public sources are available to municipalities through multiple mechanisms but there are competing priorities across a large real estate portfolio. 	<ul style="list-style-type: none"> A smaller potential pool of public funding available (e.g., CDBG, competitive public rounds, etc.) but funding sources are complex and, if not carefully coordinated, can preclude other sources. Strong and coordinated partnership by and with KCPS and KCMO is required.
<i>Conventional Financing</i>	<ul style="list-style-type: none"> Would require complex and participatory processes for taking on debt likely through bond issuance. 	<ul style="list-style-type: none"> Not likely to be an option given the complexity of municipalities taking on debt. 	<ul style="list-style-type: none"> A developer would have more streamlined and accessible options available to assemble and close on acquisition and construction financing as long as the terms of the ground lease or long-term restrictive covenants are reasonable.
<i>Specialized Financing</i>	<ul style="list-style-type: none"> Far less likely to be brought to bear given the complexities associated with financing overall. School districts could theoretically access New Markets Tax Credits (NMTC) but the structuring, particularly for a district of KCPS' size, doesn't make sense 	<ul style="list-style-type: none"> Far less likely to be brought to bear given the complexities associated with financing overall. Municipalities have accessed NMTCs but the structuring is complex. HTCs require the creation of a for-profit entity which won't work for KCPS. 	<ul style="list-style-type: none"> There are a number of potential specialized financing vehicles that might work for the project. Evaluation and aggregation of these tools would require proactive collaboration and compliance support from KCPS and KCMO (possibly operators). Although the project may be eligible for landmark/national registry placement, the

	<i>KCPS as Owner</i>	<i>KCMO as Owner</i>	<i>Third Party Champion as Owner</i>
	<ul style="list-style-type: none"> Historic Tax Credits (HTC) require the creation of a for-profit entity which would work only with a ground lease to a nonprofit entity. 		<p>restrictions associated with that designation related to project scoping and reconfiguration necessary to best accomplish programming may diminish the financial return associated with HTCs and ultimately make the project infeasible.</p>
<i>Collateralization</i>			
	<ul style="list-style-type: none"> KCPS confirmed the building is not currently pledged as collateral. Priority security interest required by lenders through all financing vehicles is likely limited. 	<ul style="list-style-type: none"> Priority security interest required by all lenders through financing vehicles is likely limited. 	<ul style="list-style-type: none"> Recording security interest(s) on property is a requirement for the assembly of sources. The ability to do so may be limited by terms of ground lease, use restrictions, and potential reversion clauses which underscores the importance of careful coordination with KCPS and KCMO throughout.
<i>Operations</i>			
<i>Management & Maintenance</i>	<ul style="list-style-type: none"> There may be efficiencies gained by accessing KCPS infrastructure, but the requirements associated with District wide contracts also need to be considered. There is a potential to share the cost burden with operational partners but there could be potential conflicts reconciling 	<ul style="list-style-type: none"> There may be efficiencies gained by accessing KCMO infrastructure, but the requirements associated with District wide contracts also need to be considered. There is a potential to share the cost burden with operational partners but there could be potential conflicts reconciling union or trades requirements and 	<ul style="list-style-type: none"> Developer ownership provides for latitude for management and maintenance procurement. The developer and providers don't have the same infrastructure or buying power of KCMO and KCPS and, as such, there will be higher ramp up and longer-term overhead costs because there

	<i>KCPS as Owner</i>	<i>KCMO as Owner</i>	<i>Third Party Champion as Owner</i>
	<p>union or trades requirements and expectations with operator staffing and needs.</p> <ul style="list-style-type: none"> KCPS and the provider could negotiate and request that KCMO subsidize O&M funding if KCMO sees the project as a long-term community benefit although there is no assurance that would happen. 	<p>expectations with operator staffing and needs.</p> <ul style="list-style-type: none"> KCMO and the provider could negotiate and request that KCPS subsidize O&M funding if KCPS students are served although there is no assurance that would happen. 	<p>aren't the same economies of scale that KCPS and KCMO have.</p> <ul style="list-style-type: none"> The developer and provider(s) could negotiate and request that KCPS and/or KCMO subsidize O&M funding particularly if there is a commitment to serve KCPS students and/or KCMO sees the project as a long-term community benefit although there is no assurance that would happen.
<i>Operational Implementation</i>	<ul style="list-style-type: none"> KCPS would need a programming and property manager partner to operate programming while providing full latitude for effective program delivery. 	<ul style="list-style-type: none"> KCMO would need a programming and property manager partner to operate programming while providing full latitude for effective program delivery. 	<ul style="list-style-type: none"> The developer would directly, and/or in collaboration with a qualified organization, serve as programming and property manager partner to operate programming.

Recommendations & Next Steps

This Feasibility Study aims to provide stakeholders and decision makers with the important information and data to make informed decisions driving towards transformational change. IFF and project partners evaluated the potential for the DeLano School to support housing programs for youth ages 14-21 including drop-in center services, transitional living program and emergency shelter program. IFF believes the redevelopment of the DeLano School site can successfully support the delivery of all three programs. It is important to acknowledge establishing DeLano as a long-term sustainable community asset will require continued partnership between KCMO, KCPS and the emerging DeLano building owner/manager and service providers. The following sections outline IFF's recommendations for next steps to achieve desired outcomes.

Development Recommendation

Based on IFF's review of the site test fits and development budgets, IFF recommends the project team pursue additional due diligence for design **Scenario 3**. This option prioritizes providing all three programs in addition to creating balanced access to transitional living and emergency shelter programs. Leveraging the central auditorium for drop-in services also maximizes the space in support of community at-risk youth and KCPS McKinney Vento students. This approach will not only achieve the desired programmatic goals, but with the potential Phase II development of permanent housing, it offers an opportunity to realize a continuum of supportive housing options on one campus.

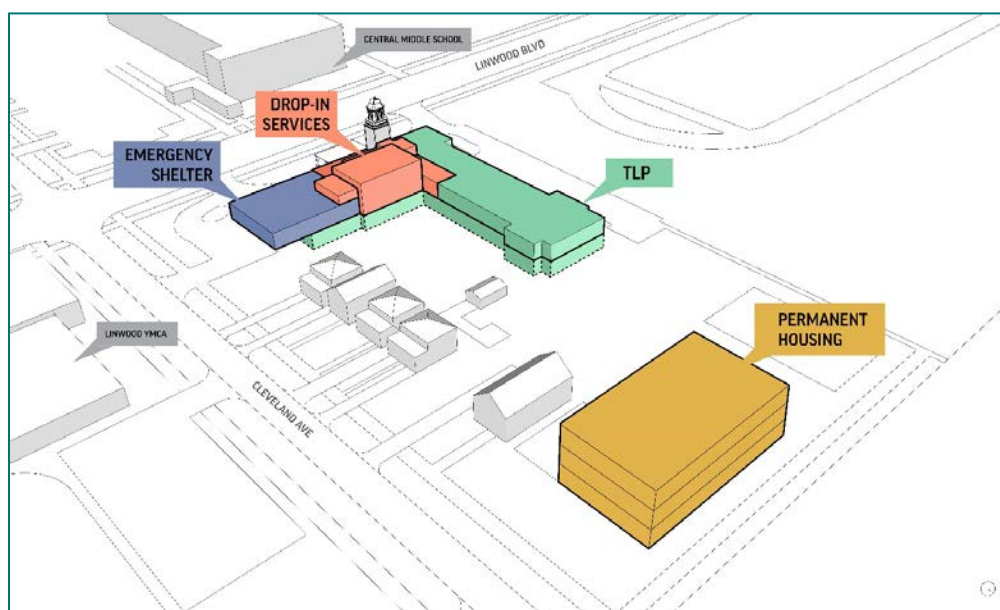


Figure 19 Axonometric View – Scenario 3 including Phase II permanent housing development

Scenario 3 can achieve impact by:

- Maximizing transitional living program capacity in the west wing, centering lasting impact through deep supportive programming and services
- Supporting community and KCPS youth in need of services through a highly visible drop-in center at the heart of the facility and opportunity to maximize programming in the high-volume space
- Addressing the urgent need for accessible emergency shelter in the east wing in service of youth not eligible for transitional living programming
- Meeting youth where they are by addressing a spectrum of housing insecurity needs through each of the three programs

Ownership Scenario and Operational Structure Recommendation

This report summarizes the complex considerations related to ownership on multiple dimensions of the development and operating process. Sustained success will require a nimble and committed lead with capacity to manage building operations and closely coordinated program partners. Considering those complexities, IFF's recommendation is for KCPS, through its Repurposing process, to sell to an experienced and mission aligned developer or development partnership. A third-party developer as owner comes with the following considerations:

- Outright sale recommended. A long-term ground lease with a minimum initial term of thirty years and provisions that readily enable financing could be considered as an alternative, though it presents additional complexities to consider⁴⁷
- Capital funding strategy will require close coordination with KCMO and KCPS
- Coordination with KCMO and KCPS to secure multi-year operational funding subsidy to facilitate initial expansion of programs for service providers
- Developer would directly, and/or in collaboration with a qualified organization, serve as programming and property manager partner to operate programming in alignment with each service provider
- Long-term ownership strategy that aligns with anticipated funding strategies would need to be established to ensure long term sustainability

Additional detail on ownership scenarios and considerations is included in Table 28.

While there are many structures to consider operating programming and maintaining the facility, IFF recommends the following, including the roles/responsibilities of each partner. This structure is complimentary to the recommended building ownership scenario and aligns with the promising practice models explored through this engagement. This approach intentionally separates building ownership and operation from program delivery.

⁴⁷ See Table 24 DeLano Redevelopment Ownership Scenarios for detail on considerations

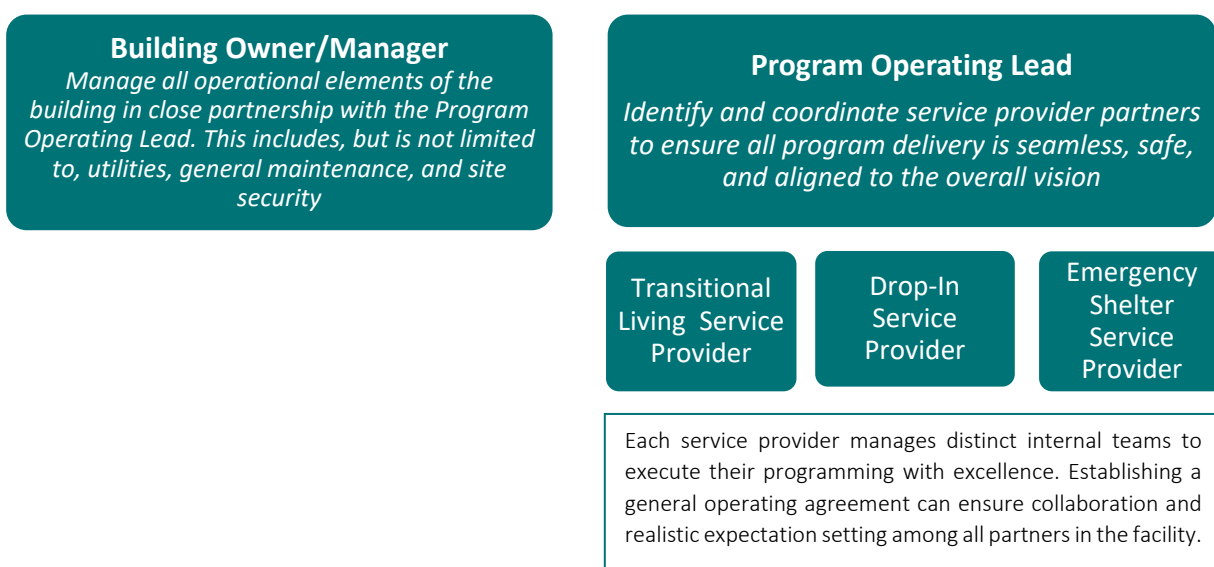


Figure 20 Recommended Operational Structure

Establishing a program operating lead creates resilience for the overall community asset in the face of individual service provider challenges or interruptions of operations. The program lead also ensures the overall building program is coordinated and delivered in service of clients and community and in alignment to the project vision. Though the long-term vision for success aligns with the ideal operational model provided here, there may be evolving iterations that require a developer partner to engage in the management of both building operations and program operations. This underscores the need for a highly qualified and mission-aligned development partner that can adjust in support of project outcomes. The following section includes recommended next steps to support realization of this ownership and operational model.

Recommended Next Steps

A project this complex and challenging won't happen without a proactive and coordinated response with support from a mission-aligned quarterback. IFF is recommending, and is prepared to lead, a second phase of the current engagement focused on identifying highly qualified, capable and mission aligned development partner and provider(s). This would be achieved through an RFQ/RFP process fully informed and driven by the findings from the first phase and thoughtful direction of KCPS, KCMO, and the Community Advisory Committee. If engaged, IFF would lead in coordinating individual components and partners to bring to bear their respective areas of expertise in support of project success.

The development partnership IFF assembles would collaborate to deliver a viable development plan for consideration by KCPS through its Repurposing process. In this plan a developer will take the lead on assembling the capital stack and manage the building while the program lead and provider(s) leads on all dimensions of service delivery. IFF is prepared to coordinate this partnership and, if engaged, will support establishing a coordinated near term and longer-term fundraising plan and ongoing community engagement strategy. IFF will leverage its 35 years of

facilities and finance expertise to put forward the project partners most likely to succeed and bring the project to fruition.

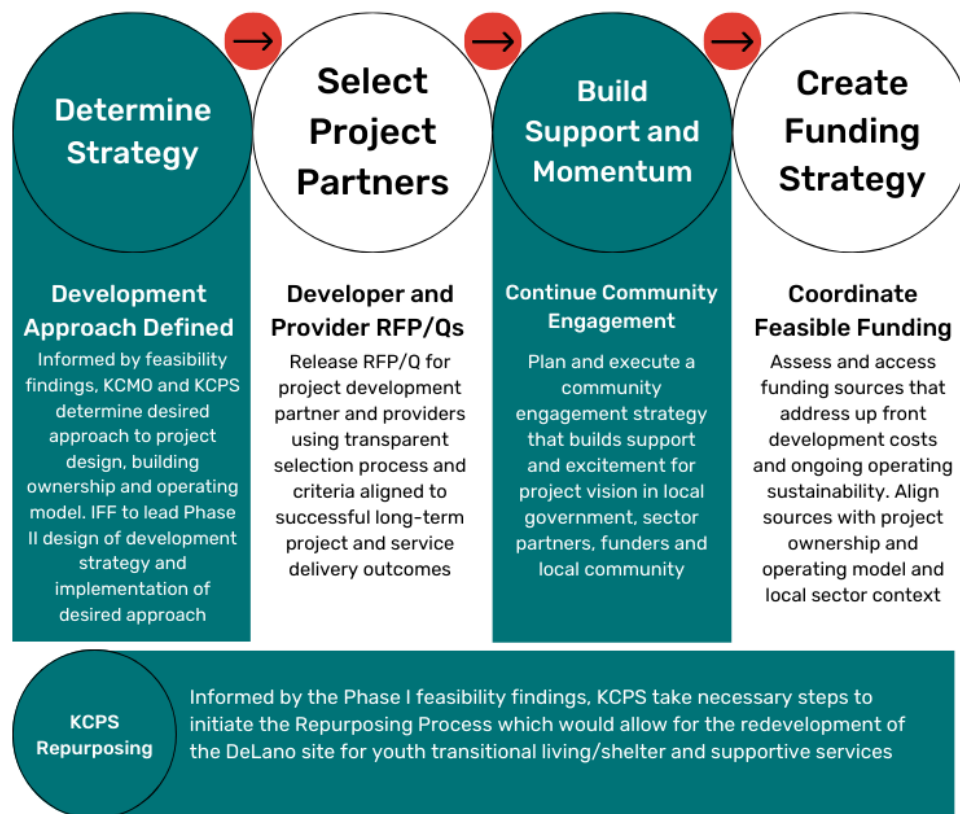


Figure 21 DeLano Phase II - Recommendations and Next Steps

On a parallel track, KCPS and KCMO should consider the following critical decision points and determine the desired approach. These decisions will impact the financial strategy for both capital funding and annual building operating funding:

- Informed by the Phase I feasibility findings, KCPS should determine if an outright sale or long-term ground lease is the preferred ownership approach to facilitating the reuse of the site for youth supportive housing and services. Regardless of the preferred approach, KCPS should initiate the Repurposing process such that a redevelopment team could secure site control by mid-2024
- KCMO and KCPS should evaluate the need for significant capital to fund the site redevelopment. Any redevelopment partner will need clarity and realistic expectations on initial public funding, if any, and/or partnership in helping organize and/or advocate for other public resources
- KCMO and KCPS should evaluate the need for committed operating funding to sustain long-term programming. Access to on-going operating funds will directly influence the programming success for service providers. Clarity and realistic expectations for public

operating funding commitments, if any, and/or partnership in helping organize and/or advocate for other public resources will be necessary to inform development partners approach and influence project viability

- KCPS, particularly because of the proximity of DeLano to Central MS and HS, should consider near term and long-term vision for any desired programming partnership and/or engagement for the redevelopment partner(s) that may complement existing McKinney Vento Student programs and resources and support student access to DeLano services and programs

Creating a Climate for Success

The complexity of the proposed project and recommended development strategy requires closely coordinated partnerships and proactive and strategic decision-making. Realizing this strategy will require the following conditions to be fulfilled:

Phase II coordination

- KCMO, KCPS and IFF remain in close coordination, with IFF serving as quarterback in the near term

Mission-aligned development partner

- Through an RFP/Q process, select a mission aligned partner to serve as developer, property manager and/or building owner
- Development partner and IFF align on ongoing roles and leadership as project evolves

Collaborative service provider(s)

- Through an RFP/Q process, select service providers best positioned to deliver high quality programming with a coordinated approach to full building program operations

Coordinated Operating Structure

- Establish clear roles for property management, building programming and program operations
- Establish clear structure for overall site oversight (lead service provider, coalition, collaborative partnership)
- Determine long-term ownership strategy
- Sustainable approach to funding building operating and maintenance costs

Figure 22 Recommended Conditions for Project Success

IFF believes that adopting these recommendations and leveraging current momentum during a second phase, culminating with delivery of a comprehensive development strategy, will lay the foundation for the successful reactivation of DeLano as a community asset in support of young people experiencing homelessness throughout Kansas City.

Appendices

- Appendix A: Community Analysis
 - Community Analysis Report, Sources and Maps
 - Literature Review and Provider List
- Appendix B: Building Condition
 - Phase I ESA – exec summary
 - NESHAP – exec summary + findings
 - All building data report and photos
 - Preservation Zone
 - NHPA Section 106 Information
- Appendix C: Design Documents
 - Detailed floor plans
 - Diagrammatic floor plans
 - Detailed building program
 - Axonometric views
 - Renderings
 - Youth feedback: dot poll rendering exercise and feedback
- Appendix D: Financials
 - Development budget sources and uses
 - Detailed estimated development budget
 - Potential project funding source list
- Appendix E: Community Engagement
 - Community Advisory Committee (CAC) meeting presentations
 - Youth engagement presentations
 - Project stakeholder list
 - CAC participant contact sheet