



Indianapolis

Low Barrier Shelter Feasibility Study

March 2022



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Introduction

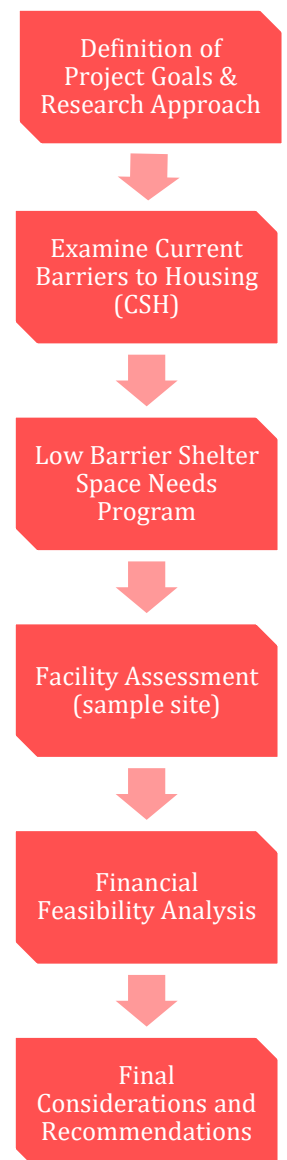
Downtown Indy Inc. engaged IFF to develop a report that evaluated the need for a low-barrier shelter, what services would need to be included, and whether unsheltered individuals experiencing homelessness would use it. The overwhelming response from those individuals was yes, they would access a low-barrier shelter that reduces barriers that exist in the current shelter system and prioritizes helping them to find housing.

IFF subcontracted with the Corporation for Supportive Housing (CSH) to interview unsheltered individuals, provide feedback as a subject matter expert, assist with examining best practices, and interview several provider partners. Based on interviews, IFF developed space planning needs and programmatic costs. A feasibility study was completed to determine if an existing city-owned vacant building could be used. Based on the feasibility study and the space planning needs, IFF created development and cost scenarios that included potential resources. The space planning and cost estimates can generally be applied to any building under consideration.

In order to make the low-barrier shelter meet the needs of unsheltered people in Indianapolis, IFF and CSH used information gathered to further define what low-barrier means. Additionally, Downtown Indy, Inc. wanted to ensure that a low-barrier shelter had a direct link to affordable and supportive housing with the goal of assisting individuals in accessing housing as quickly as possible. A low-barrier shelter would provide a safe, nurturing environment that allows individuals and couples the opportunity to rest and engage available services while staff actively connects them to resources that would meet their individual needs, both within and outside the shelter. The shelter would also include a day center, comprehensive services, overnight emergency beds, and interim beds that would provide an alternative to remaining outside while working toward permanent housing.

Process Overview

- **Define Project Goals and Research Objectives** - IFF and CSH engaged several local program partners to develop the methodology and processes and affirm the research conducted to provide a sound response to the report question: Would a low-barrier shelter be a solution for individuals living on the streets, abandoned buildings or in encampments near downtown and who are not utilizing the current shelter system?
- **Examine Current Barriers to Shelter** – CSH interviewed individuals who are experiencing homelessness and are unsheltered in the day room at Horizon House and on the streets in downtown Indianapolis during the summer of 2021. These individuals were compensated for their time.
- **Space Needs Program** – IFF interviewed providers to determine what are the programmatic needs and what is the quantity of space for each use. IFF used themes from CSH interviews, interviews with providers and shelter system professionals to identify uses and needs.



- **Facility Assessment** – IFF was given access to a sample property owned by the City of Indianapolis to review the potential conversion into a low-barrier shelter. A cost estimate was provided that can be generally used for other conversions based on the space needs program developed.
- **Financial Feasibility** – IFF outlined several development scenarios, a cost analysis, and the resources needed to achieve the ideal program and space. The space needs plan focused on emergency shelter beds and interim beds for individuals and couples with a day center and wrap-around services. Another scenario included the addition of PSH in the same building.



1Example Low Barrier Shelter, Seattle Washington

- **Final Presentation and Considerations** – IFF and CSH prepared a slide deck and written report to share outcomes of the research and key considerations to Downtown Indy, Inc.

Background

The Coalition for Homelessness Intervention and Prevention (CHIP) conducts a Point-In-Time (PIT) count each year on a single night in January. Based on data from the PIT count, it appears Indianapolis has faced a steady increase in people who are experiencing unsheltered homelessness and are living on the streets, in encampments, or in abandoned buildings. This is a national trend. The number of unsheltered individuals identified in the Indianapolis PIT count has increased from a five-year low of 108 in 2019 to 263 in 2021, a 41% increase. The cause of this is unclear. It is important to note that many factors affect the count, such as extreme weather conditions when individuals may find a place to stay for a short period of time or a change in the methodology. During the pandemic, the city moved away from using volunteers along with professional staff over one night to using professional outreach teams only over a 5-day period. Professional outreach teams are more likely to know where people might be staying and more likely to find them over a 5-day period than during a one-night count. Therefore, it is difficult to accurately determine the size of the increase.

Regardless of the methodology or the size of the increase, what is known is that for those who are unsheltered, there are many challenges. Individuals and couples who are unsheltered face some of the most difficult barriers to obtaining and maintaining housing. They may have untreated substance use disorders, serious mental illness, or chronic medical conditions, or a combination. They may also have poor or no credit history, previous evictions, or criminal history. Women who are unsheltered are more vulnerable to being physically or sexually assaulted. Men and women who are unsheltered and have experienced long-term homelessness exhibit symptoms of aging 20 years sooner than their housed counterparts. The COVID-19 pandemic has added a new layer of concern because those experiencing homelessness often have health conditions that place them at higher risk for serious illness and death because of being infected.

As a result of the number of unsheltered people and the lack of an existing shelter system that meets their needs, Indianapolis has been discussing the prospect of a low-barrier shelter. The National Alliance to End Homelessness describes the definition of a low-barrier emergency shelter as “immediate and easy access to shelter by lowering barriers to entry and staying open 24/7; eliminate sobriety and income requirements and other policies that make it difficult to enter shelter, stay in shelter, or access housing and income opportunities.” It should also “focus services in shelter on assisting people to access permanent housing options as quickly as possible” and “measure data on percentage of exits to housing, average length of stay in shelter, and returns to homelessness to evaluate the effectiveness of and improve outcomes.”



Low-barrier shelters offer dignity and respect for those experiencing homelessness

According to 2020 data, only 27% of households leaving shelter exit to permanent housing. In addition, it can be difficult to find individuals living on the streets when a housing opportunity is available. Therefore, a low-barrier shelter would need to incorporate best practices in supporting individuals in finding and accessing housing. Most of the individuals experiencing unsheltered homelessness are most likely to be eligible for permanent supportive housing (PSH). PSH is a combination of affordable housing and supportive services for individuals with the most significant barriers to obtaining and maintaining housing. To access PSH, individuals must complete an assessment as part of the Coordinated Entry system (CES). The Coordinated Entry system prioritizes individuals for housing based on their vulnerability. For those housed in PSH in 2021, it took an average of 82 days from when they were referred to the housing program through CES until they moved in. For those housed through a tenant-based Housing Choice Voucher, it is taking 106 days on average from referral to lease up.

A low-barrier shelter would provide an option for individuals to stay while waiting for their housing. Emergency beds would provide an opportunity for individuals to come in off the streets and out of the elements, while interim beds would provide an alternative to the streets for people to stay while they complete all the steps necessary to move as quickly as possible into their housing. If they are not already on the Coordinated Entry list, staff at the low-barrier shelter can provide the assessment and assist them to complete it and help collect all the necessary documentation.

Some communities have developed low-barrier shelters that include PSH. Although this is an option that is explored as part of this report, the need for PSH is greater than the number of units that can be developed in one project. The low-barrier shelter with PSH would still need to align with the larger efforts in Indianapolis to increase PSH. Additionally, the number of beds should take into account the number of PSH units coming on-line.

The City of Indianapolis has demonstrated success in developing and delivering Permanent Supportive Housing in a Housing First model. Currently, there are 471 units of PSH in the development pipeline as a result of the Indiana Supportive Housing Institute provided by CSH and the Indiana Housing and Community Development Authority (IHCDA). The Housing to Recovery Fund (HTR), a partnership of CHIP, the City of Indianapolis, Central Indiana Community Foundation (CICF) and CSH, is promoting best-practices in PSH through the development of an outcome-based funding model for services. As an example, Horizon House, a recipient of these funds, has 120 units of scattered site supportive housing with a 95% retention rate after 12 months and a 72% reduction in jail stays. With support from CICF and the City of Indianapolis, the HTR fund is scaling the success of this model and aligning the fundraising and allocation efforts with the development pipeline.



Interviews included conversations with those experiencing homelessness

During the COVID-19 pandemic, the City of Indianapolis partnered with Wheeler Mission Ministries and Aspire, Inc. to convert a 200-bed hotel into a temporary non-congregate shelter. The city used CARES Act funding for rapid rehousing (a temporary subsidy) for 320 households that had used the shelter. Emergency Housing Vouchers (EHV) from HUD will be used as a permanent subsidy for those families and provide services through the American Rescue Plan. The city may be able to house another 150-200 households through the remaining American Rescue Plan dollars. Indianapolis and communities across the state have a permanent housing solution for individuals and households experiencing homelessness.

Overview of Individual interviews

Through this process, the next step was to interview individuals who are experiencing homelessness and are currently unsheltered. CSH conducted this process during the summer of 2021. Individuals were asked what would be needed in a shelter that was low barrier, provided expanded day center services, as well as PSH. The respondents were informed that their answers would be anonymous, and that the information would be summarized in a public report. Respondents were compensated for their time and knowledge with a 30-day full fare IndyGo bus pass.

A total of 29 individuals were interviewed either on the streets or while visiting Horizon House, a comprehensive day services center located east of downtown Indianapolis. HH also manages a large, scattered site PSH program. The 29 individuals interviewed had stayed at seven different Indianapolis shelters. It was estimated that 20 of the 29 individuals interviewed were either experiencing or had experienced chronic homelessness. Chronic Homelessness is described as a homeless individual with a disability as defined in section 401 (9) of the McKinney Vento Assistance Act (42 U.S.C. 11360 (9)), who

- Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter, and
- Has been homeless and living as described for at least 12 months or on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living as described.



Amnesty lockers provide space for users to secure belongings while visiting the shelter

Eleven of the individuals interviewed were between the ages of 35-49 and ten were between the ages of 50-61 years old and just over half were Black or African American.

Listening to individuals with lived experiences

During the interviews, the following themes emerged as important to consider in the development of a low-barrier shelter that may include day center services and permanent supportive housing. Below are specific comments to consider when including these services in a low-barrier shelter or dedicating resources to expand existing programs such as those of a Day Center or PSH:

Overnight Low-Barrier Shelter – Individuals not currently using shelters were asked what would make shelters more appealing to use. They mentioned having a place that was welcoming, respectful, and accepting of them. This includes feeling safe, having privacy (such as individual rooms), a place to relax and come in and out during the day to rest and without time-limits for how long they can stay. Other suggestions included secure storage, more flexibility to accommodate appointments, jobs and obligations, and staff who could work closely with them on finding housing. They also wanted a shelter that can accommodate couples and does not entail faith-based programming.

Day Center – The individuals interviewed spoke broadly of what services are important in a Day Center including longer hours. For individuals experiencing homelessness, it is important to them to have access to laundry facilities, food and meals, clothes, phones, computers, electrical outlets for charging, showers, employment services, and housing search services. They voiced a request to have longer time to talk on the phone and access to computers for longer periods of time. Additionally, they shared a desire to have private showers, recreational space for activities, and the

opportunity to participate in organized activities. Lastly, access to onsite medical care including both physical and mental health, as well as substance use disorder supports, were identified as important components of a Day Center.

Most of these services are currently available at Horizon House, Inc. which operates a Day Center with comprehensive services that many unsheltered individuals use. As the plans for a low-barrier shelter are developed, it will be important to partner with the board, leadership, and staff of Horizon House to determine if additional resources would allow Horizon House to expand hours and services and how would it align with their new strategic plan and the development of a low-barrier shelter.

On-Site Permanent Housing – There was a sense from those interviewed that having permanent housing on-site was not as important as having robust housing search and navigation services available. When asked to provide more insights into their desired housing needs, most indicated they wanted somewhere safe, clean, and convenient to their needs. The themes of having a space of their own, privacy, few rules and able to have family visit or live with them were consistent with the above ideas.

Overview of Interviews with National & Local Providers

In interviews with national and local providers, they voiced support for the need for a low-barrier shelter that would serve adults and couples and adults with caregivers and who are currently not accessing or not eligible for existing shelters. The low-barrier shelter could incorporate many of the services already provided in the community, but in one location. By doing this, the day center and wrap-around services would be available to any individual experiencing homelessness including women and families.

National and local providers defined low-barrier as having the following components. The low-barrier shelter should be open during the day and provide a restorative atmosphere rather than a punitive one. Rather than having security, consideration should be given to higher staffing levels and training staff in de-escalation techniques. The interviewees also said that the low-barrier shelter should accept the people that use it “as they are;” and utilize a harm reduction approach. Individuals should not be turned away because they are under the influence of drugs or alcohol.

Harm reduction addresses “substance use disorders through prevention, treatment, and recovery where individuals who use substances set their own goals.” Harm reduction organizations incorporate a spectrum of strategies that meet people “where they are” on their own terms and may “serve as a pathway to additional prevention, treatment, and recovery services.” Harm reduction is an evidenced based practice that incorporates a wide range of tools and techniques to “reduce negative effects on health and social wellbeing due to use of alcohol, other drugs, and related behaviors.¹” Staff must have a strong orientation to, and understanding of, how a harm reduction approach can play a role in helping people successfully transition off the streets, out of shelter, and into permanent housing.

Those interviewed also expressed the need for the shelter to allow partners, pets, and possessions (also referred to as PPP) as well as lockers for belongings that are not emptied out if an individual is not there for a few days. Like the findings from the individuals experiencing homelessness, interviewees recognized that concern about safety of belongings, the inability to bring pets indoors or have their partners with them

¹ Harm Reduction | [SAMHSA](#)

were major barriers to using the existing shelter system. Providers and those experiencing homelessness who were interviewed also shared that there was a need for a secular shelter that does not require, or is not centered around, faith-based programming.

Providers and people experiencing homelessness would like to see, providers supported much of what was shared by people experiencing homelessness including that it should be warm and welcoming, more like a home than an institution, a hospital, or a prison. A need for privacy was also voiced by many, saying that privacy equals dignity. Consideration should be given to COVID-19 and the need for physical distancing when required for public health reasons. In fact, two national partners interviewed are moving away from congregate shelters and finding ways to rehabilitate existing shelters, hotels, or office space to respond to the need for social distancing as a result of the



Low-barrier shelters should be open to all regardless of their current situation

As mentioned previously, the City of Indianapolis operated emergency non-congregate shelters in underused hotels during the height of the pandemic and found it to be an effective approach. Finally, those interviewed also mentioned that the facility be near other services and public transportation.

Both local and national partners suggested the following services that should be included in a low-barrier shelter. The first set of suggestions would be a part of “wrap around services,” a team-based approach that would coordinate with other agencies and service providers. These services include case management, health care, both physical and mental as well as dental services. Other services would include on-site help with addiction and substance use disorders that would include AA, NA meetings and a Recovery Cafe. In addition, people experiencing homelessness often need job training and placement, legal aid, and help navigating the veteran and social security benefits and regulations. Gaining a current ID would also be a significant help for many. Finally, and perhaps most importantly, the shelter should have well-trained staff that can help individuals access the coordinated entry system and other paths to housing.

After reviewing all the comments and ideas, some overarching themes emerged for additional consideration. One is the importance of having a more trauma-informed space and culture that recognizes the trauma that individuals have experienced and not retraumatizing them. Any future space should incorporate trauma-informed design aspects to bring to life the many suggestions related to comfort, safety, welcoming space, privacy, respect, a compassionate and diversity-trained staff, convenience, and robust integrated services. Similarly, services must be delivered from a trauma-informed approach. Second is the need to have staff who are representative of the people who need the services. According to 2020 system statistics available through CHIP (Coalition on Homelessness Intervention and Prevention), 8,502 clients experienced homelessness throughout the calendar year. Black or African American people made up 46% of those who experienced homelessness, despite only being 29% of Indianapolis’ population. This means having racially and ethnically diverse staff and hiring peers and individuals with lived experience is important. The partners involved in operating the center or those organizations who have services on-

site must be committed to doing anti-racism work and review policies, procedures, and data to ensure disparities are eliminated.

Third, the design of the space and the programming needs to reflect the needs of lesbian, gay, bisexual, transgender, queer, and non-heterosexual people (LGBTQ+). According to information provided by HUD “members of the LGBTQ+ community are more likely to become homeless, and once homeless, more likely to endure discrimination and harassment that extends their homelessness.” Providers expressed concerns about the needs of LGBTQ+ individuals and wanted to ensure that space and programming needs are designed to be inclusive, reduce barriers to access, and prevent bullying and other forms of discrimination.

Synthesis of Key Findings

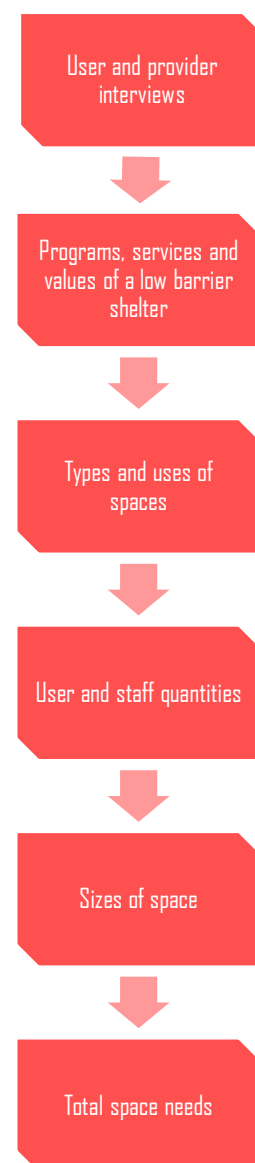
Space Needs Programming

IFF and CSH conducted interviews with local providers, the city of Indianapolis and partners throughout the Midwest to research best practices for a low barrier shelter. IFF used the information gathered from those interviews combined with conversations with individuals experiencing homelessness and unsheltered to gain a full understanding of the types of space needed to meet their needs. IFF then distilled those conversations down to a set of core values. These core values are the foundation for developing and sustaining a low barrier shelter and influence shelter programming, administration, and operational requirements. The low barrier shelter core values include:

- 24-hour access
- Accommodating all individuals irrespective of their situation
- Offer services focused on breaking the homelessness cycle through training, recovery and securing long-term housing
- Provide secure storage for belongings
- Offer use of amnesty lockers
- Treating users with dignity and respect
- Safety and security with de-escalation
- Creating a restorative environment
- Providing a welcoming space
- Trained and culturally competent staff
- Privacy and autonomy
- Physical and mental healthcare

IFF used these values to guide the space needs for programs, housing, and administrative spaces defined below.

Space Needs Process



Space Needs Summary

The space requirements below are based on the programs and functions from the responses of the survey and interviews and are in keeping with the core values for a low barrier shelter. Once IFF identified the types of uses IFF started by identifying staffing needs, programmatic features, and facility amenities to define the types and quantities of spaces for a 24-hour low barrier shelter based on the following number of staff and beds:

| Type | Quantity |
|------------------------------|----------|
| Administrative Staff | 15 |
| Operating Staff | 63 |
| Daily Day Center Users | 120 |
| Permanent Supportive Housing | 40 |
| Interim Shelter Beds | 50 |
| Emergency Shelter Beds | 50 |

The space plan includes administrative offices for operator staff, a day center for daytime shelter and services, program space for services and training, living quarters for up to 120 interim and emergency beds and 40 permanent supportive housing beds, a day center for 120 users, and circulation and building support for hallways, egress, mechanical and janitorial areas. The total space needed to accommodate all the proposed uses is approximately 93,000 SF. The chart below summarizes the space needs requirements, and a detailed space plan is located in the appendix.

Low Barrier Shelter Space Needs

| <i>Assumptions Uses</i> | Quantity (SF) |
|--|----------------------|
| <i>Executive Spaces</i> | 2,730 |
| <i>Total Living Quarters</i> | 39,575 |
| <i>Permanent Supportive Housing (up to 40 units)</i> | 22,660 |
| <i>Transitional / Singles & Couples</i> | 9,180 |
| <i>Emergency/Overnight beds (up to 50)</i> | 4,240 |
| <i>Residents Shared Spaces, Service, Amenities and Storage</i> | 3,495 |
| <i>Day Center</i> | 24,465 |
| <i>Clinic</i> | 4,500 |
| <i>Building Support</i> | 3,000 |
| <i>Circulation</i> | 22,000 |
| <i>Building Subtotal</i> | 93,113 |
| <i>Outdoor Space (Picnic and smoking area Garden)</i> | 15,408 |

Operations

IFF made key operational assumptions based on the research obtained for this report to evaluate the costs to operating a low barrier shelter. Each category below highlights items for consideration to accommodate for a low barrier shelter.

Operational Practices

There are several considerations to operations to provide a safe and inclusive environment. Below are operational practices that will allow the shelter to function to meet the needs of this population of homeless and or unsheltered:

- 1) Respondents to the survey and interview shared the desire to have Increased hours of operation for low-barrier shelter. This will allow for in and out opportunities such as for showers or napping, access to social services and recreational time. Below is a proposed schedule.
 - Day center weekdays: two shifts – 7am-3pm and 3pm-9pm
 - Day center weekends: one shift – 9am-2pm
 - Overnight shelter and transitional housing 9pm-7am (7 days/ week)
- 2) A low-barrier shelter will require increased staffing and costs due to the level of services and operating hours.
- 3) For the benefit of this study, IFF assumed the following mix of number of beds: 50 emergency, 70 interim (50s 10d), 40 PSH
- 4) As described in the space plan and in response to survey questions, it is anticipated that having privacy while utilizing emergency beds in cubicles and separate interim rooms would be desired therefore this may require an increase of security needs which will also increase costs associated with this line item.
- 5) As the low-barrier shelter will provide for all day programming, additional staff for cleaning and kitchen operations will be needed to address:
 - Regular cleaning of day center spaces
 - Kitchen serving and meal preparation and cleaning
 - Shelter cleaning and washing bedding

Feasibility Study Participants

- Corporation for Supportive Housing (CSH)
- City of Indianapolis – Department of Metropolitan Development and Office of Public Health & Safety
- Wheeler Mission Ministry
- Indiana Housing and Community Development Authority
- Horizon House
- Reuben Engagement Center
- Homelessness Initiative Program (HIP)

6) Staffing supports may be needed to assist the back-office needs, such as grant writing, administrative supports, and management of programs.

7) Depending on the facility size, the larger building – therefore providing more programming and beds will increase maintenance staff and costs

8) Special consideration should be put into understanding where resources will come from to cover operating costs as most grants solely focus on programs.

9) Existing providers have a deep understanding of the current needs of this population. Working with partners such as CHIP and the evolution of the Blueprint to End Homelessness will be critical in helping to identify providers with the capacity to develop a low barrier shelter.

| <i>Building Operating Costs (PSF Per Year)</i> | <i>Estimate</i> |
|--|-----------------|
| <i>Gas and Electricity</i> | \$ 1.25 |
| <i>Water and Sewer</i> | \$ 0.50 |
| <i>Real Estate Taxes (assumed exemption)</i> | \$ - |
| <i>Maintenance and Supplies</i> | \$ 2.00 |
| <i>Misc. Occupancy Costs</i> | \$ 0.15 |
| <i>Property Insurance</i> | \$ 0.75 |
| <i>Cleaning Service (Executive Office)</i> | \$ 1.00 |
| <i>Cleaning Service (Operations)</i> | \$ 1.50 |
| <i>Cleaning Service (client areas)</i> | \$ 2.50 |
| <i>Landscaping and Snow Clearing</i> | \$ 0.75 |
| <i>Total</i> | \$ 7.90 |

Operating Cost Assumptions

Below are other assumption calculations for operating costs for a low-barrier shelter.

- Janitorial \$.10 PSF for office assumed
\$1.00 PSF for client areas
- Food costs estimated at \$9.00 per person per day (200 people)
- Replace bedding annually \$125 per bed
120 beds
- General operating supplies (detergent, towels, sanitary items, etc.)
- Personal care supplies (200 people per day @ \$.25 per person)
- Office supplies (paper, copy, binding, etc.)
- Building maintenance, landscaping, utilities, and replacement reserves

| <i>Shelter and Day Center Operating Costs</i> | <i>Estimate</i> |
|---|-------------------|
| <i>Food</i> | \$ 492,750 |
| <i>Bedding</i> | \$ 3,000 |
| <i>Mattresses</i> | \$ 12,000 |
| <i>Furniture Repair/Replace</i> | \$ 25,000 |
| <i>General Operating Supplies</i> | \$ 50,000 |
| <i>Personal Care Supplies</i> | \$ 18,250 |
| <i>Office supplies</i> | \$ 20,000 |
| <i>Total</i> | \$ 621,000 |

Staffing Costs

In the below chart, IFF provides a summary of the job titles and salaries assumed for to operate a low barrier shelter. Per the operating budget it should be noted that:

- To fully staff the facility, the model identified \$3.3MM would be needed for operational day center and shelter staff.
- In total this breaks down to:
 - 44 FTE for programs and admin (\$2MM)
 - Non-Staff program and admin expenses (\$1.1MM)
- Program staff is identified as the job titles – Case Manager, Outreach, Employment Specialist, and supportive services.
- Permanent supportive housing staff is a variety of the program staff along with property management, case management and specialized experienced individuals with housing and homelessness professionals.



As in this example, low-barrier shelters can be inviting and livable spaces

Day Center and Shelter Staff

| | # of Staff | Wages | Total Wages | Benefits and Taxes (22%) | Administration (15%) | Total |
|-------------------------|------------|----------|--------------------|--------------------------|----------------------|--------------------|
| Security | 6 | \$43,000 | \$258,000 | \$56,760 | \$38,700 | \$353,460 |
| Medical | 6 | \$42,000 | \$252,000 | \$55,440 | \$37,800 | \$345,240 |
| Guest Service Associate | 11 | \$35,000 | \$385,000 | \$84,700 | \$57,750 | \$527,450 |
| Case Manager | 9 | \$42,000 | \$378,000 | \$83,160 | \$56,700 | \$517,860 |
| Employment Specialist | 3 | \$42,000 | \$126,000 | \$27,720 | \$18,900 | \$172,620 |
| Manager | 5 | \$50,000 | \$250,000 | \$55,000 | \$37,500 | \$342,500 |
| Chef/Kitchen Manager | 2 | \$40,000 | \$80,000 | \$17,600 | \$12,000 | \$109,600 |
| Cooks | 8 | \$30,000 | \$240,000 | \$52,800 | \$36,000 | \$328,800 |
| Servers | 6 | \$24,000 | \$144,000 | \$31,680 | \$21,600 | \$197,280 |
| Dish and Cleaning | 2 | \$20,000 | \$40,000 | \$8,800 | \$6,000 | \$54,800 |
| Housekeeping | 5 | \$25,000 | \$125,000 | \$27,500 | \$18,750 | \$171,250 |
| Total | 63 | | \$2,278,000 | \$501,160 | \$341,700 | \$3,120,860 |

- All positions should have diversity, equity and inclusion training along with ongoing supports to maintain a compassionate and respectful team.

Operating Costs

IFF estimates the total operating cost per year for the shelter (exclusive of Permanent Supportive Housing) is approximately \$4.4 M with the largest single expense being staffing.

Operating a 24-hour low barrier shelter requires a notable number of

staff to operate the building, run programs, provide security and medical services, case managers and guest services, and building operations. The projected income is approximately \$3.3M (excluding permanent supportive housing) leaving a gap of more than \$1MM annually. Creating a long-term sustainable model is important. When analyzing a full-service low barrier shelter – as discussed in this report – additional refinement and considerations of the operating model, and programs and services offered is important to create a financially sustainable and effective shelter. Garnering philanthropic support annually to meet operational obligations is not ideal. Operations should be funded through long-term endowments, regular government programs, integrated into the City’s operating budget, through fee for service or some combination therein.

Per Year Estimated Operating Costs Summary

| <i>Category</i> | <i>Estimate</i> |
|--|---------------------|
| <i>Shelter and Day Center Staff</i> | \$ 3,120,860 |
| <i>Shelter and Day Center Operating Costs</i> | \$ 621,000 |
| <i>Building Operating Costs (Excluding PSH)</i> | \$ 631,000 |
| <i>Total Estimated Annual Operating Costs</i> | \$ 4,372,860 |

Year 1 Estimated Operating Budget (SAMPLE)

| <i>Source</i> | <i>Estimate</i> |
|--|---------------------|
| <i>Government</i> | \$ 1,210,000 |
| <i>Grants</i> | \$ 210,000 |
| <i>Foundations</i> | \$ 1,075,000 |
| <i>Direct Public Support (individuals, corporate, religious, etc.)</i> | \$ 295,000 |
| <i>Special Events</i> | \$ 165,000 |
| <i>Other Revenue</i> | \$ 310,000 |
| <i>Clinic Rental Income</i> | \$ 54,960 |
| <i>Admin and Day Center Subtotal</i> | \$ 3,319,960 |
| <i>Permanent Supportive Housing</i> | |
| <i>Rent (Project Based Vouchers)</i> | \$ 346,764 [1] |
| <i>Permanent Supportive Housing Subtotal</i> | \$ 346,764 |
| <i>Income Total</i> | \$ 3,666,724 |

[1] Below is a sample operating proforma for a 40-unit PSH to serve as a reference for defining revenues for this use at the low barrier shelter site.

PSH Operating Proforma

| BR | SF | Units | Median Income % Limit | Asking Rent | Rent/SF | Gross | Utility Allowance | Net LIHTC Max | Monthly Rental Income | Annual | |
|----|-----|-------|-----------------------|-------------|---------|-------|-------------------|---------------|-----------------------|-----------|------------|
| 1 | 515 | 10 | 30% | \$781 | \$1.52 | \$459 | \$167 | \$292 | \$7,810 | \$93,720 | |
| 1 | 515 | 10 | 50% | \$781 | \$1.52 | \$765 | \$167 | \$598 | \$7,810 | \$93,720 | |
| 1 | 515 | 20 | 60% | \$781 | \$1.52 | \$918 | \$167 | \$751 | \$15,620 | \$187,440 | |
| | | | | | | | Total | | \$31,240 | \$374,880 | |
| | | | | | | | Vacancy | | 7.50% | (\$2,343) | (\$28,116) |

Net Rental Income **\$28,897** **\$346,764**

| | Units | PUPM | Annual | Vacancy | Monthly | Annual |
|--------------|-------|------|--------|---------|---------|--------|
| Other Income | 40 | 0 | 0 | 7.50% | \$ - | \$ - |

Effective Gross Income **\$28,897** **\$346,764**

| PSH Operating Expense Estimates | Per Unit | | Total | |
|---------------------------------|-----------------|----------------|-----------------|------------------|
| | Monthly | Annual | Monthly | Annual |
| Property Management Fee 7% | \$50.57 | \$607 | \$2,023 | \$24,273 |
| Administrative | \$46.00 | \$552 | \$1,840 | \$22,080 |
| Utilities | \$181.00 | \$2,172 | \$7,240 | \$86,880 |
| Salaries and Benefits | \$93.50 | \$1,122 | \$3,740 | \$44,880 |
| Repairs and Supplies | \$87.50 | \$1,050 | \$3,500 | \$42,000 |
| Taxes | \$59.00 | \$708 | \$2,360 | \$28,320 |
| Insurance | \$37.00 | \$444 | \$1,480 | \$17,760 |
| Total Operating Expenses | \$554.57 | \$6,655 | \$22,183 | \$266,193 |

Net Operating Income Estimate **\$6,714** **\$80,571**

Source: Compass PSH LIHTC Project - Gratus Development

Feasibility Study

IFF used the information gathered from the above processes (interviews, space needs programming and operating models) to then provide an analysis on the possible operating structures, site development, and an estimation of construction costs.

Possible Operating Structures

The first consideration to operating a low barrier shelter in downtown Indianapolis, should be to define who will operate the facility. Some options may be:

- City owned
 - Operated shelter – As the city has some vacant or underutilized property on the periphery of downtown, as an owner/operator – the revitalization of a structure while combining city services may be an option. In this scenario, special consideration should be given to who the partner agencies would be housed in the facility. Additionally, Partners using the building may not pay lease, therefore resources would need to be allocated to recover costs.
 - City owned – individual leases to the operator and partners would allow for limited revenue to support operational costs. If the city maintained control of the facility, this may add a possible extra layer of approval due processes or procedures required by city ownership.
 - City owned – master tenant lease with sub-tenants
- Permanent Supportive Housing (PSH) in City-owned building is complicated, such as the:
 - LIHTC LP ownership structure
 - High-level project cost estimates and sources (many variables) – projected through this study
 - If rent is charge will it be enough to cover building maintenance and programming?

Before deploying capital for buildings and spaces, stakeholders and homeless shelter ecosystem participants must define the delivery method and operating model that aligns with and supports the values of low-barrier shelters. Is delivery of homelessness services from a centralized congregate homeless shelter and provider preferred to a decentralized model of shelter provision and service delivery through multiple homeless resource centers operated by different providers? Key operating decisions impact nearly every aspect of facility feasibility including space requirements, location considerations, building design, and capital requirements.

Description of Services

Based on the above research and models of programming supporting this population, IFF identified the following service types to analyze for the purposes of this feasibility study.

| Services | Description |
|---|---|
| Day Center | Daytime space with programs, services and access to food, showers, phones, and restrooms |
| Drop-in Center | Covered space with access to restrooms and hygiene stations and access to services as needed |
| Emergency Shelter | Immediate emergency beds before moving to interim shelter |
| Non-Congregate Shelter | Used for emergency shelters that provide accommodations in a way that provides private space for guests |
| Interim Shelter | Temporary shelter while working towards permanent housing |
| Permanent Supportive Housing (PSH) | Affordable housing with supportive services available based on client needs |
| Health Clinic | Array of health services including dental, mental health, and primary care. |

Units of Quantity

To quantify the space needed for each use, IFF framed each of the services by identifying the number of individuals served along with how the space would be utilized to define the space needs program described further in this report.

| Services | Description |
|---|---|
| Day Center | Service for up to 120 clients |
| Drop-in Center | Covered or partially enclosed space with cots for 10 during day and 10 during night |
| Emergency Shelter beds | Cubicles for 15 women and 35 men |
| Interim Shelter | 50 single rooms (up to 60 total occupants) |
| Permanent Supportive Housing (PSH) | 40 one-bedroom units |
| Health Clinic | Clinic, exam rooms, doctor and administrative offices, pre-packaged pharmacy |

Development Scenarios

IFF studied three development scenarios to consider the ownership, amenities and cost for operations based off the desires and considerations of individuals experiencing homelessness and guidance from partners such as the Corporation of Supportive Housing, Horizon House, and the City of Indianapolis Department of Metropolitan Development. The below scenarios are intended to be initial analysis to be fully vetted by the development partner.

- A. City operated shelter with multiple providers and day shelter, emergency, and interim shelter.
- B. Single shelter and housing operator with off-site admin space. Operator leases from city. Space for multiple service providers. Clinic, and emergency, interim and permanent housing on site.

- C. Single shelter and housing operator with on-site admin space. Operator leases from city. Space for multiple service providers. Clinic, and emergency, interim and permanent housing on site.

| Scenario | Pros | Cons |
|----------|--|--|
| A | Streamlined operating mode - single operator with city owning and operating facility. Collaboration among providers. | City as owner/operator could be challenging for low-barrier model. Does not provide full suite of housing options. No admin space for operator. Most limited approach. |
| B | Provides additional PSH in the community. Encourages autonomy and collaboration between groups. | PSH can be difficult to structure. Requires multiple partners to coordinate project implementation. |
| C | Provides additional PSH in the community. Encourages autonomy and collaboration between groups. Efficiencies with operations and administration in same building. 70% use of the building. | PSH can be difficult to structure. Requires multiple partners to coordinate project implementation. Larger project. City must select an operator. |

Development Scenarios Cost Analysis

A Rough Order of Magnitude Estimate (ROM) is an estimation of a project’s cost to complete but is based on incomplete project information. ROM estimates take place very early in a project’s life cycle — during the project selection and approval period and prior to project initiation. Estimates during the concept development phase are often based on basic project program definition such as scale, square feet, uses, and material quality. The main purpose of the ROM estimate is to provide decision-makers with the information necessary to decide on whether to move forward with further work on the project based on the estimated level of effort, in terms of completion time and cost. Because a ROM estimate is based on very little information, the projection variance may be rather large, but it should provide enough confidence for a general “ballpark” cost in early project phases.

IFF based its ROM estimates on input from local contractors, experience with prior projects, and general knowledge of area constructions costs. IFF used different cost per square foot estimates for the various use types such as office, living quarters, day center etc., ranging from \$120 to \$150 and with an average cost per square foot of \$136. Scenario C has the highest total with the largest amount of square feet. IFF estimated soft costs by breaking out the various expenses for design, consultants, legal, etc., and 5% factor for construction and project contingencies. IFF used an allowance for all site improvement costs based on a per acre estimate.

Development Scenario Cost Estimates

| | Scenario A Parking | Scenario B Apartments | Scenario C Mixed- Use |
|---------------------------------------|---------------------|--------------------------|--------------------------|
| <i>Predevelopment Costs</i> | \$ 87,000 | \$ 87,000 | \$ 87,000 |
| <i>Construction Hard Costs</i> | \$ 17,017,000 | \$ 24,422,000 | \$ 26,356,000 |
| <i>Construction Contingency (5%)</i> | \$ 636,190 | \$ 900,315 | \$ 925,033 |
| <i>Soft Costs</i> | \$ 2,578,000 | \$ 3,688,000 | \$ 3,978,000 |
| <i>Project Contingency (5%)</i> | \$ 984,100 | \$ 1,409,850 | \$ 1,521,050 |
| <i>Total Development Costs</i> | \$20,666,100 | \$29,606,850 | \$31,942,050 |

Key Considerations

Solving the Indianapolis homelessness challenge is at the forefront of priorities for many community organizations. The process – defining a strategy, aligning interests, and deploying capital – is far from straightforward and requires complex strategic planning accompanying the systemic organizational changes needed to make genuine change. Below are key considerations learned during the feasibility process in the hope of informing the on-going efforts of policymakers, service providers, city officials, and community organizations.

- Operating Model** – Before deploying capital for buildings and spaces, stakeholders and homeless shelter partners and participants must define the delivery method and operating model that aligns with and supports the values of low-barrier shelters. Is delivery of homelessness services from a centralized congregate homeless shelter and provider preferred to a decentralized model of shelter provision and service delivery through multiple homeless resource centers operated by different providers? Key operating decisions impact nearly every aspect of facility feasibility including space requirements, location considerations, building design, and capital requirements.
- Project Costs** – Stakeholders indicated that reducing or eliminating the congregate aspects of shelters, particularly in the wake of COVID 19, is a key priority for low-barrier shelters. This includes providing separate sleeping areas, restrooms, and showers. Congregate shelters do not provide the same dignity and respect for those experiencing homelessness as non-congregate low-barrier shelters. The National Coalition for the Homeless is asking advocates to push for alternatives to large shelters that strip people of their dignity. The project costs identified in this analysis include low barrier shelter best practices. Such non-congregate design aspects increase space requirements and overall project costs. The final design solution must strike a balance between the desire for dignity and individual separation and the need for safety, supervision, and reasonable project costs. A decentralized delivery system may lead to improved quality and reduction of those experiencing chronic homelessness. But the decentralized delivery method likely will increase the initial investment, long-term operating costs and facility maintenance costs across the ecosystem.

- **Operating Costs** – Beyond the initial development cost, IFF estimates an annual operating budget of more than \$4M for administration, operations, programs, and building operations and maintenance. No single operator has the financial or organizational capacity to shoulder a large development project with significant development costs and long-term operational costs and challenges. Even if the City of Indianapolis secured the capital and developed the building, the sustained operating costs and staffing requirements for operations far exceeds what operators can manage. The annual staffing, operating, and budget exposure exceed what any single organization will risk. The overall operating model direction may be a matter of practicality. The challenge is determining how to scale a successful model and defining sustainable operating funding sources.
- **Location Considerations** – Project location is critical to the success and overall acceptance of the shelter by users. The location must be accessible by transit and in proximity to services such as mental health, advocacy, training, or employment opportunities. This feasibility explored the reuse and conversion of a large available building; however, in practice, smaller decentralized shelters integrated into the community is a preferred alternative to larger centralized shelters.
- **Space Requirements** – The project program directly dictates space requirements such as number of beds, anticipated number of day center users, programs and training delivery, and administrative functions. Ideally, operators will locate operations and administrative staff in the same building with the shelter and day center functions to decrease costs, improve operating efficiencies, and program delivery. The development scenarios in this feasibility analysis consider the operational, administrative, and programmatic requirements identified by stakeholder interview participants for a centralized low-barrier shelter for up to 110 occupants.
- **Number of Beds** – Day center operators noted that more than 4,000 unique individuals used services offered by the center. Stakeholders and operators noted a need for an additional 400 to 500 beds for downtown Indianapolis. Logistically, interview participants indicated that 120 beds in one location was practical; however, some operators expressed concerns for safety, operating costs, and staffing logistics for shelters with more than 50 beds. This feasibility analysis assumes the beds are separated into different areas of the building with 50 emergency, 60 interim and 40 permanent supportive housing beds.
- **Collaborative Ecosystem** – Stakeholders indicated that service providers, governmental agencies, and shelter and center operators would greatly benefit from more collaboration. COVID 19 forced the community to come together to meet the challenge. Participants expressed interest in a common space for the ecosystem to provide services, collaborate, reflect, interact, share ideas, receive training, and hold meetings. The space plan includes training rooms, meeting spaces, quiet rooms, and collaborative areas to encourage continued growth and improvement all entities that support this population.

Appendix

1. CSH Low Barrier Shelter Report and Data
2. Space Needs Charts
3. Cost Estimates
4. Facility Assessment Summary Findings
5. Slide deck presentation
6. Description of IFF and CSH and team bios



Summary of Interviews of Individuals Experiencing Unsheltered Homelessness August 2021

Background

Through a grant from Downtown Indy, Inc., IFF subcontracted with CSH to interview individuals who are experiencing homelessness and are currently unsheltered. Individuals were asked what would be needed in a center that was low barrier, provided expanded day center services, shelter, as well as permanent supportive housing. The respondents were informed that their answers would be anonymous, and the information would be summarized in a public report. Respondents were compensated for their time and knowledge with a 30-day full fare IndyGo bus pass.

A total of 29 individuals were interviewed. Of those 29, nine were interviewed during street outreach. Two of these individuals shared that they had been housed within the last year. Nineteen were interviewed at Horizon House (HH). Three individuals that had experienced unsheltered homelessness but were now housed in HH's Housing Program were also interviewed, making a total of five housed individuals. The 29 individuals interviewed had stayed at seven different Indianapolis shelters and two individuals had stayed at out of state shelters.

Demographics

The following demographic data was self-reported.

Age Range

Average age: 44.5

Median age: 48

Age ranges (used same ranges as 2021 Indy CoC PIT Count):

0-17 years: 0

18-24 years: 1

25-34 years: 5

35-49 years: 11

50-61 years: 10

62+ years: 1

Unknown: 1 (but likely in his 50s)

Race and Ethnicity

African American/black:10
Caucasian/white: 14
Hispanic or Latino: 0
Native American or Alaskan Native: 2
Asian or Pacific Islander: 1
Multiracial or Biracial: 2
A race or ethnicity not listed here: 0

Gender

Woman: 9
Non-binary: 0
Male: 20
Prefer to self-describe: 0

Sexual Orientation

Asexual: 1
Bisexual: 1
Gay: 0
Heterosexual or straight: 27
Lesbian: 0
Pansexual: 0
Queer: 0
None of these, please specify: 0

Transgender

Yes: 1
No: 28

Coordinated Entry

Individuals were also asked if they were either on the coordinated entry list or any other housing list. Thirteen said yes, 11 said no, and for five this was not applicable because they were already housed.

Length of time homeless and unsheltered

The individuals interviewed provided information on the length of time they experienced homelessness and of that time, how much was unsheltered. This information is provided below. The longer the individuals have experienced homelessness or had multiple episodes of

experiencing homelessness, the harder it was for them to determine how much of that time was unsheltered vs. sheltered.

Time Homeless range:

0-1 year: 4 people
1-2 years: 5 people
3-5 years: 10 people
6-8 years: 1 person
9-12 years: 2 people
13-15 years: 5 people
16 years and over: 1 person

Time Unsheltered range:

0-1 year: 8 people
1-2 years: 9 people
3-5 years: 7 people
6-8 years: 1 person
9-12 years: 2 people
13-15 years: 0 people
16 years and over: 1 person

According to the data on length of time homeless, the CSH team estimates 20 of the 28 individuals who were interviewed experience chronic homelessness. Chronic homelessness is described as a homeless individual with a disability as defined in section 401(9) of the McKinney-Vento Assistance Act (42 U.S.C. 11360(9)), who:

- Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter, and
- Has been homeless and living as described for at least 12 months* or on at least four separate occasions in the last three years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least seven consecutive nights of not living as described.

Summary of Interview Responses

During the interviews the following themes emerged as important to consider in the development of a low barrier center that includes day center services, a shelter, and permanent supportive housing. Most individuals would like to see a facility where they have access to an overnight shelter, but they would also like to be able to stay during the day. The individuals experiencing homelessness thought it was important to have access to the necessary resources, services, providers, and recreational activities all in one place to avoid having to travel around the city to multiple agencies.

Expanded Day Center

The individuals experiencing homelessness were also asked what they would like in a day center setting. Many responded that they would like Horizon House (HH) to expand their hours and current services such as laundry facilities, food and meals, clothes, phones, computers, showers, employment services, and housing search services. Being able to talk on the phone for longer than 5 minutes and access to computers for longer periods of time were examples given to the interviewers. Additionally, individuals said they would like to see private showers and recreational space and activities. Individuals also said they like the on-site health care provided

at HH through the Eskenazi Health Center Pedigo, including physical health, mental health, and substance use disorder services.

Overnight Low-Barrier Shelter

Several themes emerged when individuals who are currently not using shelters were asked what would make shelters more appealing or easier to use. Individuals mentioned having a place that was welcoming, respectful, and accepting of them. Personal safety, privacy, and having more physical space were all factors that were important to a significant number of those interviewed. Many also talked about having individual rooms to sleep in and stay during the day. Other suggestions included the shelter providing secure storage of their belongings, as well as more space so that people could spread out. They wanted the shelter to have flexible hours to accommodate appointments, jobs, and other obligations. Also important was the desire to have a shelter that does not have time-limits for how many days a person can stay and has staff that could work closely with them to find housing.

Most individuals provided feedback related to having enough qualified staff to provide a range of on-site functions and needs from security and safety to case managers, formerly homeless peer supports, therapists, social workers, nurses, housing specialists, employment specialists, benefits specialists, and others. They also spoke about ensuring that all staff, regardless of their role, be compassionate and well-trained in how to work with individuals who are not only experiencing homelessness but may also have multiple disabilities, barriers, and needs. Another important concern was that the shelter provide space for couples and two-parent families with children to stay together.

On-site Permanent Housing

There was a sense from those interviewed that having permanent housing on-site was not as important as having robust housing search and navigation services on-site. That being said, when respondents were asked what their ideal permanent housing would look like, most responses were modest and indicated they wanted somewhere safe, clean, and convenient to their needs. Also mentioned was the importance of having their own space, privacy, few rules, and able to have family live with them.

Conclusions

CSH interviewers were humbled by the individuals interviewed and appreciated the honesty and candor with which they shared their experiences and suggestions. After reviewing all the comments and ideas, an over-arching theme emerged which is the importance of having a more trauma-informed space and culture. Any future space should incorporate trauma-informed programming and building design aspects that bring to life the many suggestions related to comfort, safety, welcoming space, privacy, respect, diversely trained staff, convenience, compassion, and robust integrated services.

Downtown Indianapolis Center for the Unsheltered
Preliminary Facilities Program

Summary

| Room/Use | Employees | Sq. Ft. Per Room/Area | No. of Rooms/Areas | Total Sq. Ft. A | Total Sq. Ft. B | Total Sq. Ft. C | |
|---|-----------|-----------------------|--------------------|-----------------|-----------------|-----------------|--|
| Executive Spaces | | | | | | | |
| Common shared spaces | 0 | | | | | 970 | |
| Executive Offices | 15 | | | | | 1,760 | |
| Subtotal Administration Spaces | | | | | | 2,730 | |
| Living Quarters | | | | | | | |
| Permanant Supportive (up to 40 occupants) | | | | | 22,660 | 22,660 | |
| Transitional Singles and Couples (up to 60 occupants) | | | | 9,180 | 9,180 | 9,180 | |
| Emergency (up to 50 occupants) | | | | 4,240 | 4,240 | 4,240 | |
| Residents' Shared Spaces, Service, Amenities, and Storage | | | | 3,495 | 3,495 | 3,495 | |
| Total Living Spaces | | | | | | 39,575 | 39,575 |
| Day Center | | | | | | | |
| Operations and Client Services | | | | 12,100 | 12,100 | 12,100 | |
| Day Center Support Spaces | | | | 2,710 | 2,710 | 2,710 | |
| Dining and Food Prep | | | | 3,500 | 3,500 | 3,500 | |
| Resident Shared Spaces | | | | 2,100 | 2,100 | 2,100 | |
| Training/Skill Development | | | | 3,175 | 3,175 | 3,175 | |
| Drop-in Center | | | | 880 | 880 | 880 | |
| Total Day Center Spaces | | | | | | 24,465 | 24,465 |
| Clinic | | | | | | | |
| Admin Spaces | | | | | 1,700 | 1,700 | |
| Client Spaces | | | | | 2,880 | 2,880 | |
| Total Clinic Space | | | | | | 4,580 | 4,580 |
| Building Support | | | | | | | |
| Building Management Staff | 1 | 120 | 1 | 120 | 120 | 120 | |
| Building Engineer | 1 | 120 | 1 | 120 | 120 | 120 | |
| Maintenance | 1 | 80 | 2 | 160 | 160 | 160 | |
| Janitor | | 35 | 3 | 105 | 105 | 105 | 1 per floor |
| Mechanical Room | | 1000 | 1 | 1000 | 1000 | 1000 | |
| Loading/Docking | | 500 | 1 | 500 | 500 | 500 | |
| Sally Port | | 1000 | 1 | 1000 | 1000 | 1000 | |
| Building Support Total | | | | | | 3,005 | 3,005 |
| Building Totals Summary | | | | | | | |
| Building Subtotal | | | | 44,385 | 71,625 | 74,355 | |
| Circulation | 30% | | | 13,316 | 21,488 | 22,307 | Hallways, stairwells, elevators, and other common spaces not specifically listed above |
| Building Grand Total | | | | 57,701 | 93,113 | 96,662 | |

| Outdoor Space | | | | | | | |
|--|----|-------|----|---------------|---------------|---------------|----------------|
| Smoking Area (residents and day shelter) | 20 | 400 | 1 | 400 | 400 | 400 | Covered |
| Garden | | 1,000 | 1 | 1,000 | 1,000 | 1,000 | |
| Outdoor staff space | 20 | 400 | 1 | 400 | 400 | 400 | |
| Employee / Visitor Parking | | 162 | 80 | 12,960 | 12,960 | 12,960 | |
| Facility owned vehicle parking | | 162 | 4 | 648 | 648 | 648 | |
| Subtotal | | | | 15,408 | 15,408 | 15,408 | |

IFF's space needs analysis is an estimate based upon in-house data from other IFF projects, industry data/standards, and information obtained by review of Corporation for Supportive Housing, Horizon House and input from other parties and partners. An architect or other qualified professional should be consulted to ensure that the space plan meets building code, accessibility, and other requirements and that proposed modifications are feasible.

**Downtown Indianapolis Low-Barrier Shelter | ROM Costs - DRAFT | April 2022
Development Program**

| | | | | |
|---|-----------|------------------|------------------|------------------|
| Building Square Feet | | 137000 | 137000 | 137000 |
| Scenario Square Feet | | 65,000 | 100,000 | 105,000 |
| Acres | | 1 | 1 | 1 |
| Predevelopment | | A | B | C |
| Acquisition and Closing | Allowance | \$ - | \$ - | \$ - |
| Entitlements | | | | |
| Land use attorney | Allowance | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| Variances | Allowance | \$ 15,000 | \$ 15,000 | \$ 15,000 |
| Architectural Services - exhibits | Allowance | \$ 15,000 | \$ 15,000 | \$ 15,000 |
| Traffic Study | Allowance | \$ - | \$ - | \$ - |
| Stormwater Design | Allowance | \$ - | \$ - | \$ - |
| Site survey | Allowance | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Soils and GeoTechnical Analysis | Allowance | \$ - | \$ - | \$ - |
| Environmental | | | | |
| Phase I | Allowance | \$ 2,000 | \$ 2,000 | \$ 2,000 |
| Phase II | Allowance | \$ 5,000 | \$ 5,000 | \$ 5,000 |
| Environmental Materials Investigation and Testing | Allowance | \$ 20,000 | \$ 20,000 | \$ 20,000 |
| Pre-Development/Acquisition | | \$ 87,000 | \$ 87,000 | \$ 87,000 |

| Project Costs | Basis | Estimate | | |
|--|--------------|----------------------|----------------------|----------------------|
| Hard Costs | | | | |
| Executive Suite | \$ 120.00 | \$ - | \$ - | \$ 357,600 |
| Emergency Housing | \$ 120.00 | \$ 508,800 | \$ 508,800 | \$ 508,800 |
| Interim Housing | \$ 130.00 | \$ 1,193,400 | \$ 1,193,400 | \$ 1,193,400 |
| Permenant Supportive Housing | \$ 150.00 | \$ - | \$ 3,399,000 | \$ 3,399,000 |
| Living Support Spaces | \$ 130.00 | \$ 454,350 | \$ 454,350 | \$ 454,350 |
| Clinic | \$ 150.00 | \$ - | \$ 687,000 | \$ 687,000 |
| Day Center | \$ 150.00 | \$ 4,536,000 | \$ 4,536,000 | \$ 4,536,000 |
| Building Support | \$ 50.00 | \$ 150,250 | \$ 150,250 | \$ 150,250 |
| Circulation | \$ 125.00 | \$ 1,881,000 | \$ 2,902,500 | \$ 3,014,250 |
| Building Exterior | \$ 25.00 | \$ 3,425,000 | \$ 3,425,000 | \$ 3,425,000 |
| Demolition | \$ 5.00 | \$ 325,000 | \$ 500,000 | \$ 525,000 |
| Site Work | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 250,000 |
| <i>Sub-Total Hard Costs</i> | | <i>\$ 12,723,800</i> | <i>\$ 18,006,300</i> | <i>\$ 18,500,650</i> |
| Owner Costs | | | | |
| FF&E (kitchen equipment and furniture) | \$ 45.00 | \$ 2,925,000 | \$ 4,500,000 | \$ 4,725,000 |
| Security and Access Control | Allowance | \$ 275,000 | \$ 375,000 | \$ 400,000 |
| Data Cabeling and Communications | Allowance | \$ 75,000 | \$ 100,000 | \$ 1,250,000 |
| P&P Bond | 1.50% | \$ 190,857 | \$ 270,095 | \$ 277,510 |
| Insurance | 1.50% | \$ 190,857 | \$ 270,095 | \$ 277,510 |
| Construction Contingency | 5% | \$ 636,190 | \$ 900,315 | \$ 925,033 |
| <i>Sub-Total Owner Costs</i> | | <i>\$ 4,292,904</i> | <i>\$ 6,415,504</i> | <i>\$ 7,855,052</i> |
| Total Hard Costs | | \$ 17,017,000 | \$ 24,422,000 | \$ 26,356,000 |

| Soft Costs | | | | |
|-------------------------------|-----------|----------------------|----------------------|----------------------|
| Architecture and Engineering | 8% | \$ 1,361,360 | \$ 1,953,760 | \$ 2,108,480 |
| Design Contingency | 5% | \$ 850,850 | \$ 1,221,100 | \$ 1,317,800 |
| Project Management/Owners Rep | 1% | \$ 170,170 | \$ 244,220 | \$ 263,560 |
| Specialty Consultants | 1% | \$ 170,170 | \$ 244,220 | \$ 263,560 |
| Project Legal | Allowance | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| Total Soft Costs | | \$ 2,578,000 | \$ 3,688,000 | \$ 3,978,000 |
| Subtotal | | \$ 19,682,000 | \$ 28,197,000 | \$ 30,421,000 |
| Project Contingency | 5% | \$ 984,100 | \$ 1,409,850 | \$ 1,521,050 |

| | | | | |
|------------------------------------|--|----------------------|----------------------|----------------------|
| Total Project Costs | | \$ 20,666,100 | \$ 29,606,850 | \$ 31,942,050 |
| Escalation Through Mid 2023 | | \$ 22,216,058 | \$ 31,827,364 | \$ 34,337,704 |

Project Assumptions and Exclusions

- Assumes City of Indianapolis maintains ownership with no closing or acquisition fees
- Assumes building roof is in good condition (IFF Facility assessment July, 2021)
- Assumes furniture provided in PSH units
- Assumes minor updates and maintenance for HVAC mechanicals (adjustments, ductwork and reconfiguration for housing)
- Hard cost estimates November, 2021
- Estimates based on Rough Order of Magnitude costs for rough concept and approximate square foot calculations
- Construction cost is an estimate based on IFF experience with similar projects for new construction. IFF recommends that a licensed architect prepare a detailed work scope, review assumptions with the building code officials, and solicit pricing from contractors as required to confirm the construction cost
- Excludes costs for low-impact design drainage or atypical site requirements
- Excludes costs for environmental remediation of soils or USTs
- Excludes finance and lending costs
- Excludes costs for poor soils and/or import/export of soils
- Excludes cost estimate for specific development program with unit types, quantities, and programs
- Excludes cost estimates for specific construction types, finish levels and materials
- Excludes estimate for commercial kitchen equipment, mechanicals, and design (included in ROM cost estimate)
- Excludes estimate for specific exterior programs spaces
- Excludes cost estimates for buildout and equipment for specific use programs and functions
- Excludes consulting and legal fees associated with tax credit programs

Scenario A: Day center emergency housing, and interim housing.

Scenario B: Day center, emergency housing, interim housing, PSH, and clinic.

Scenario C: Day center, emergency housing, interim housing, PSH, clinic and operator administrative spaces.

**Downtown Indianapolis Low-Barrier Shelter
Income and Expenses - Year 1 Estimated Operating Budget**

| Income | |
|--|---------------------|
| Admin, Day Center and Emergency and Interim Housing | |
| Government | \$ 1,210,000 |
| Grants | \$ 210,000 |
| Foundations | \$ 1,075,000 |
| Direct Public Support (individuals, corporate, religious, etc.) | \$ 295,000 |
| Special Events | \$ 165,000 |
| Other Revenue | \$ 310,000 |
| Partner Rental Income | \$ - |
| Clinic Rental Income | \$ 54,960 |
| Admin/Day Center income | \$ - |
| Admin/Day Center income | \$ - |
| Admin and Day Center Subtotal | \$ 3,319,960 |
| Permanent Supportive Housing | |
| Rent (Project Based Vouchers) | \$ 346,764 |
| Government | |
| Grants | |
| Foundations | |
| Direct Public Support (individuals, corporate, religious, etc.) | |
| Other Revenue | |
| Permanent Supportive Housing Subtotal | \$ 346,764 |
| Income Total | \$ 3,666,724 |
| Operational Expenses | |
| Employee Compensation | |
| Payroll and Fringe | \$ 1,850,000 |
| Benefits | \$ 295,000 |
| Taxes | \$ 154,000 |
| Employee Compensation Subtotal | \$ 2,299,000 |
| Other Expenses | |
| Professional Fees | \$ 134,000 |
| Program Fees | \$ 8,200 |
| Office and Program Supplies | \$ 51,340 |
| Occupancy | \$ 96,000 |
| Communications | \$ 19,000 |
| Misc. Other Insurance | \$ 15,000 |
| Equipment Rental | \$ 7,500 |
| Other Operating expenses | \$ 2,500 |
| Printing and publications | \$ 4,500 |
| Transportation | \$ 22,500 |
| Conference and Education | \$ 17,000 |
| Direct Assistance to Individuals | \$ 430,000 |
| Passthrough | \$ 252,000 |
| Depreciation | |
| Fund Development | \$ 19,000 |
| Emergency and Interim Housing 1 | \$ - |
| Emergency and Interim Housing 2 | \$ - |
| Emergency and Interim Housing 3 | \$ - |
| Emergency and Interim Housing 4 | \$ - |
| Emergency and Interim Housing 5 | \$ - |
| Emergency and Interim Housing 6 | \$ - |
| Emergency and Interim Housing 7 | \$ - |
| Emergency and Interim Housing 8 | \$ - |
| Other Expenses Subtotal | \$ 1,078,540 |
| Permanent Supportive Housing | |
| Administrative | \$ 22,080 |
| Salaries and Benefits | \$ 44,880 |
| Permantent Supportive Housing (other) | |
| Emergency and Interim Housing Subtotal | \$ 66,960 |
| Operational Expenses Subtotal | \$ 3,444,500 |
| Occupancy Expenses | |
| Day Center | |
| Rent | \$ - |
| Repairs and Maintenance | \$ - |
| Utilities | \$ - |
| Day Center Occupancy Expenses Subtotal | \$ - |
| Permantent Supportive Housing | |
| Property Management Fee | \$ 24,273 |
| Utilities | \$ 86,880 |
| Repairs and Supplies | \$ 42,000 |
| Taxes | \$ 28,320 |
| Insurance | \$ 17,760 |
| Permantent Supportive Housing Occupancy Expenses Subtotal | \$ 199,233 |
| Occupancy Subtotal | \$ 199,233 |
| Expenses Total | \$ 3,643,733 |
| Net Operating Income | \$ 22,991 |

Overview of IFF

IFF (formerly known as the Illinois Facility Fund) is a non-profit Community Development Financial Institution (CDFI) whose mission is to strengthen non-profits and the communities we serve. IFF is the largest CDFI in the Midwest with three decades of experience as a lender, developer, real estate consultant, researcher, and policy and programmatic leader in various sectors. IFF has seven regional offices throughout the Midwest, which includes a team of real estate professionals from and based in Indianapolis, IN. For over ten years, the Indy team has focused on providing direct real estate consulting to nonprofits, schools, and stakeholder groups committed to retaining and building assets in their community. Additionally, we provide capital solutions that range from acquisition to construction loans, New Market Tax Credits, equity and Pay for Success programs. IFF's mission is to strengthen not-for-profits and the communities they serve by providing leadership, capital, and real estate solutions.

IFF's role in the Downtown Indy Feasibility Study for a Homeless Shelter will include:

- Project oversight and research – Work with CSH (Corporation for Supportive Housing) to identify barriers and strategies to encourage the unsheltered to access supports.
- Space Needs Planning – Determine the parameters and square footage needs for programs and administrative space.
- Facility Assessment – Conduct a complete assessment of the proposed site, reviewing major mechanicals and identifying facility renovations or improvements to accommodate program needs.
- Financial Feasibility modeling – Define development scenarios, along project timeline and using construction cost estimates based on market conditions and high-level estimate of space and program needs.

Project Team

Bryan Conn

Senior Project Manager, IFF

Bryan joined IFF in 2016. He is a versatile, proven and experienced development professional. Bryan assists non-profits with navigating real estate challenges from due diligence and feasibility analyses to managing development projects. His diverse background enables him to solve complex real estate, development, land use, and zoning issues. Bryan uses his research and analytical skills to help non-profits make decisions about facilities through financial feasibility analyses, market research, site search, and due diligence work. He also manages development projects for clients from site acquisition, assembling financing, concept development, project team assembly, establishing project budgets and timelines, and overall project management.

Bryan is an active participant of the Renew Indianapolis Review Committee where he collaborates with committee members to assess applications and development proposals. Bryan has a Bachelor of Urban Planning and Development (BUPD) from Ball State University, College of Architecture and Planning. He received his Master of Professional Studies in Real Estate Development from the University of Indianapolis graduating summa cum laude.



Donna Sink

Architect, Rowland Design

Donna is committed to contributing to the quantity of good design in the city of Indianapolis. She is a registered architect and has worked on urban design, cultural institution, and art exhibition design projects for the last 25 years. She has called Philadelphia, Detroit, Portland, and Phoenix home, and currently lives in Indianapolis working for Rowland Design, an architecture firm focused on cultural and residential projects throughout the state. She was recently the campus architect at Indianapolis Museum of Art and she's involved in the local arts and design community as past President and current member of the Indiana chapter of AIA, a board member at People for Urban Progress and a member of the Indianapolis Sign Ordinance Revision Task Force. Donna has an active Twitter presence and is well-known for her work as cohost at Archinect podcast. Donna completed her Master of Architecture degree at Cranbrook Academy of Art.



Amandula Anderson

Director of Real Estate Solutions—Indiana, IFF

Amandula Anderson is the Director of Real Estate Solutions for IFF in the Indiana market. Amandula has nearly 20 years-experience in the nonprofit sector where she has led two community-based organizations – Irvington Development Organization and United Northeast CDC; convened a Quality-of-Life initiative on the northeast side of Indianapolis; directed a program to facilitate a two-generational approach to supporting families within 5 Indianapolis communities; and spent a few years supporting affordable housing through a tax credit syndicator. She is a graduate of Arlington High School, received her BS in Public Affairs from IUPUI and has a Masters in Real Estate Development at University of Indianapolis. In her role at IFF, she is supporting schools and nonprofits throughout the states of Indiana and Kentucky in their desire to build/move/expand in spaces that meet the needs of their clients and brings dignity to all.



Dominic LoGalbo

Director of Consulting for Design and Construction, IFF

With a background in city planning and architecture, Dominic combines strategic thinking with a detailed knowledge of design and construction to help non-profits define and implement their project vision. At IFF, Dominic uses his experience to lead facility master plans, feasibility studies, and building assessments, as well as to provide oversight during the design and construction process. He has worked with a variety of nonprofit sectors, with projects including performing arts facilities, early childhood education centers, primary and secondary schools, community health centers, and workforce development facilities. In his current role, Dominic is an internal consultant to project leads throughout the IFF footprint, leads planning and design efforts for complex projects, and develops system wide tools to guide IFF's work.



Dominic advocates for an inclusive planning and design process based on the belief that the gathering focused input from multiple stakeholders yields better design. Utilizing proven community participation techniques Dominic has built consensus among divergent stakeholders for regional scale projects involving thousands of participants as well as individual organizations.

Throughout his twenty-year plus career, Dominic has worked with a diverse set of non-profit groups on projects ranging in scale from the facility master plan of the 23-branch San José Public Library system to accessibility improvements in neighborhood schools.

Prior to joining IFF, Dominic was a partner at a Chicago-based architecture firm where his work was recognized for its balance between effective cost control and design excellence. Mr. LoGalbo holds a Master of Architecture and Master of City Planning from the University of California, Berkeley.