



2021-2474

Fusion Design Narrative

Seamlessly fusing the East Village, Paseo West, and Kansas City's Downtown Core, Fusion is a welcoming and affordable mixed-use development, where everyone who wishes to call it home, can. Designed around two key pillars, **connectivity and resilience**, this LEED neighbourhood embodies inclusive and sustainable growth within Kansas City.

Physical and Social Connectivity:

Fusion aims to meaningfully reconnect surrounding districts and neighbourhoods inside and outside of the Loop. Pivoting away from its car-centric past, the masterplan includes key East-West transit corridors lined with protected bike lanes, dedicated bus lanes, and expanded boulevards and enhanced streetscapes for improved pedestrian experience. The development features a conversion of Holmes street into an expansive pedestrian promenade that connects diverse uses across blocks. This intervention is rooted in the expressed needs of Downtown residents for flexible, recreational green space with connected pathways, along with the critical need for outdoor public space reinforced during the pandemic.

The development intentionally re-establishes a welcoming gateway to the Downtown Core on the Eastern edge of the site through access to critical social infrastructure - the community center, and enhanced underpasses. The community centre iconically represents the social connectivity of the site; the upper levels include seniors housing which contribute to an inclusive, multigenerational space that brings the community together. Fusion also enables inclusivity through increased access to public space, and affordable amenities and housing that are needed in the Downtown Core. Mixed market and affordable housing are offered in a variety of typologies to allow for anyone to live within the Downtown Core. Each phase of the development includes a participatory consultation process to ensure alignment with community needs and improve the cohesiveness of the site with adjacent communities.

Environmental and Economic Resilience:

This climate-positive neighbourhood reduces greenhouse gases through dense transit-oriented development, increased tree canopy, and renewable energy generation. The planting strategy creates functional habitats within the landscaped area, using native vegetation and rain gardens. These areas are linked through an aesthetic stormwater management system, utilizing green infrastructure and topography to absorb runoff naturally and mitigate river pollution.

The masterplan aims to enable economic resilience within Kansas City through small scale food growth and distribution, local culinary incubation, and research-driven employment opportunities. Neighbouring communities are home to community gardening organizations addressing nearby food deserts; the site looks to support this existing network of affordable food distribution through access to community gardens and food incubation space. The incubator enables local food entrepreneurs to access low-cost kitchens and food-halls to build their businesses, share knowledge, and host public events. This creates unique food experiences for those who live and work within the neighbourhood. As the need for office space evolves, the site is focused on providing research labs, which have a higher demand for in-person working space and more stable funding. Overall, the site provides collaborative space to spur investment and innovation in the local food system.

Fusion's unique combination of diverse housing, employment opportunities, social infrastructure and an enhanced public realm will fuel **inclusive, sustainable economic growth within Kansas City.**

Fusion Financial Narrative

Fusion, developed in a public-private partnership with the Kansas City government aims to create a vibrant, mixed-income, mixed-use community within the Downtown Core. The development, which significantly invests in the public realm, will be built in three phases over seven years, with 36 months dedicated to Phase I and 24 months for the remaining Phase II and III. Each phase has a predevelopment period of 12 months and an absorption period of 24 months. The project will bring to market a strong mix of housing, office and retail. Primarily focused on increasing supply of affordable housing, the site provides 453 affordable units making up 30% of total units, and 1,035 market units. The north portion of the site is home to 166,354 sq. feet of shared office and incubator space, and research labs. 1500 employment opportunities are created through retail and community infrastructure, which includes the community center and urban agriculture facilities.

Phase I

A variety of funding and financing sources will be utilized to achieve the site's vision in each phase. Phase I will create a high density, transit-oriented development with 615 mixed-income rental units, 365,298 sq. feet of office, retail use and an iconic 107,000 sf. community centre with seniors housing. The capital stack for Phase I includes \$4.45 million in Low Income Housing Tax Credit ("LIHTC") Equity to be allocated to 187 affordable units, \$44 million from Tax Increment Financing ("TIF") generated through transit-oriented development, and a \$168 million senior construction loan. Significant upfront, lower-return investments are made in Phase I in the community center, the pedestrian promenade, and streetscape improvements; these investments will have a catalytic effect for the site, enhancing connectivity with the rest of the city, creating a sense of place, attracting future residents, and increasing return in future phases. Planned obsolescence activities will be applied in Phase I to take advantage of underutilized parking lots that are to be developed in Phase II; specifically, a pop-up market hosting local food trucks and vendors, to attract the community to the development site and create space for public discourse.

Phase II and III

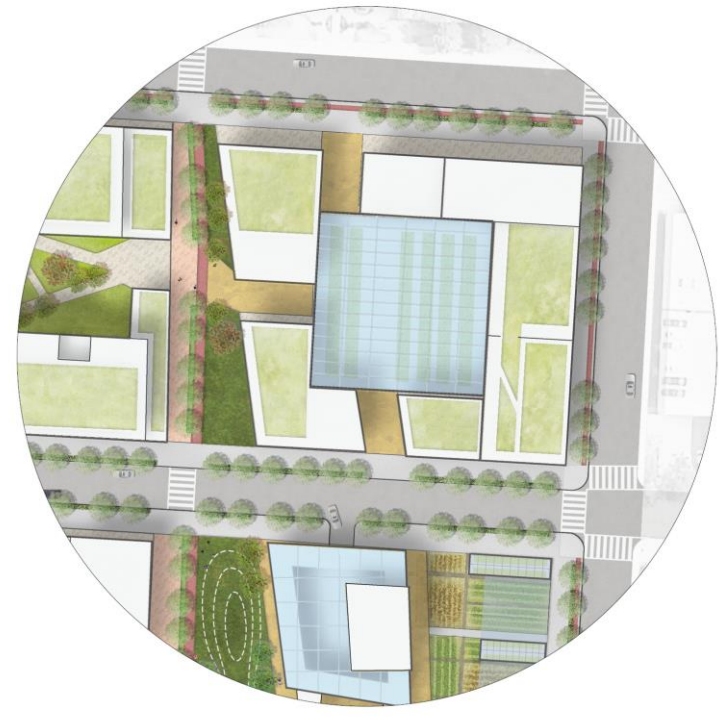
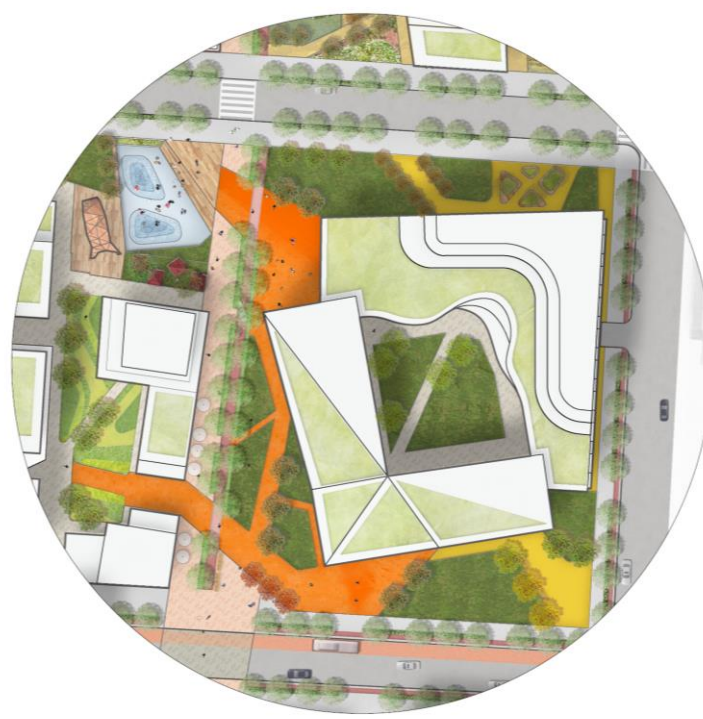
Phase II and III will utilize an additional \$6.3million of LIHTC and \$1.4 million of New Markets Tax Credit Equity to support 266 affordable units, along with TIF Financing of \$50 million, and senior construction loan of \$204 million. The community agriculture space will be financed through a Private Activity Bond, which offers low interest, long-term financing options, allowing the project to forge meaningful community partnerships and providing lower rental rates for the kitchen incubation space. A BUILD Grant will contribute to funding the site's extensive stormwater system.

As the entire site falls within the Paseo Gateway/Northeast Opportunity Zone ("OZ"), the OZ fund will be secured to advance the project in three phases. The OZ Fund investors can reinvest unrealized capital gains into the Opportunity Funds for tax deferral. Overall, equity partners can achieve an unlevered IRR of 11.1%, levered IRR of 16.2% before OZ benefits and 21.5% after OZ benefit.

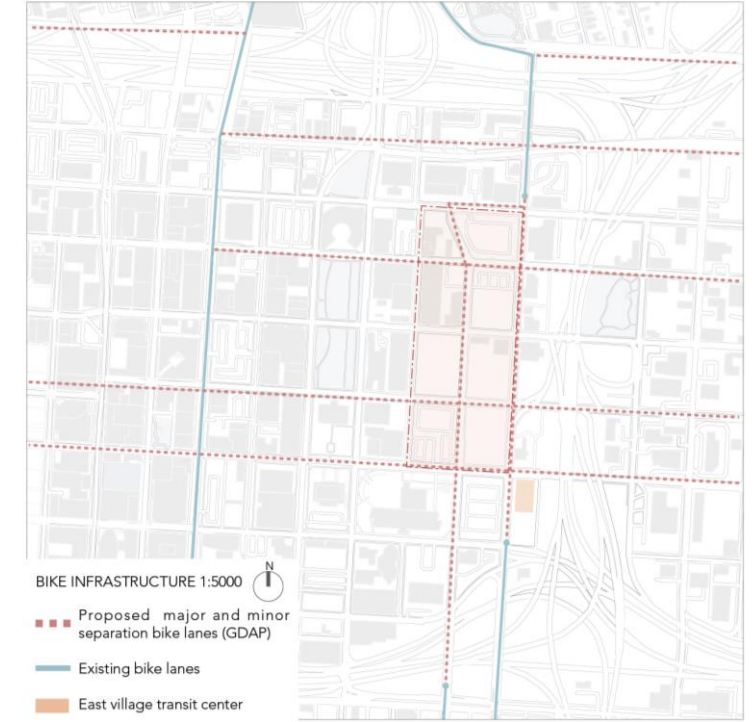
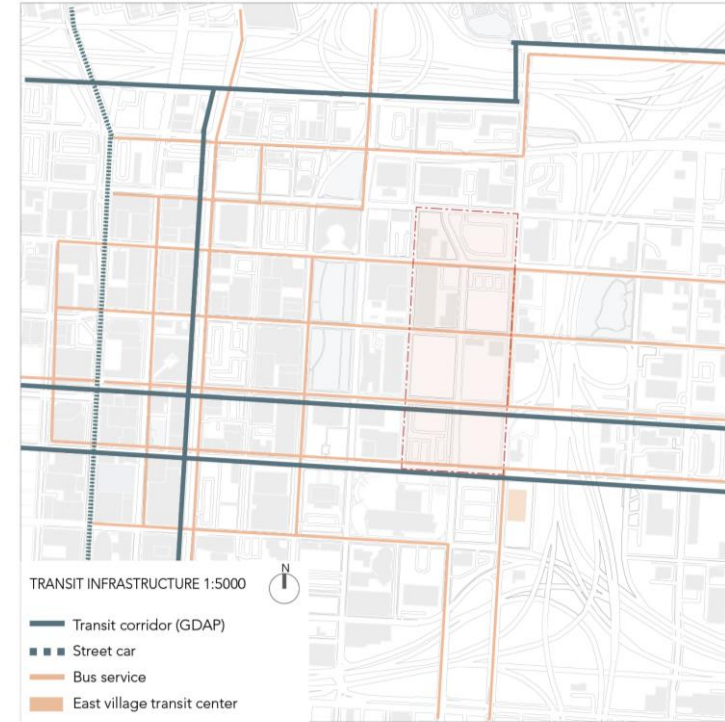
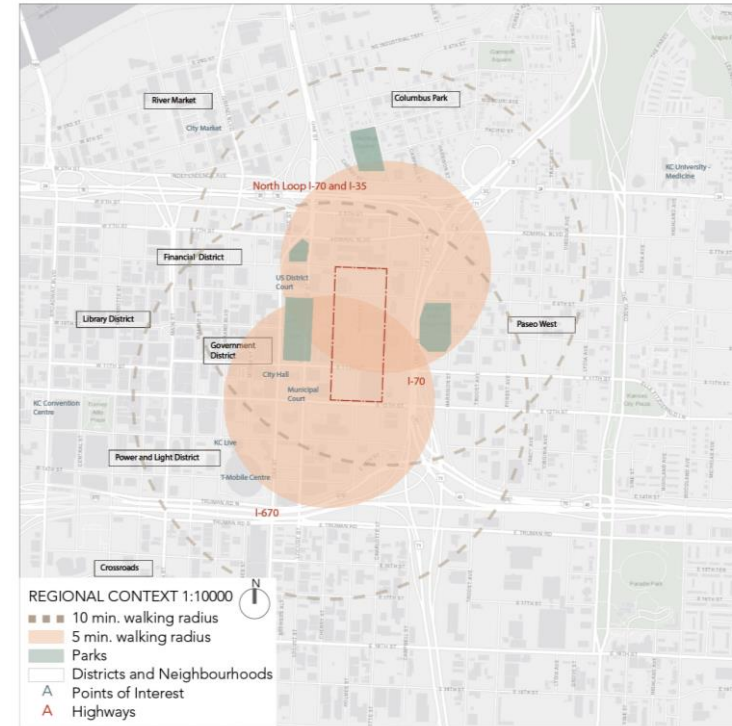
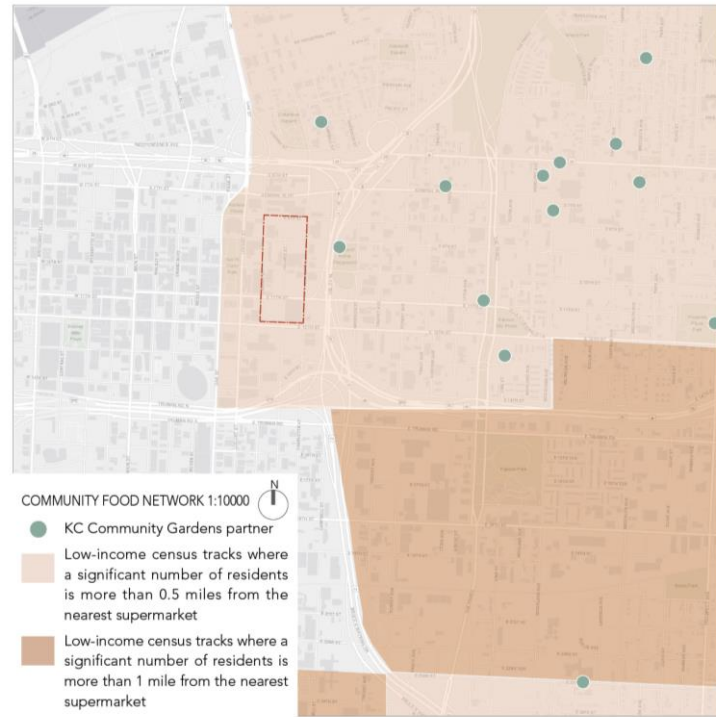
Site Plan



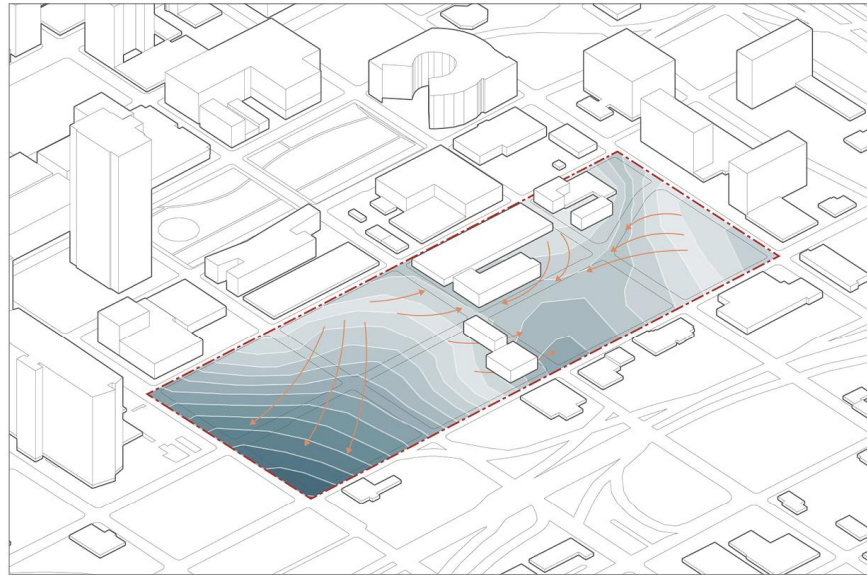
- 1 Mixed-income mixed use residential mid-rise building
- 2 Shared structured parking
- 3 Office-residential mixed use tower
- 4 Office-commercial mixed use tower
- 5 Canopy Patio
- 6 Promenade Retail
- 7 Bus lane
- 8 Pedestrian promenade with bike lane
- 9 Community centre with senior housing
- 10 Water feature plaza
- 11 Local culinary incubation space with food hall building
- 12 Amphitheater
- 13 Vertical gardens, community exhibition food history space, and office space
- 14 Stormwater sunken garden
- 15 Community gardens with site composting
- 16 Research hub with green house
- 17 Protected bike lane



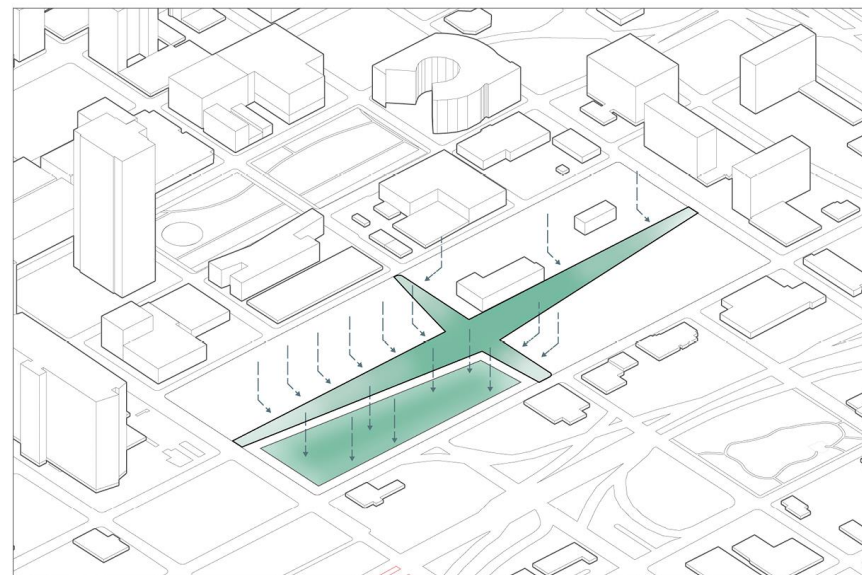
Site Context Analysis



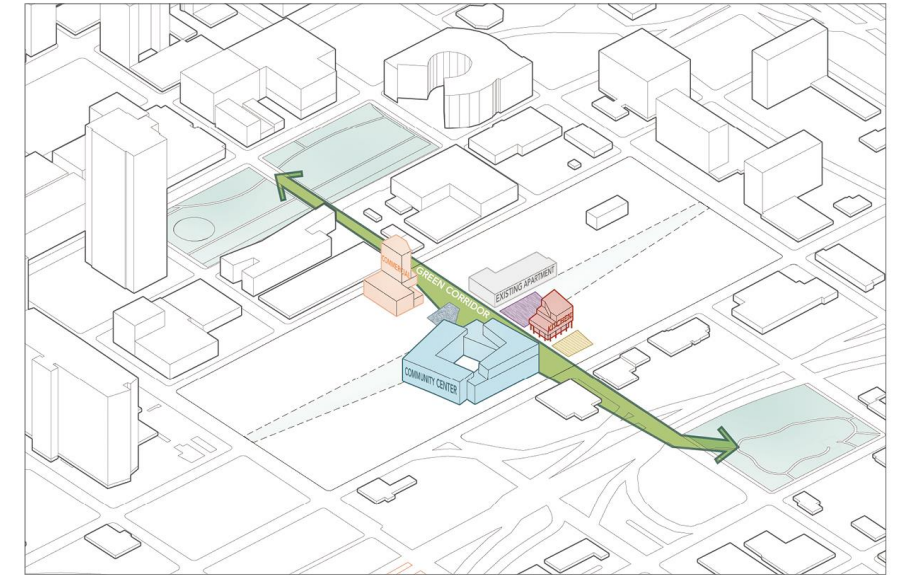
Concept



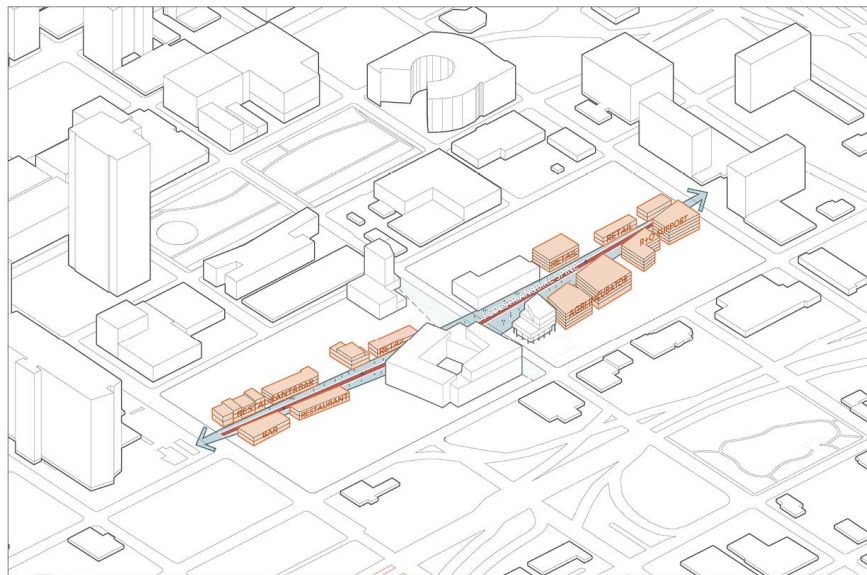
Topography: Influences the design of the stormwater collection system



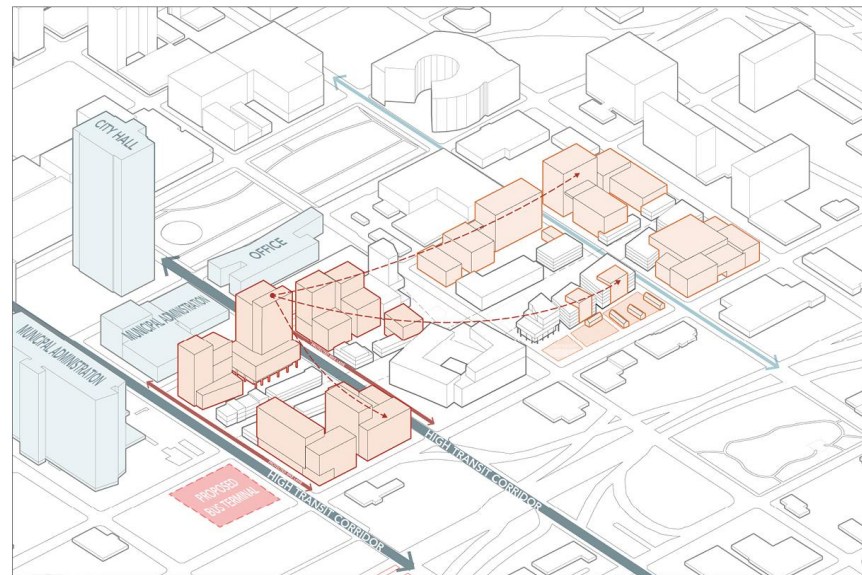
Stormwater System: Underlies the site, mimicking natural processes to slow and absorb runoff



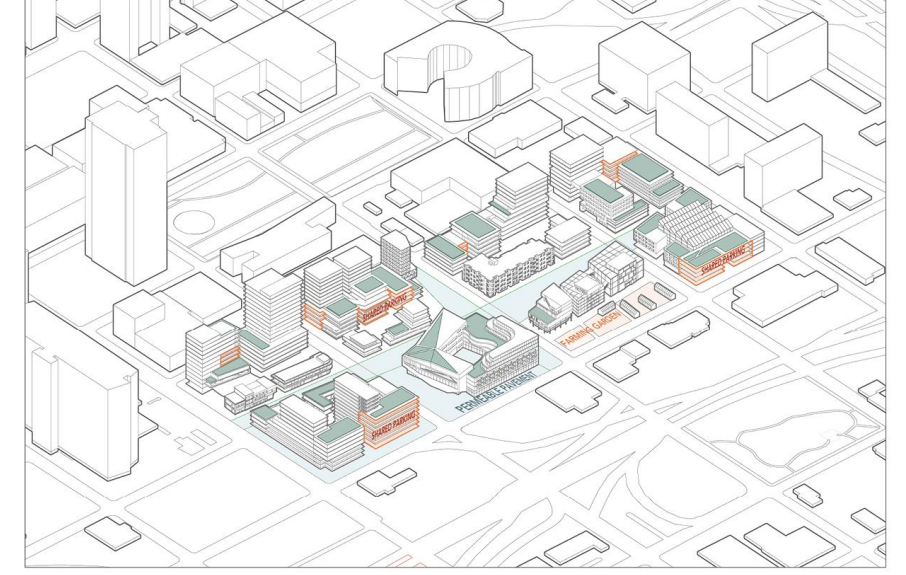
Social Infrastructure: Connects site to surrounding context



Pedestrian Spine: Creates a pedestrian only, human-scale promenade, increasing connectivity and mobility

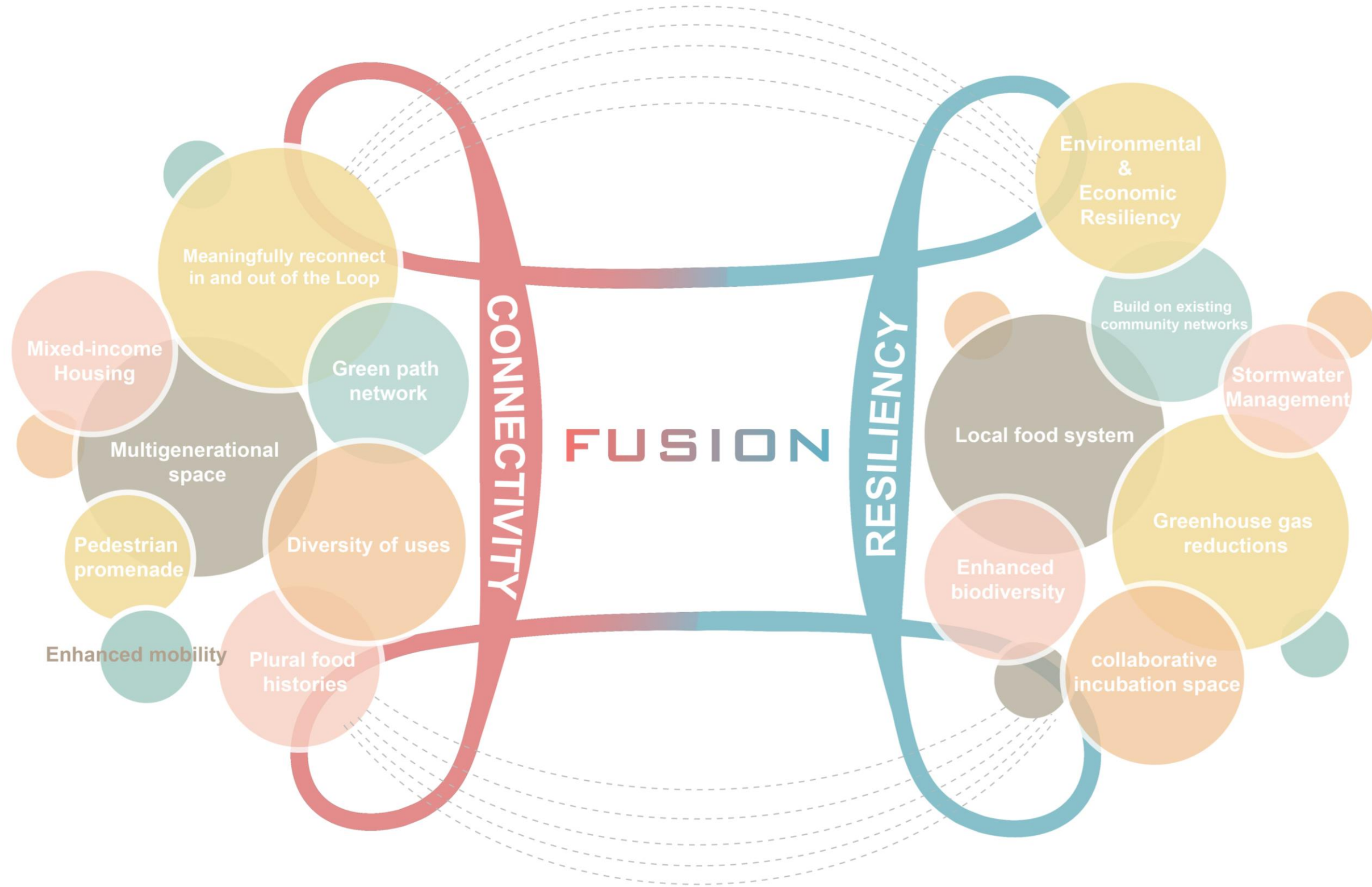


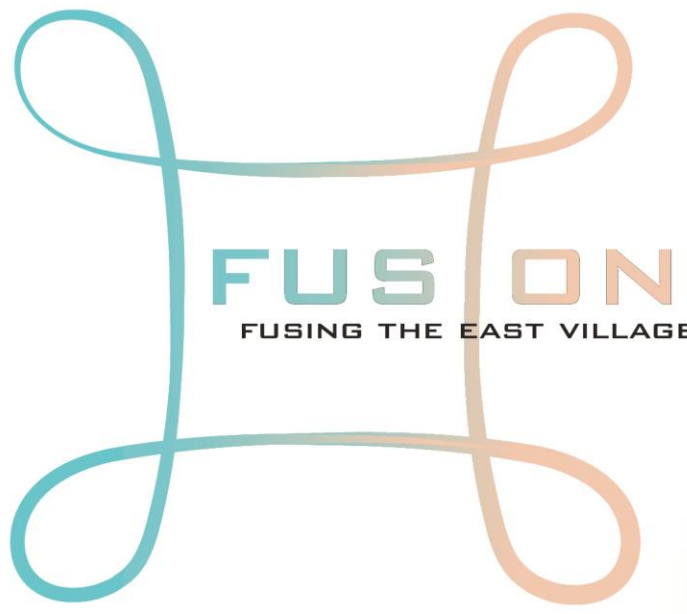
Transit Oriented Development: Creates high density next to major transit station and corridors



Sustainability: Powered by green infrastructure, LEED certification, circular systems and shared parking

Vision for Fusion





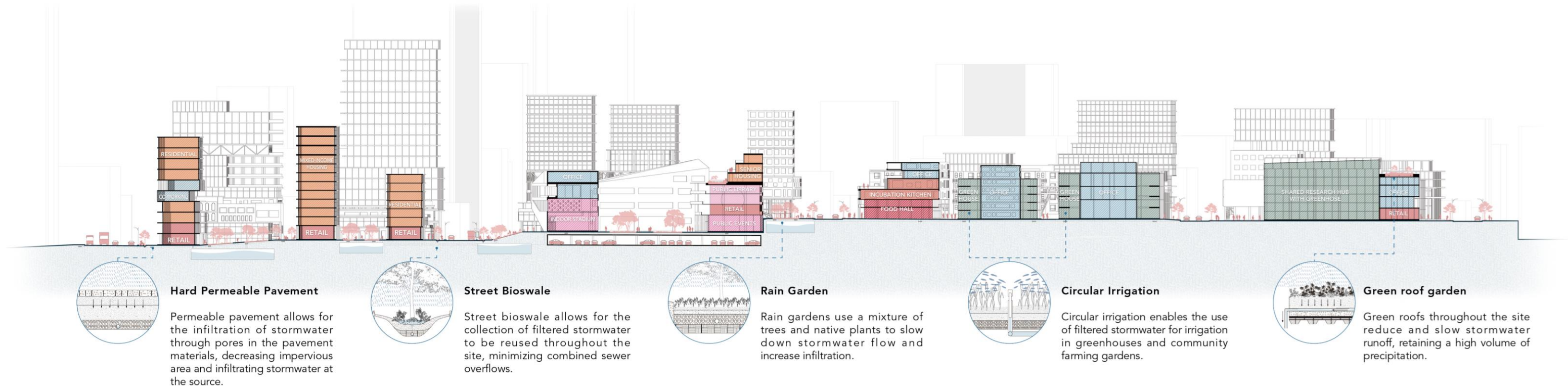
FUSION

FUSING THE EAST VILLAGE AND KANSAS CITY



Stormwater Resiliency Strategy

Transect Section from North to South



Sunken Rain Garden Outside of Vertical Farming Greenhouse



Experiencing Fusion

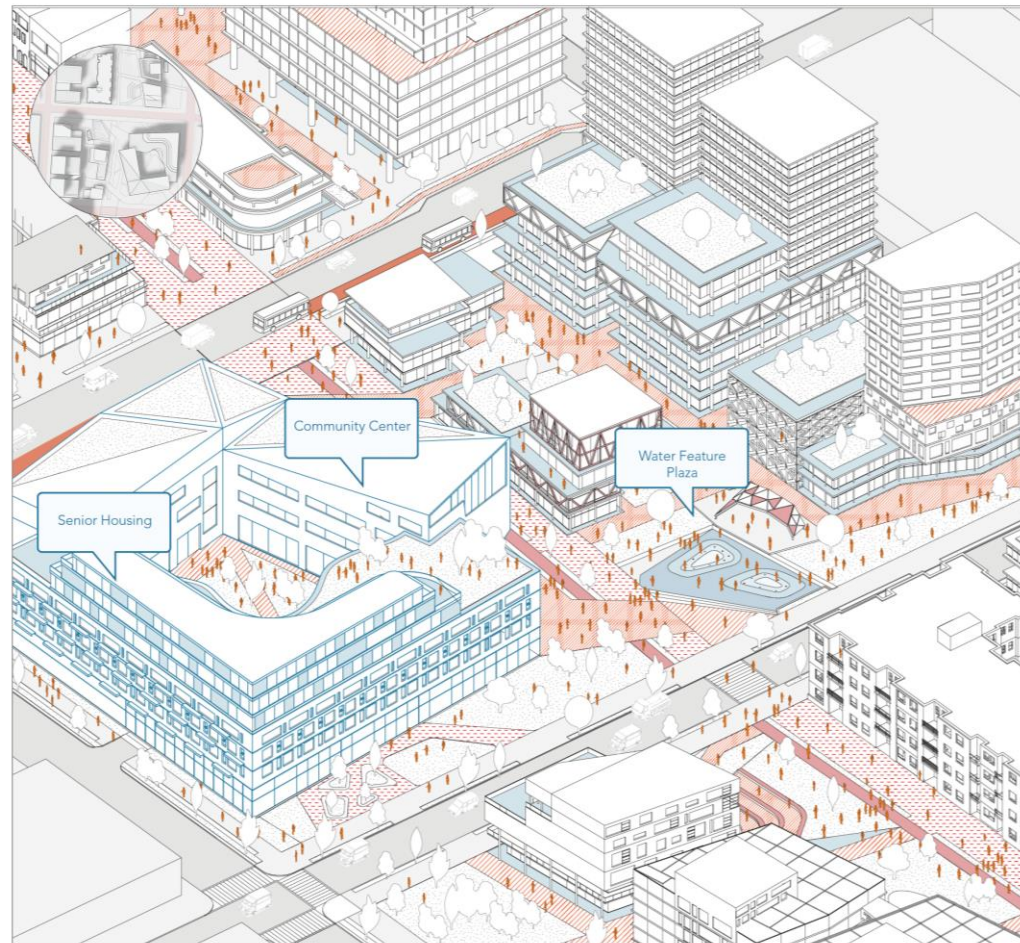
FUSION RESIDENT

"I love being able to live within the downtown core, with so much shared outdoor space. I no longer need to own a car - I use transit to get to work and car share to reach the far corners of the City."



RESIDENT FROM PASEO WEST

"I spend a lot of time at the community center, as my senior parents live here and my son goes to daycare here - combined programming allows them to spend quality time together."



LOCAL COMMUNITY GARDENING ORGANIZATION

"This site has provided us with access to ample community garden space that contributes to our existing network of affordable food distribution in nearby communities."



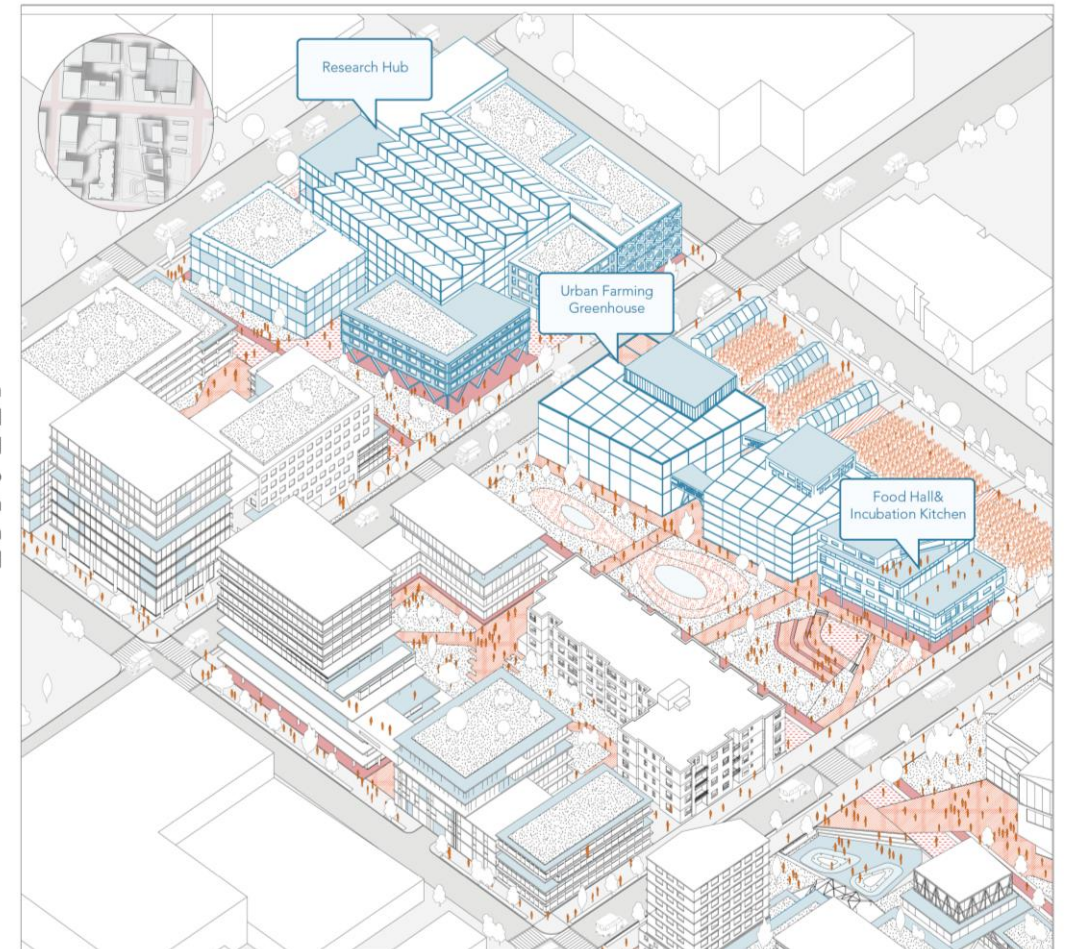
FOOD ENTREPRENEUR

"I've been renting out a kitchen here to build my business and test my recipes on the lunch and dinner crowds. I am grateful to be able to do what I love in a way I can afford, and learn from the incredible community of local chefs and entrepreneurs."



RESEARCHER

"This site has provided us with access to ample community garden space that contributes to our existing network of affordable food distribution in nearby communities."



Experiencing Fusion

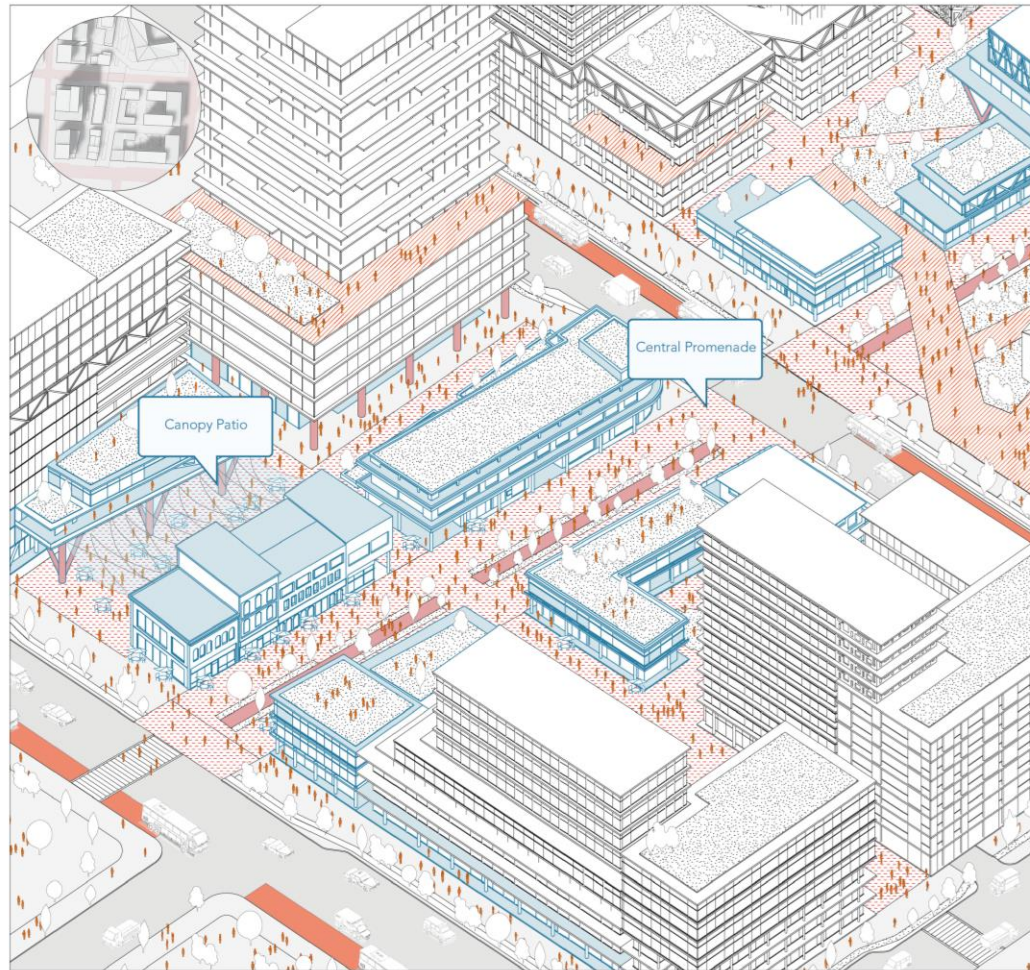
FUSION VISITOR



"Some of my favourite restaurants and bars are here - I'll usually come by to grab dinner or a drink with friends, before a concert at the T-Mobile Center, or before a night out in the Power and Light District."

GOVERNMENT EMPLOYEE

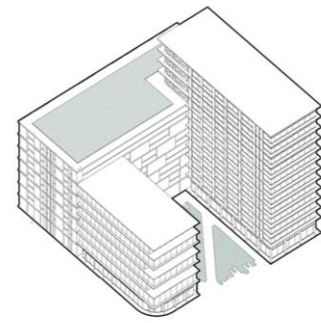
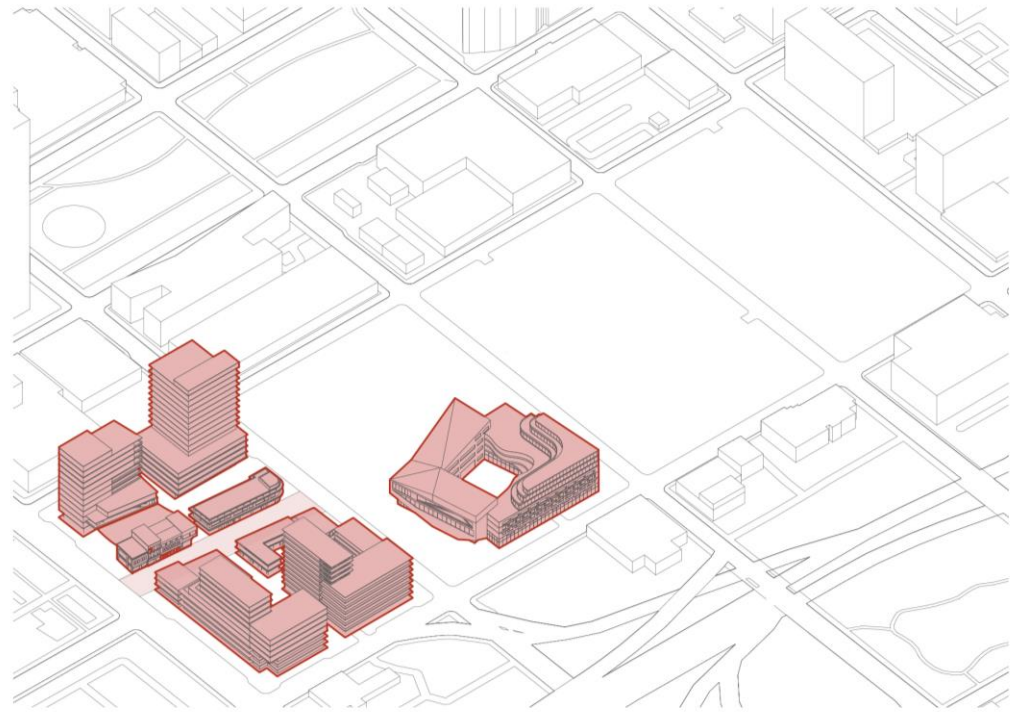
"My colleagues and I go for lunch here at least once a week. I really enjoy trying new foods from up-and-coming chefs. My favourite local coffee shop is here too - sometimes you can find me here for an afternoon coffee and stroll down the promenade."



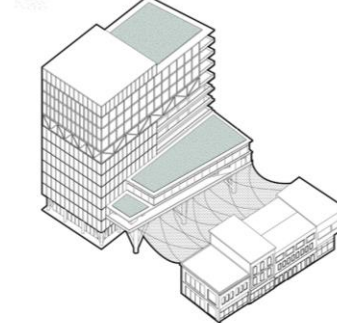
Water Feature Plaza surrounded by the community centre, public art, and residential buildings



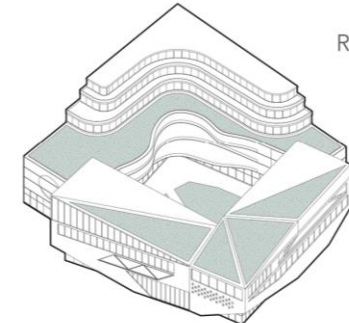
Phase I - Catalytic Start



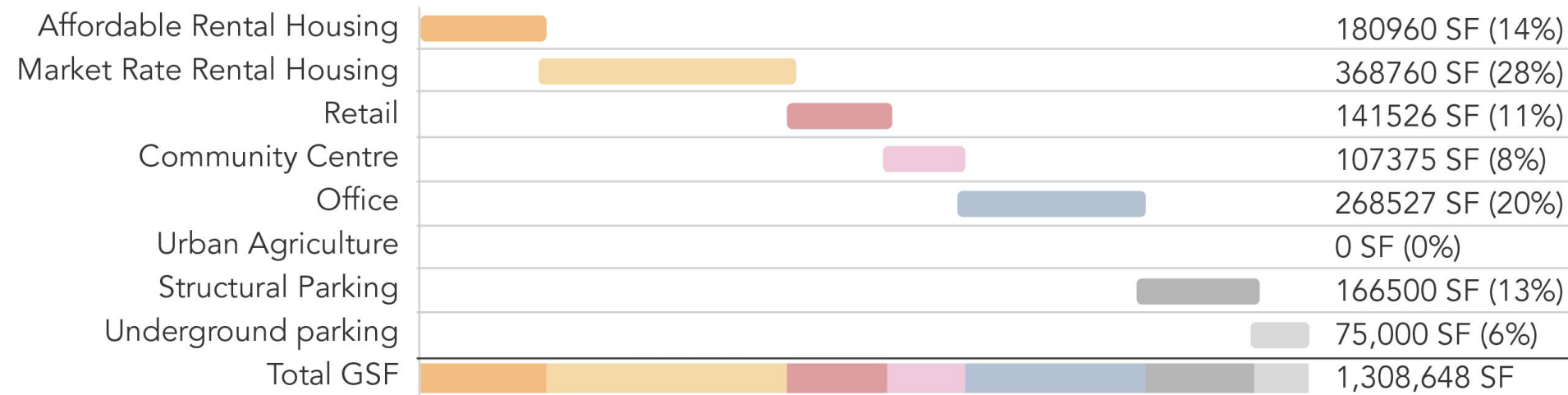
GFA:166410.06 SF
Roof Garden:5834.03 SF
Parking Spaces: 429



GFA:107639.10 SF
Roof Garden:6156.95 SF
Parking Spaces: 172

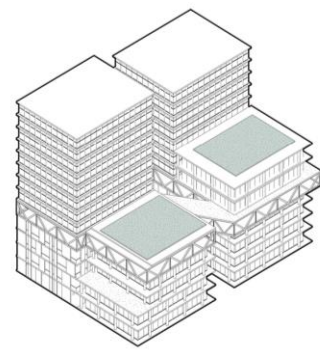
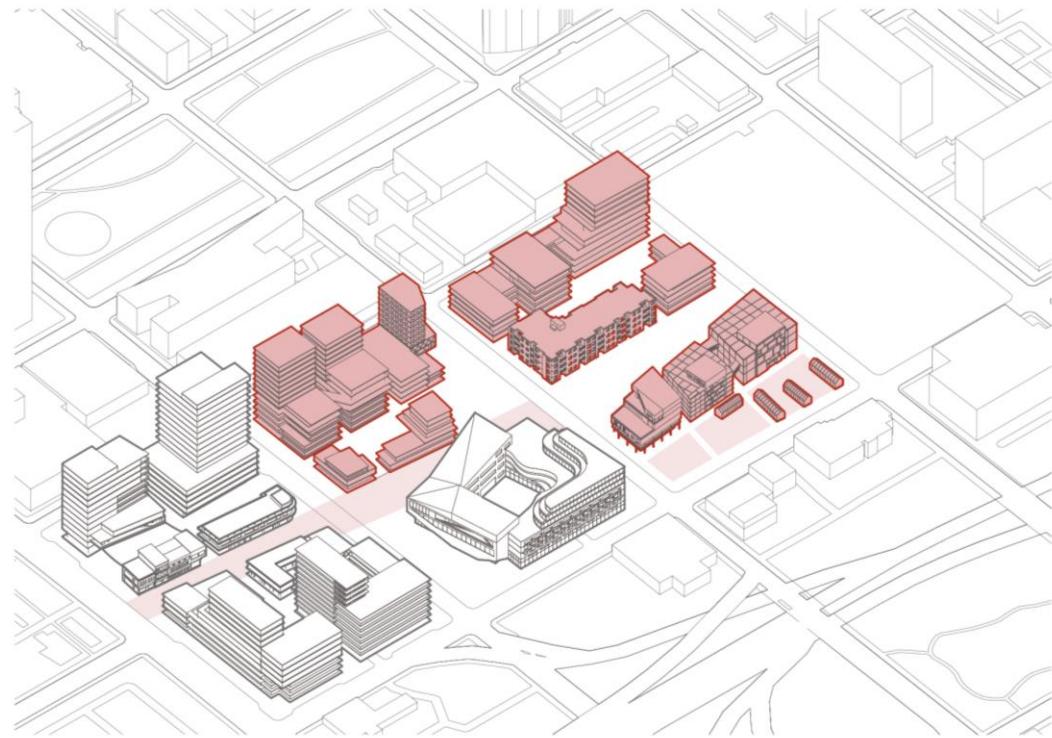


GFA:235352.90 SF
Roof Garden:17308.368 SF
Parking Spaces: 186

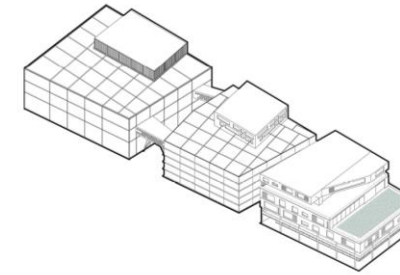


Total Development Costs	\$297,599,843
Unlevered IRR	10.2%
Levered IRR	20.7%
Equity Multiple	3.1x
Affordable Housing Units	187 (30%)

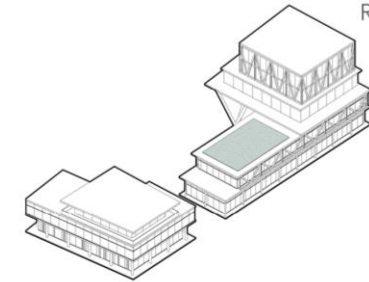
Phase II - Expanding to Urban Agriculture



GFA:198055.95 SF
Roof Garden:6286.12 SF
Parking Spaces: 248



GFA:140878.06 SF
Roof Garden:1571.53 SF

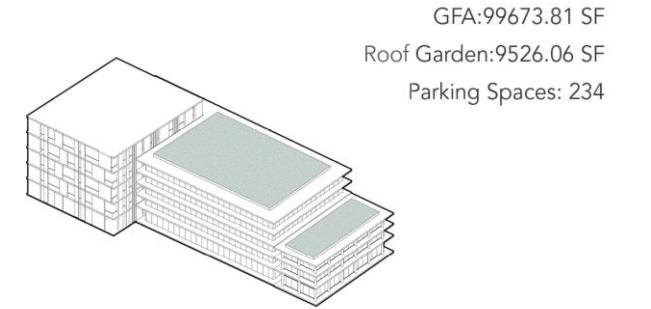
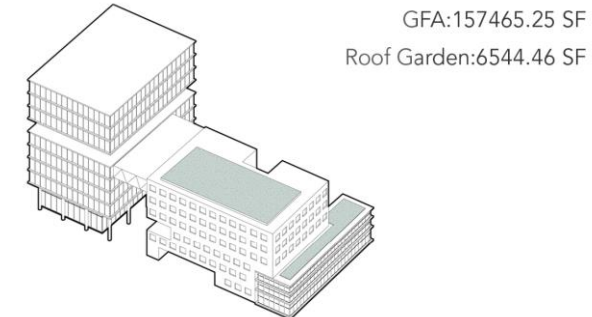
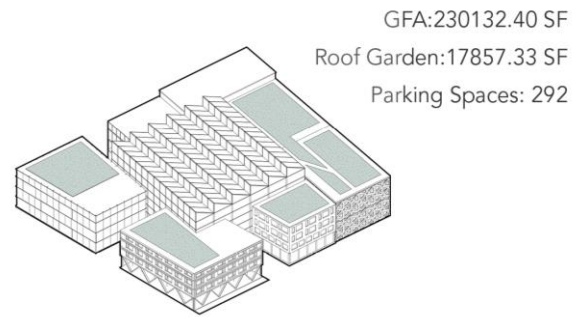
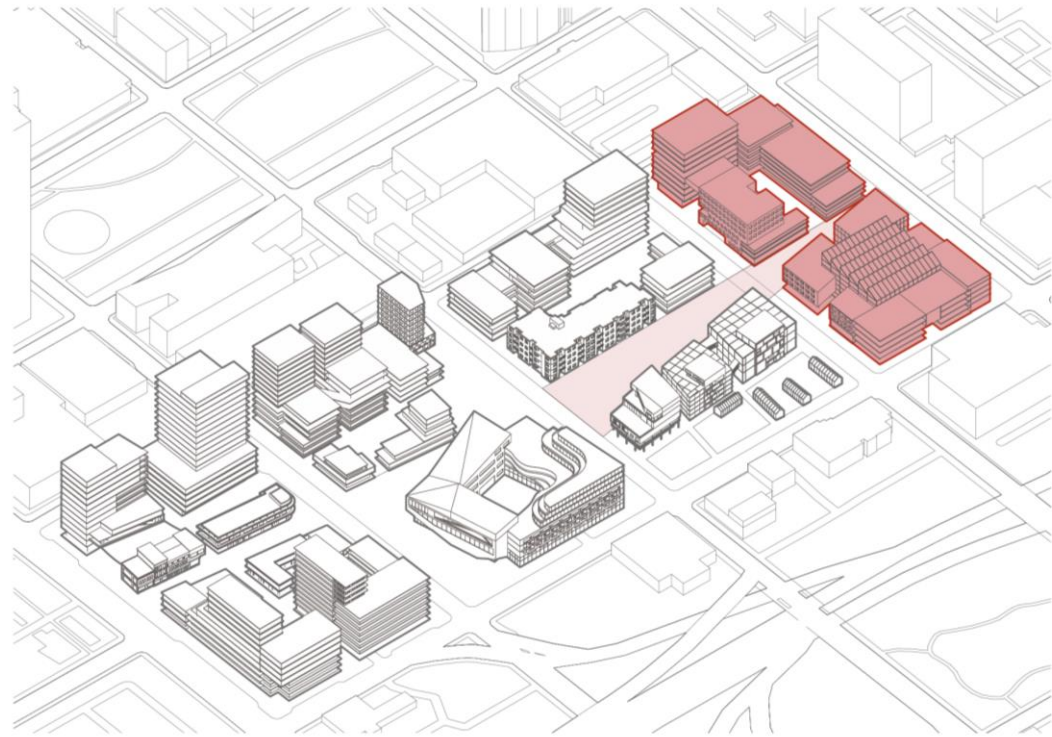


GFA:34444.51 SF
Roof Garden:1463.89 SF

Affordable Rental Housing		114480 SF (16%)
Market Rate Rental Housing		232740 SF (33%)
Retail		32210 SF (5%)
Community Centre		0 SF (0%)
Office		149586 SF (21%)
Urban Agriculture		41699 SF (6%)
Structural Parking		132000 SF (19%)
Underground parking		0 SF (0%)
Total GSF		702715 SF

Total Development Costs	\$184,475,279
Unlevered IRR	13.7%
Levered IRR	23.0%
Equity Multiple	3.0x
Affordable Housing Units	145 (31%)

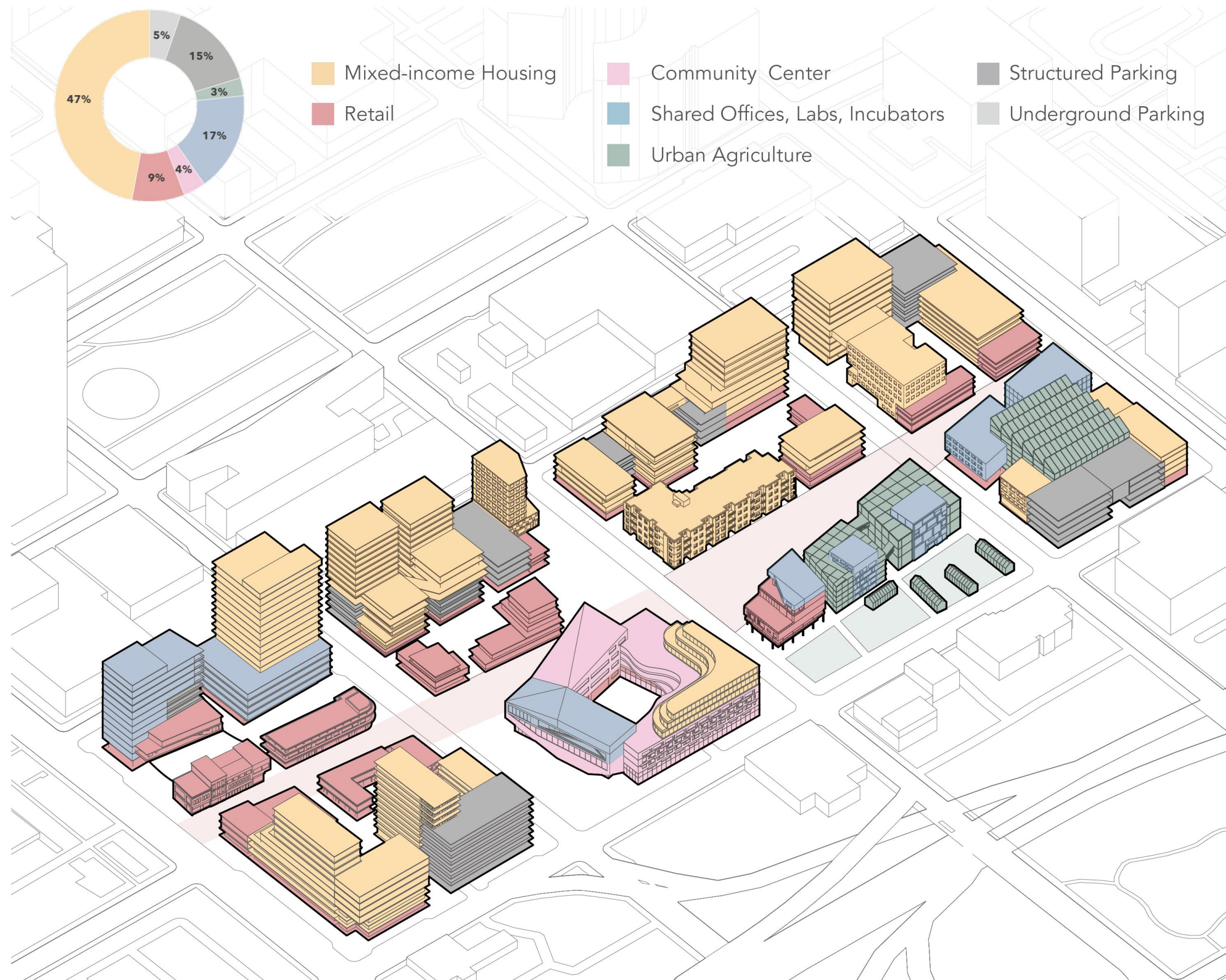
Phase III - Completing the Fusion



Affordable Rental Housing		139220 SF (17%)
Market Rate Rental Housing		287820 SF (36%)
Retail		79314 SF (10%)
Community Centre		0 SF (0%)
Office		56908 SF (7%)
Urban Agriculture		43217 SF (6%)
Structural Parking		124200 SF (15%)
Underground parking		75000 SF (9%)
Total GSF		805659 SF

Total Development Costs	\$173,672,245
Unlevered IRR	10.9%
Levered IRR	23.5%
Equity Multiple	1.8x
Affordable Housing Units	121 (30%)

Total Use Mix





Total Development Cost

\$655,747,367

Unlevered IRR

11.1%

Levered IRR

21.5%

Equity Multiple

2.7x