

**DEPARTMENT OF ECONOMIC DEVELOPMENT
SUMMARY FOR THE LEGISLATIVE FILE
ORDINANCE NO: _____**

Project Name: Pennrose Holding, LLC – Warner and Swasey I & II
Project Address: 5701 Carnegie Avenue, Cleveland, Ohio 44103
Developer: Pennrose Holding, LLC. and / or Designee
Project Manager: Ifeoma Ezepue
Ward/Councilperson: 5-Richard Starr
City Assistance: UDAG Forgivable Loan

Project Summary

The project is a public-private partnership co-sponsored by the developer, Pennrose Holding, LLC and/or its affiliates Warner and Swasey I, LLC & Warner and Swasey II, LLC. When completed, the project will create affordable housing units for seniors and families across four floors at the Historic Warner and Swasey Building. The housing development project will create approximately 112 units in a mix of Studio, 1-Bedroom, and 2- bedrooms on the upper floors. Designee Warner and Swasey I, LLC will create 56 units of Senior housing on floors two and three. Designee Warner and Swasey II, LLC will create 56 units of Family/General Occupancy housing on floors four and five.

Proposed City Assistance - UDAG Forgivable Loan

The request to Cleveland City Council is to authorize the Director of Economic Development to enter into the following loan agreement: Urban Development Action Grant Repayments forgivable loan in the amount totaling \$800,000 to support construction and renovation, predevelopment, soft costs, machinery and equipment, furniture and fixtures necessary to actualize the proposed renovation project.

Forgiveness:

The loan shall be forgiven if, after ten years, the developer meets the following conditions:

- Completion of the project and maintenance of 112 affordable housing units, along with the creation of at least 3 FTE jobs at the project site.

Economic Impact

- Creation of three (“3”) new full time W-2 jobs in the City of Cleveland.
- Renovation of previously vacant commercial building to bring it back to full productive reuse.
- Improving the low-income housing stock.

City Requirements

- Subject to Chapter 187: MBE/FBE/CSB requirements.
- Subject to Chapter 188: Fannie Lewis Cleveland Residential Employment Law.
- Subject to a Workforce Development Agreement for all new jobs.
- Subject to an expanded Community Benefits Agreement.