



— City of —

CLEVELAND

ECONOMIC DEVELOPMENT



PENNROSE HOLDING, LLC OR DESIGNEES
UDAG LEGISLATION ORDINANCE #1362-2025
NOVEMBER 10, 2025

Pennrose Holding LLC or Designees



Ordinance No. 1362-2025

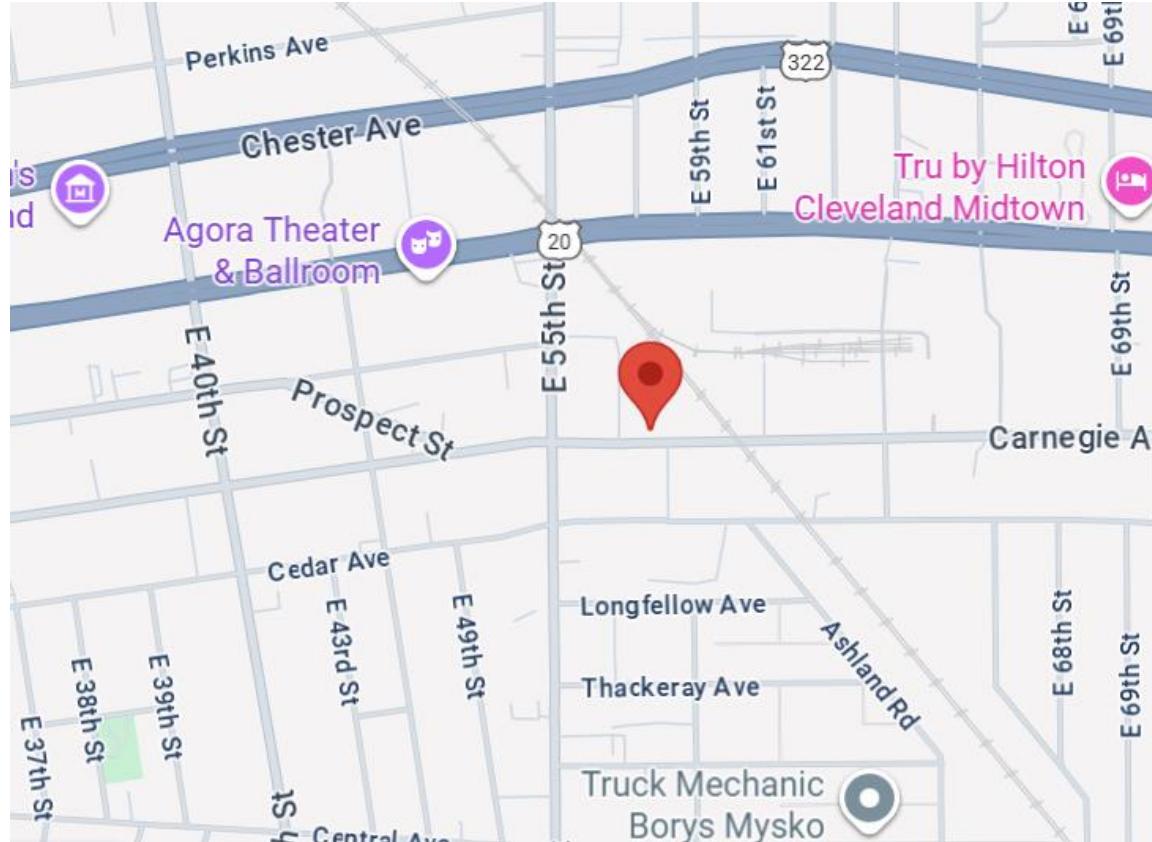
Borrower: Warner and Swasey I, LLC
& Warner and Swasey II, LLC

Project Site: 5701 Carnegie Avenue

Ward: 5 / Councilman Richard Starr

Neighborhood: MidTown

Pennrose Holding LLC or Designees



Proposed City Assistance:

Two UDAG forgivable loans totaling \$800,000 to designees

Use of Funds: construction, predevelopment & renovation costs

Job Commitment: 3 new jobs

Est. Total Project Costs: \$64,119,374

Pennrose Holding LLC or Designees

Developer Info and Background

Pennrose Holding, LLC and its affiliates began engaging with the City in 2018 to redevelop this property. In 2025, Pennrose affiliate – Warner and Swasey I QOZB, LLC purchased the property from the City and is requesting additional financing in the **total amount of \$800,000** for two forgivable Loans.

Physical Building Background

Located on Carnegie Avenue, originally built in 1905 and vacant since 1985, is set to be transformed into a vibrant mixed-income residential project. The redevelopment will create 112 affordable housing units for seniors and families across four floors. A future Phase will create 9.5K SF of commercial space on the first floor.

Big Picture Benefits

Increasing property tax valuations; activate vacant and distressed properties, increase foot traffic and commercial activities along Innovation District and MidTown; encouraging new investment.

Summary of Community Benefits

- **Minority, Female, and Small Business Participation:** Developer commits to supporting local and historically underserved business entities through construction and post-project hiring, with a planned spend of \$6,371,922 on MBE, \$2,973,564 on FBE, and \$3,398,358 on CSB participation.
- **Mentor-Protégé Program Participation:** Developer will identify 2 MBE/FBE firms to mentor on capacity-building to compete for and perform on large scale construction projects.
- **Workforce Utilization Goals:** Developer will aim to meet workforce goals, including 20% City of Cleveland residents and 4% low-income individuals employed during construction phase.
- **Job Skill Development Opportunities:** Developer will provide job skill development opportunities for Cleveland residents, aiming for at least four paid internships, and six apprenticeships for Cleveland residents.
- **Community Engagement:** Developer will meet with community stakeholders no less than 3 times to gain input on the development project.

Expanded Community Benefits Elements

- Host workforce collaborations, job fairs, contractor information and networking sessions.
- Unbundle contractor work into smaller bid packages suitable for MBEs, FBEs and CSBs.
- Incorporate LEED principles and sustainable practices into project design and construction.
- Neighborhood infrastructure and safety improvements: curbs, street paving sidewalks, multi-purpose and bicycle paths, traffic calming, parks, green space, landscaping, lighting, security cameras, public art, bike racks, signage and blight removal.
- Provide affordable housing units along with future planned market rate housing development.
- Use of Cleveland Public Power as the preferred electricity provider for the project.
- Enter into project labor agreement with one or more construction unions.