



— City of —

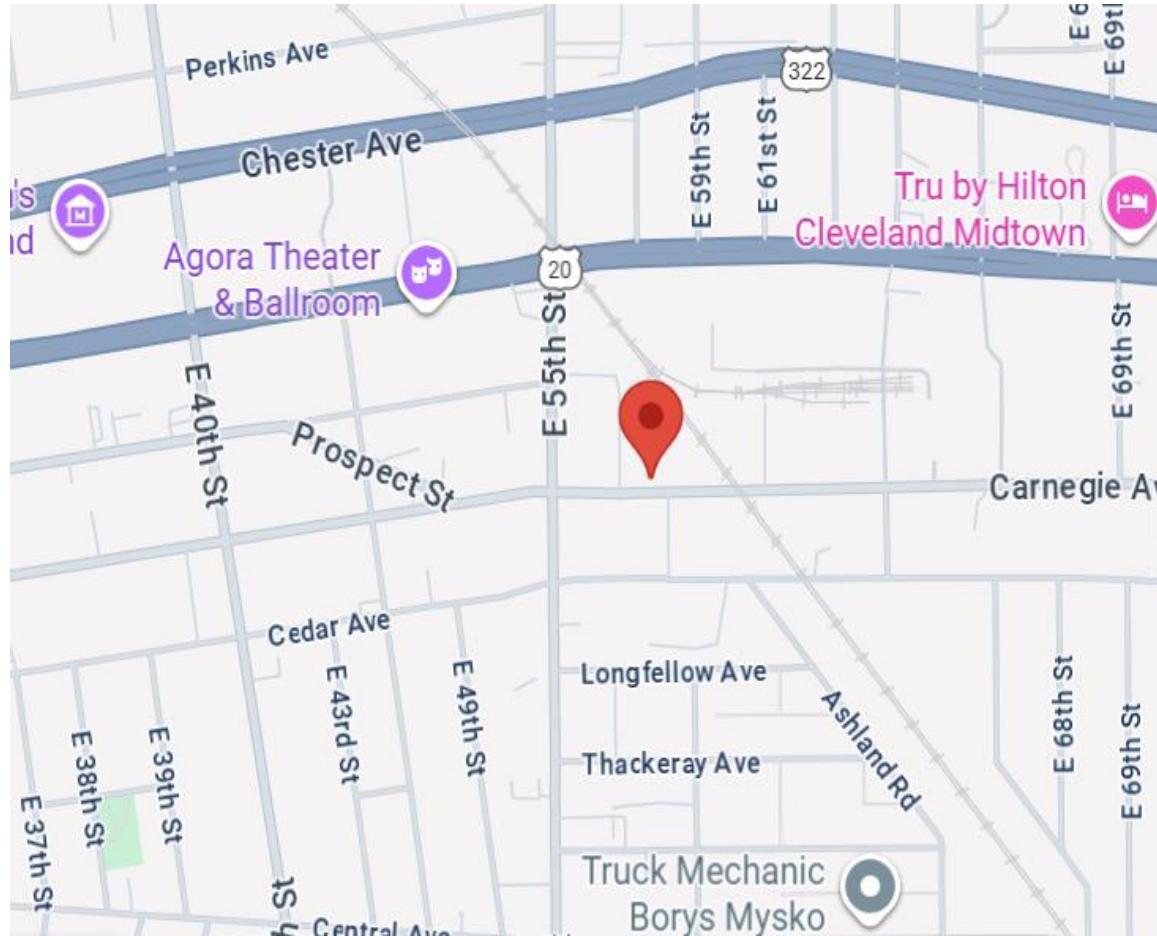
CLEVELAND

ECONOMIC DEVELOPMENT



PENNROSE HOLDING, LLC OR DESIGNEES
TIF LEGISLATION #1369-2025
NOVEMBER 10, 2025

Pennrose Holding LLC or Designees



Pennrose Holding LLC or Designees



Ordinance #: 1369 -2025

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

Project Site: 5701 Carnegie Avenue

Ward: 5 / Councilman Richard Starr

Neighborhood: MidTown

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

Pennrose Holding LLC or Designees

Developer Info and Background

Pennrose Holding, LLC began engaging with the City in 2018 to redevelop the property. In 2025, Pennrose affiliate – Warner and Swasey I QOZB, LLC purchased the property from the Industrial Commercial Land Bank (ICLB) at a purchase price of \$2,082,286 and is requesting the City amend the legislation (Ord# 738-2025) to allow the previously approved ICLB forgivable loan to be made out to several affiliates of Pennrose Holding, LLC.

Physical Building Background

The historic Warner and Swasey building 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 is planned that would create 9.5K sf of commercial space on 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.

Pennrose Holding LLC or Designees – TIF Details

Provides 100% non-school TIF over a 30-year period.

- Median annual TIF value to Developer in years 16-30: \$328,351
- Estimated value of 30-year TIF at \$4,925,268
- CMSD to benefit from \$7,967,970 in total new income over the course of the TIF.
- Creation of 3 jobs providing approximately \$4,252.65 in new annual income tax.

ESTIMATED NET INCREASE OF ~~+\$8,095,549.50~~ IN TAX REVENUE AND PAYMENTS IN LIEU OF TAXES TO CMSD OVER 30 YEARS.

Summary of Community Benefits

- **Minority, Female, and Small Business Participation:** The 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:** The 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:** The Developer will aim to meet workforce goals, including 20% City of Cleveland residents and 4% low-income individuals employed during the construction phase.
- **Job Skill Development Opportunities:** The 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:** The 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's design and construction.
- Provide neighborhood infrastructure and safety improvements including 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.
- **Community Engagement:** The Developer will meet with community stakeholders no less than 3 times to gain input on the development project.
- 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.