

Lorain Avenue Affordable Housing Development: Option Agreement Legislation

Ordinance No. 28-2026

Council Committee: Development, Planning & Sustainability | February 2026



Site Information

Former McCafferty Health Center

4242 Lorain Avenue | Ohio City | Ward 3

Approx. 1.3 Acres | Historic Ohio City Design Review Region



Request for Qualifications Scope

Affordable Housing & Ground Floor Social Service Uses

- **AFFORDABLE HOUSING.** A non-negotiable use of this site will be affordable housing. This growing need in the Ohio City neighborhood has been articulated through the Councilman’s vision, [Ohio City’s Strategic Plan](#) and the Cleveland 2030 Equity Housing Plan. Team(s) will be responsible for reviewing these plans to guide their vision for the site.
- **NON-PROFIT/SOCIAL SERVICE SPACE.** Team(s) must designate ground floor space for nonprofit or social services that support neighborhood residents. Services offered should prioritize low-income individuals and families.
- **PUBLIC AMENITY SPACE.** Team(s) will be responsible for designing, constructing and maintaining an amenity space that provides opportunities for the public to gather. The amenity space should be collaboratively designed with input from residents.
- **ENGAGEMENT & COMMUNITY COLLABORATION.** Team(s) must address community priorities articulated through the Community Values Survey and additional, past engagement completed by Ohio City Inc. and Councilman McCormack. Teams will be responsible for developing and delivering a comprehensive community and stakeholder engagement process throughout the design and development phases to inform the final proposed project(s).
- **CSB/MBE/FBE PARTICIPATION.** The City of Cleveland is firmly committed to assisting Minority Business Enterprises (MBEs), Female Business Enterprises (FBEs), and Cleveland-area Small Businesses (CSBs) by providing and enhancing economic opportunities in City contracts. The successful Team(s) for this RFQ will share that commitment.
- **Development Teams will be required to enter into a Community Benefits Agreement. Other City Design Requirements & Regulations Apply.**

RFQ Schedule:

RFQ Released:
August 29, 2024

Virtual Information Session:
September 6, 2024 | 1 PM
(RSVP [Here](#))

Questions Due:
September 11, 2024

RFQ Submissions Due:
October 1, 2024

Short List Notifications:
October 16, 2024

Final Selection:
November 1, 2024

CONTACT
AssetsDevelopment@clevelandohio.gov

REQUEST FOR QUALIFICATIONS

Lorain Avenue Affordable Housing Redevelopment Opportunity

1.3 Acres of Land Available for Redevelopment
4242 Lorain Avenue
Cleveland, Ohio 44113

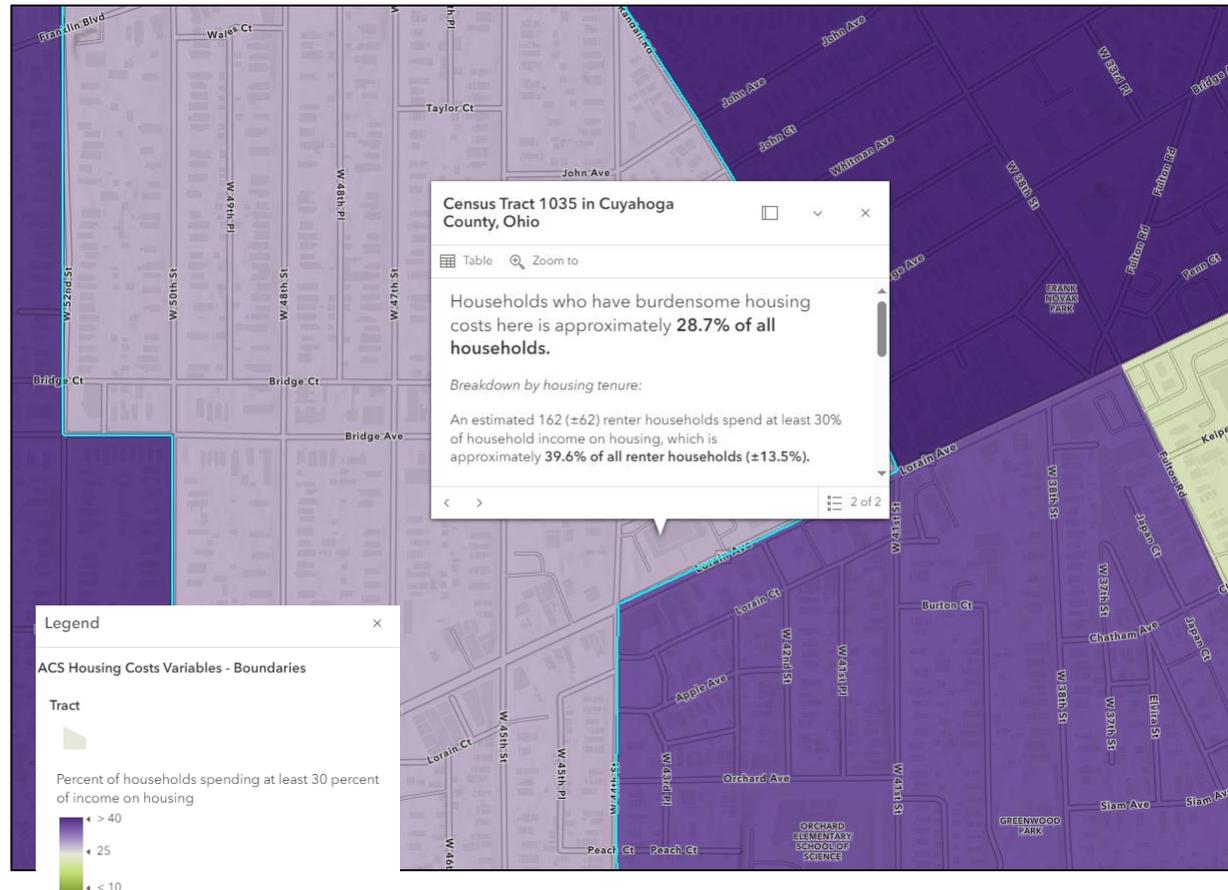


FOR RELEASE August 29, 2024



The Need for Affordable Housing

Recognizing Housing Cost Burden



Community Values Survey + Ohio City, Inc. Partnership

Content

- Community Values
- Gaps in Services & Amenities
- Values --> Investment
- Barriers to Accessing Affordable Housing
- Important Amenities in Affordable Housing
- Who Needs Affordable Housing?
- Amenities that Encourage Safety
- Inclusivity & Community Health
- Demographics

Distribution

- [Co.Urbanize](#)
- Flyers & Postcards
 - Lorain Avenue Businesses
 - Spanish American Committee
 - May Dugan
 - West Side Catholic Center
 - Young Latino Network



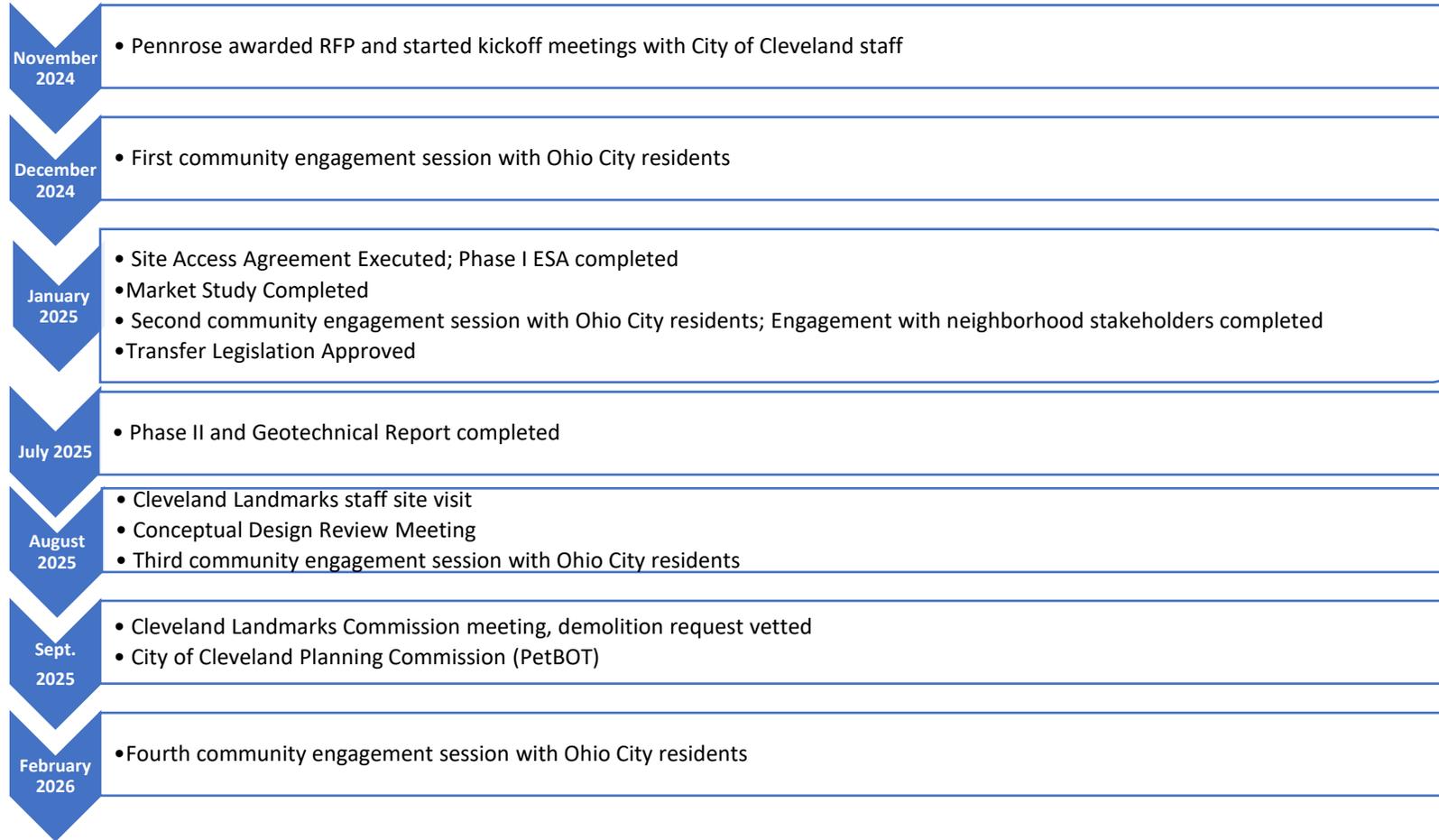
Awarded RFP Proposal

Lorain Avenue Affordable Housing Development

- Development Team
 - Pennrose, LLC: Lead Developer, Co-Owner
 - Ohio City Incorporated (OCI): Co-Developer, Co-Owner
- Pursuing Low-Income Housing Tax Credits (LIHTC) funding through OHFA's 9% Tax Credit Program
- 62 to 72-unit building with rents between 30% - 70% AMI, Mixed-Use Development with ground floor office space for non-profit use
- Emphasis on environmental sustainability to reduce utility costs, TOD, programmed community spaces
- Design Team: City Architecture, John G. Johnson Construction, Innova Services Co.
- Managed By: Pennrose Management Company
- Transfer Legislation required for OHFA's 9% LIHTC Application
- Project will go before Landmarks for all Design Review approvals



Lorain Avenue Redevelopment – Project Milestones



Anticipated Project Timeline and Milestones:

- November 2025: Project Awarded \$1.08MM in FHLB funding
- February 2026:
 - Secure Site Control
 - Submit 9% LIHTC Application to Ohio Housing Finance Agency (OHFA)
- May 2026: OHFA Announces 9% Awards
- June 2026- March 2027:
 - Design moves from Conceptual to Schematic, seek approvals
 - Additional Financing Secured/Equity LOI Executed
 - Additional Engagement Occurs
 - Construction Plans Completed
 - Building Permit Submission/Approval
- April 2027: Financial Closing & Site Transfer or Ground Lease
- September 2028: Construction Complete, Certificate of Occupancy Issued
- March 2029: 100% Occupied



Legislation to enter into Option Agreement for City-Owned Site at 4242 Lorain Avenue for the Purposes of Funding Applications to Develop Affordable Housing

