



City of Cleveland
Justin M. Bibb, Mayor

Department of Economic Development
Joevrose Bourdeau Small, Director
601 Lakeside Avenue, Room 210
Cleveland, Ohio 44114-1070
(216) 664-2406

October 30, 2025

The Honorable Blaine A. Griffin
President – Cleveland City Council
601 Lakeside Avenue, Room 216
Cleveland, OH 44114

RE: Legislation for Introduction & Passage – November 17, 2025 Regarding Warner & Swasey Project

Dear Council President Griffin:

I am writing to request your support for **introduction and passage** under suspension of legislation described below at the **City Council Meeting scheduled for Monday, November 17, 2025** for the following legislation:

Amending Ordinance No. 738-2025 to authorize the Director of Economic Development to enter into forgivable or non-forgivable loan agreements with Pennrose Holdings, LLC, or its designee to provide assistance to partially finance the redevelopment of The Warner and Swasey Building and other associated costs necessary to redevelop the property at 5701 Carnegie Avenue, Cleveland, Ohio 44103..

On June 2, 2025, City Council passed Ordinance No. 738-2025, authorizing the Director of Economic Development to (a) sell City-owned property at 5701 Carnegie Ave (the historic Warner and Swasey building) to Pennrose Holding, LLC, or its designee (“Pennrose”), for purpose of affordable housing and commercial development (title transferred on October 9) and (b) enter into “a forgivable or non-forgivable loan agreement” with Pennrose, funded out of sale proceeds, to partially finance project costs. As worded, Ordinance No. 738-2025 authorized the Director to enter into “***a*** forgiveable or non forgiveable loan agreement” with Pennrose or its designed, anticipating that the City would make a single loan to Pennrose.

Recently, for project finance purposes, Pennrose created two separate entities that would each develop a portion of the project. Accordingly, Pennrose has asked that the City enter loan agreements with each of the two companies for their portion of the project. The City would split the sale proceeds into two separate loans to facilitate financing and to differentiate the two components of the development. Thus, the City is requesting to amend Ordinance No. 738-2025, to authorize the Director to enter multiple loan agreements with Pennrose designees. Other than the minor amendment requested, the ordinance that Council discussed and vetted in June is unchanged.

This legislation will benefit the City of Cleveland by enabling Pennrose to close project financing and begin site work on this long-planned, important project to repurpose a long-vacant historic building in Midtown. This mixed-use development will bring badly needed affordable housing and jobs to the City’s east side. Pennrose has secured more than twenty other funding sources, many of which will not be

available in 2026. **The timing of this legislation is critical because Pennrose needs to close ALL project funding by December 15 to secure certain time-sensitive funding sources.** If Council doesn't pass this legislation at the November 17 meeting, we would have difficulty preparing and negotiating loan documents and be ready to close on December 15. Thus, the timing of this legislation is critical to Pennrose's ability to proceed with redeveloping this historic structure to offer low-income housing to Cleveland residents.

I appreciate your support and understanding of our interest in moving this project forward in earnest. If you have any questions, please contact me at (216) 664-2204.

Sincerely,



Joevrose Bourdeau Small, Director
Department of Economic Development

Copy to: All Members of Council
Patricia J. Britt, City Clerk, Clerk of Council
Ryan M. Puente, Chief of Government Affairs



REQUEST FOR APPOINTMENT OF ACTING CHIEF/DIRECTOR

Date: 10/07/25

To: Thomas McNair

From: Joevrose Bourdeau Small

Department/Division: Acting Director of Economic Development

Requested Appointee: David Lukas

Contact Numbers:

Office: 216-664-36-44

Mobile: _____

Personal Cell: _____

Reason:

☒ Vacation

☐ Leave of Absence

☐ Sick

☐ Board of Control Designee

☐ Other: _____

Effective Dates(s): 10/24/25-10/31/25

Additional Comments: _____

Recommended for Approval: *[Signature]*

Date: 10/07/25

Approved ☒

Disapproved ☐

Authorized by: *[Signature]*

Date: 10/07/25

Appointing Authority