

**DEPARTMENT OF ECONOMIC DEVELOPMENT
SUMMARY FOR THE LEGISLATIVE FILE
ORDINANCE NO: 1369-2025**

Project Name: Pennrose Holding, LLC – Warner & 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: Non-School TIF

Project Summary and Discussion

Pennrose Holding, LLC or its designee will create affordable housing units for seniors and families across four floors at the Historic Warner and Swasey I, LLC and Warner and Swasey II, LLC Building. The housing development project will create approximately 112 units in a mix of Studio, 1-Bedroom, and 2- bedrooms on the upper floors. Warner and Swasey I, LLC will create 56 units of Senior housing on floors two and three. Warner and Swasey II, LLC will create 56 units of Family/General Occupancy housing on floors four and five.

Proposed City Assistance

- This ordinance will authorize the Director of Economic Development to enter into a 30-year non-school Tax Increment Finance (TIF) agreement with Pennrose Holding, LLC and/or its designee. The City will have declared certain improvements with respect to the project to be a public purpose and exempt 100% of the improvements from real property taxes.
- The Developer agrees to make certain improvements to the parcel and make payments in lieu of taxes (PILOTs) equal to the taxes that would have been paid for the parcel but for the TIF. A portion of the PILOTs will be paid to the Cleveland Metropolitan School District in the amount the District would have otherwise received but for the TIF by the County ("District Payments"). The balance of the PILOTs will be utilized to fund eligible project costs and project debt. The developer will be responsible for any shortfall of PILOT payments for project costs.
- The TIF will become effective on the residential portion after the expiration of the 15-year, 100% tax abatement.

Economic Impact

- Creation of three ("3") 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.