

Cedar Redevelopment Phase III

2017 Low Income Housing Tax Credit Proposal

City: Cleveland
County: Cuyahoga



Project Narrative

The third phase of the Cedar Redevelopment plan will consist of 50 affordable town home units that will serve low income families. This phase builds on the strength of the newly constructed 50-unit mixed-income townhome development of phase II and phase I which will be completed by late February 2017 which will provide 60 additional mixed-income units. The newly constructed apartment building will contain 5,000 square feet of retail space of which 2,800 s.f. will be leased to a local credit union. Upon reviewing site elevations you will note that the third phase will provide infill housing along the west side of the newly constructed E. 28th street, and continue with frontage on Community College Avenue and Central. The City's infrastructure investment for the first two phases of the project has afforded the developer the opportunity to create a community with more defensible space, improved visitability, and better linkages for pedestrian and automotive traffic.

The Cedar neighborhood's close proximity to Downtown Cleveland, educational institutions and healthcare facilities provide considerable access for its residents to seek employment and educational opportunities. In an effort to support the Central Promise Initiative "Cradle-to-College-to Career" the Pennrose Management Company has partnered with supportive service provider Beechbrook to better serve the range of needs from early childhood education to higher learning and job training.

The estimated cost of the third phase is \$15.9M of which the project is requesting approximately \$9M in LIHTC equity, \$3.9M in a 1st Mortgage Loan, and \$2.1M in gap financing.

Cedar Phase III has been designed to complement the neighborhood and comply with the Department of Community Development's Design Review Guidelines to the greatest extent possible. The third phase will be similar to the second phase, which was built in 2016 and has previously received the department's approval.

Project Information	
Pool:	New Unit Production (Family)
Construction Type:	New Construction
Population:	Family
Building Type:	Multifamily
Address:	Community College Ave & E. 28th St
City, State Zip:	Cleveland, Ohio 44115
Census Tract:	1093.01

Development Team	
Developer:	Ralph A Falbo
Phone:	(412) 355-0300
Street Address:	429 Fourth Avenue, Suite 2010
City, State, Zip:	Pittsburgh, PA 15233
General Contractor:	Mistick Construction
Management Co:	Mistick Construction
Syndicator:	0
Architect:	City Architecture

Ownership Information	
Ownership Entity:	Cedar Redevelopment Phase III, LP
Majority Member:	Cedar Redevelopment Phase III, LP
<i>Parent Organization</i>	Pennrose GP, LLC

Wage Rate Information	
Are Davis-Bacon Wage rates required?	Yes
Are State Prevailing Wage rates required?	Yes
Are other prevailing wage rates required?	No



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Minority Member: Ralph A Falbo, Inc

If "Other", please describe:



Parent Organization: **Ralph A Falbo, Inc**
 510 E. Main Street Columbus OH 43215 | Phone 614.466.7970 | Toll Free 888.362 6432 | www.ohiohome.org
 Syndicator/Investor: **0**
 Non-Profit: **Cedar Redevelopment, LLC**

Units	Bedrooms	Bathrooms	Square Footage	Affordable to what AMGI?	Occupied by what AMGI?	Tenant-Paid Rent	Tenant Paid Utilities	Rental Subsidy	Rent to Project	Monthly Rental Income	Maximum Gross Rent
2	1	1	651	30%	30%	\$ 294	\$ 81	\$ 467	\$ 761	\$ 1,522	\$ 375
1	2	1.5	1,349	30%	30%	\$ 352	\$ 98	\$ 567	\$ 919	\$ 919	\$ 450
2	2	1	1,008	30%	30%	\$ 352	\$ 98	\$ 567	\$ 919	\$ 1,838	\$ 450
0	3	1	1,278	30%	30%	\$ 403	\$ 117	\$ 497	\$ 900	\$ -	\$ 520
2	1	1	651	50%	50%	\$ 544	\$ 81	\$ 217	\$ 761	\$ 1,522	\$ 625
3	2	1.5	1,349	50%	50%	\$ 652	\$ 98	\$ 267	\$ 919	\$ 2,757	\$ 750
1	2	1	1,008	50%	50%	\$ 652	\$ 98	\$ 267	\$ 919	\$ 919	\$ 750
11	2	1.5	1,044	50%	50%	\$ 652	\$ 98	\$ 267	\$ 919	\$ 10,109	\$ 750
3	3	1.5	1,308	50%	50%	\$ 749	\$ 117	\$ 428	\$ 1,177	\$ 3,531	\$ 866
2	1	1	651	60%	60%	\$ 669	\$ 81	\$ 173	\$ 842	\$ 1,684	\$ 750
2	2	1.5	1,349	60%	60%	\$ 802	\$ 98	\$ 117	\$ 919	\$ 1,838	\$ 900
2	2	1	1,007	60%	60%	\$ 802	\$ 98	\$ 117	\$ 919	\$ 1,838	\$ 900
9	2	1.5	1,044	60%	60%	\$ 802	\$ 98	\$ 117	\$ 919	\$ 8,271	\$ 900
4	3	1.5	1,308	60%	60%	\$ 922	\$ 117	\$ 345	\$ 1,267	\$ 5,068	\$ 1,039
1	4	2.5	1,638	60%	60%	\$ 1,025	\$ 134	\$ 359	\$ 1,384	\$ 1,384	\$ 1,159
1	1	1	651	30%	30%	\$ 294	\$ 81	\$ 467	\$ 761	\$ 761	\$ 375
2	2	1.5	1,349	30%	30%	\$ 352	\$ 98	\$ 567	\$ 919	\$ 1,838	\$ 450
2	3	1.5	1,278	30%	30%	\$ 403	\$ 117	\$ 774	\$ 1,177	\$ 2,354	\$ 520
0	0	0	0				\$ -	\$ -	\$ -	\$ -	\$ -
0	0	0	0				\$ -	\$ -	\$ -	\$ -	\$ -
50										\$ 48,153	

Financing Sources	
Construction Financing	
Construction Loan:	\$ -
Tax Credit Equity:	\$ -
Historic tax Credits:	\$ -
Deferred Developer Fee:	\$ -
HDAP:	\$ -
Other Sources:	\$ -
Total Const. Financing:	\$ -
Permanent Financing	
Permanent Mortgages:	\$ 3,382,000
Tax Credit Equity:	\$ 9,900,000
Historic tax Credits:	\$ -
Deferred Developer Fee:	\$ -
HDAP:	\$ -
Other Soft Debt:	\$ 808,859
Other Financing:	\$ -
Total Perm. Financing:	\$ 14,090,859

Housing Credit Request		
Net Credit Request:		1,100,000
10 YR Total:		11,000,000
Development Budget	Total	Per Unit:
Acquisition:	\$ 275,000	\$ 5,500
Predevelopment:	\$ 787,500	\$ 15,750
Site Development:	\$ -	\$ -
Hard Construction:	\$ 9,937,509	\$ 198,750
Interim Costs/Finance:	\$ 350,600	\$ 7,012
Professional Fees:	\$ 2,091,500	\$ 41,830
Compliance Costs:	\$ 114,000	\$ 2,280
Reserves:	\$ 534,750	\$ 10,695
Total Project Costs:	\$ 14,090,859	\$ 281,817
Operating Expenses	Total	Per Unit
Annual Op. Expenses	\$ 312,916	\$ 6,258