

31. Proposal Summary (.PDF Format)

Please find the completed proposal summary for the Lorain Avenue Redevelopment Senior project attached.

Please note that the Application Summary page contains an error and does not reflect the Competitive Scoring Summary. Please refer instead to the Lorain Avenue Senior Competitive Scoring Summary (AHFA tab), along with the corresponding backup documentation included in the competitive supportive documentation submission.

Competitive Scoring Summary

New Affordability - Senior Scoring Summary				
Scoring Criterion	Maximum Score	Self Score	OHFA Score	Variance
Neighborhood Opportunity Senior Index	40.00	34.25	0.00	34.25
Housing Needs Index	35.00	21.03	0.00	21.03
Annual LIHTC Request per LIHTC Unit	25.00	25.00	0.00	25.00
Total Score	100.00	80.28	0.00	80.28

Tiebreakers	Auto Calculated	OHFA Determined
Number of LIHTC Awards in Past 3 Program Years	1	0
Highest number of LIHTC Units	72	0
Highest Neighborhood Change Index Raw Score	65.94	0.00
Highest Housing Needs Index Raw Score	60.10	0.00
Highest Neighborhood Opportunity Senior Raw Score	85.63	0.00
Higher Percent of ELI (<30% AMI) Units	11.1%	0.0%
OHFA Discretion		0

Please let us know if any additional clarification or materials are needed.

Proposal Summary

2026 9% LIHTC AHFA Proposal Application

Affordable Housing Funding Application (AHFA)

Project Name: Lorain Avenue Redevelopment Senior

Basic Project Information

Project Name:	Lorain Avenue Redevelopment Senior
OHFA Project Number:	TBD
LIHTC Type:	9%
Project Address:	4242 Lorain Avenue
Project City or Township:	Cleveland
Project County:	Cuyahoga
Construction Type:	New Construction
Age Restriction:	Senior 55+
Funding Pool:	New Affordability - Seniors
State Region:	Northeast
Lead Developer:	Pennrose LLC
Total Number of Units:	72
Total Number of Buildings:	1

Project Rendering



OHFA Resource Request Requiring Board Approval

	Amount	Approval Date
Housing Development Loan:	\$1,750,000	

Project Narrative

The Lorain Avenue Redevelopment is a 72-unit affordable senior housing community being developed on the former Thomas F. McCafferty Health Center site in Ohio City. The project is a partnership between Pennrose LLC and Ohio City Incorporated and will provide housing for seniors earning between 30% and 70% of the Area Median Income (AMI). The building will offer studio and one-bedroom units, with on-site amenities including a fitness center, community room, laundry facilities, and professional property management. The project will also include ground-floor nonprofit space, which will serve as the new permanent office for OCL, strengthening community engagement and resident support services.

Set Asides Sought

Set Aside Type	Potentially Eligible?	Sought by Applicant?
Community Housing Development Organization:	No	No
QCT with Concerted Community Revitalization Plan:	No	No
Community Impact Strategic Initiative:	Yes	Yes
Continuum of Care Referral Partnership:	Ineligible Pool	Ineligible Pool
Non-Continuum of Care Referral Partnership:	Ineligible Pool	Ineligible Pool
Balance of State or Small Continuum of Care:	Ineligible Pool	Ineligible Pool

Competitive Scoring: New Affordability - Seniors Pool

Competitive Criterion	Maximum Score	Auto-Calculated Score	Applicant Self-Score
Opportunity Senior Index	40		
Housing Needs Index:	35		
LIHTC Request per LIHTC Unit:	25		
Total:	100	0.0	0.0

 Tiebreaker #1: LIHTC Awards in Census Tract over Past Three Years:

Development and Operations Team

Lead Developer	Pennrose LLC
Co-Developer #1	Ohio City Incorporated
Co-Developer #2	N/A
Development Consultant	N/A
LIHTC Syndicator/Investor	OCCH
OLIHTC Syndicator/Investor	N/A
GP/MM #1 Parent Entity	Pennrose
GP/MM #2 Parent Entity	Ohio City Inc.
GP/MM #3 Parent Entity	N/A
General Contractor	John G. Johnson
Architect of Record	City Architecture
Property Management Firm	Pennrose Management Company
Supportive Services Provider	Pennrose Management Company

Site Information

Site Size (Acres)	1.3 acres
Scattered Sites?	No
Total Number of Buildings	1
Total Number of Elevator-Serviced Buildings	1
Total Parking Spaces	43
Parking Ratio (Parking Spaces per Unit)	0.6
Metropolitan or Rural?	Metropolitan
Located in a Participating Jurisdiction (PJ)?	Yes
Located in a Qualified Census Tract (QCT)?	No
Located in a Difficult Development Area (DDA)?	No
Neighborhood Opportunity Senior Index	85.63
Housing Needs Index	60.10
Neighborhood Change Index	65.94

Residential Units by Income Restrictions

Income Restriction	Number of Units	Percent of Total Units
20% AMI		
30% AMI	8	11%
40% AMI		
50% AMI	32	44%
60% AMI	19	26%
70% AMI	13	18%
80% AMI		
Unrestricted Manager's		
Total Units	72	100%

Residential Units by Bedroom Type and Rental Subsidy

Bedroom Type	Number of Units	Percent of Total Units	Units with Rental Subsidy	Percent of Total Units Subsidized
Studio	10	14%	0	0%
1-BR	62	86%	40	65%
2-BR				
3-BR				
4-BR				
5-BR				
Total Units	72	100%	40	56%

Consolidated Annual Operating Budget

Operating Line Item	Annual Amount	Annual Per Unit Amount
Potential Gross Rental Income and Fee Income	\$1,206,870	\$16,762
Potential Gross Commercial Income	\$0	\$0
Potential Gross Service Income	\$0	\$0
Vacancy Allowance (Blended) 7%	(\$84,481)	(\$1,173)
Effective Gross Income (EGI)	\$1,122,389	\$15,589
(Administrative Expenses)	(\$144,179)	(\$2,002)
(Property Management Fee)	(\$81,478)	(\$1,132)
(Owner-Paid Utility Expenses)	(\$107,499)	(\$1,493)
(Maintenance Expenses)	(\$151,298)	(\$2,101)
(Net Real Estate Taxes)	\$0	\$0
(Property and Liability Insurance)	(\$95,000)	(\$1,319)
(Other Insurance and Tax Expenses)	(\$42,653)	(\$592)
(Ongoing Reserve Contributions)	(\$62,866)	(\$873)
Operating Subsidy	\$0	\$0
(Total Operating Expenses)	(\$684,973)	(\$9,514)
Net Operating Income (EGI - Operating Expenses)	\$437,416	\$6,075

Development Budget, Eligible Basis, and Cost Containment Standards

Development Costs	Amount	Per Unit Amount	LIHTC Eligible Basis
Acquisition	\$10	\$0	\$0
Predevelopment	\$1,340,732	\$18,621	\$1,340,732
Site Development	\$1,019,268	\$14,157	\$535,417
Hard Construction	\$18,681,888	\$259,471	\$17,824,905
Financing	\$2,073,373	\$28,797	\$1,137,229
Professional Fees	\$559,128	\$7,766	\$166,624
Developer Fee	\$3,000,000	\$41,667	\$3,000,000
OHFA and Other Fees	\$316,200	\$4,392	\$0
Capitalized Reserves	\$641,797	\$8,914	\$0
Total Development Costs (TDC)	\$27,632,396	\$383,783	\$24,004,907
LIHTC Eligible Basis as a Percent of Total Development Costs			87%

Cost Containment Standards	Project	Maximum	Variance
TDC per Unit	\$383,783	\$382,909	0%
TDC per Gross Square Foot	\$388	\$388	0%

LIHTC Calculation

	Acquisition	Rehabilitation	New Construction
LIHTC Eligible Basis			\$24,004,907
- Reductions in Eligible Basis			\$0
= Net Eligible Basis			\$24,004,907
QCT/DDA Codified Basis Boost			\$0
OHFA Discretionary Basis Boost			\$1
Adjusted Eligible Basis			\$31,206,379
X Applicable Fraction			100%
Qualified Basis			\$31,206,379
70% Present Value Rate			9%
Annual LIHTC Generated			\$2,808,574
Total 10-Year LIHTC Generated	\$28,085,741		
Total 10-Year LIHTC Requested	\$18,000,000		
LIHTC Equity Generated	\$15,098,575		
LIHTC Net Equity Price	\$0.8389		

Maximum Permanent Debt Sizing

	Max Loan for Stabilized Y1	Max Loan to Stabilized Y15
Net Operating Income (NOI)	\$437,417	\$444,886
Debt Service Coverage Ratio	1.20	1.00
NOI Available for Debt Service	\$364,514	\$444,886
Interest Rate	7.75%	7.75%
Amortization Period	40	40
Loan Term (Years)	15	15
Maximum Perm Loan Amount	\$4,480,000	\$5,470,000
Actual Perm Loan Amount	\$4,811,052	
Amount Variance	\$331,052	
Percent Variance	7.4%	
Debt Service Coverage Ratio	Year 1: 1.64	Year 15: 1.43
OHFA Minimum DSCR	1.20	1.00

Construction Sources of Funds

Source Name	Amount	Percent of Total
Federal LIHTC Equity	\$3,003,434	11%
Construction Loan	\$15,245,168	55%
Housing Development Loan	\$1,750,000	6%
Deferred Developer Fee	\$1,360,445	5%
Sponsor Loan	\$4,079,685	15%
Construction to Perm	\$1,939,664	7%
Federal Home Loan Bank AHP	\$252,000	1%
River Hills Bank AHP Sponsor Loan	\$2,000	0%
Total Construction Sources	\$27,632,396	100%

Permanent Sources of Funds

Source Name	Total	Percent of Total
Federal LIHTC Equity	\$15,098,575	55%
Permanent First Mortgage	\$2,871,388	10%
Permanent Second Mortgage	\$1,939,664	7%
Deferred Developer Fee	\$1,360,445	5%
Sponsor Loan	\$5,352,324	19%
Federal Home Loan Bank AHP	\$1,008,000	4%
River Hills Bank AHP Sponsor Loan	\$2,000	0%
Total Permanent Sources	\$27,632,396	100%