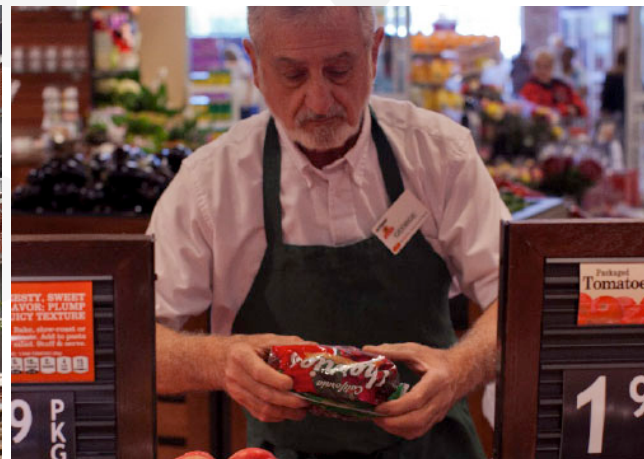
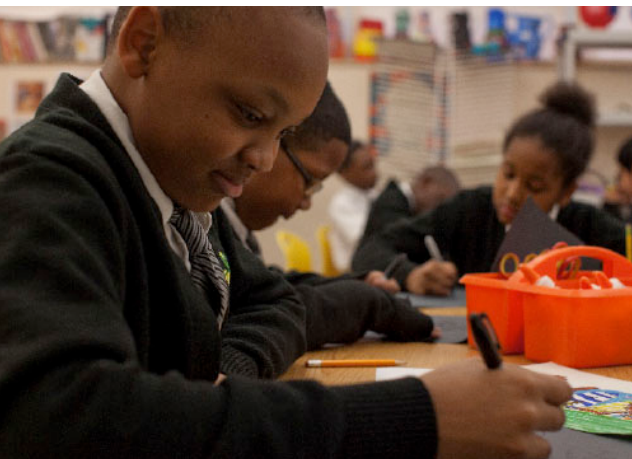




B3 Initiative

Bethlehem Blight Betterment Initiative



B3 Initiative: Bethlehem Blight Betterment Initiative

Market Value Analysis Final Results



REINVESTMENT
FUND

MAY 8 CONSULTING



ATRIA PLANNING



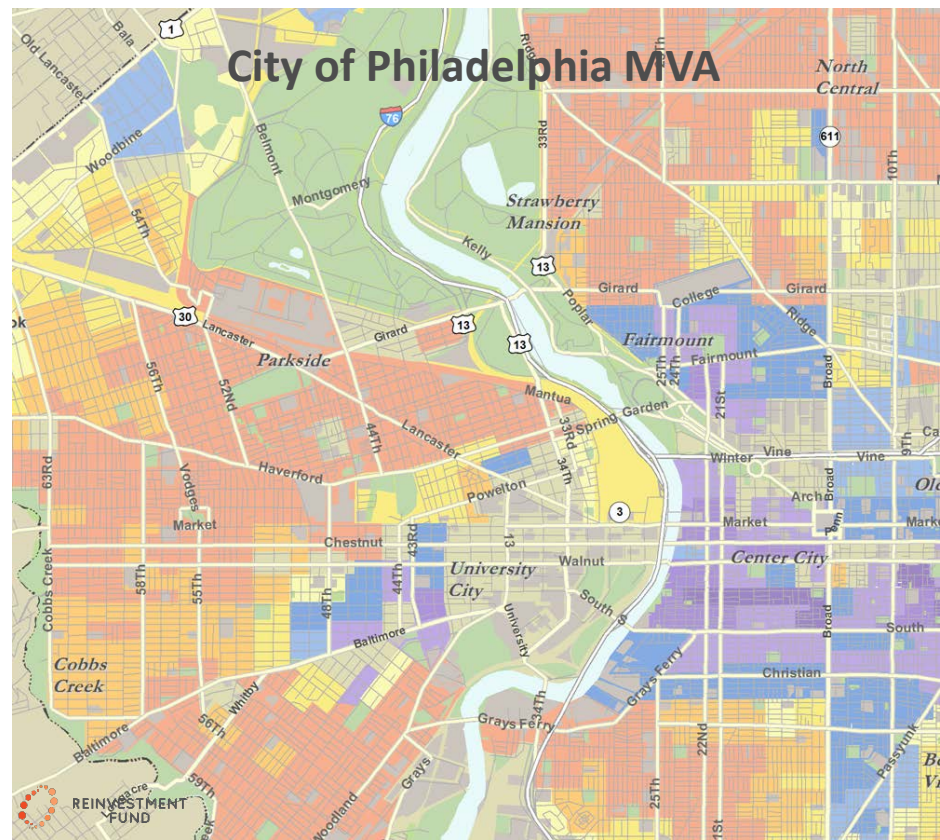
REINVESTMENT
FUND

About the MVA

The Market Value Analysis (MVA)

The **Market Value Analysis** is a tool to assist residents and policymakers **identify and understand the elements of their local real estate markets**. It is an objective, data-driven, tool built on local administrative data and validated with local experts.

With an MVA, public officials and private actors can more precisely target intervention strategies in weak markets and support sustainable growth in stronger markets.



Our Guiding Assumptions

When analyzing markets we begin with these principles:

- Public **subsidy is scarce**; acting alone subsidies cannot create a market
- Public policy and subsidy must **leverage private investment** or create conditions for investment to occur
- In distressed markets, **build from strength** by investing near strong assets
- All **residents are customers** with an expectation of quality public services and amenities
- The best decisions are based on the sound and **objective analysis** of quantitative and qualitative data

Who is Using the MVA?

MVAs have been funded by government agencies, local foundations, and financial institutions in cities and counties around the country:

- Philadelphia, PA
- Washington, DC
- Baltimore, MD
- San Antonio, TX
- Camden, NJ
- Newark, NJ
- Selected (8) NJ regions
- New Orleans, LA
- State of Delaware
- Detroit, MI
- Houston, TX
- Milwaukee, WI
- Pittsburgh, PA
- St. Louis, MO
- Atlantic City, NJ
- Reading Area, PA
- Jacksonville, FL
- Wilmington, DE
- Prince George's County, MD
- Indianapolis, IN
- Selma, AL
- Allegheny County, PA

How Cities are Using the MVA



- Component of a local land banking strategy (Phila., NOLA, Pittsburgh, Wilmington)
- Guide capital budget (Detroit)
- Focus code enforcement (Phila., Baltimore, Indianapolis, NOLA)
- Benchmark quality of life measures (Phila.)
- Transportation planning (St. Louis)
- Target statewide Strong Neighborhoods Revolving Loan Fund (DE/DSHA)
- Inform LIHTC QAP (DE/DSHA)
- Develop CDBG ConPlan / Comprehensive plan (Detroit, Wilmington, St. Louis)
- Assessment of Fair Housing (Phila.)
- Assess changes in the market over time (Phila., Baltimore, Pittsburgh)
- Evaluate development opportunities (Pittsburgh, Phila., Houston, Detroit, St. Louis, cities in NJ)
- Target demolition and acquisition activities (Baltimore, Phila., Detroit, NOLA)
- Select transformative tipping point projects (Phila., Baltimore, Pittsburgh, NOLA)
- Engage partners – philanthropic, non-profit, government – in coordinated efforts to rebuild neighborhoods (Baltimore, Milwaukee, NOLA)
- Guide federal Neighborhood Stabilization Program Investment (States of PA & NJ, Houston, Detroit)

Relying on Local Knowledge and Expertise

How did the **Local Steering Committee** help Bethlehem create and implement a blight mitigation and remediation plan?

Roles and Responsibilities

Inform the MVA Process

- Contribute knowledge of local markets
- Validate results

Identify best and worst practices in the city

- What works, where does it work, and why?

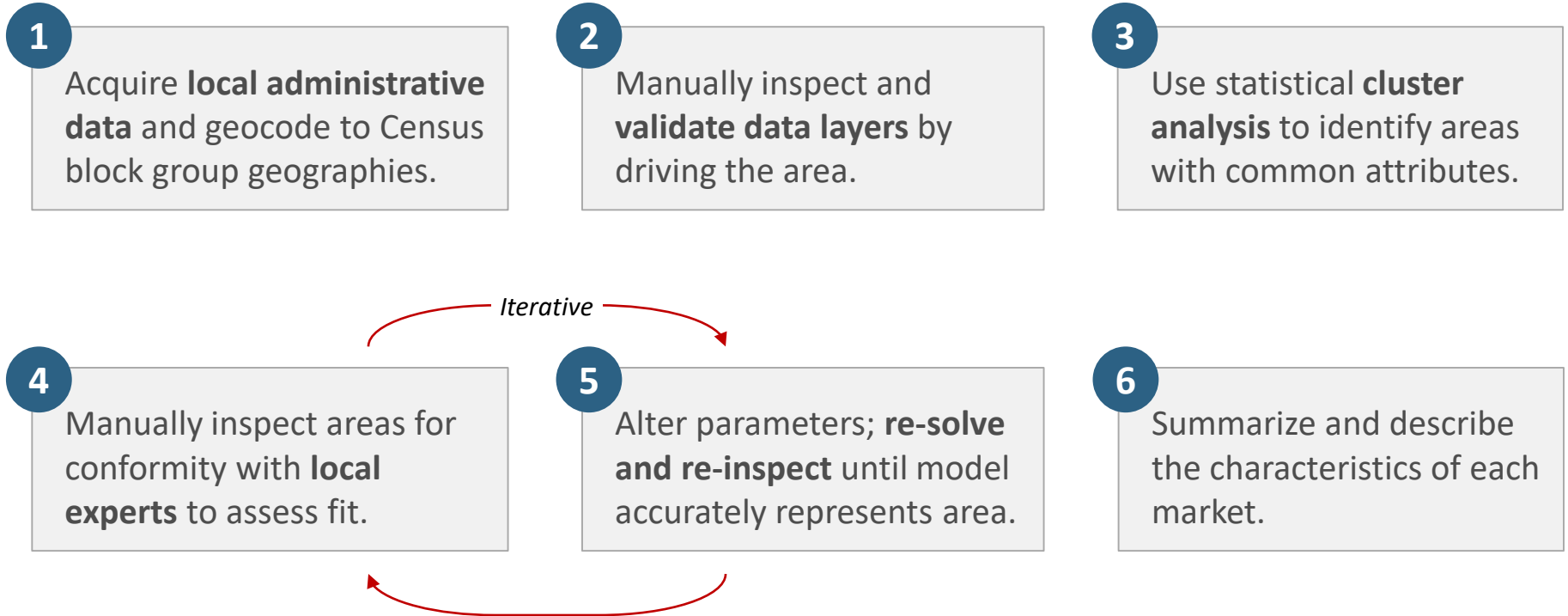
Recommend Strategic Actions for Public & Private Actors

- Engage public/civic stakeholders throughout the process
- Commit to action

B3 Committee Organizations

- | | | |
|--|---|---|
| ▪ City of Bethlehem | ▪ Housing Development Corporation (HDC) MidAtlantic | ▪ Lehigh County |
| ▪ Redevelopment Authority | ▪ Lehigh University | ▪ Fifth Street Capital Partners |
| ▪ Community Action Development Corporation | ▪ Northampton County | ▪ Lehigh Valley Greater Association of Realtors |
| ▪ Moravian College | ▪ Habitat for Humanity | ▪ Bethlehem Housing Authority |

Preparing an MVA



Lessons from 15+ years of experience

Validating Data Is Critical.

Researchers must visit the county to understand the data.

Geographic Scale Matters.

Census tract and MSA geographies are too large to accurately reflect local markets.

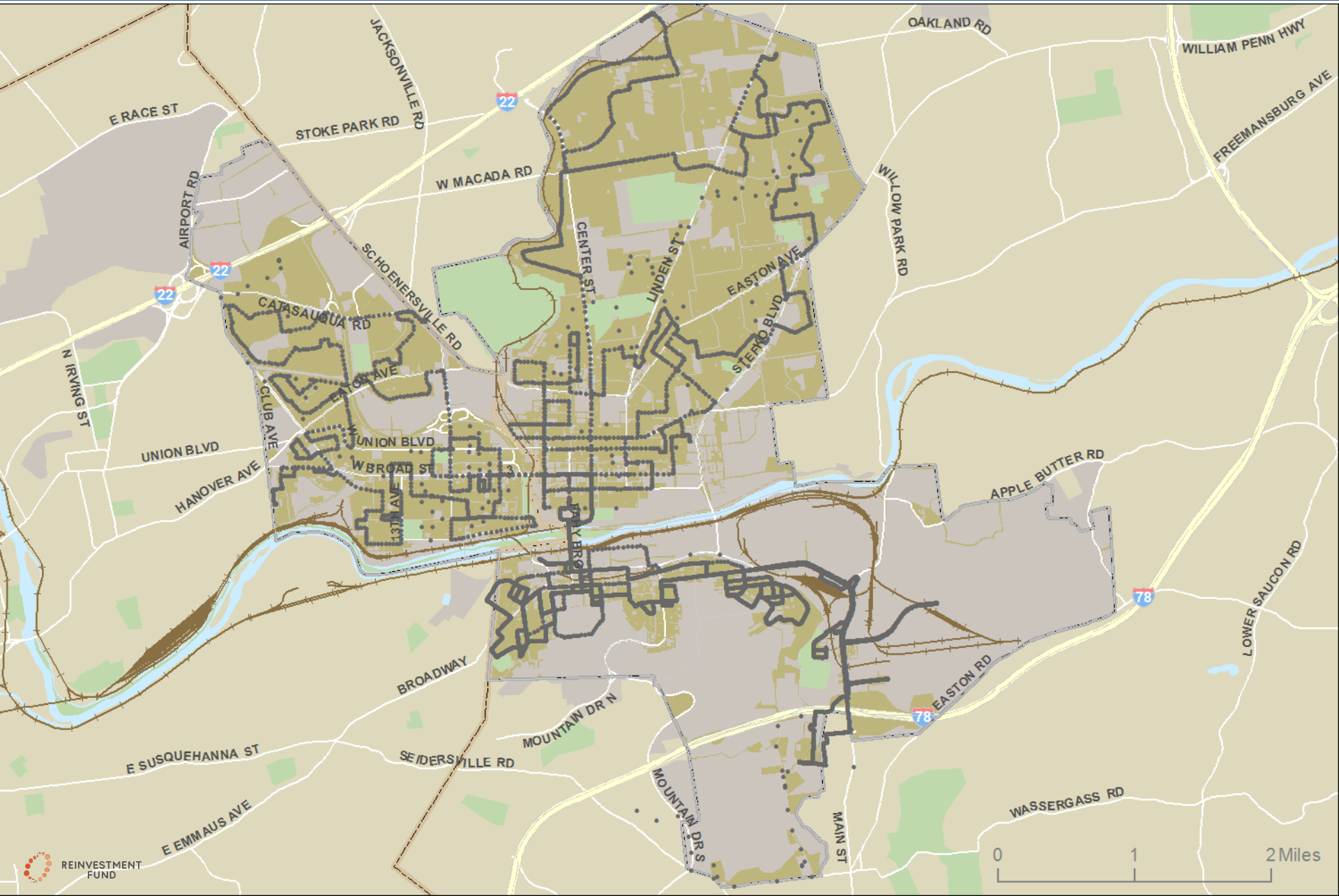
One Size Does Not Fit All.

Measurement scales and the appropriate number of clusters are different in every county.

Integrate Local Knowledge.

The MVA model is tested with local experts to incorporate qualitative feedback from each geography.

Bethlehem MVA Validation Routes





REINVESTMENT
FUND

MVA Component Data

Definitions and Sources of Variables

	Variable	Definition	Source
Housing Characteristics	Owner Occupancy	Percent of households that reported owning their home.	ACS 2011-2015
	Subsidized Housings	Number of rental units with subsidies. As a share of rental units.	City of Bethlehem , HUD, ACS 2011-2015
	Residential Density	Residential housing units per residential land area.	County parcel files, ACS 2011-2015
Housing Value and other Sales Related Characteristics	Median Sales Price	Median sales price of sales transactions that occurred between 2015 and 2017Q2	County parcel files
	Variance of Sales Price	The coefficient of variance of median sales price.	County parcel files
	Two-to-Four Family Sales	Two-to-Four family properties that were sold between 2015 and 2017Q2. As a share of total number of sales.	County parcel files
	Condo Sales	Condos that were sold between 2015 and 2017Q2. As a share of total number of sales.	County parcel files

Definitions and Sources of Variables

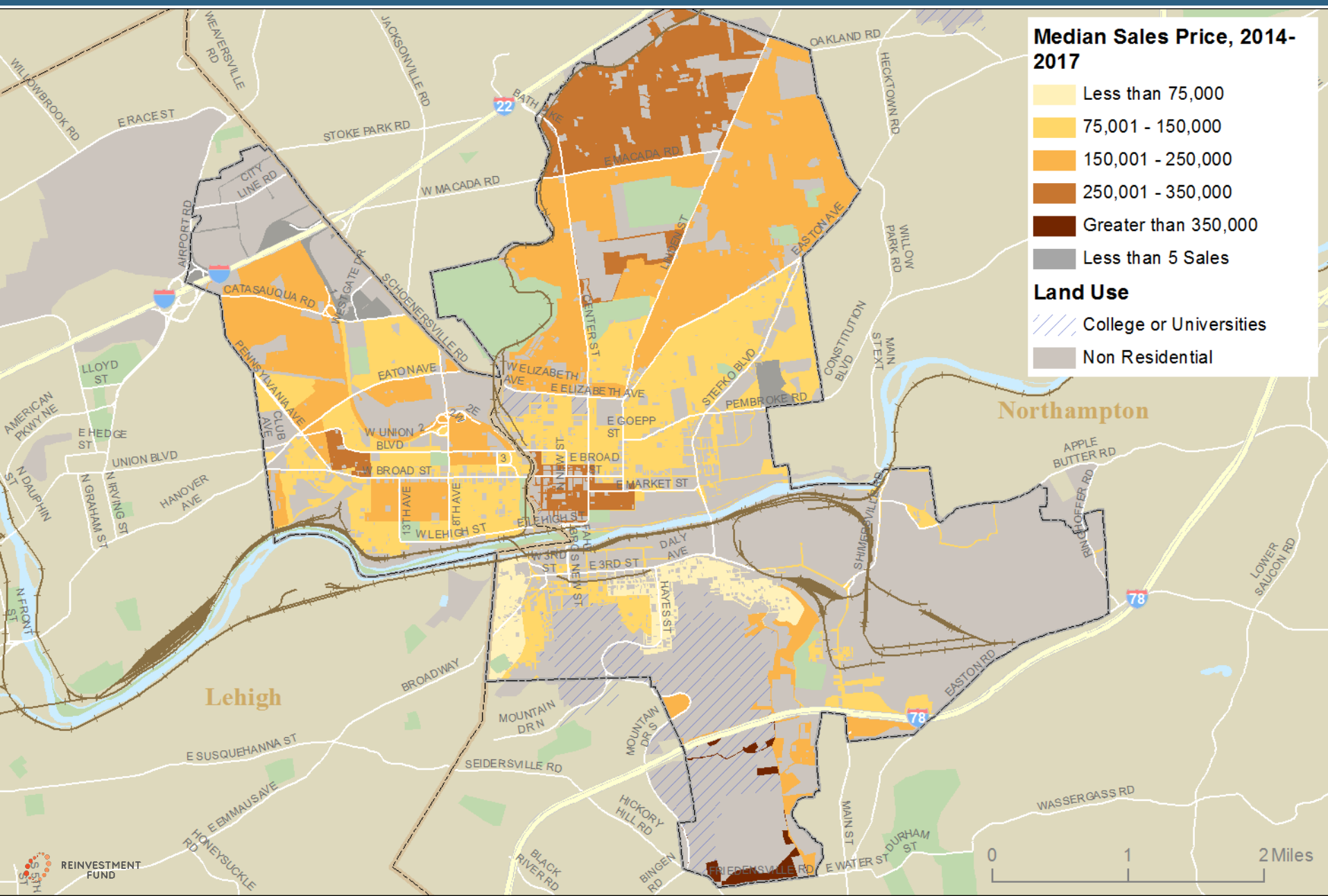
Variable		Definition	Source
	Investor Purchases	Properties that were sold to investors between 2015 and 2017Q2. As a share of total number of sales.	County parcel files
	Multiple Permits	Properties with at least two permits between 2015 and 2017 (July). As a share of total residential parcels.	City of Bethlehem, County parcel files
	New Construction Permits	Properties with new construction building permits between 2011 and 2017 (July). As a share of total residential parcels.	City of Bethlehem, County parcel files
Distress	Distress Properties	Properties that were registered in Pro Champ between 2015 and 2017 (Oct) or properties that were registered prior to 2015, but remain open or properties that received as Act 91 Notice between 2015 and 2017Q2. As a share of total residential parcels.	Pro Champ Registry (City of Bethlehem), Pennsylvania Housing Finance Agency, County parcel files
	Multiple Violations	Properties that had at least five violation citations between 2015 and 2017 (July). As a share of total properties with violations.	City of Bethlehem
	Blight	Residential properties that experienced a water shutoff and/or identified in the Blight Survey. As a share of total residential parcels.	City of Bethlehem

Property Value

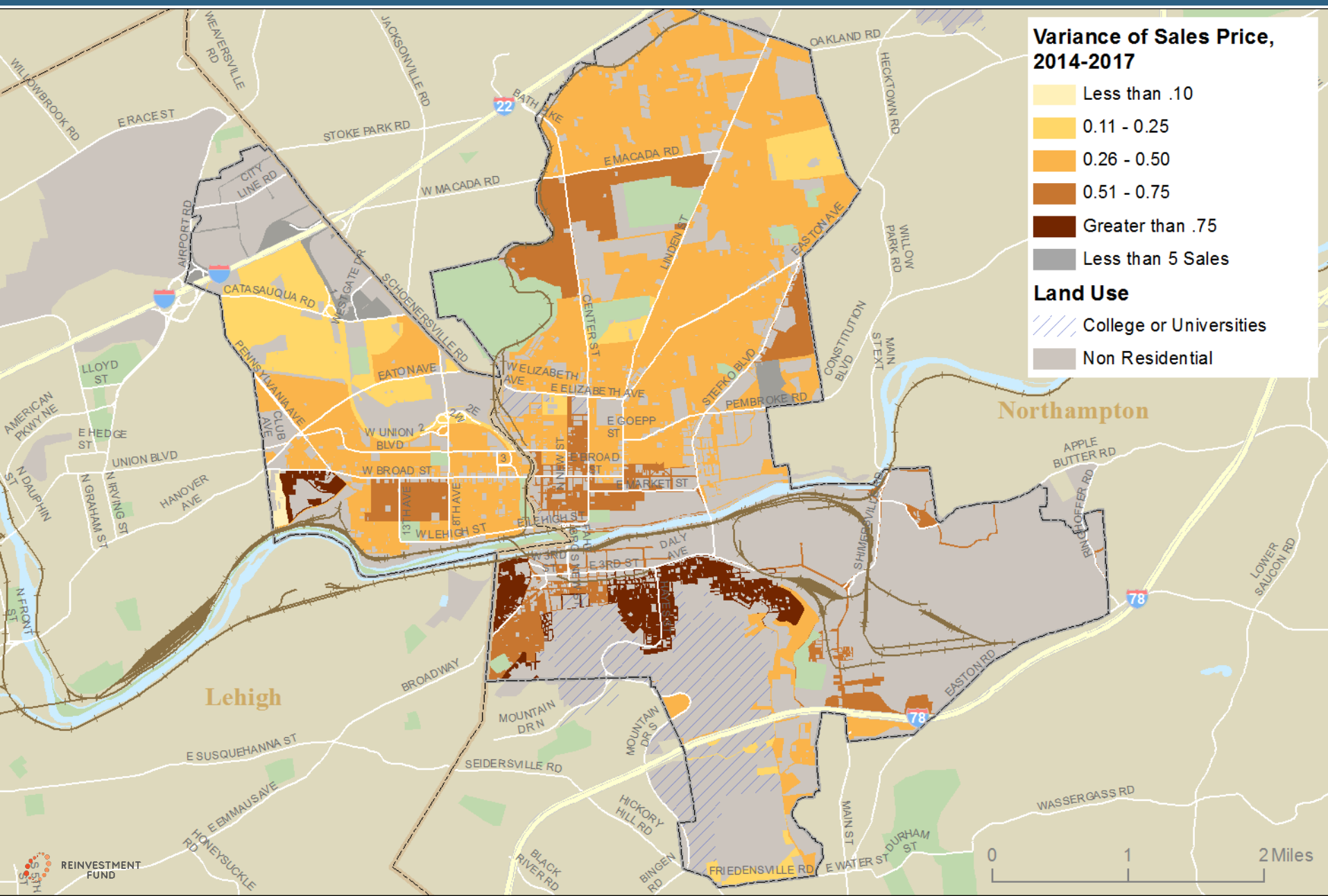


REINVESTMENT
FUND

Median Sales Price, 2014-2017



Variance of Sales Price, 2014-2017

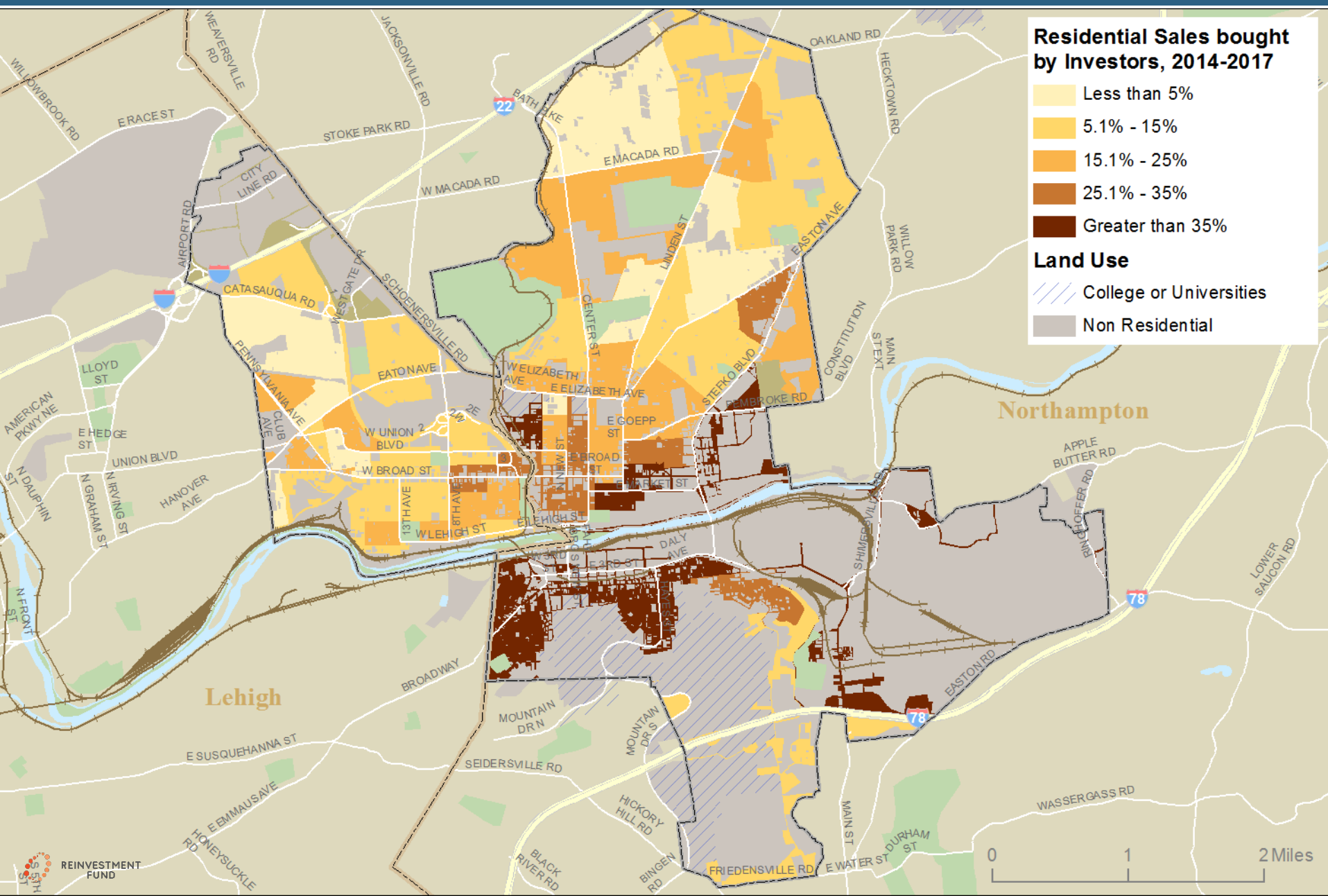


Investments

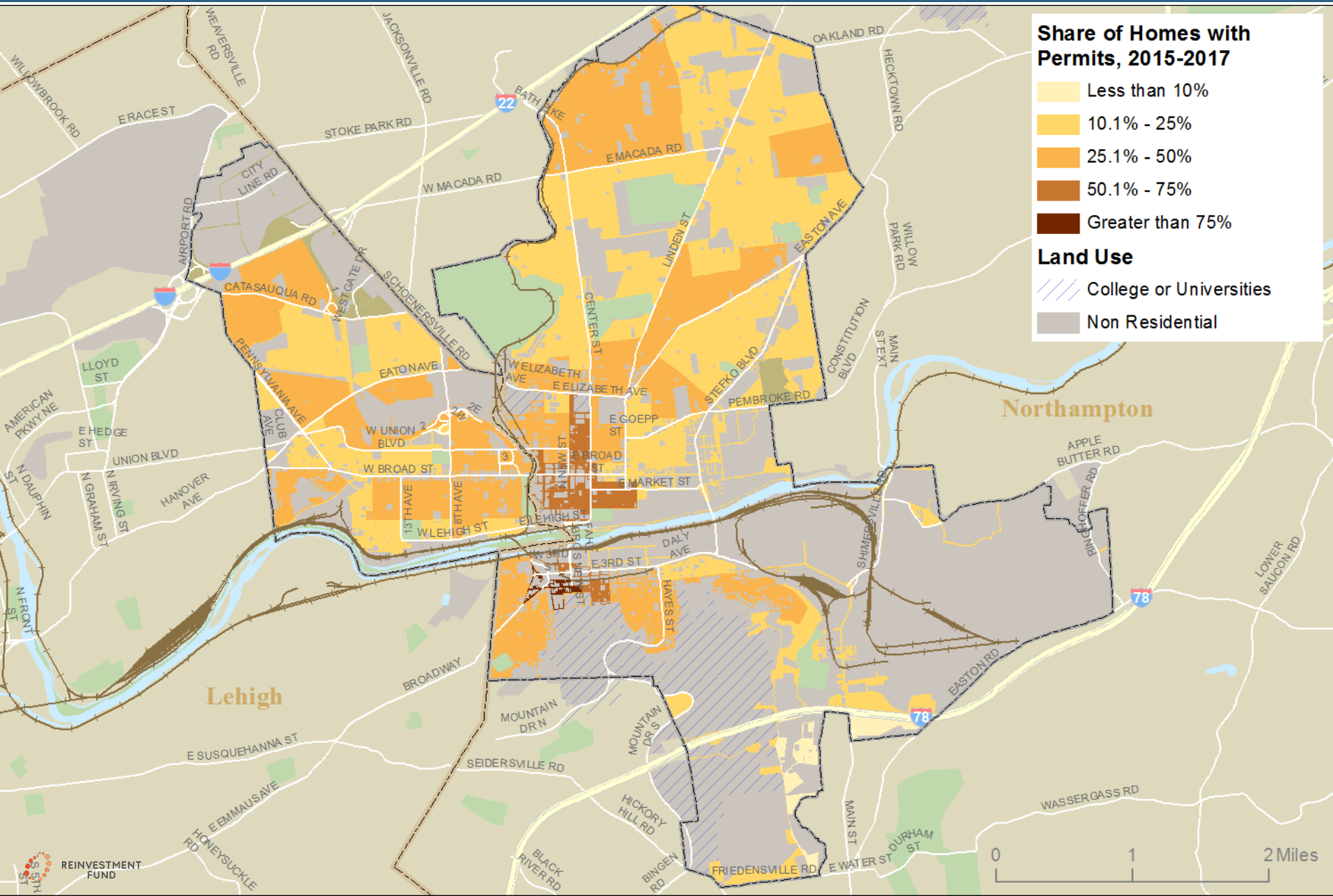


REINVESTMENT
FUND

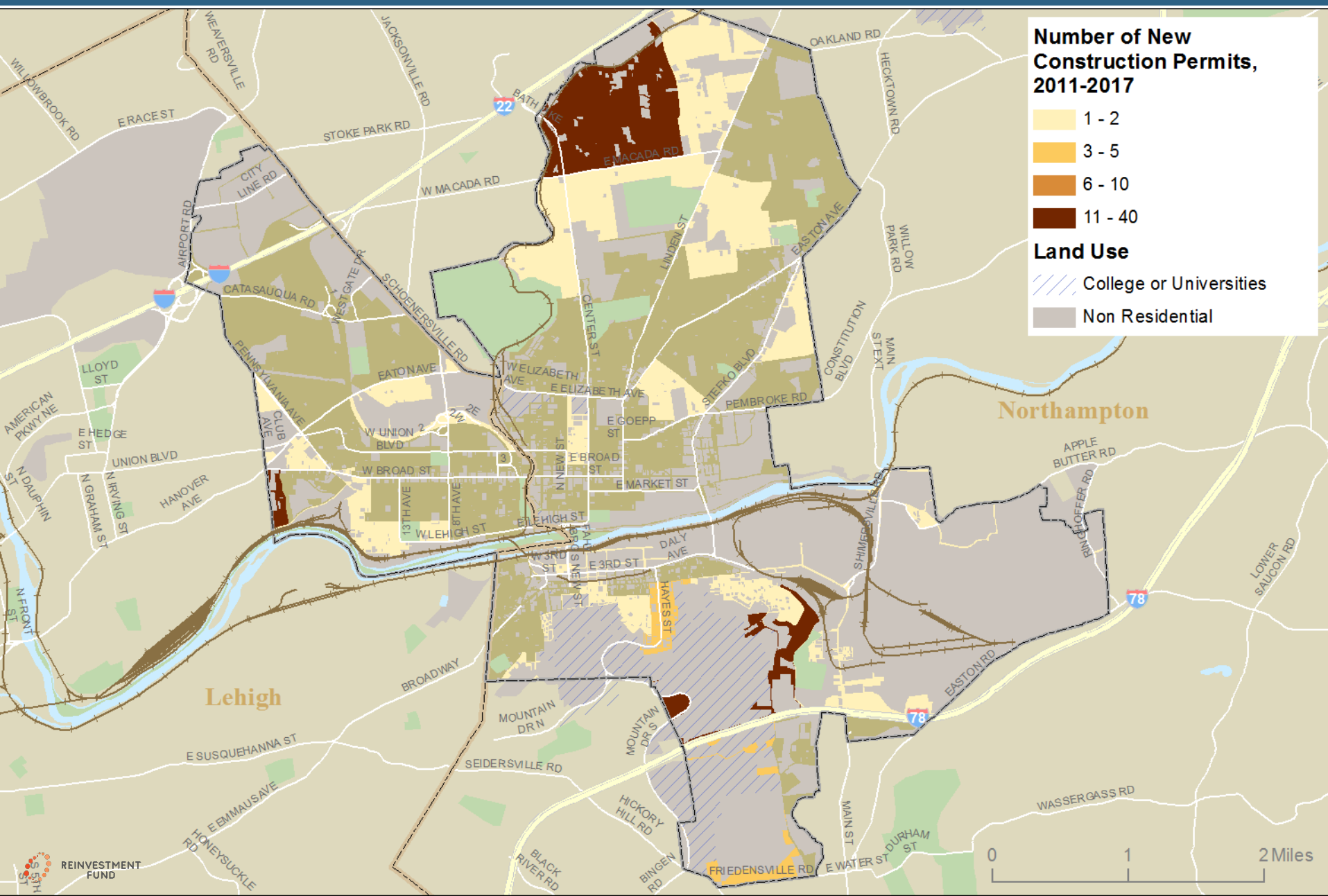
Investor Purchased Properties, 2014-2017



Share of Homes with Permits, 2015-2017



Number of New Construction Permits, 2011-2017

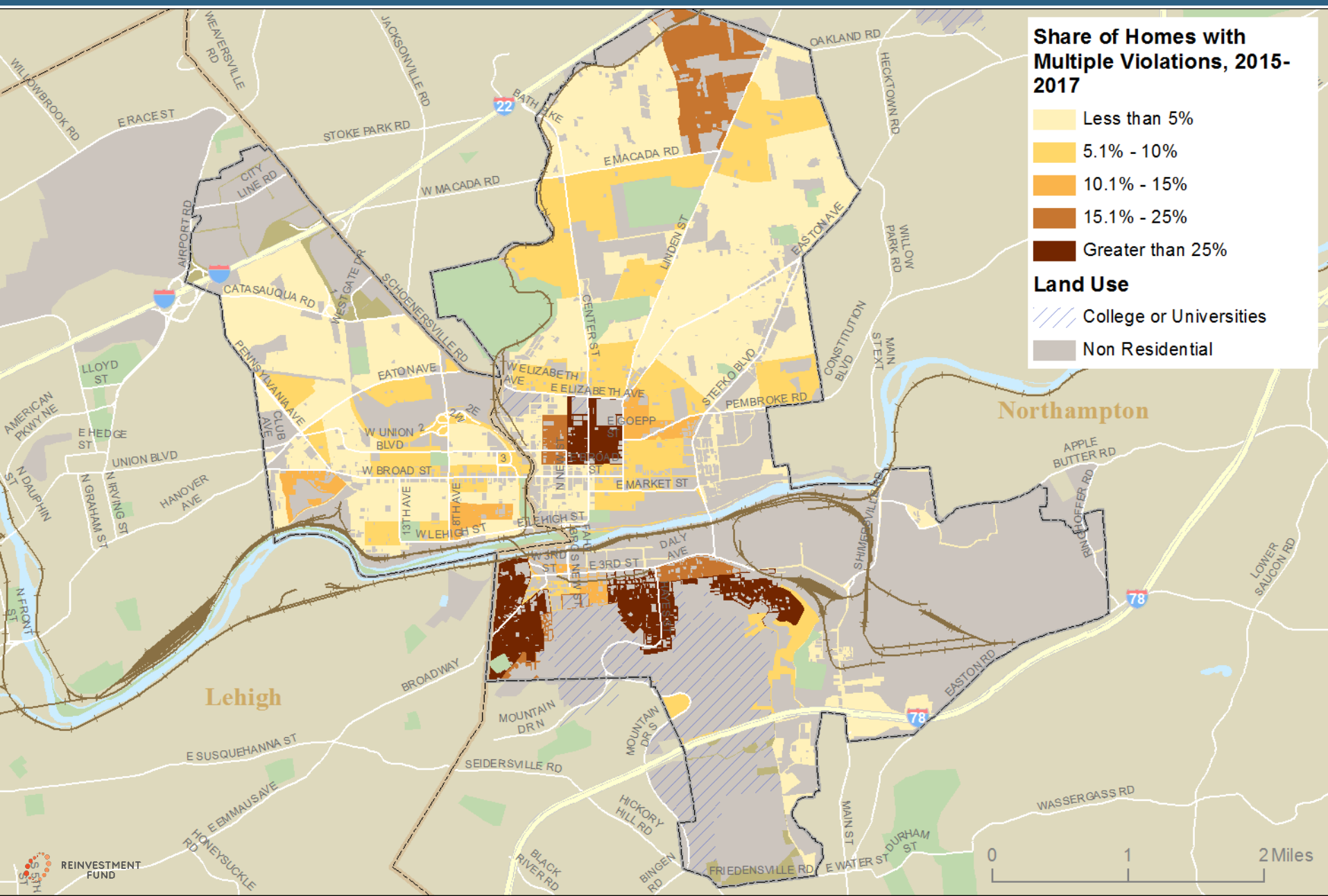


Blight, Distress, and Vacancy

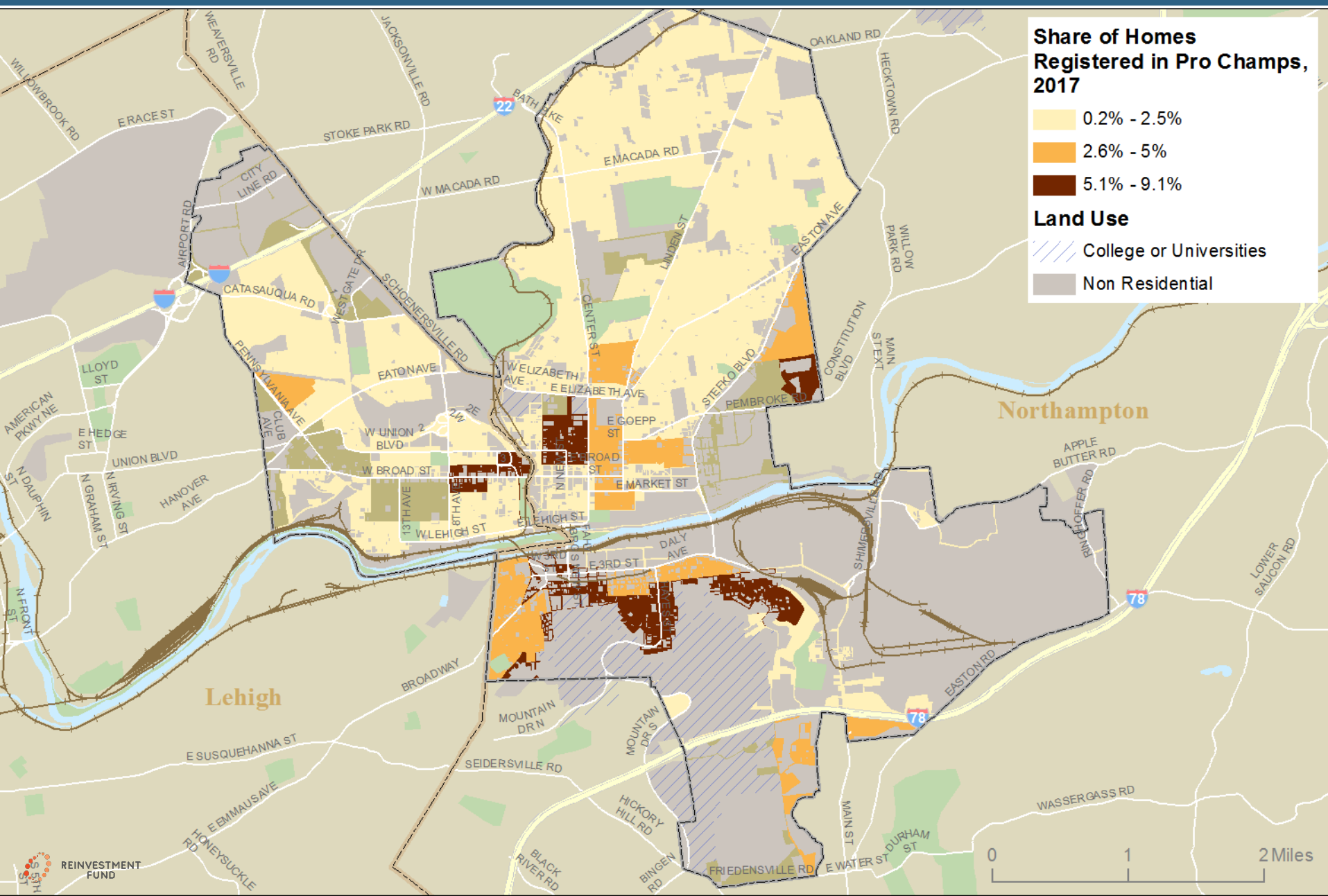


REINVESTMENT
FUND

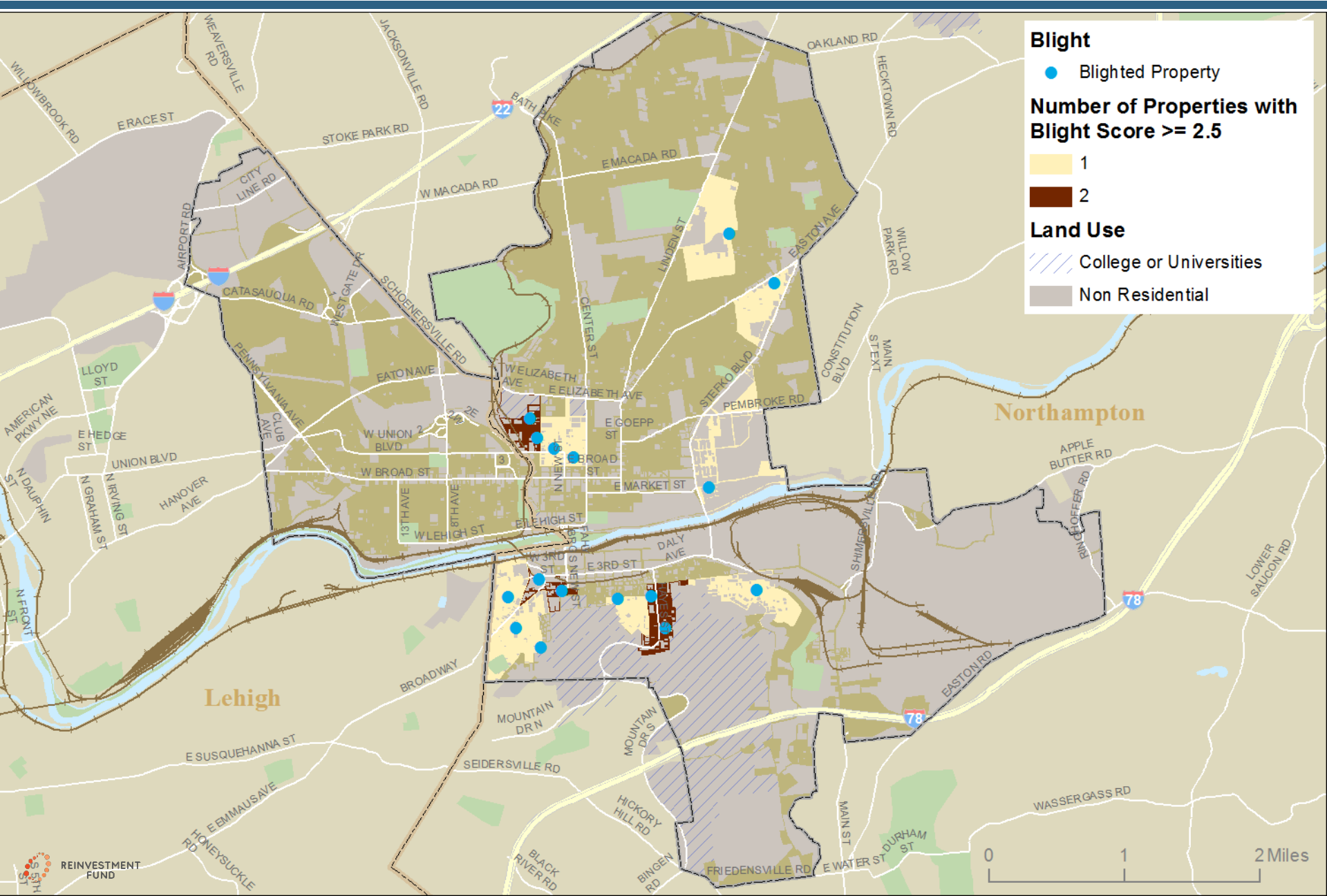
Share of Homes with at least 3 Violations, 2015-2017



Share of Homes Registered in Pro Champs



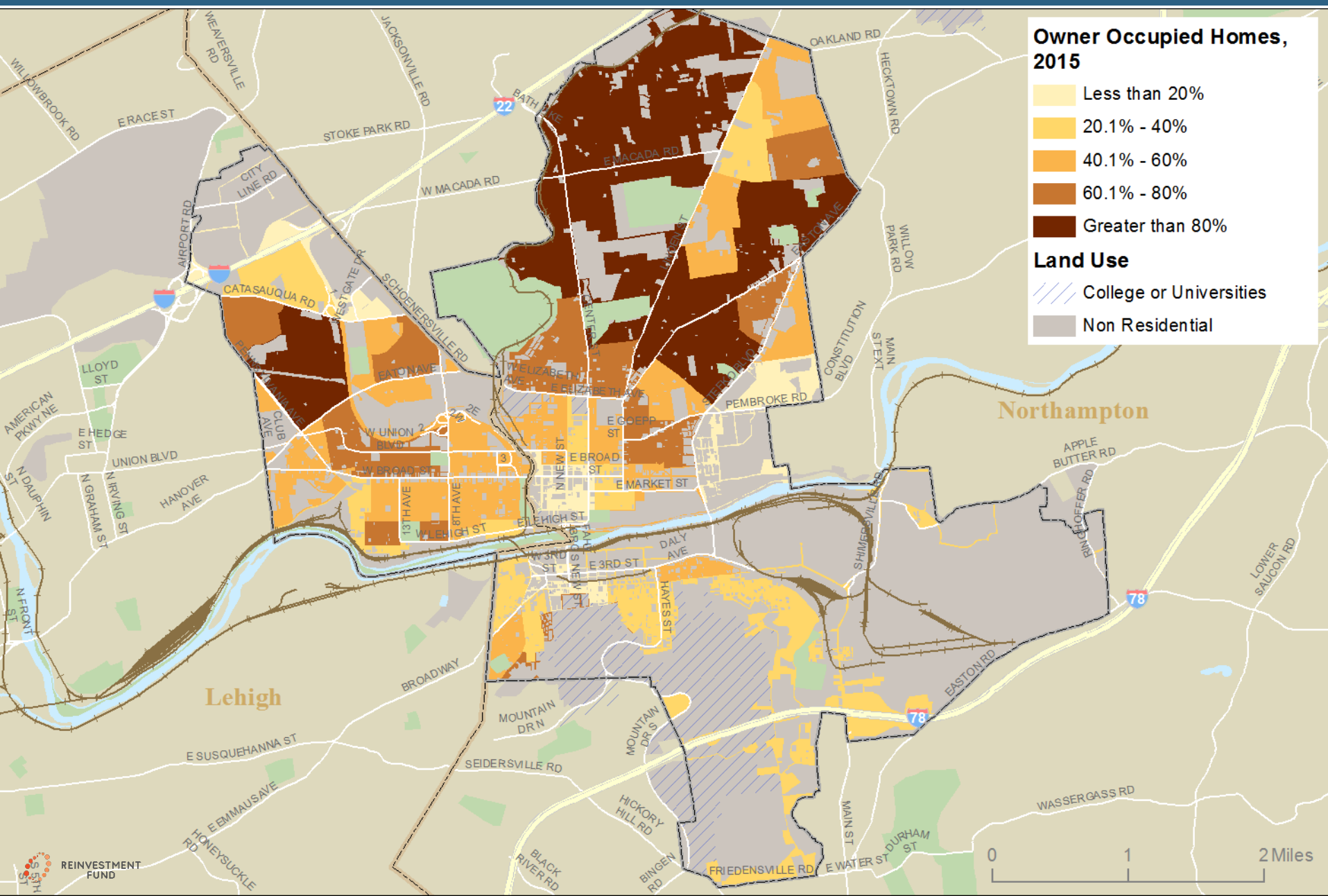
Number of Blighted Properties



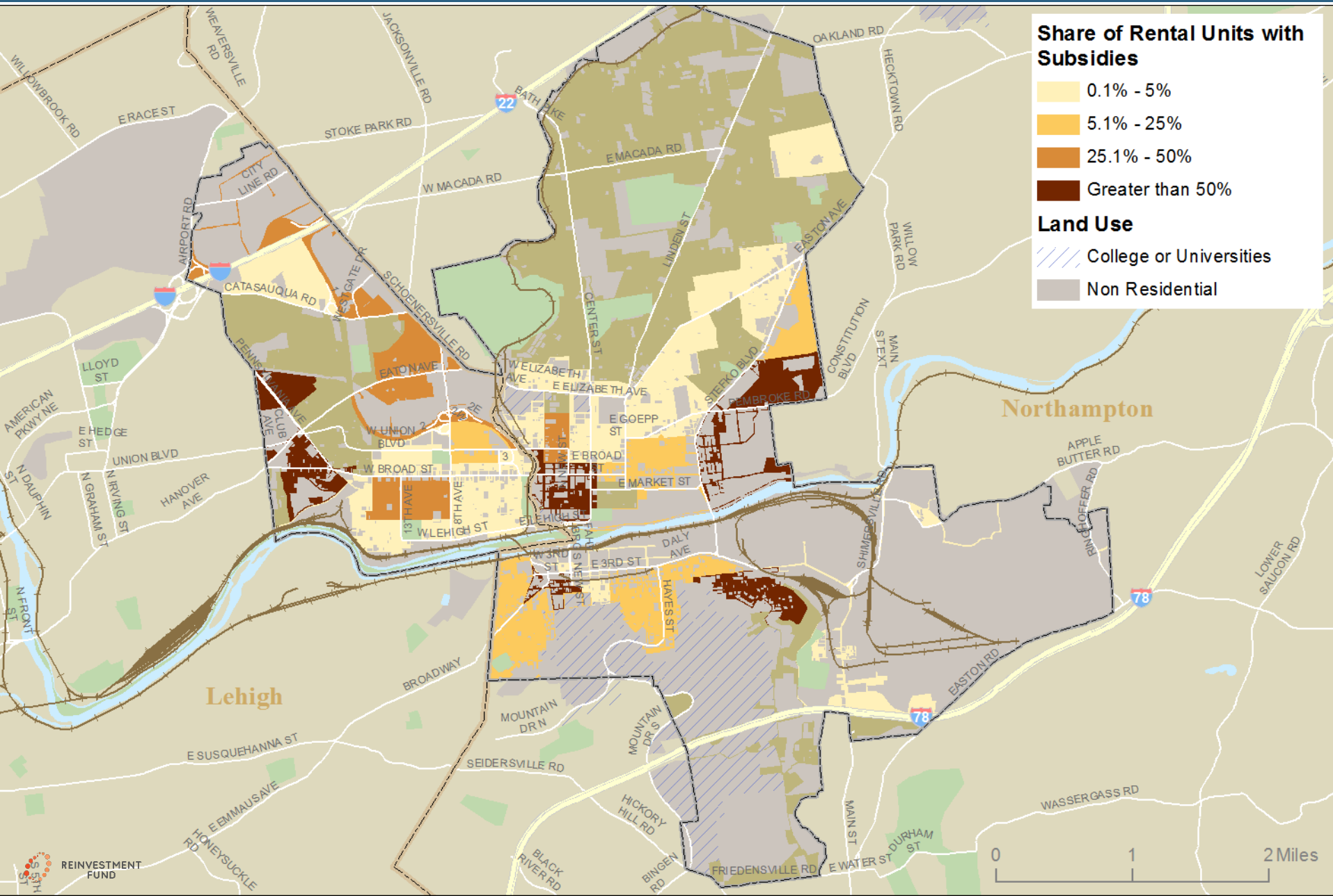
Ownership and Housing Characteristics



Owner Occupied Homes



Share of Rental Units with Subsidies





REINVESTMENT
FUND

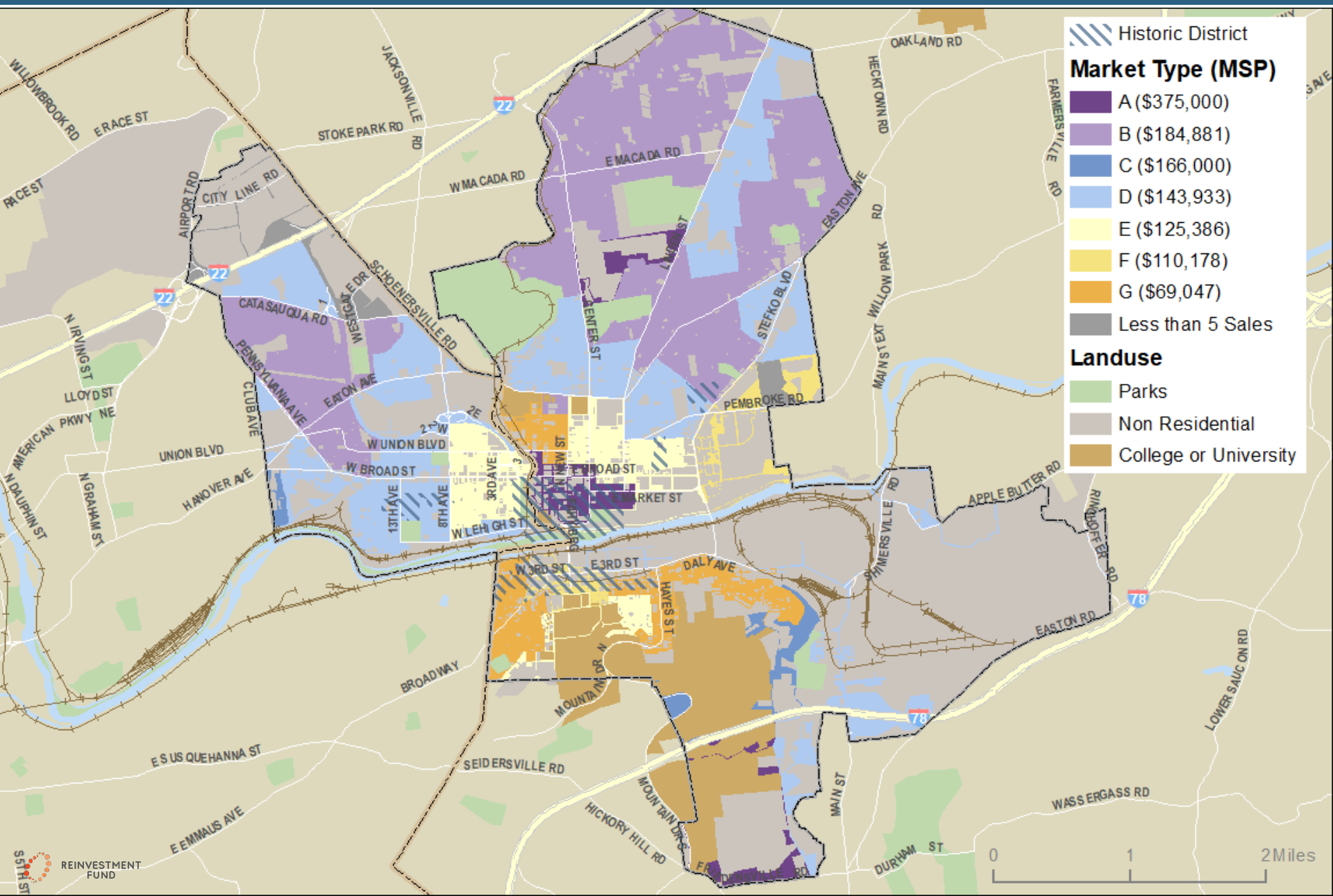
Final Results

Final Model Results

This map displays the final model results for the South San Francisco area, showing Market Type (MSP) and Landuse. The map is color-coded according to the legend:

- Historic District:** Indicated by a blue hatched pattern.
- Market Type (MSP):**
 - A (\$375,000): Dark purple
 - B (\$184,881): Medium purple
 - C (\$166,000): Blue-purple
 - D (\$143,933): Light blue
 - E (\$125,386): Yellow
 - F (\$110,178): Orange
 - G (\$69,047): Brown
 - Less than 5 Sales: Grey
- Landuse:**
 - Parks: Green
 - Non Residential: Light grey
 - College or University: Brown

The map includes major roads such as I-22, I-78, and various local streets like Airport Rd, City Line Rd, and Main St. A scale bar at the bottom right indicates distances up to 2 miles. The South San Francisco Reinvestment Fund logo is located in the bottom left corner.



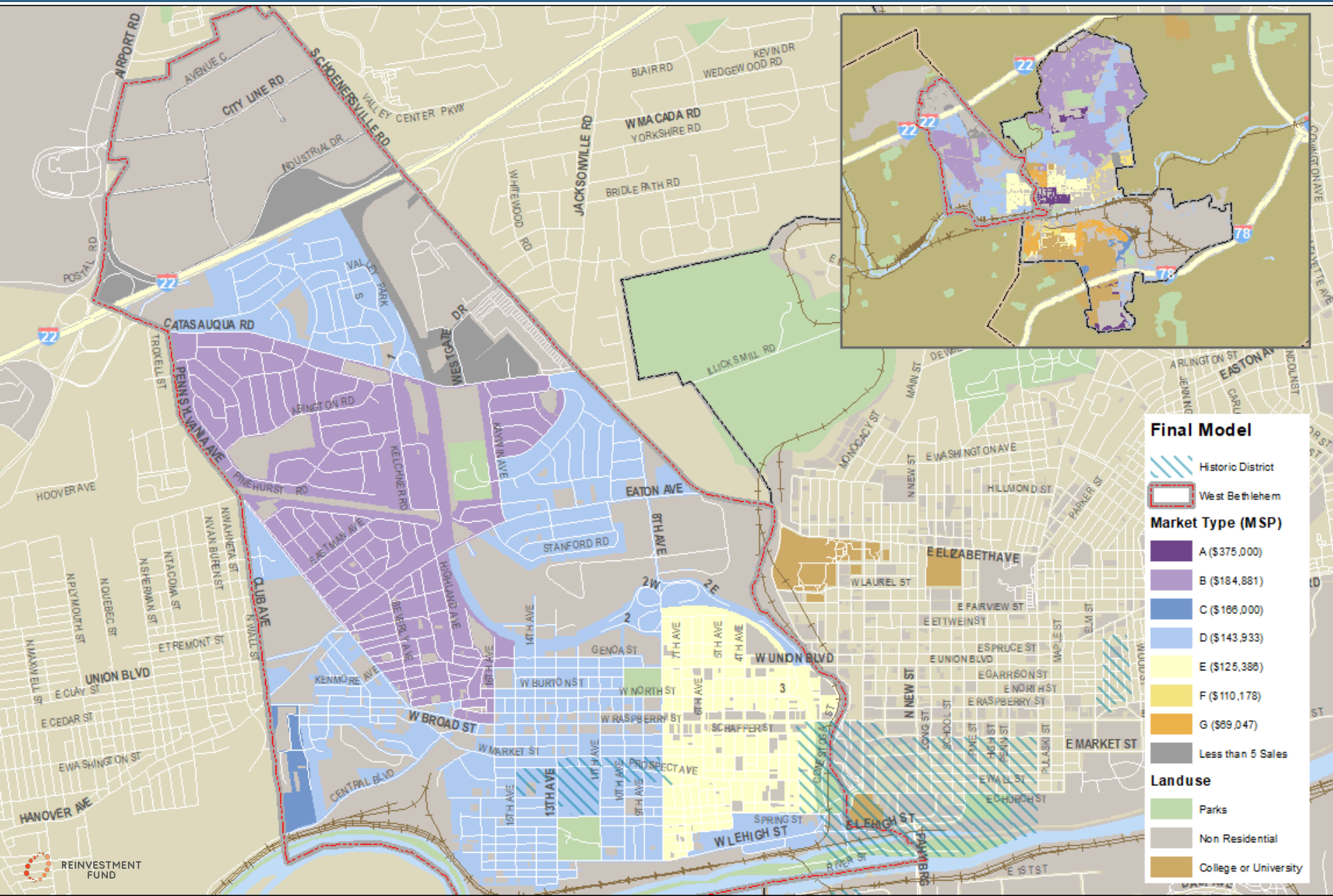
Summary of Market Characteristics

		Housing Value and Sales Related Characteristics				Housing Characteristics			Investments			Distress		
Market Type	# of Block Group	Median Sales Price	Variance of Sales Price	2-4 Fam. Sales	Condo Sales	Own Occ.	Rentals with Subsidy	Housing Density	Invest. Purch.	Multi. Permit	New Const. Permit	Distress	Multi. Viol.	Blight
A	4	\$375,000	0.44	8%	24%	26%	18%	12.53	24%	10%	1%	2%	9%	1%
B	22	\$184,481	0.30	0%	1%	90%	3%	5.19	8%	6%	0%	3%	12%	0%
C	2	\$166,000	0.23	0%	36%	64%	0%	3.72	4%	21%	44%	1%	0%	0%
D	22	\$143,933	0.40	1%	7%	51%	9%	8.31	16%	4%	0%	4%	17%	0%
E	11	\$125,386	0.49	13%	0%	47%	8%	14.78	31%	5%	0%	4%	21%	1%
F	4	\$110,178	0.53	4%	25%	11%	99%	30.70	54%	6%	0%	7%	4%	2%
G	9	\$69,047	0.84	8%	2%	36%	17%	18.02	46%	4%	0%	6%	28%	2%
City	74	\$155,385	0.44	4%	6%	55%	10%	13.52	22%	6%	1%	4%	16%	1%

Summary of Market Characteristics

	Market Type	Housing Value and Characteristics	Investment and Distress
Strong	A	<ul style="list-style-type: none"> • Highest Sales Price • Low Owner Occupancy 	<ul style="list-style-type: none"> • Elevated Levels of Investment Activities • Low Levels of Distress
	B	<ul style="list-style-type: none"> • High Sales Price • High Owner Occupancy • Lowest Housing Density 	<ul style="list-style-type: none"> • Low Levels of Investment Activities • Low Levels of Distress
Middle	C	<ul style="list-style-type: none"> • Sales Price Slightly Higher than Citywide Median • Low Owner Occupancy 	<ul style="list-style-type: none"> • Concentration of New Construction • Low Levels of Distress
	D	<ul style="list-style-type: none"> • Sales Price Align with Citywide Median • Moderate Owner Occupancy • Low Housing Density 	<ul style="list-style-type: none"> • Lower Levels of Investment Activities • High Levels of Violations
	E	<ul style="list-style-type: none"> • Sales Price Slightly Lower than Median • Moderate Owner Occupancy 	<ul style="list-style-type: none"> • High Levels of Investment Purchases • High Levels of Financial Distress
Distressed	F	<ul style="list-style-type: none"> • Low Sales Price, Lowest Owner Occupancy • Highest Housing Density • Concentration of Subsidized Rentals 	<ul style="list-style-type: none"> • Highest Levels of Investment Purchases • High Levels of Financial Distress
	G	<ul style="list-style-type: none"> • Lowest Sales Price • Low Owner Occupancy • Highest Variance in Sales Price 	<ul style="list-style-type: none"> • High Levels of Investment Purchases • High Level of Financial Distress and Violations

West Bethlehem

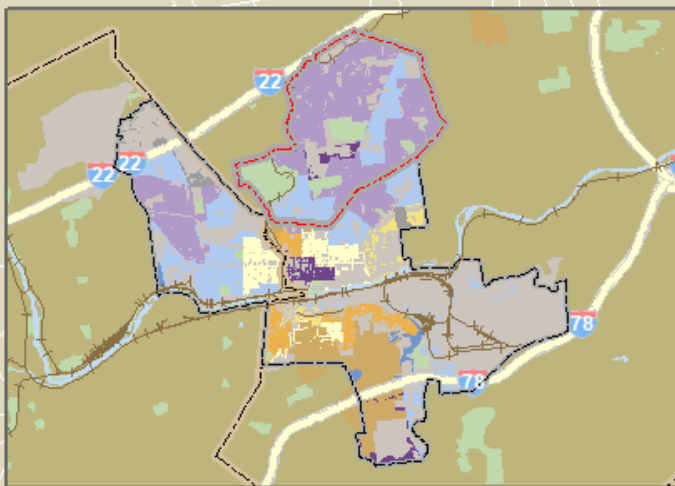


Market Characteristics of West Bethlehem

- West Bethlehem is a middle market with some strong pockets.
- Over 50% of housing is owner occupied with relatively low housing density.
- Lower levels of investment and distress.

Market Indicators	West Bethlehem
Block Groups	23
Strong BG (A,B)	35%
Transitional BG (C,D,E)	65%
Distressed BG (F,G)	0%
Median Sales Price	\$156,601
Variance of Sales Price	0.34
Condo Sales	0%
2-4 Fam. Sales	4%
Owner Occupied Housing	57%
Rentals with Subsidy	12%
Housing Density	8.71
Investor Purchases	12%
Multiple Permits	6%
New Construction Permits	1%
Distress	4%
Multiple Violations	16%
Blight	0%

Northeast Bethlehem



Final Model

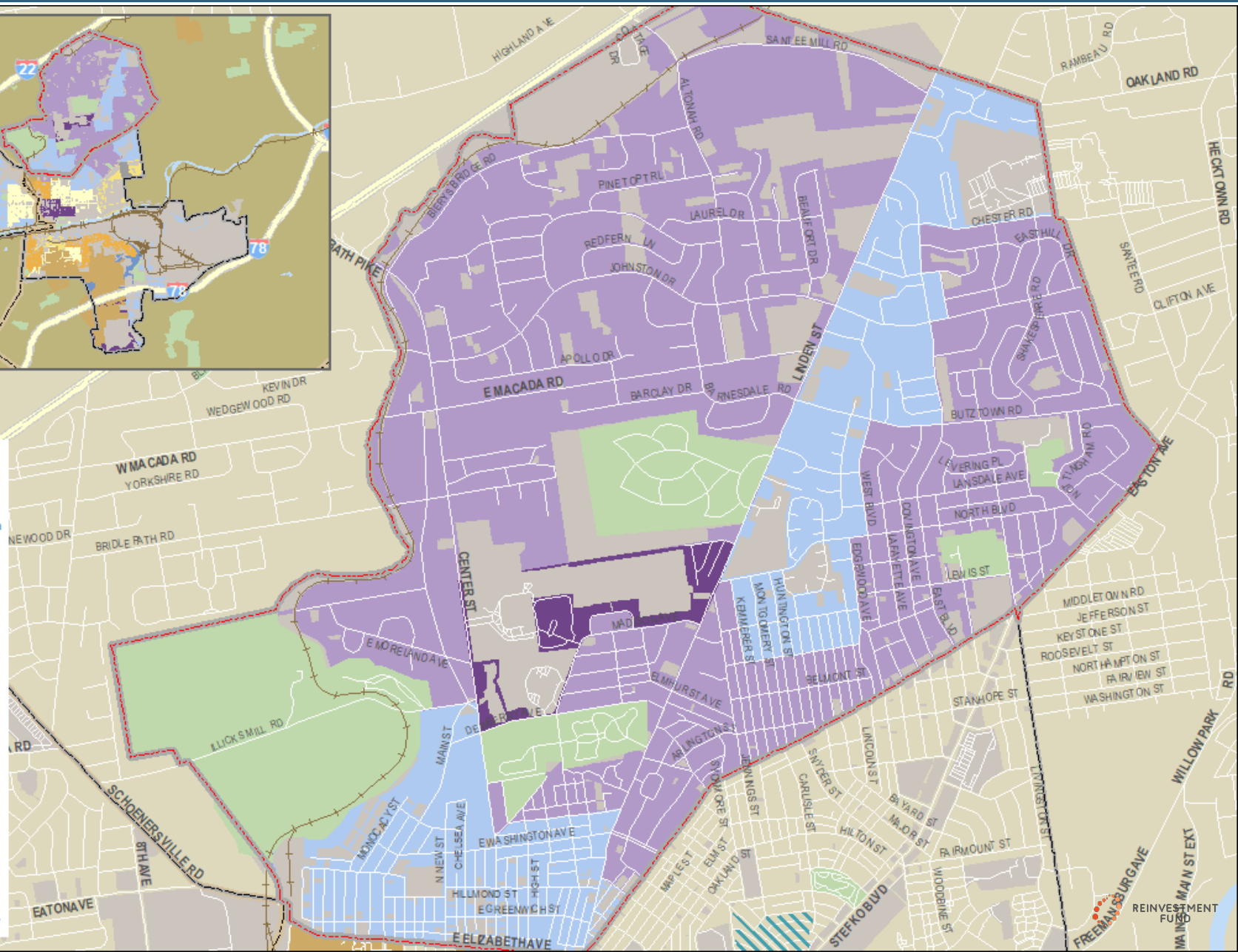
- Historic District
- Northeast Bethlehem

Market Type (MSP)

- A (\$375,000)
- B (\$184,881)
- C (\$166,000)
- D (\$143,933)
- E (\$125,386)
- F (\$110,178)
- G (\$69,047)
- Less than 5 Sales

Landuse

- Parks
- Non Residential
- College or University

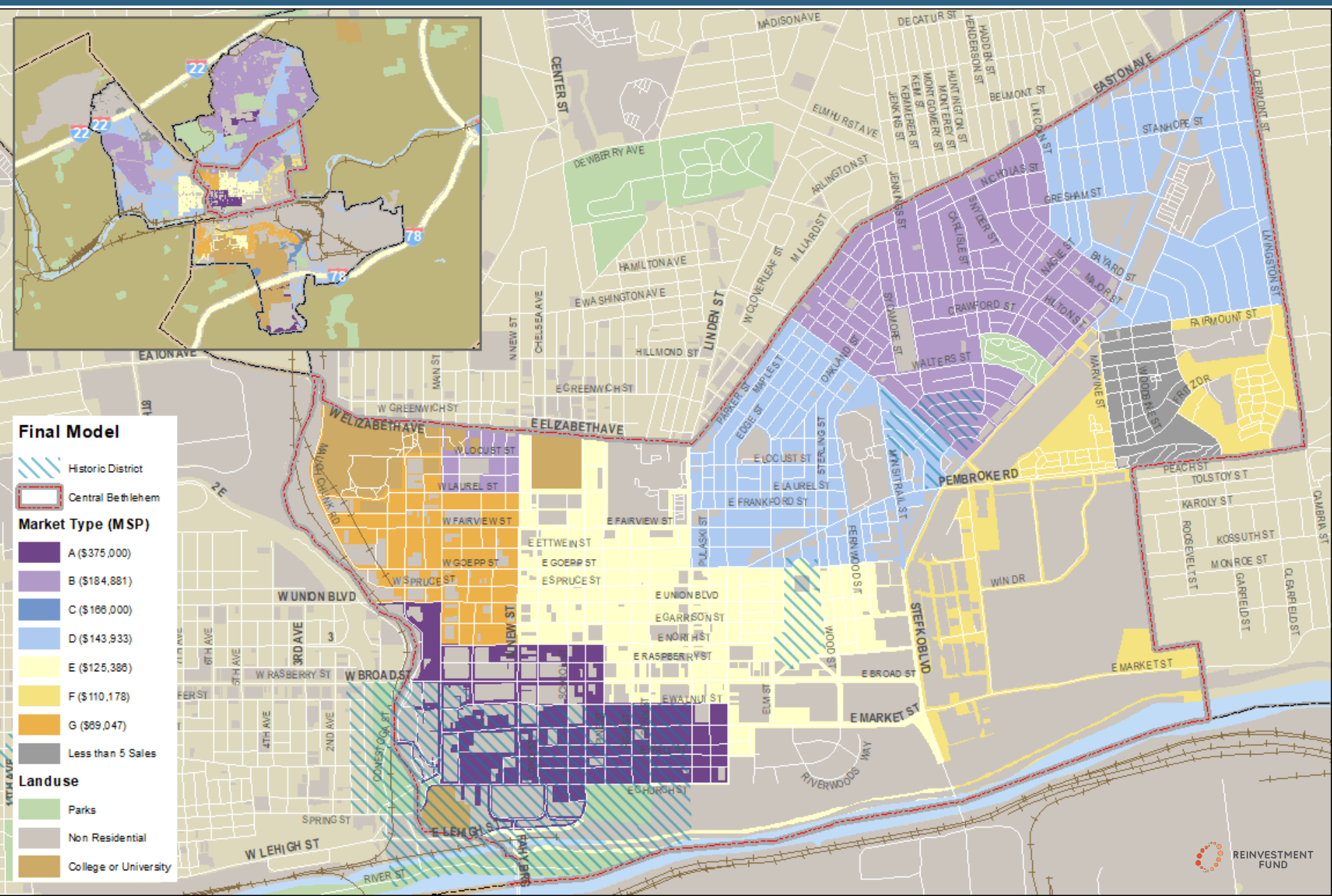


Market Characteristics of Northeast Bethlehem

- Northeast Bethlehem is the strongest market in the city.
- Highest median sales price and owner occupancy rate, and lowest housing density.
- Lowest levels of investment and distress.

Market Indicators	Northeast Bethlehem
Block Groups	18
Strong BG (A,B)	67%
Transitional BG (C,D,E)	33%
Distressed BG (F,G)	0%
Median Sales Price	\$188,455
Variance of Sales Price	0.34
Condo Sales	8%
2-4 Fam. Sales	0%
Owner Occupied Housing	73%
Rentals with Subsidy	0%
Housing Density	5.66
Investor Purchases	10%
Multiple Permits	6%
New Construction Permits	1%
Distress	3%
Multiple Violations	11%
Blight	0%

Central Bethlehem

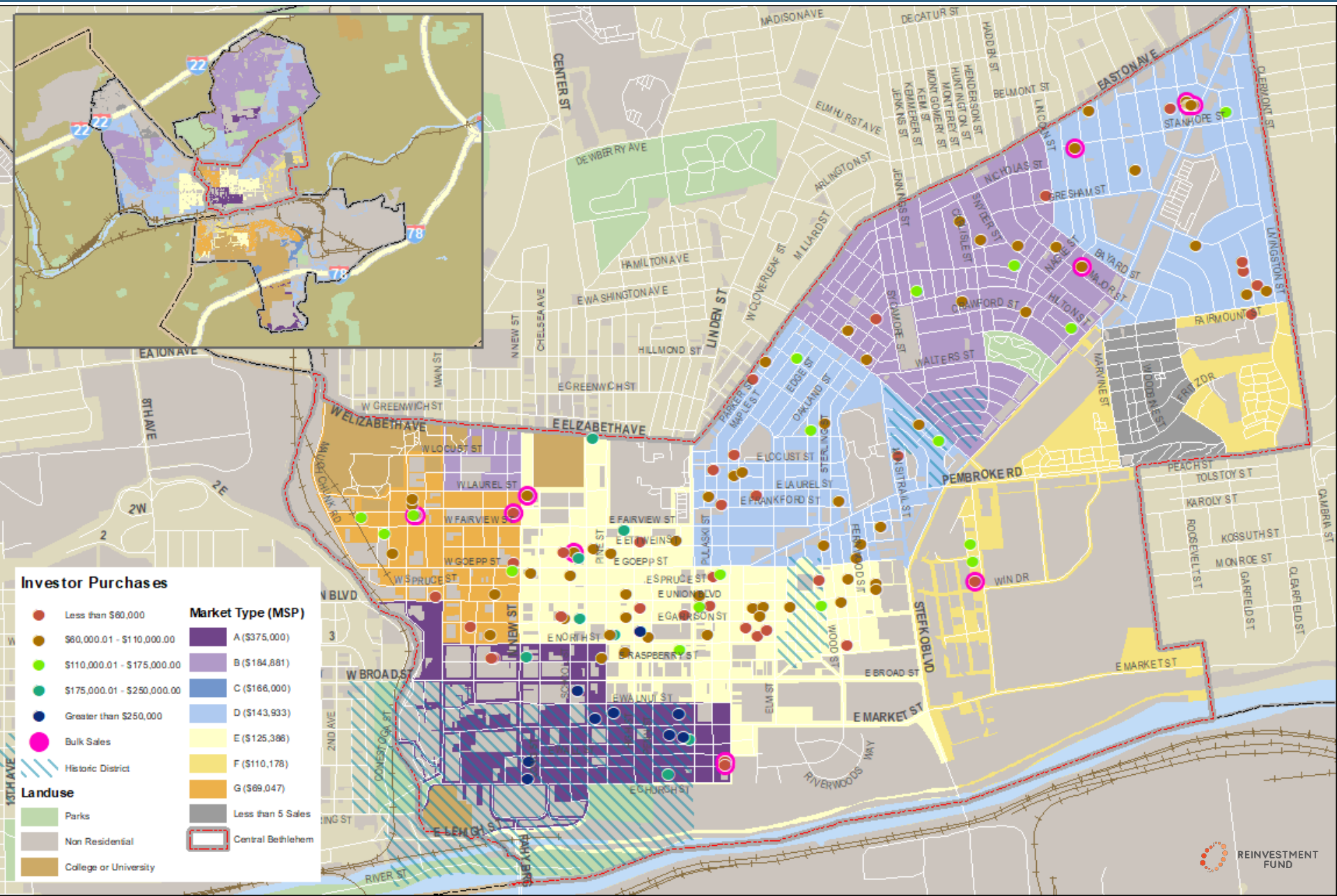


Market Characteristics of Central Bethlehem

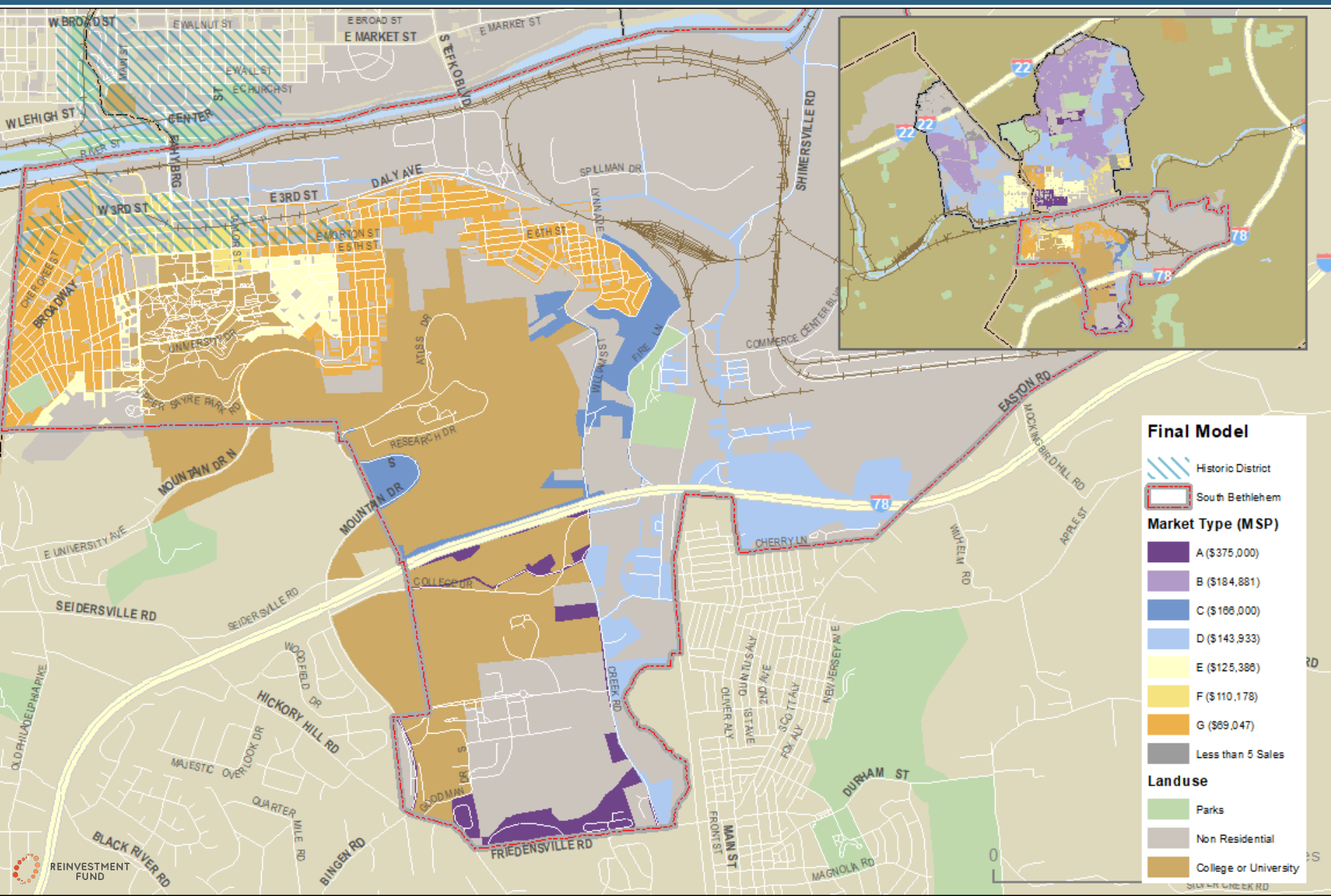
- Central Bethlehem is the most diverse, in terms of market types.
- Accounts for highest number of rentals with subsidies in the city.
- Higher levels of investment purchase.

Market Indicators	Central Bethlehem
Block Groups	18
Strong BG (A,B)	28%
Transitional BG (C,D,E)	50%
Distressed BG (F,G)	22%
Median Sales Price	\$137,304
Variance of Sales Price	0.43
Condo Sales	2%
2-4 Fam. Sales	6%
Owner Occupied Housing	46%
Rentals with Subsidy	40%
Housing Density	14.50
Investor Purchases	23%
Multiple Permits	5%
New Construction Permits	0%
Distress	5%
Multiple Violations	20%
Blight	1%

Investor Purchases in Central Bethlehem



South Bethlehem

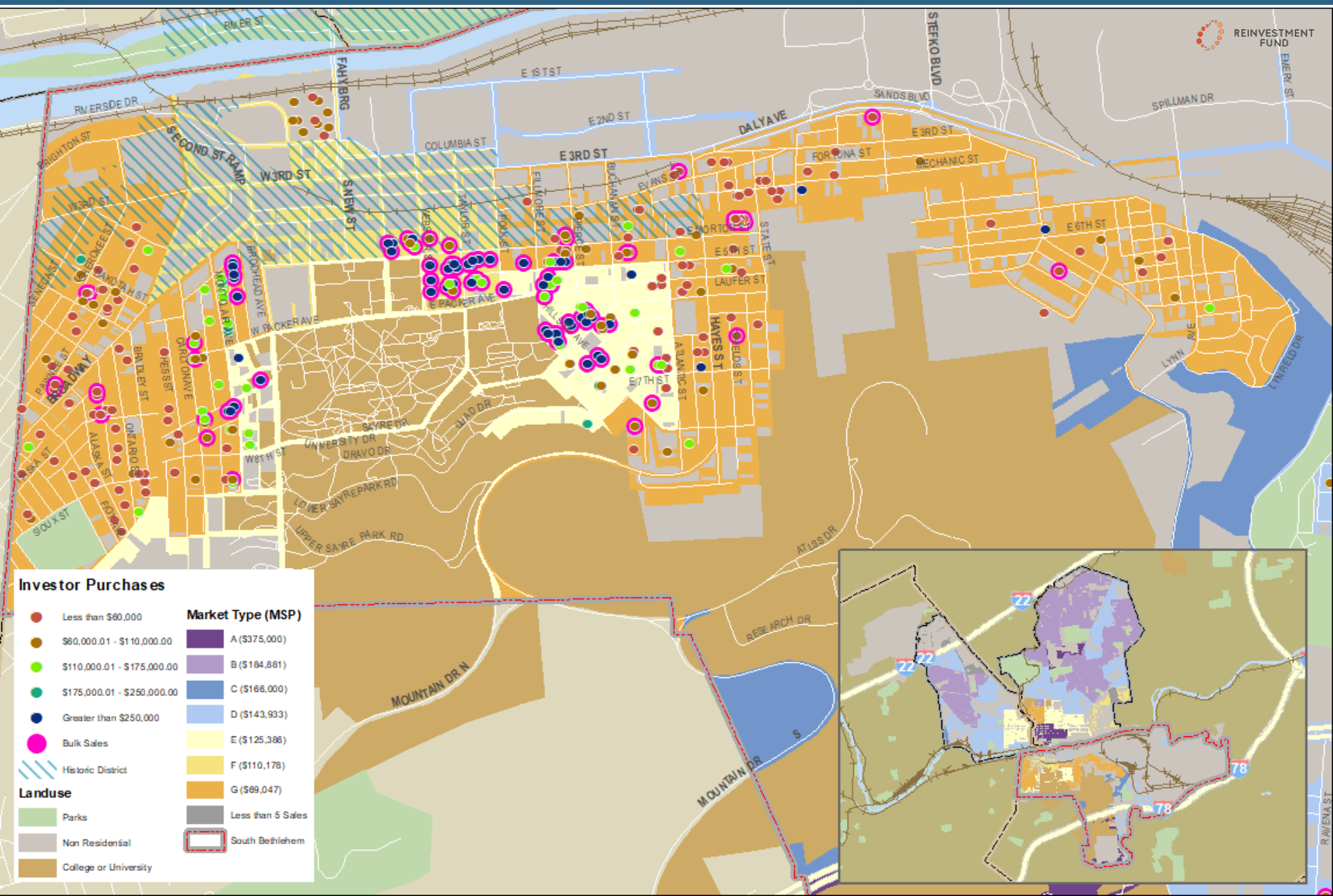


Market Characteristics of South Bethlehem

- South Bethlehem is the most distressed area in the city.
- Lowest level of owner occupied housing.
Highest level of distressed and housing density.
- Highest level of investor purchases in the city.

Market Indicators	Neighborhood Statistics
Block Groups	15
Strong BG (A,B)	7%
Transitional BG (C,D,E)	33%
Distressed BG (F,G)	60%
Median Sales Price	\$135,532
Variance of Sales Price	0.73
Condo Sales	16%
2-4 Fam. Sales	6%
Owner Occupied Housing	32%
Rentals with Subsidy	21%
Housing Density	15.93
Investor Purchases	51%
Multiple Permits	5%
New Construction Permits	1%
Distress	5%
Multiple Violations	29%
Blight	1%

Investor Purchases in South Bethlehem



Summary of Market Characteristics by Neighborhoods

		Central Bethlehem	Northeast Bethlehem	South Bethlehem	West Bethlehem
	Block Groups	18	18	15	23
Market Types	Strong BG (A,B)	28%	67%	7%	35%
	Transitional BG (C,D,E)	50%	33%	33%	65%
	Distressed BG (F,G)	22%	0%	60%	0%
Housing Value and other Sales Related Characteristics	Median Sales Price	\$137,304	\$188,455	\$135,532	\$156,601
	Variance of Sales Price	0.43	0.34	0.73	0.34
	Condo Sales	2%	8%	16%	0%
	2-4 Fam. Sales	6%	0%	6%	4%
Housing Characteristics	Owner Occupied Housing	46%	73%	32%	57%
	Rentals with Subsidy	40%	0%	21%	12%
	Housing Density	14.50	5.66	15.93	8.71
Investments	Investor Purchases	23%	10%	51%	12%
	Multiple Permits	5%	6%	5%	6%
	New Construction Permits	0%	1%	1%	1%
Distress	Distress	5%	3%	5%	4%
	Multiple Violations	20%	11%	29%	16%
	Blight	1%	0%	1%	0%



REINVESTMENT
FUND

Demographics

Source: 2015 American Community Survey; Reinvestment Fund
Market Value Analysis

Affirmatively Furthering Fair Housing Rule

...it is unlawful "to refuse to sell or rent...or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin..."

The rule requires jurisdictions that receive federal housing funding to:

- A) Foster and maintain compliance with civil rights and fair housing laws
- B) Take meaningful actions that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics
- C) Transform racially and ethnically concentrated areas of poverty into areas of opportunity

An activity may be in violation of the AFFH Rule if the outcome of the activity, policy decision, or investment results in a disproportionate impact to a protected class, even if this was not the intent ("disparate impact").

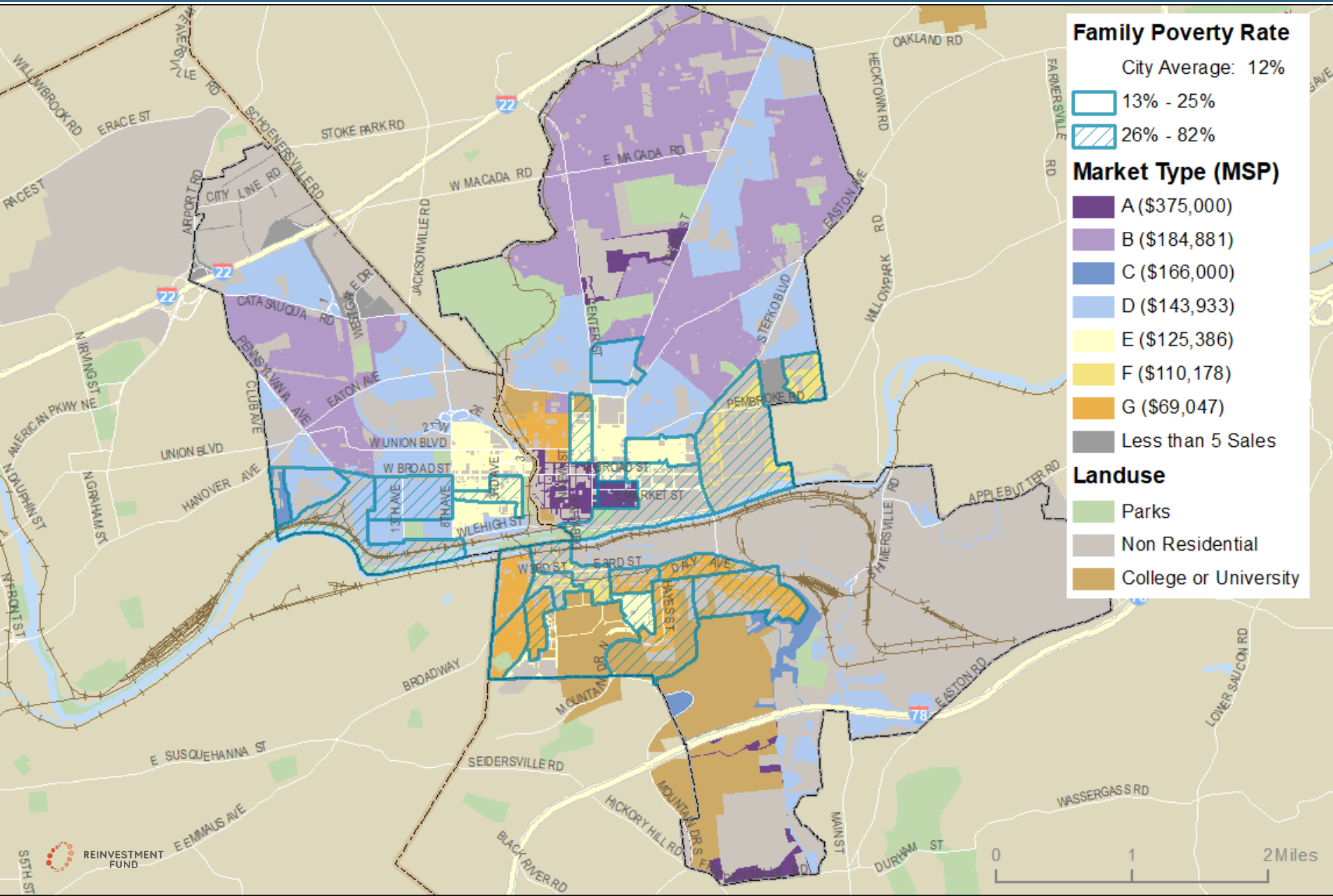
Demographic Trends by Market Types

	Race, Ethnicity, and Age						Highest Educational Attainment (Population 25+)		Family Poverty	
Market Type	Total Pop.	White	Black	Hispanic	Youth	Elderly	High School or Less	Bachelor's or Greater	Families	Families in Poverty
A	3,144	84%	4%	12%	11%	23%	37%	40%	590	12%
B	15,704	88%	2%	13%	18%	24%	34%	37%	4,349	2%
C	412	75%	2%	22%	12%	10%	43%	38%	101	10%
D	22,259	79%	6%	21%	19%	17%	46%	26%	5,307	7%
E	12,562	81%	5%	21%	13%	11%	46%	27%	2,155	15%
F	3,559	66%	12%	51%	23%	9%	58%	14%	629	47%
G	14,798	67%	13%	47%	25%	6%	62%	15%	3,093	26%
City	72,438	78%	7%	26%	19%	15%	46%	27%	16,224	12%

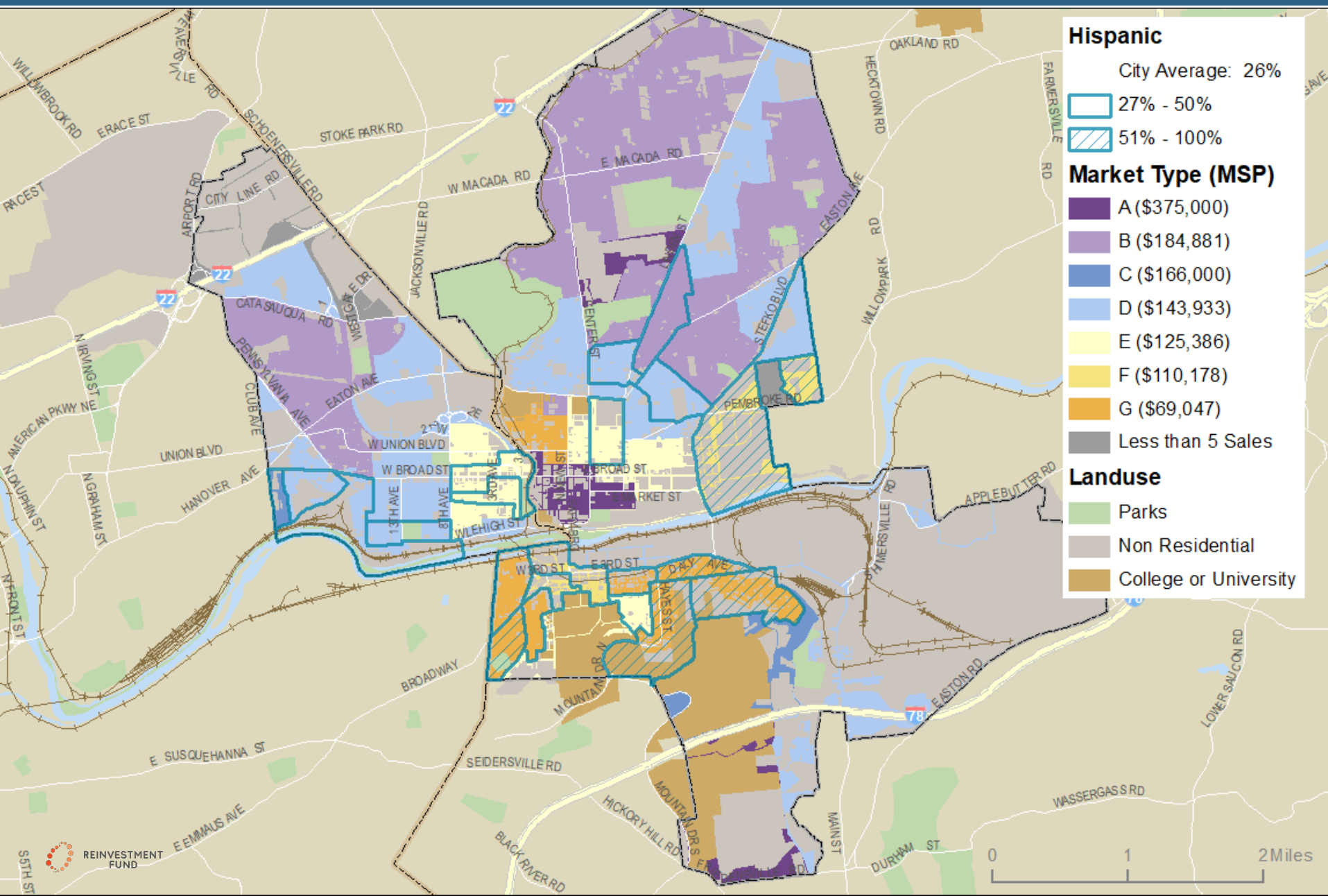
Source: 2015 American Community Survey

Note: For split block groups, the population ratio was calculated at the block level for the 2010 Census. This ratio was use to estimate the demographic statistics for the split block groups.

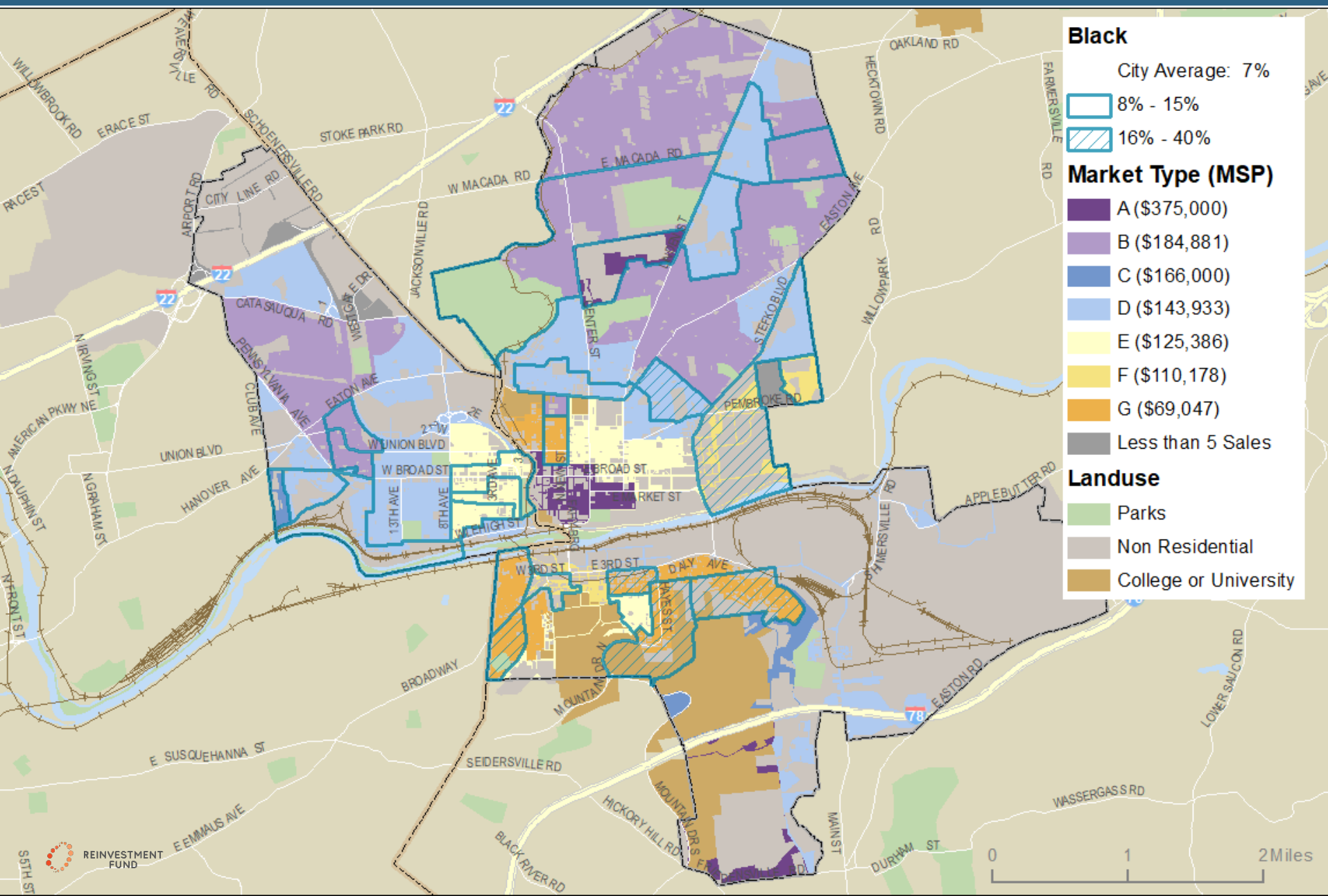
Family Poverty Rates



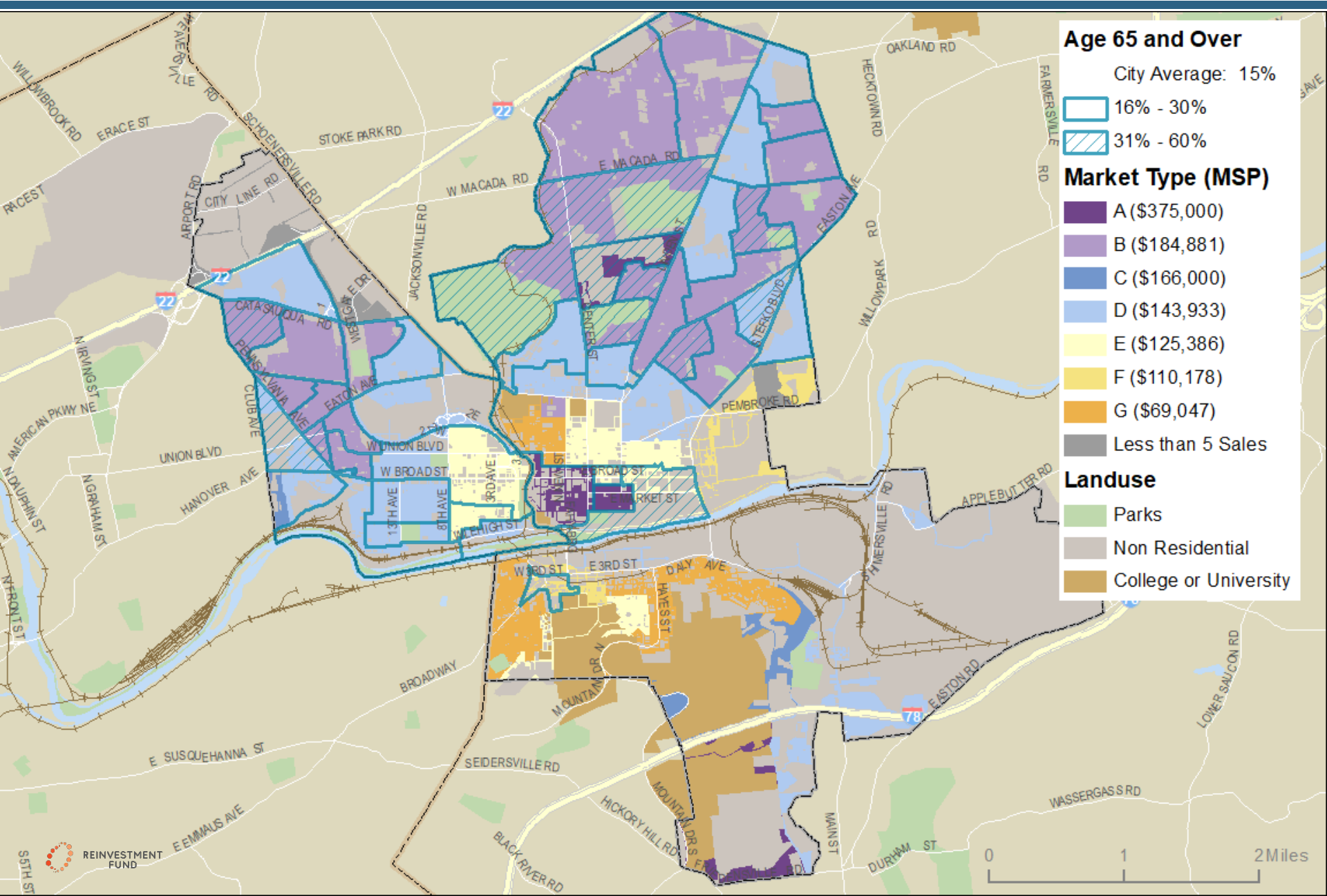
Hispanic Population



Black Population



Elderly Population (Age 65 and Over)





REINVESTMENT
FUND

Mortgage Activity

Source: Home Mortgage Disclosure Act; Reinvestment Fund Market Value Analysis

Data Note: HMDA data is the Census Tract level and the market analysis is at the block group level. The census tract market type is represented by the market type of the dominant block group, in terms of area.

Home Purchase Applications

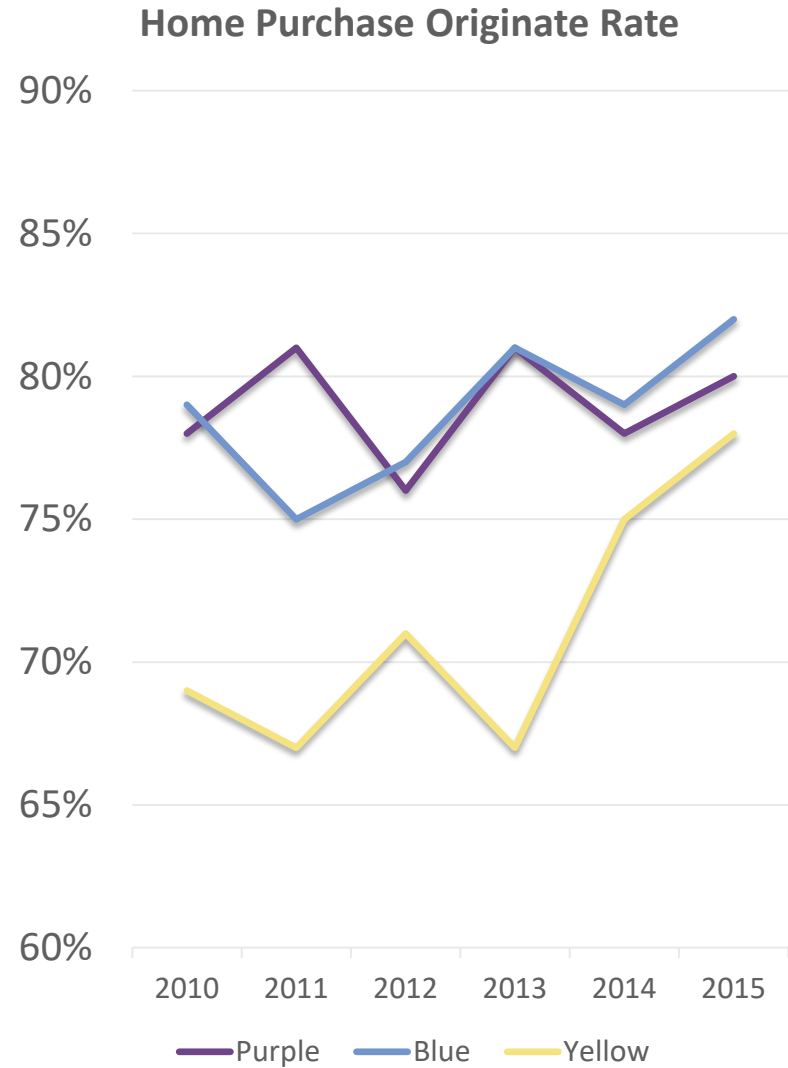
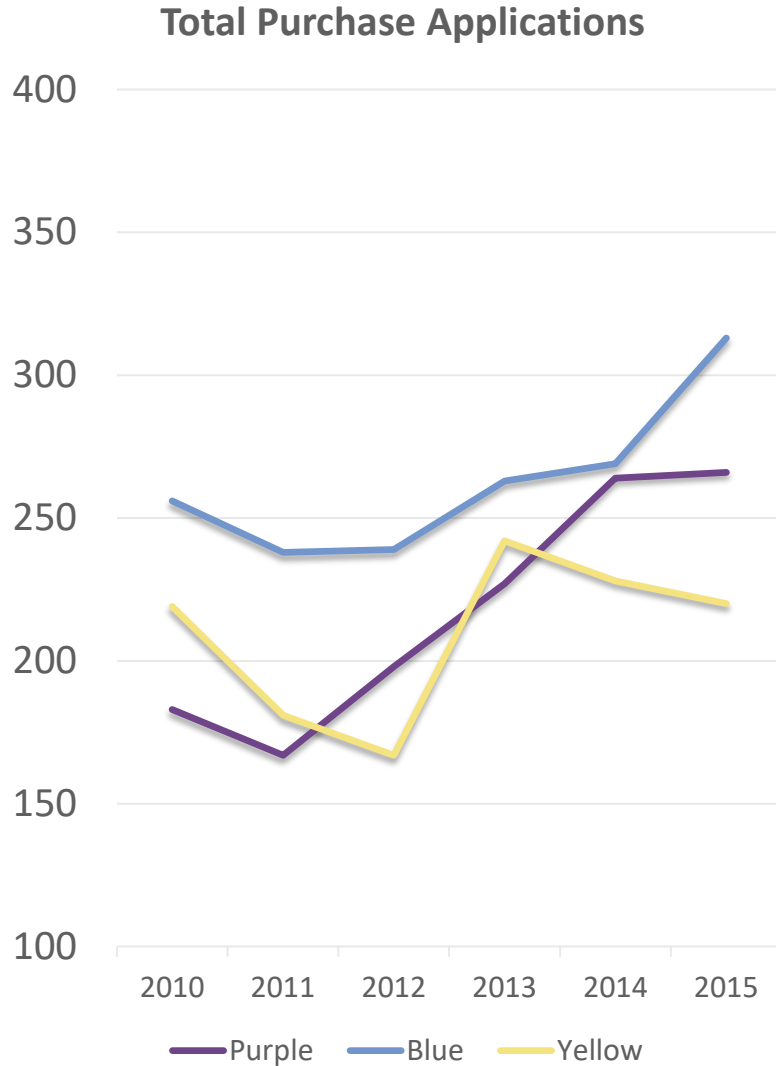
- Between 2014 and 2015, **1,560 home purchase applications** were filed in Bethlehem.
- There was minimal variation in approvals and denial rates across market types, with a slightly elevated rejection and withdrawn rates in the yellow market types.

	Approved Apps	Rejected Apps	Withdrawn Apps	Total Apps	Sales ('14-'15)
Purple Markets	417	39	52	530	563
(A,B)	79%	7%	10%	100%	
Blue Markets	469	38	61	582	499
(C,D)	81%	7%	10%	100%	
Yellow Markets	343	43	48	448	652
(E,F,G)	77%	10%	11%	100%	
All Markets	1,229	120	161	1,560	1,714
	79%	8%	10%	100%	

*Only includes first lien, home purchase and refinance applications for single family homes. Total apps include all actions: 1: Loan originated; 2: Application approved but not accepted; 3: Application denied by financial institution; 4: Application withdrawn by applicant; 5: File closed for incompleteness; 6: Loan purchased by the institution; 7: Preapproval request denied by financial institution; 8: Preapproval request approved but not accepted (optional reporting)

Home Purchase Origination Rate, 2006-2015

(Total Home Purchase Applications, i.e. first lien, home purchase applications for single family homes)



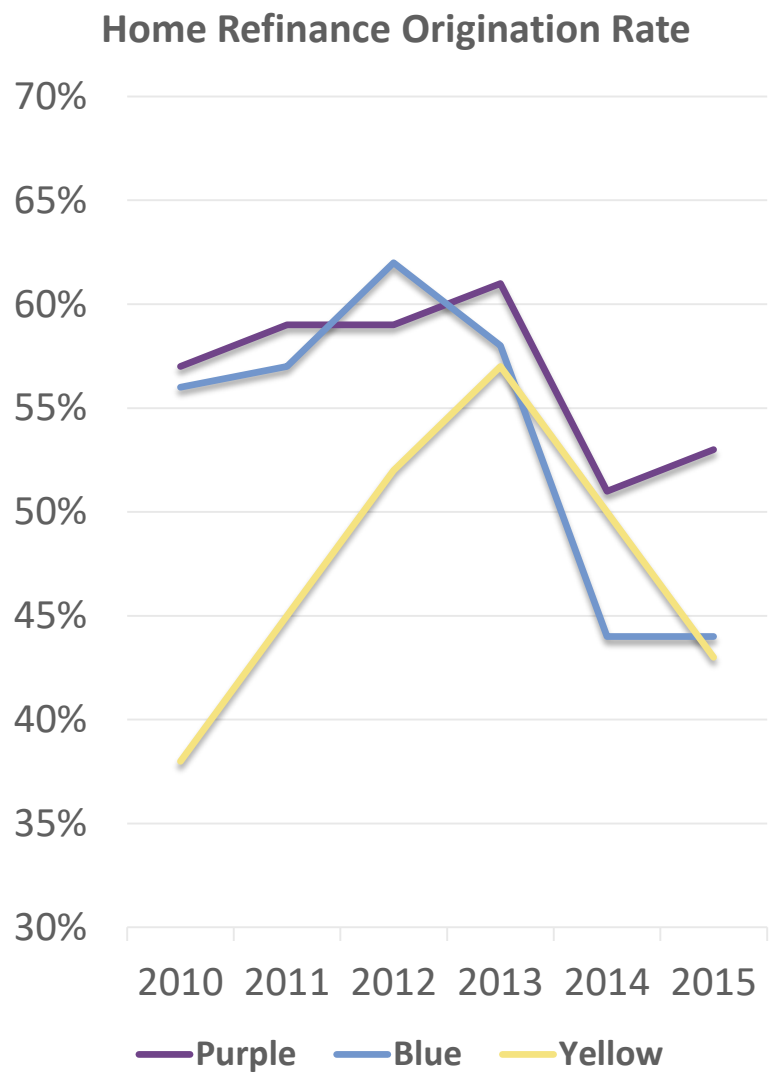
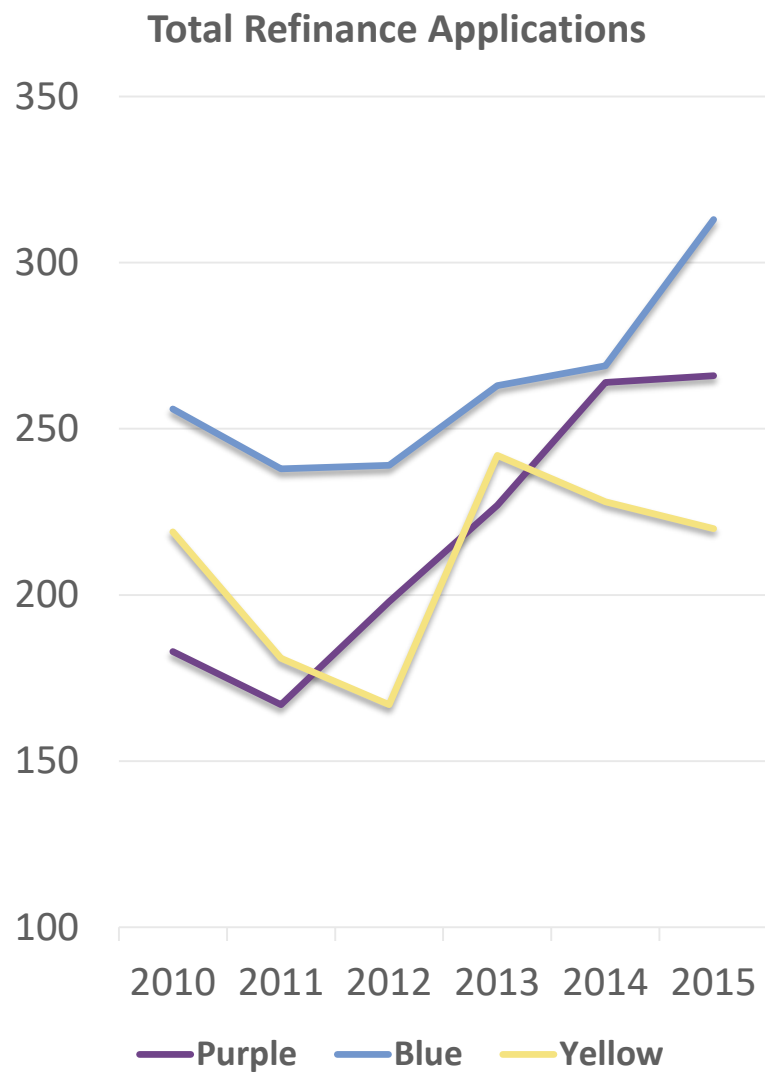
Refinance Applications

- Between 2014 and 2015, **1,603 refinance applications** were filed in Bethlehem.
- About 40 percent of the refinance applications were from “blue” markets, but there was little variation in approval and denial rates across market types.

	Approved Apps	Rejected Apps	Withdrawn Apps	Total Apps
Purple Markets	224	102	55	431
(A,B)	44%	30%	16%	100%
Blue Markets	286	192	101	646
(C,D)	52%	24%	13%	100%
Yellow Markets	244	155	66	526
(E,F,G)	46%	29%	13%	100%
All Markets	754	449	222	1,603
	47%	28%	14%	100%

*Only includes first lien, home purchase and refinance applications for single family homes. Total apps include all actions: 1: Loan originated; 2: Application approved but not accepted; 3: Application denied by financial institution; 4: Application withdrawn by applicant; 5: File closed for incompleteness; 6: Loan purchased by the institution; 7: Preapproval request denied by financial institution; 8: Preapproval request approved but not accepted (optional reporting)

Home Refinance Applications, 2010-2015



Key Findings

- Between 2014 and 2015, the number of home purchase and refinance loan applications were roughly identical, each accounting for about 1,600.
- The greatest activity occurred in the “blue” markets.
- In the “purple” markets, home purchase applications were greater than refinance application by 23 percent. In the “yellow” market, refinance applications were greater than home purchase applications by 17 percent.



REINVESTMENT
FUND

Housing Affordability

Source: 2015 American Community Survey; Reinvestment Fund
Market Value Analysis

Housing Affordability

Assumption:

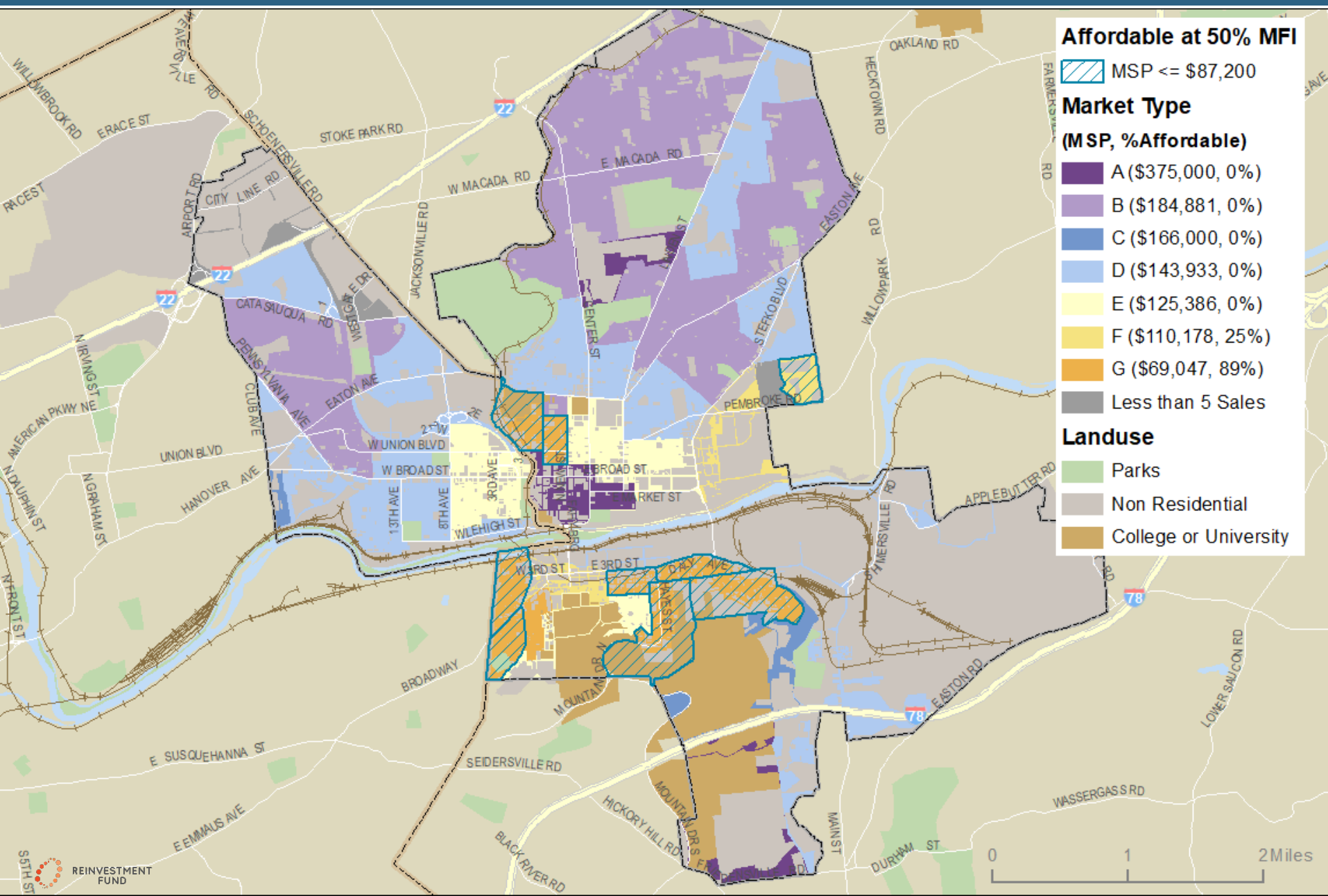
Our analysis assumes that families can afford homes with a price of at least three times the base median family income:

	50% MFI	80% of MFI	100% of MFI	120% of MFI
Base Median Family Income	\$29,067	\$46,506	\$58,133	\$69,760
Affordability Assumption (3x base MFI)	\$87,200	\$139,519	\$174,399	\$209,279

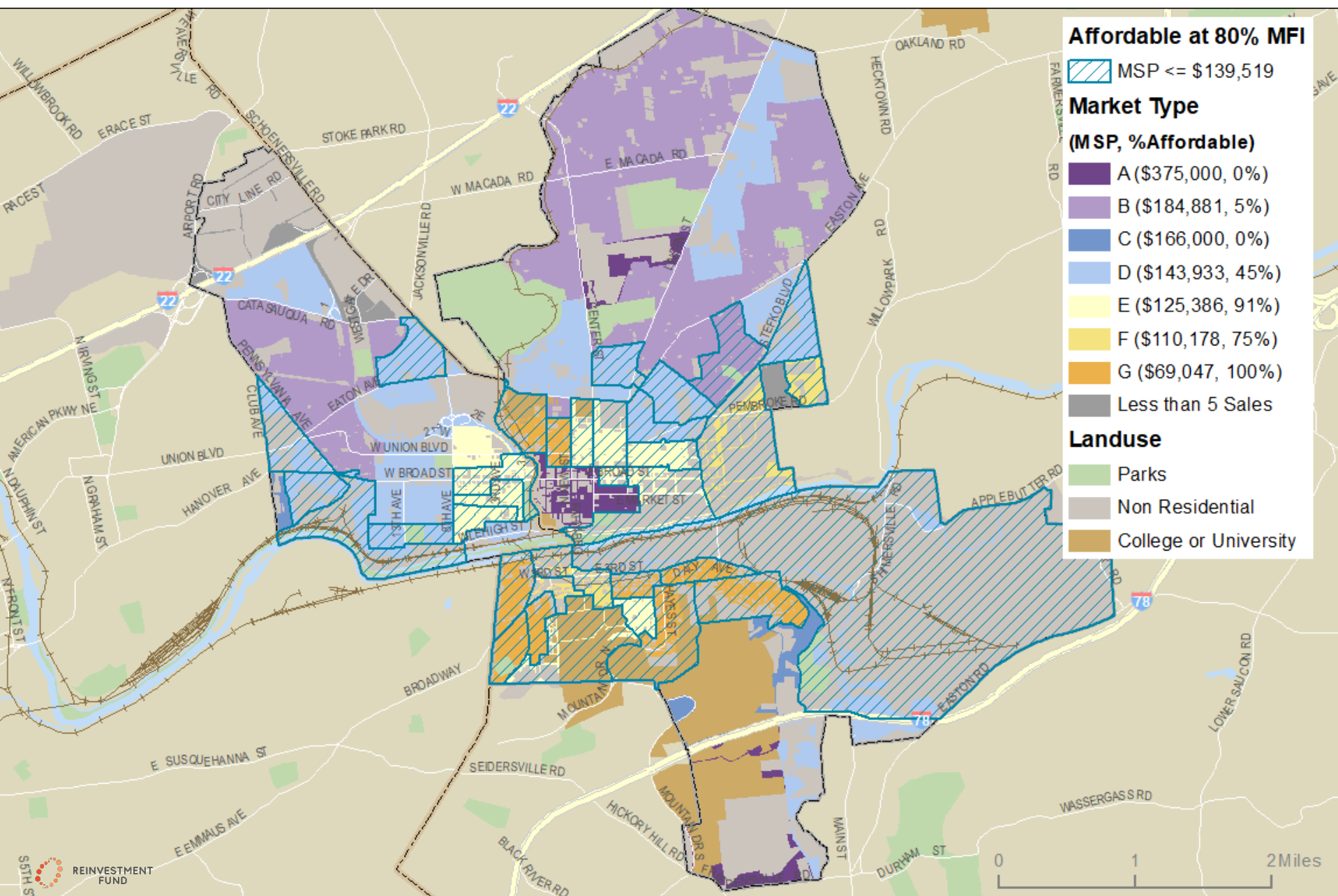
Question:

- Given the median sales price of the block group,
 - Is the block group affordable?
 - For what income groups?

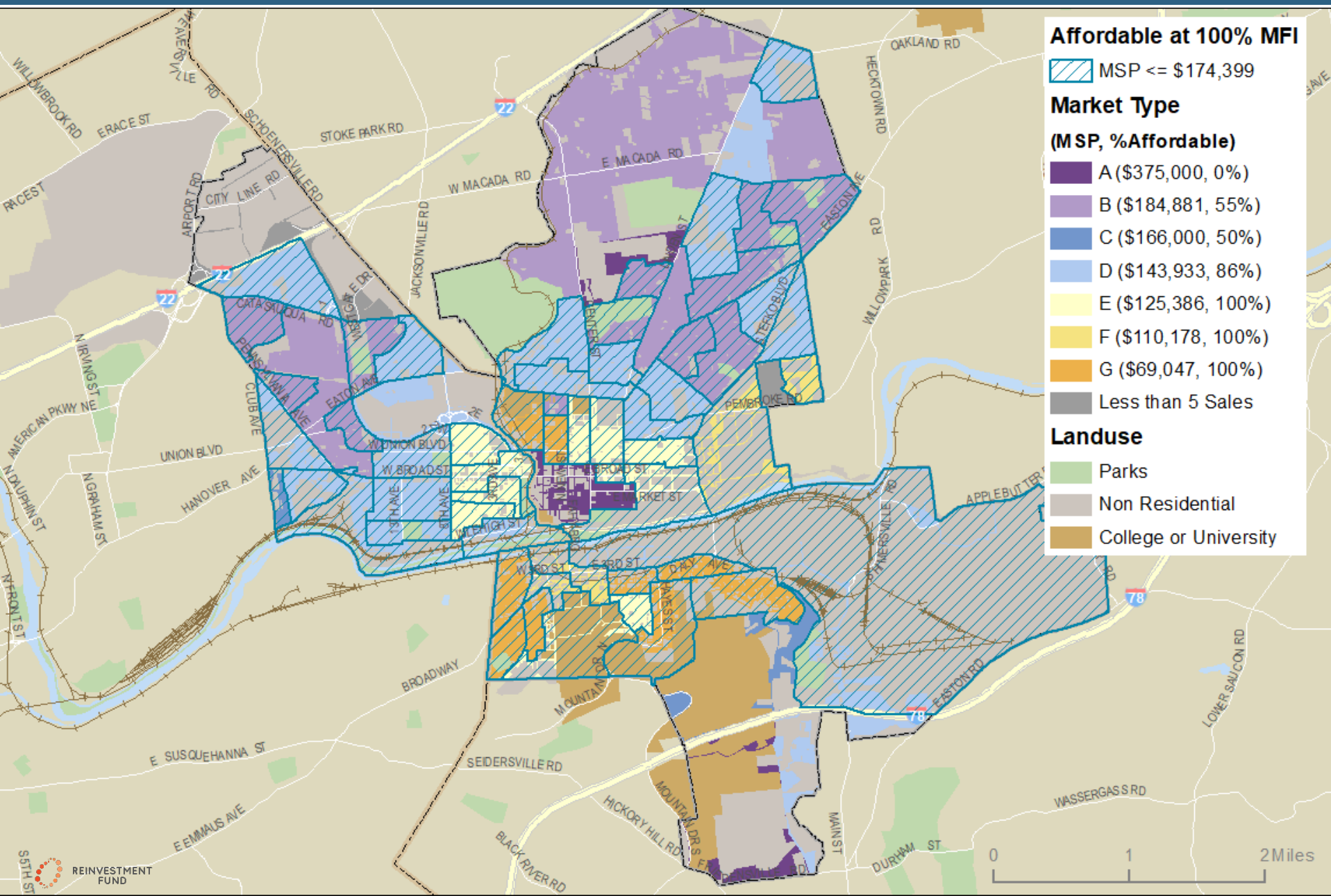
Affordable at 50 percent of Median Family Income



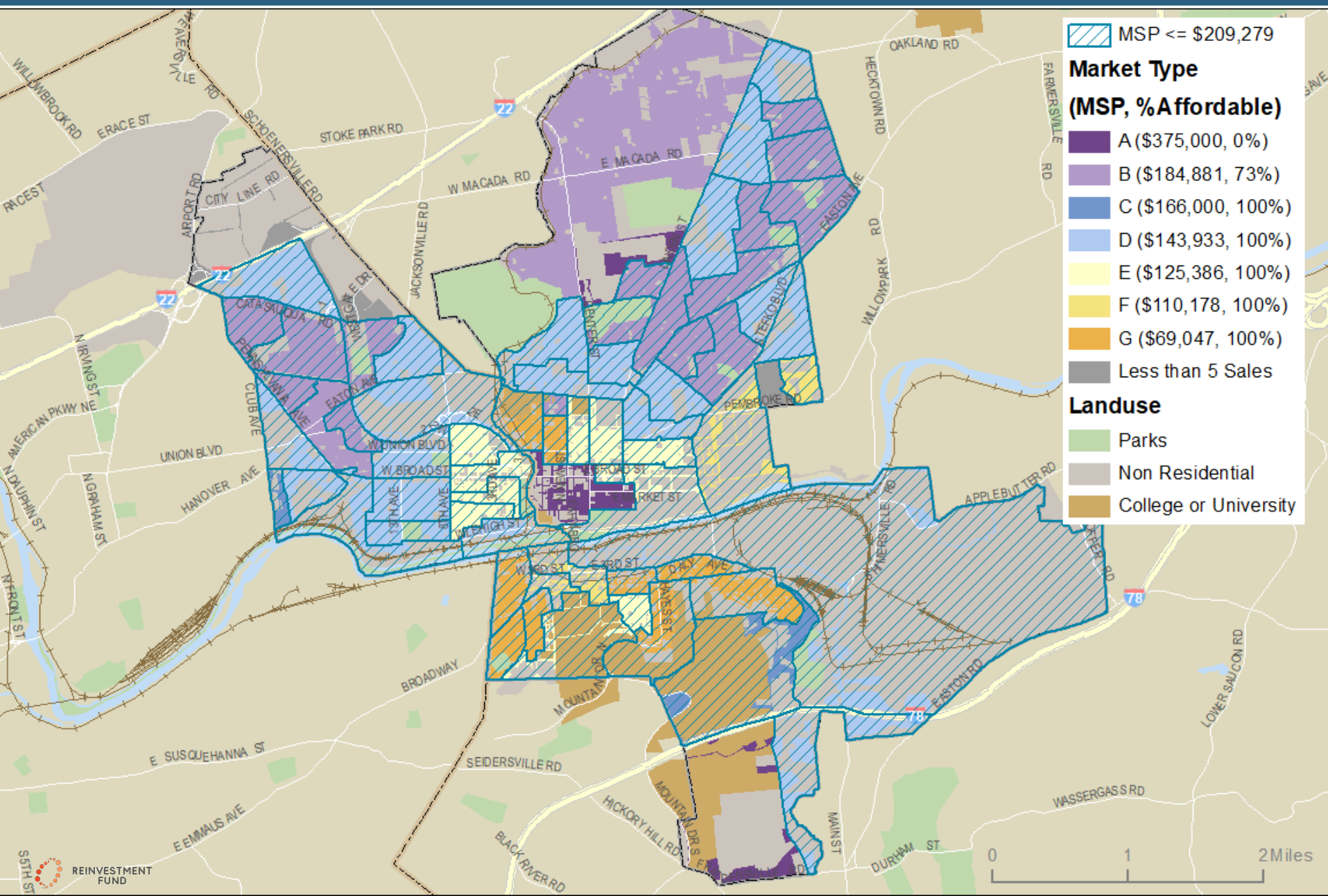
Affordable at 80 percent of Median Family Income



Affordable at 100 percent of Median Family Income



Affordable at 120 percent of Median Family Income



Housing Affordability

- About 12 percent of the city's block groups (74) had median sales price below \$87,200, indicating they are affordable for families that earn 50 percent of MFI.
- About 25 percent of the “F” block groups are affordable for families that earn 50 percent of MFI.

Market Type	Block Groups	Median Sales Price	50% MFI	80% of MFI	100% of MFI
A	4	\$375,000	0%	0%	0%
B	22	\$184,881	0%	5%	55%
C	2	\$166,000	0%	0%	50%
D	22	\$143,933	0%	45%	86%
E	11	\$125,386	0%	91%	100%
F	4	\$110,178	25%	75%	100%
G	9	\$69,047	89%	100%	100%
Total	74	\$155,385	12%	45%	76%

Key Findings

- About half of the block groups are affordable for families with an income of about \$45,000; about three-fourths of the block groups are affordable for families with an income of nearly \$60,000.
- About 15 percent of the block groups remain unaffordable for families with an income of \$70,000. The majority of these homes are located in the Northeast.



REINVESTMENT
FUND

Economic Initiatives in Bethlehem

Economic Initiatives

- **Enterprise Zones** - an economic development program that offers **financial incentives for eligible companies** that are currently located or are planning to locate within the City.
 - Incentives include: 1) low-interest grants-to-loans up to \$350,000 through the Enterprise Zone Revolving Loan Fund (EZRLF) and 2) up to \$500,000 in Tax Credits for each eligible project.
- **Local Economic Revitalization Tax Assistance (LERTA)** - a tax abatement program that was created in 1977 **to incentivize property investment and redevelopment** of difficult or undesirable properties, such as brownfields.
 - LERTA creates a graduated increase in tax payments on new construction and property rehabilitation for owners of commercial, industrial, and business properties located within designated zones in the City, including the Enterprise Zone.

Economic Initiatives

- **City Revitalization and Improvement Zone (CRIZ)** - 130 acres of parcels designated for **economic development and job creation** within the City of Bethlehem. The parcels included in the CRIZ include vacant, desolate, underutilized, and abandoned properties that are ready for redevelopment.
 - State and local taxes collected within the CRIZ will be used to repay debt service to stimulate economic development projects within the zone
- **Keystone Innovation Zone (KIZ)** – A statewide initiative to **foster entrepreneurship** in Pennsylvania, KIZs are special geographic districts offering sale-able tax credits to qualifying companies in targeted life science and technology sectors.
 - The Southside Bethlehem KIZ was established in 2004 and is now in its 13th year of operation.

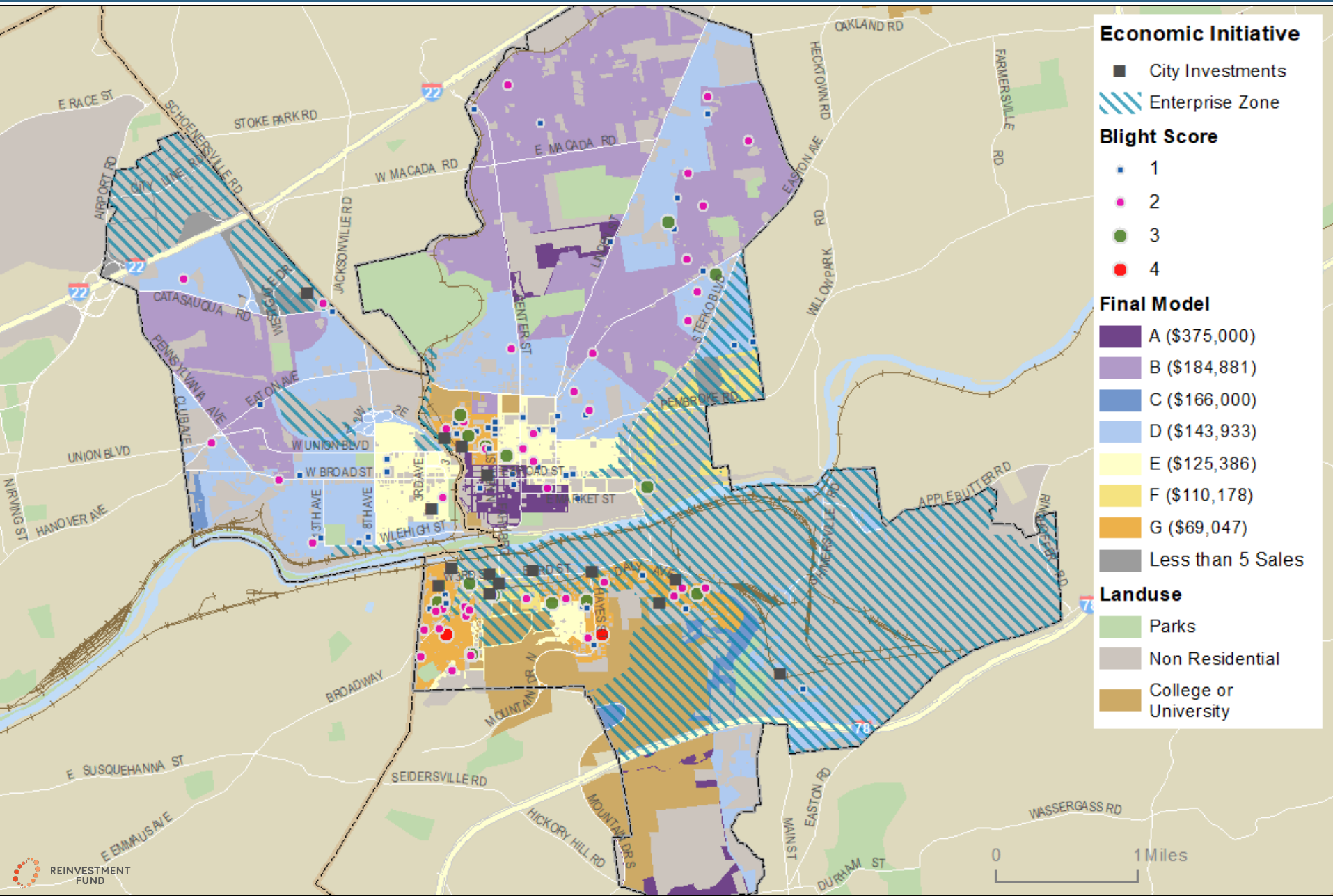
Economic Initiatives

- **Tax Increment Financing (TIF)** - a **public financing method** that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects. Municipalities typically divert future property tax revenue increases from a defined area or district toward an economic development project or public improvement project in the community.
 - The TIF Zone includes 124 acres of former Bethlehem Steel sites, where most new tax revenue can be captured by the Redevelopment Authority and utilized for further development. TIF funds are utilized only for projects that will be open to and used by the public.

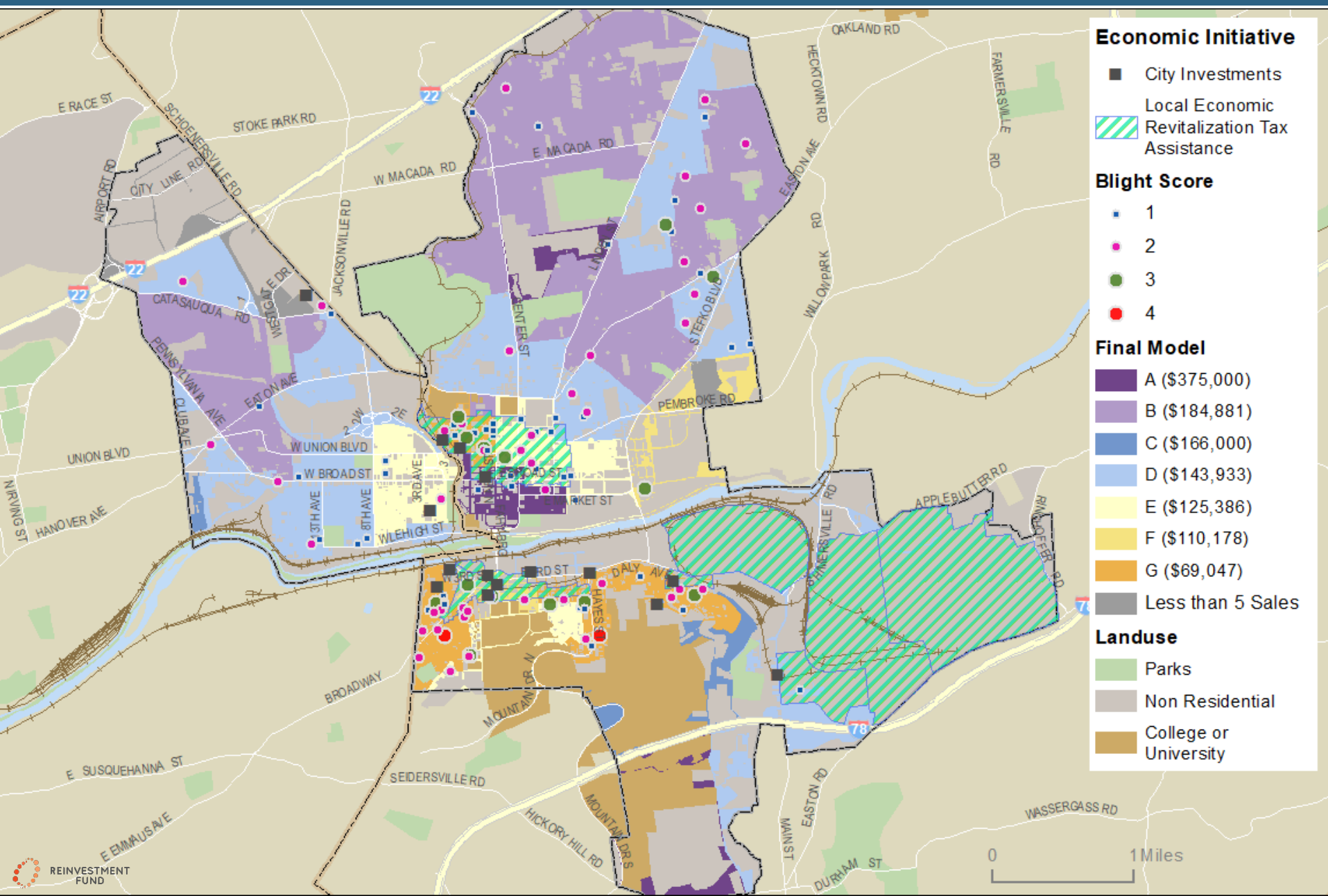
Economic Initiatives

- **Bethlehem Small Business Loan Fund** - A revolving loan program funded with CDBG money offering low interest loans to clients who may not traditionally qualify, such as start up businesses or ones in business for less than 2 years.
 - Focused on clients who are low/moderate income or who locate businesses in low/moderate income census tracts.
 - Interest rates are at or below market. Works in conjunction with one-on-one business counseling and courses.
- **Exterior Building Improvement Loan** – Up to \$60,000 for exterior building improvements including facades, sidewalks, ADA access (for commercial buildings). Prime minus .5%

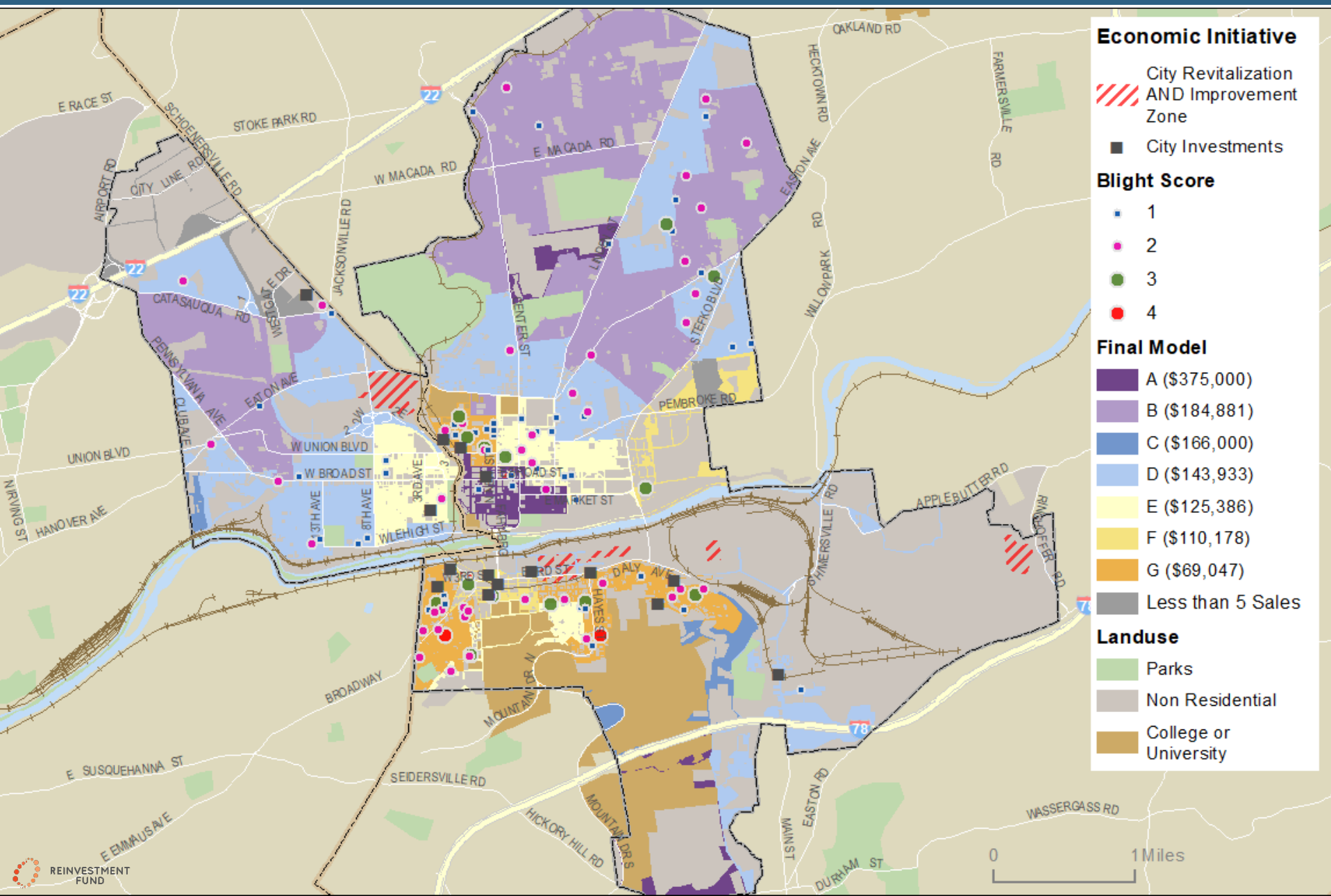
Enterprise Zones



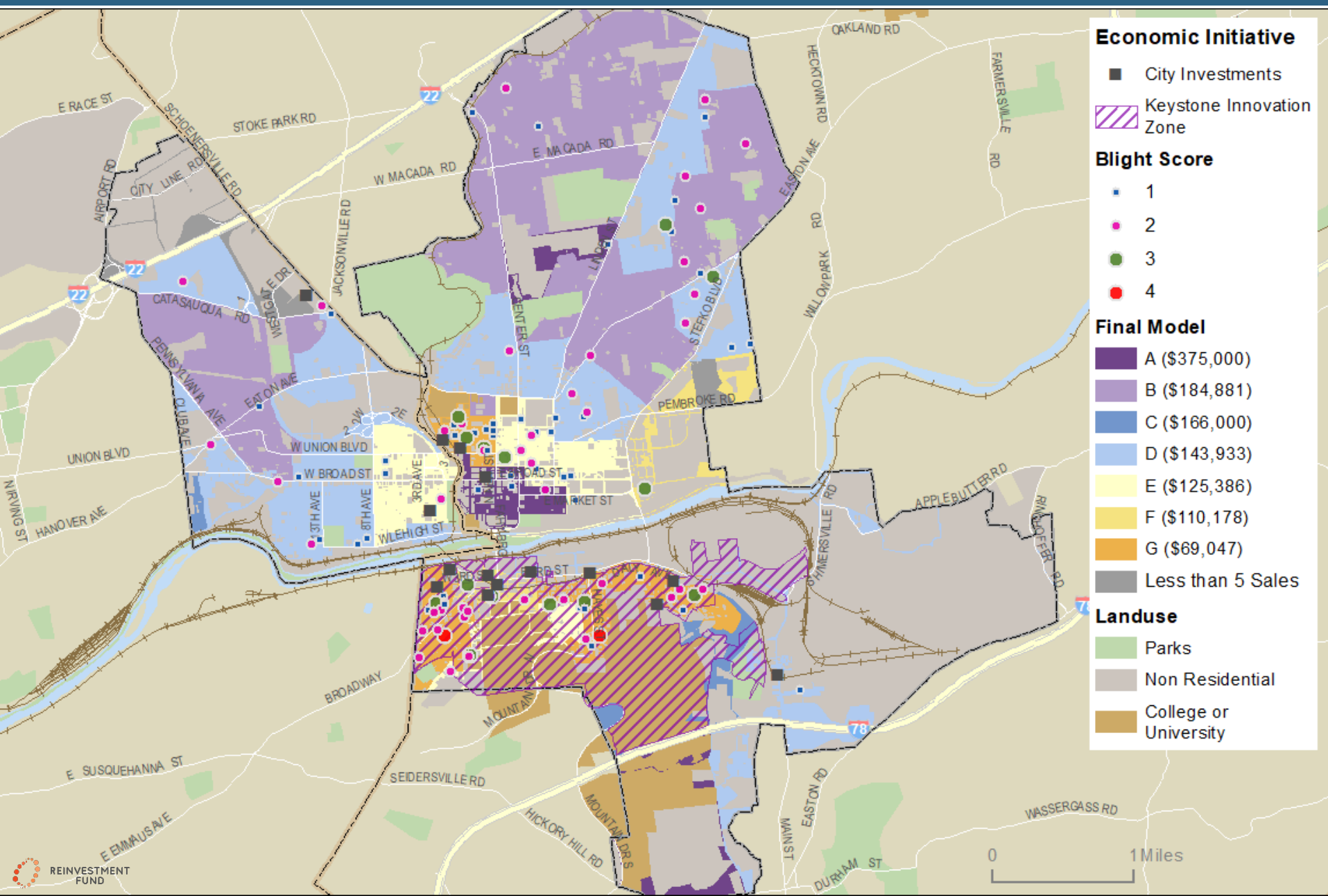
Local Economic Revitalization Tax Assistance



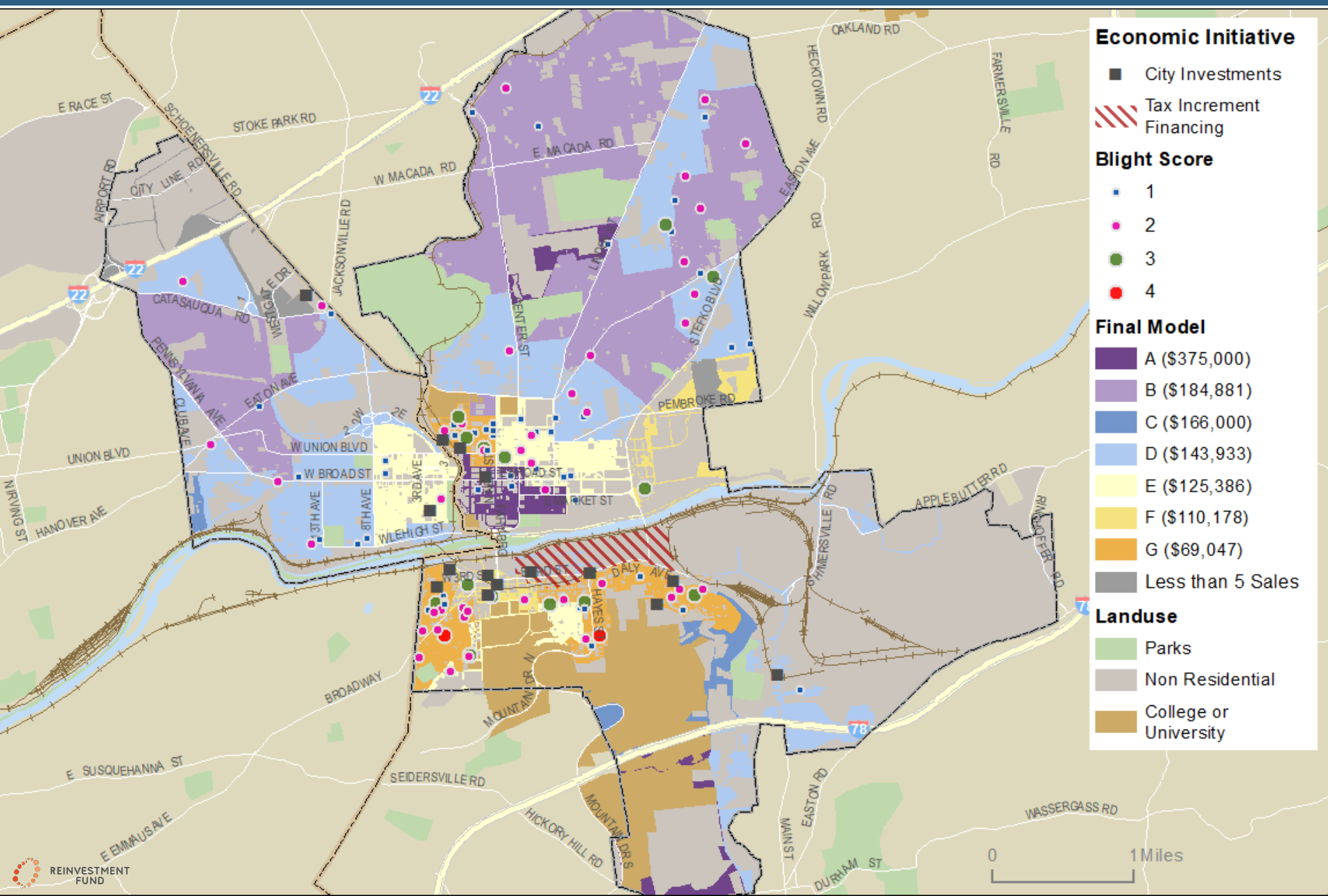
City Revitalization and Improvement Zone



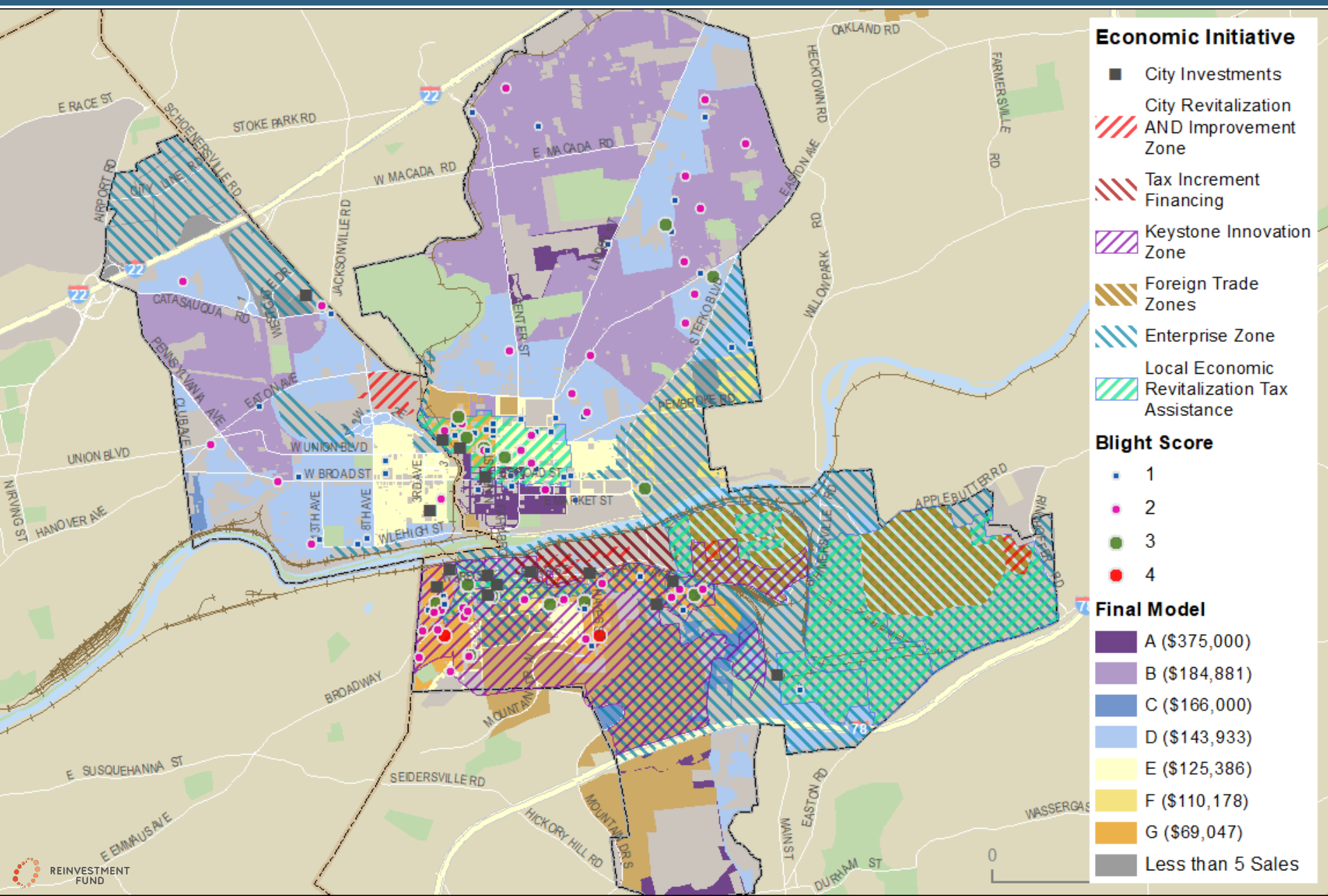
Keystone Innovation Zone



Tax Increment Financing



Economic Initiatives in Bethlehem



Contact Information

Michael Norton, Chief Policy Analyst, Reinvestment Fund

michael.norton@reinvestment.com

Rhea Acuña, Research Analyst, Reinvestment Fund

rhea.acuna@reinvestment.com

Karen Black, May 8 Consulting, LLC

kblack@may8consulting.com

Rebecca Rothenberg, Atria Planning, LLC

rrothenberg@atriaplanning.com