CITY OF BETHLEHEM

Department of Community and Economic Development
Interoffice Memo

To: Michael G. Colon, Council President

From: Darlene L Heller, Director of Planning and Zoning

Re: Zoning Map Amendment – 119 Technology Drive

Date: March 10, 2023

At its March 9, 2023 Meeting, the Planning Commission voted 5-0 to recommend approval of the above-referenced Zoning Map Amendment.

The proposal is to rezone the parcel located at 119 Technology Drive, and currently owned by IQE Properties, LLC, from IR – Industrial Redevelopment to CB – Commercial/Central Business.

The original transmittal to the Planning Commission is attached for reference.

Darlene L. Heller, AICP
Director of Planning and Zoning

Enclosure

C. City Council Members
Mayor Reynolds
Jack Spirk, Esq.
Laura Collins, Esq.
Craig Peiffer
Paige Stefanelli

Matthias Fenstermacher, Serfass Construction
James Preston, Esq. Broughal & DeVito, LLP

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Interoffice Memo

TO: Planning Commission members

FROM: Darlene L. Heller, Director of Planning and Zoning

RE: Proposed Zoning Map Amendment at 119 Technology Drive

Background

The City has received a request for a zoning map amendment for the property at 119 Technology Drive from IR (Industrial Redevelopment) to CB (Central Business District). Copies of the applicant's proposal and map are enclosed in you packets. A portion of the zoning map is also included for reference.

The property is 3.95 acres. It is a very visible location and is surrounded by Columbia Street to the south, the Fahy Bridge to the west, rail lines to the north and additional IR properties to the east. The Parcel is currently occupied by a one-story industrial building and several large nitrogen tanks, chemical stacks and other electrical gear.

The parcel is easily walkable from the downtown, Steel Stacks, Banana Factory and other community amenities.

No zoning text amendments are proposed or necessary to accompany this map revision.

Findings

The IR zoning district was created during the period of the closure of Bethlehem Steel. Although the majority of the Steel's land (east of the Minsi Trail Bridge) remained in some form of industrial zoning, a new zoning district, Industrial Redevelopment, was created at that time for the area west of the Minsi Trail Bridge and abutting the downtown. The purpose of the IR zoning district is to ". . . allow a variety of non-residential land uses with flexible design standards applied during the site plan approval process. This district is mainly intended to allow commercial, office, research and light industrial uses."

The real estate market is much different than it was more than 30 years ago. At that time there was very little demand for additional housing in the downtown areas. In the intervening years, general housing trends show substantially increased demand for new housing units in dense, walkable areas that are immediately accessible to areas of the city that include a mix of uses and provide opportunities for dining, shopping and nightlife.

At the same time, LVIP VII and the Majestic Realty sites have brought substantial new industrial, manufacturing and distribution uses to the remaining 1,600 acres of the Bethlehem Steel lands. Incredibly, most of their land is already built out or has prospective new development.

IQE is the current owner/occupant of the site. In late 2020, IQE notified the city of the pending closure of their Bethlehem location and desire to consolidate activities to their Greensboro, NC, site. Since that time, the City has been working with the owners of 119 Technology Drive to find a new buyer/tenant for the Technology Drive property. The feedback from prospective industrial users has indicated that the interior of the building, although considered cutting edge at the time of its construction, is considered nearly obsolete for current standards for a research facility.

The purpose of the CB district is to "provide for an orderly coordinated development of varied commercial business and office uses in combination with limited intensive residential development . . . and to encourage excellence of design in the development of properties. To promote pedestrian-friendly uses, as opposed to uses that are auto dependent." 119 Technology Drive is abutted by the CB zoning district to the west and the south of the property.

As noted above, the demand for residential units in and around the City's downtowns has grown substantially at least since the recession in 2008 and the demand has skyrocketed in the last few years. All areas of Bethlehem are seeing demand for additional residential units. The zoning map amendment is proposed to provide another opportunity for additional residential units abutting the core area of the south side downtown. The Community Development bureau is leading an in-depth analysis of the current housing market and its impacts on affordable housing. Although the study is not yet complete, the initial analysis notes that there is really an extreme shortage of all types of housing in both Bethlehem and the Lehigh Valley region as a whole. Bethlehem continues to look for opportunities for new housing development. Obviously, the rezoning of this parcel will allow the site to be redeveloped with multiple residential units.

Additionally, the rezoning of this parcel to CB allows for a redevelopment opportunity that is outside of the Historic Conservation District in south Bethlehem. There have been projects proposed in the Conservation District that include the demolition of properties that are contributing historic resources to the District. This project does not.

The parcel is located along LANTA's Enhanced Bus Service route which will be a significant convenience for residents.

Documentation has been received from DEP noting that "the intended renovations of the property are acceptable and maintain the Act 2 liability protections currently on the property". Essentially, DEP concurs that the proposed residential use, as designed, is appropriate for the property.

The Bethlehem Vision Comprehensive Plan supports residential use at this site. The Future Land Use chapter notes that "upper story apartments and upper story offices should be encouraged to create more customers for nearby businesses." It also notes that "mixed use redevelopment category should allow residential uses . . . between New Street and the Casino/Hotel complex". The Future Land Use Plan, southern section, recommends this lot to be Mixed Use Redevelopment-Residential Option. The Housing and Neighborhoods chapter includes strategies such as "Work closely with BethWorks to ensure its planned residential component anchors a true mixed-use area as now envisioned. Amend current zoning of this area as needed to permit mixed

residential/non-residential uses." The Downtown Revitalization and Economic Development chapter notes that Bethlehem needs to "Sustain a physical environment in and around the City's retail centers that . . . encourage people to work, live and play in Bethlehem" and to "ensure that the City's zoning ordinance permits mixed residential/non-residential uses in all appropriate locations".

Conclusion

Because of the region's rapidly changing housing market and because the parcel is located abutting the CB district, which is a district compatible with the recommendations of Bethlehem's Comprehensive Plan, our office recommends that the parcel be rezoned to CB as proposed.

This item is placed on your March 9 Planning Commission agenda for consideration. We request that you act on the proposal with a recommendation for approval to City Council. We can discuss the proposal in more detail at the meeting.

CC: Mayor Reynolds
Craig Peiffer
Laura Collins
Alicia Karner
Kevin Serfass, Serfass Development
Atty Preston

DATE: March 3, 2023

Darlene Heller

Darlene L. Heller
Director Planning and Zoning