

# CITY OF BETHLEHEM

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## Department of Community and Economic Development

### Interoffice Memo

**SUBJECT:** LERTA

**TO:** Dr Wandalyn J Enix, Chairwoman, Finance Committee

**FROM:** Tiffany Wismer-DCED Business Manager

**DATE:** February 14, 2023

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Ordinance No. 2022-14 Article 343, Local Economic Revitalization Tax Assistance-Southside LERTA District II provides for real estate tax exemptions for new residential construction or improvements on identified deteriorated properties only where 10% of those dwelling units so-created are set aside and reserved exclusively for affordable housing by qualified persons or where the property owner makes a minimum contribution to the City's affordable housing fund. Contributions made to the affordable housing fund must be used for the purposes of advancing affordable housing throughout the City through a program of low interest loans or grants to benefit persons of low, very low, and extremely low income.

Contributions received are deposited in escrow account 071-10770179 and therefore have not been included in the 2023 budget. It is our recommendation that the following budget adjustments be considered for approval.

**Revenue**

001A-30494 – LERTA Affordable Housing  
\$200,000

**Expense**

0304-42212 – LERTA Affordable Housing  
\$200,000

The adjustment will amend the total General fund budget from \$102,720,883 to \$102,920,883.

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CC: L. Collins  
A. Karner