

**CITY OF BETHLEHEM**  
**INTER-DEPARTMENTAL CORRESPONDENCE**

**SUBJECT:** Request for Approval by City Council of Contract Award or Contract Price Increase Pursuant to City Ordinance, Article 121.05 (a)

Project or Contract Reference: 2025 46 Revolving Loan Fund Development

**TO:** City Council, all members, and Council Solicitor

**FROM:** Laura Collins & Sara Satullo

**DATE:** October 1, 2025

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On behalf of the Administration, pursuant to City Ordinances, Article 121.05, I request City Council's approval of the following recommendation of the referenced contract award or price increase.

- Check Type of Contract or Change:

\_\_\_\_\_ The contract is for over \$50,000 and required to be bid under the Third-Class City Code. We have advertised the above referenced project and received qualified bids. We recommend award of the contract to the bidder identified and for the reasons stated below.

\_\_\_\_\_ The recommendation is for a price increase of 10% or more for an existing contract over \$50,000 that was previously bid and awarded under the Third-Class City Code.

  X   The contract is for the engagement of professional services. We have received a proposal for professional services in connection with above referenced project.

- Is the contract appropriation or price increase included in this year's budget?   X   yes         no

- Identify contract funding sources (general fund, grants, loans, etc.....):  
0901-95042

- The name and address of the recommended Contractor/Professional Service Provider:  
The Center for Public Enterprise  
82 Nassau Street, Suite 60666  
New York, NY 10038

- Term of contract or estimated completion date, subject to standard extensions: 12/31/2026

- Description of project or scope of services to be provided: The Center for Public Enterprise will assist Bethlehem in the design and implementation, from start to finish, of a mixed-income development program Revolving Loan Fund (RLF). Center for Public Enterprise will produce several briefs and/or reports, following conversations with stakeholders, detailing various options for Bethlehem to pursue regarding a potential RLF program. Center for Public Enterprise will assist Bethlehem stakeholders with the creation and review of model pro formas for potential capital stack structures and developments. Center for Public Enterprise will assist Bethlehem with the identification of projects Bethlehem could develop/co-develop and provide a brief detailing strategies for the development of a pipeline of projects.
- State the actual or estimated price to the City or the proposed Department budget allowance for the initial term; and state payment rate per unit of service if applicable: \$12,000
- Number of renewal term options and duration of each renewal, if any: N/A
- Maximum dollar value of all renewals provided for beyond the original term as if all renewals were exercised: N/A
- Reasons for recommendation of Administration and Council approval of contract: The Center for Public Enterprise is a national leader in the design and implementation of innovative mixed-income development programs administered by housing authorities, housing finance agencies, and other state and local government instrumentalities to assist governments in furthering their housing production goals. Its work has been featured by the [U.S. Department of Housing and Urban Development](#) and highlighted in coverage in [The New York Times](#), [Bloomberg](#), and [Vox](#).

Additional information about project and reasons for recommendation:

Creating a revolving loan fund (RLF) to spur housing production remains a linchpin of the City's affordable housing plan *Opening Doors: Strategies to Build Housing Stability in Bethlehem*.

Housing revolving loan funds offer low-interest, short-term loans for the development, preservation or rehabilitation of mixed-income housing. RLF loans can help close the financing gap on projects, taking strong projects from infeasible to shovel ready. When a borrower repays the initial loan, the money returns to the fund, allowing it to be used for another project, thus creating a self-renewing, sustainable source of financing for future projects.

Over the past year, the Community Development Bureau has started developing RLF models for Bethlehem after researching effective existing examples, engaging with cities across the country, and learning from experts leading this emerging area of housing solutions. Our research and work to date have positioned us to design a local revolving loan fund that tests those frameworks in the local market.

Designing a functional and effective revolving loan fund requires technical expertise, so we are fortunate that the Center for Public Enterprise – a philanthropically funded non-profit organization that works with public entities across the country to design and implement public development programs – can provide support for this work for a nominal fee.

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As a philanthropically supported New York City-based nonprofit, the Center offers its technical services at an extreme discount. The *Opening Doors*’ implementation budget previously shared with City Council includes funding for this technical assistance; although the Center’s services come in significantly under budget. The implementation budget also includes seed money for a future RLF.

During interviews with City staff, other communities time and again pointed to the Center providing them with essential technical supports to get their funds operational. In Bethlehem, we will be able to move faster to develop more affordable units with the Center’s assistance.

Please approve this recommendation by passing the accompanying resolution. A vote of final approval is requested at the first City Council agenda listing of this matter.

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By:   
Department Head

Copies To: Mayor  
Director of Administration  
Director of Budget and Finance  
Law Bureau  
Purchasing Bureau  
Controller  
Project Manager

Attachment: Proposed Resolution

## RESOLUTION NO. 2025-\_\_\_\_\_

### Authorization for Contract or Amendment under Article 121.05(a)

BE IT RESOLVED by the Council of the City of Bethlehem that the Mayor and the Controller and/or such other City officials as deemed appropriate by the City Solicitor, are hereby authorized to execute a Contract or Amendment and such other agreements and documents as are deemed by the City Solicitor to be necessary and/or related thereto, with the following named contractor, for the uses and purposes indicated in the supporting Recommendation of Award of Bid or Contract.

1. Name of Contractor: The Center for Public Enterprise  
82 Nassau Street, Suite 60666  
New York, NY 10038
2. Project or Contract Reference: 2025 46 Revolving Loan Fund  
Development

Sponsored by: /s/ \_\_\_\_\_  
\_\_\_\_\_

ADOPTED by Council this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

/s/ \_\_\_\_\_  
President of Council

ATTEST:

/s/ \_\_\_\_\_  
City Clerk