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Robert J. Donchez
Mayor

April 16, 2021

RE: 317-327 S New Street COA Application

Historic Conservation Commission members,

On Monday, April 19, you will again be considering the submission for the demolition of 317-327 S New Street and the subsequent development of new infill construction at that site.

As I previously mentioned, I have met with the applicant/developer on several occasions and I believe there are many exciting qualities in the project. These aspects include the redevelopment of underutilized structures, an exciting complement of food and restaurant amenities, much needed market rate and affordable housing, and an architecturally appropriate project for the Southside Historic Conservation District.

First, this project includes the demolition of several non-contributing structures. Of those being demolished, the buildings include two one-story buildings and a second multi-story building which has been vacant for several years. Prior to its vacancy, this property was the subject of several complaints, including non-compliance with zoning ordinances and the property condition. There was a lack of investment in several of these properties for many years before the acquisition by the current owner.

Next, this project incorporates a first floor food court and restaurant space. This proposed use is consistent with the city's December 2019 Southside Arts District Retail Market Analysis, indicating that the city has capacity for significantly more Limited-Service Restaurants to satisfy demand. Ensuring new businesses meet the demands of the community are an important component to their success.

Additionally, this project also proposes a number of market rate apartment housing in the heart of the Southside Arts District. The current residential rental vacancy rate for this area of the Southside is approximately 3.5% - a level considered tight and indicative for pent-up demand for additional rental housing. As detailed in the South Bethlehem Eastern Gateway Market Study, there is an identified need for significantly more new apartment units. This high demand for new units will meet the demands of health care providers, young professionals and graduate students and concentrating them in the downtown has been a goal of my administration. These additional units provide much needed support for south side's local retail and restaurant businesses. Residents at this location will also receive the benefit of living adjacent to the Greenway, public transportation and educational and medical institutions.

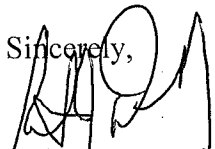
Importantly, this project specifically includes a commitment to housing that is affordable. The property owner has committed to include ten percent of the units as affordable, renting to person of low income as determined by the poverty guidelines of the United State Department of Housing and Urban Development. These housing costs of these residents will be limited to less than 30% of household income. The importance of the willingness of this owner to commit to affordable housing cannot be understated, as this is the first project of its kind to commit to addressing this important issue without financial incentive specific to the creation of affordable housing.

I believe the project provides architectural details that are in keeping with the Historic Conservation District's design guidelines. First, the preservation of the existing Italianate building shows the owners commitment to honoring the goals of the historic district. Second, the new building uses some design elements of existing neighboring buildings and the facades are broken up with a variety of materials and cornices. Last, the developer made some revisions to the building design, especially to the storefronts and the first three floors of the building to address how the building interacts with the streetscape. These are all positive changes that should be supported by the SBHCC.

The South Bethlehem Historic Conversation District Study Task Force, in consultation with Urban Research and Development and Artefact, has produced draft recommendations that include limiting the height of buildings at this location to 90 feet. While this building is proposed at approximately 100 feet, the inclusion of 10% of the affordable units necessitates a higher height. The property owner has reduced the proposed height from the originally proposed 150 feet to approximately 100 feet (a decrease of 1/3 of the structure). Despite this reduced height, the owner's commitment to affordable housing has not waived.

Because of the reasons stated above, including the redevelopment of several underutilized buildings, an exciting complement of food and restaurant amenities, much needed market rate and affordable housing, and an architecturally appropriate project for the Southside Historic Conservation Commission, I ask that you approve this project.

Sincerely,



Robert J. Donchez
Mayor