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## Memo

To: Darlene Heller, Director of Planning and Zoning

From: Alicia Miller Karner, Deputy Director of Economic Development

CC: Mayor J. William Reynolds

Date: May 5, 2022

Re: LERTA Boundary

The Local Economic Revitalization Tax Assistance Act (LERTA) gives the City of Bethlehem the authorization to create districts to allow for the abatement of property taxes on new construction and improvements to certain deteriorated industrial, commercial and other business property. These districts must consist mainly of impoverished areas. The state act identifies the following criteria that should be taken into account when identifying a geographic area: unsafe, unsanitary and overcrowded buildings; vacant, overgrown and unsightly lots of ground; a disproportionate number of tax delinquent properties, excessive land coverage, defective design or arrangement of buildings, street or lot layouts; economically and socially undesirable land uses.

The City of Bethlehem has a long established LERTA on the Southside covering areas in the central business district and the industrial areas of the former Bethlehem Steel. This LERTA is set to expire on December 31, 2022. As a result of this LERTA and other factors, the city has experienced tremendous industrial growth in LVIP VII and the Bethlehem Commerce Center causing the city to evaluate the need for LERTA moving forward.

Attached are several maps of properties that remain vacant or underutilized or provide opportunity for expansion of existing businesses. The role of the Bethlehem Planning Commission is to comment on the location of boundaries of a deteriorated area or areas for the guidance of the municipal governing body. These recommendations will be presented to Bethlehem City Council at a public hearing in the near future.

Please place this item for consideration on the May 12, 2022 Planning Commission agenda.