



Opening



Doors

**Building Housing
Stability in Bethlehem**

January 22, 2026

Agenda

- **Welcome**
- **Strategy 3: Build Partnerships with Institutions**
 - **Pembroke Choice**
 - **Gateway on Fourth**
 - **Western Gateway**
- **Strategy 2: Offer Incentives to Create and Preserve Affordable Housing**
 - **Create an Affordable Rental Housing Construction Program**
- **Strategy 1: Update Zoning and Land Use**
 - **Pilot an Accessory Dwelling Unit (ADU) Program**

Opening Doors Strategies:

-  Update Zoning and Land Use to Encourage a Variety of Housing Types & Infill Development
-  Offer Incentives to Create & Preserve Affordable Housing
-  Build Partnerships with Local Institutions to Support New Housing and Community Investment
-  Protect Tenants At-Risk of Displacement and Increase Supply of Deeply Affordable Rental Units
-  Advocate for State-Enabling Affordable Housing Policies, Programs & Regional Housing Planning

Strategy 3

Build Partnerships with Institutions

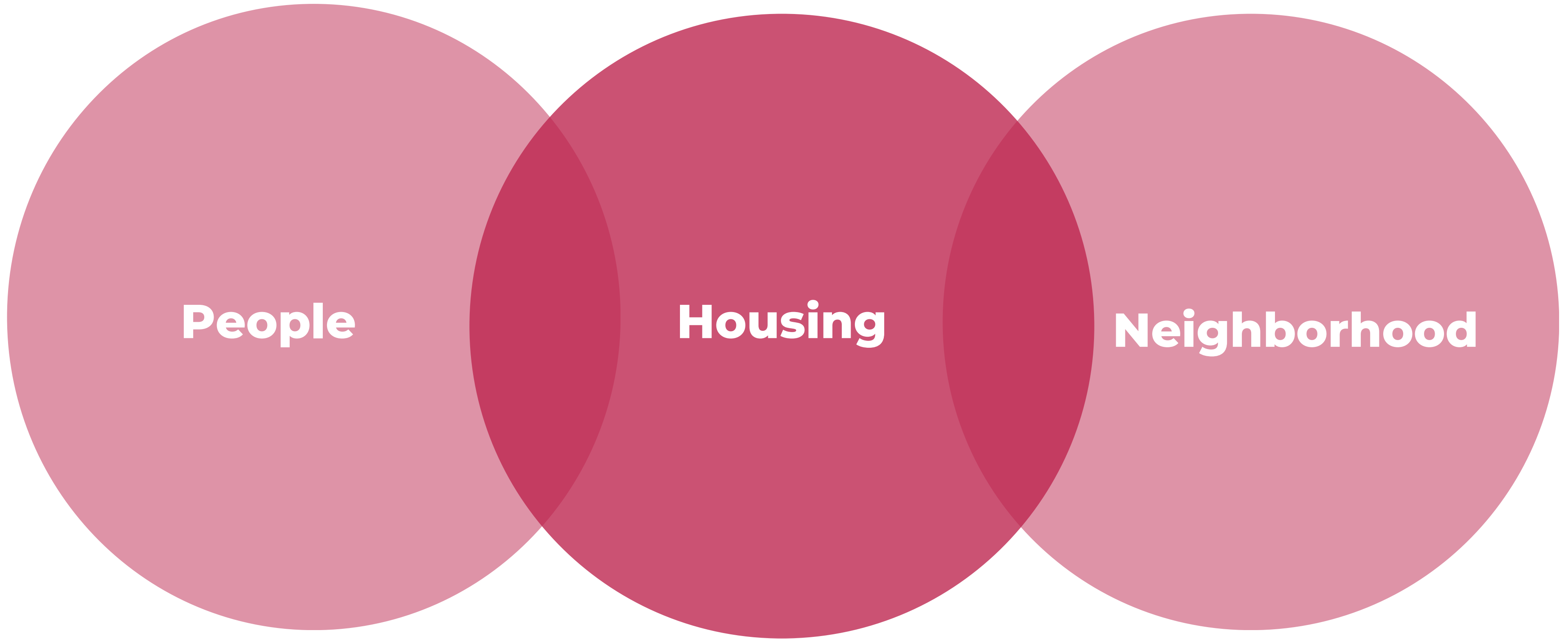
Like the Bethlehem Housing
Authority to Support New
Housing and Community
Investment



Hospital-built employee housing in Nantucket



**Completed and submitted
to HUD a comprehensive,
community-driven
neighborhood
transformation plan**



People

Housing

Neighborhood

HOUSING PLAN

SITE PLAN

RESIDENTIAL UNITS

TOWNHOMES	80 UNITS
2BR 1081SF	6
3BR 1297SF	52
4BR 1360SF	22

WALK-UPS

1BR 561SF	54
2BR 851SF	162

APARTMENTS

1BR 557SF	86
2BR 829SF	18

TOTAL 400 UNITS

PARKING*

OFF-STREET COVERED	464 STALLS
ON-STREET	68 STALLS
FRITZ DR	70 STALLS

TOTAL 602 STALLS*

**SITE 815,000sf
18.72acres**

**PARKING TOTAL IS APPROXIMATE, PENDING SITE REPORTS AND FINAL DESIGN COORDINATION*



HOUSING PLAN

AERIAL VIEW OF PEMBROKE VILLAGE



HOUSING PLAN

VIEW EAST ON FRITZ DR



PEMBROKE VILLAGE, BETHLEHEM PA
08/28/25



NEIGHBORHOOD PLAN

	Neighborhood-Driven Community Development	Infrastructure Improvements
Supporting Strategies:	On-Site Resource Coordination Center	Active Mobility Infrastructure Improvements
	Mixed-Use Development on Primary Corridors	Bike Bethlehem Bike Share Program
	Habitat For Humanity Homeownership Program	Expanded Wi-Fi Connectivity
	Targeted Housing Rehab/ Facade Program for Surrounding Neighborhood	Traffic Calming Initiatives
	Housing and Workforce Initiative	Trail Connections
	Create a Neighborhood Partnership Program	Safe Routes to School Initiative

PEOPLE PLAN

	Community Building	Educational Enrichment	Workforce Training
Supporting Strategies:	BHA Resident Councils	Investment in Early Childhood Learning Opportunities	Northampton Community College Training Pipeline
	Wellness and Nutrition Program	Foster Lifelong Learning and Continuing Education for Pembroke Village Residents	Local Employment Training Program
	Neighborhood Rebranding	Facilitate Transportation to Improve Connections to Education	LVHN and St. Luke's Training Program

Western Gateway Revitalization Project



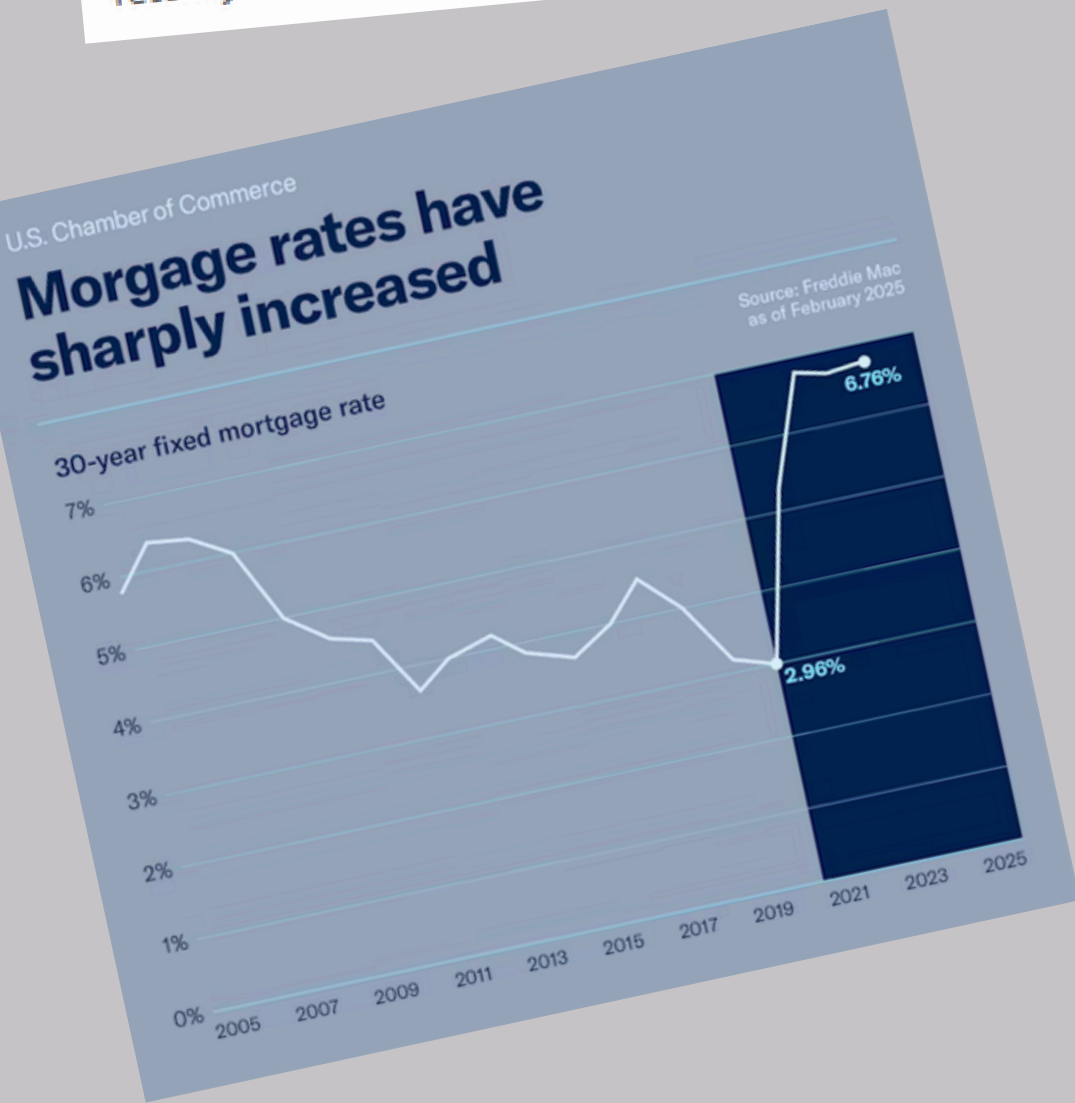
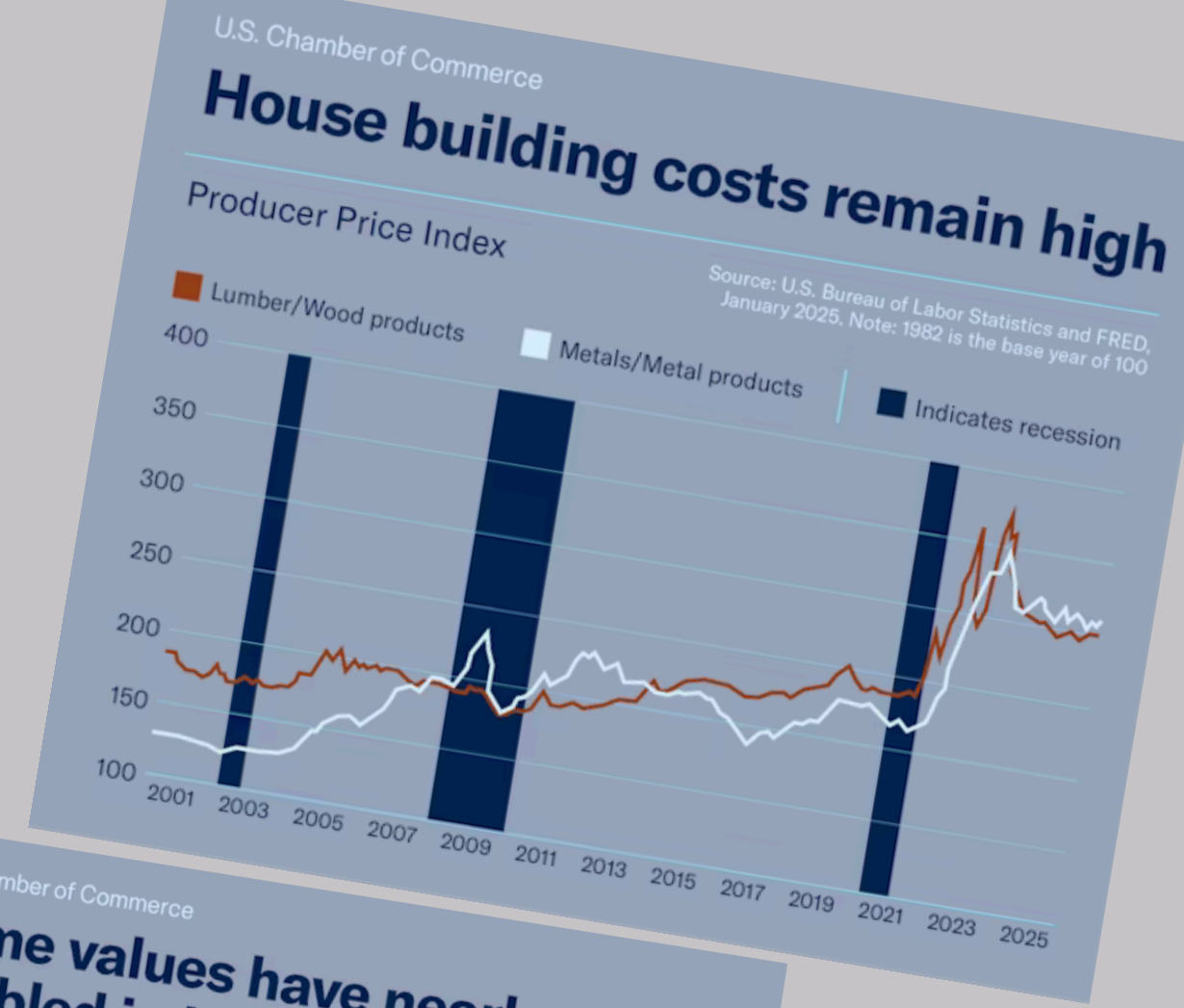
US housing deficit grew to 4.7 million despite construction surge

July 9, 2025

8.1 million families 'doubled up,' sharing their homes with people not related to them

- America's housing deficit grew by 159,000 homes in 2023, according to the latest Census data.
- Roughly 1.4 million new homes were added to the housing stock in 2023, but that number didn't keep pace with 1.8 million newly formed families.
- Millennials represent the largest generation of people sharing homes with non-relatives.

SEATTLE, July 9, 2025 /PRNewswire/ -- America's housing shortage grew to an all-time high of 4.7 million units, according to a [new Zillow® analysis](#) of recently released Census data. This deepening housing deficit remains the prime driver of the nation's housing affordability crisis.



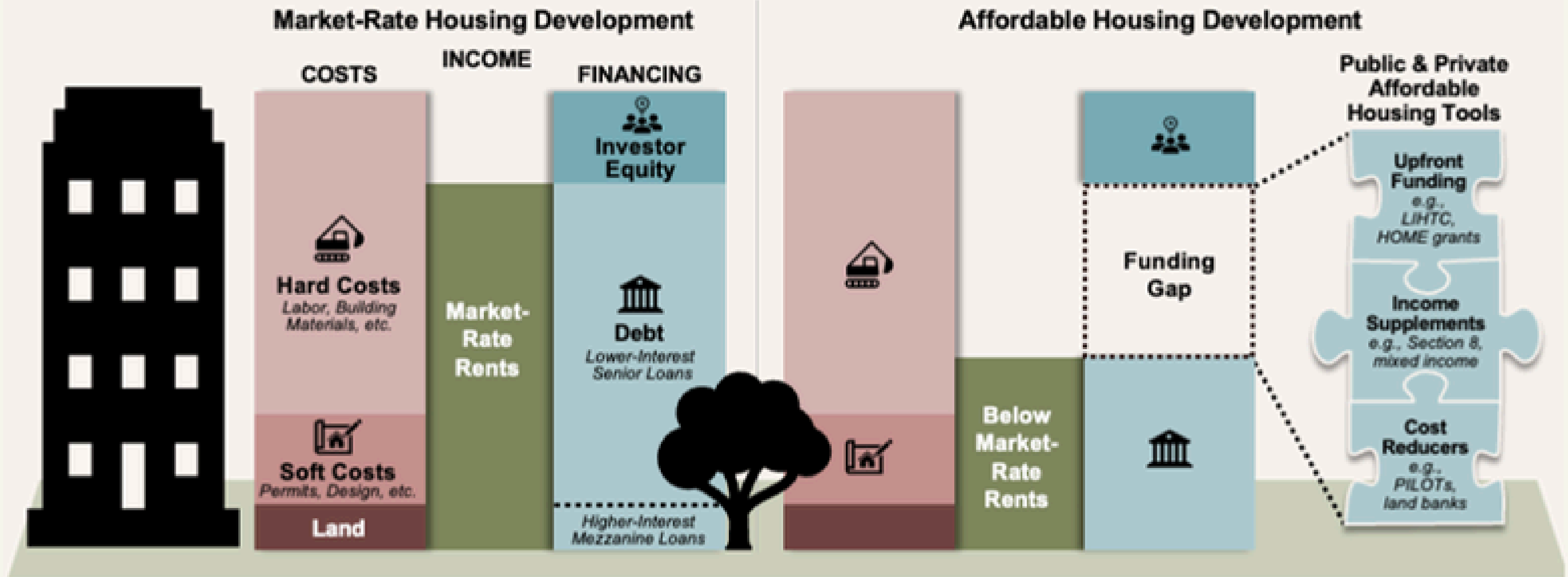
America's Housing Affordability Crisis

Why is development slow when the need is so high?

- Interest rates and construction costs remain high
- Tariffs cause pricing uncertainty
- Lengthy land development approvals introduce uncertainty that can drive up costs
- More uncertainty ---> investors want a bigger return
- Developers can't build what they can't finance
- Higher rents make projects more financially realistic

Capital Stacking 101

Costs, Income, and Financing for Housing Development



*The figure is representative and not based on real data.

SycamoreTN.org

Low-Income Housing Tax Credits



Nation's largest affordable rental housing production program



Since 1987, created 3.7 million affordable rentals



Tax credits help cover income gap of charging affordable rents



30 year affordability period; with opt out at year 15



Tom Coale  · 3rd+

Maryland Lobbyist

6mo · Edited · 

[+ Follow](#) 

More and more, I'm hearing people use the cost per unit of Low Income Housing Tax Credit (LIHTC) projects as a basis to oppose these developments.

"\$500k per apartment unit is not affordable."

LIHTC is the primary, often exclusive, means of financing affordable housing in the United States. And it's not meant to be efficient. It's meant to entice private capital to finance a public good with a return on those private dollars. Other countries have robust public housing programs. We don't.

As I've mentioned in previous posts, we also impose all sorts of expensive policy objectives on LIHTC projects that don't apply to market rate housing. Davis-Bacon wages, LEED Platinum building materials, full accessibility standards.

You can be assured that affordable housing developers would much rather have a lower price per unit. They aren't padding the books. But this is the system we've chosen to deliver desperately needed housing to those in deep poverty.

To paraphrase Ice-T, don't hate the player. Hate the game.

[#LIHTC](#) [#AffordableHousing](#)



16 comments · 7 reposts

How much does it cost?



~ \$350,000 per market-rate unit



~\$450,000 per affordable LIHTC unit



Federal and state LIHTC rules drive up affordable unit construction costs
~**30% to 40% per unit**



This all means these projects need more public money to get to shovels in the ground

“(When) we are cobbling together 12, 14 sources of financing, that adds another 12 to 24 months to the delivery time.”

A Virginia nonprofit developer testifying to Congress in 2024

Gateway on 4th Timeline

**January 2024:
Pennrose
selected as
developer**

**April 2024:
Community Meeting
and Project
Announcement**

**2024:
Applied
for 5
grants**

**11/21/24:
Zoning
Hearing Board
Approval**

**January
2025: Health
partner on
board**

Gateway on 4th Timeline

**February 2025:
LIHTC
application
submitted**

**April 1, 2025:
LVIP buys property**

**2025:
Applied
for 4
grants**

**October 9,
2025
Awarded
LIHTC**

**2026:
Final design,
permits and
construction.**

Gateway on 4th



\$16M tax credit award is Bethlehem's **first since 2013.**

One of two Lehigh Valley projects selected.

10 different funding sources.

Construction of 60-unit first phase slated to begin in late 2026. Rents **start at \$279** up to \$1,442.

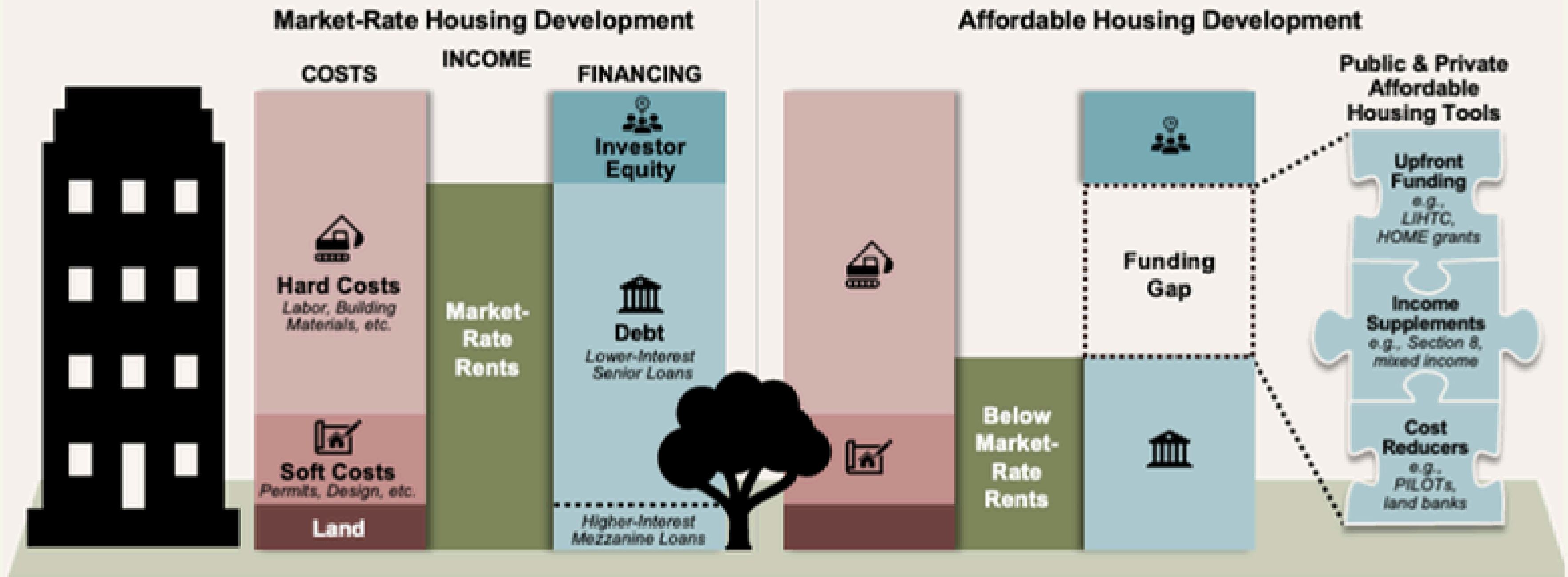




**Strategy 2: Offer
Incentives to Create
and Preserve Affordable
Housing**

Capital Stacking 101

Costs, Income, and Financing for Housing Development



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SycamoreTN.org

Can fund:

- Acquisition costs
- Predevelopment financing
- Construction financing
- Permanent debt

Revolving Loan Fund

Targets

Medium and large-scale projects of 10 units or more

Public funding can “close the gap” on desirable but otherwise infeasible projects and speed up development.

National leader in developing funds that meet a community's needs and market.

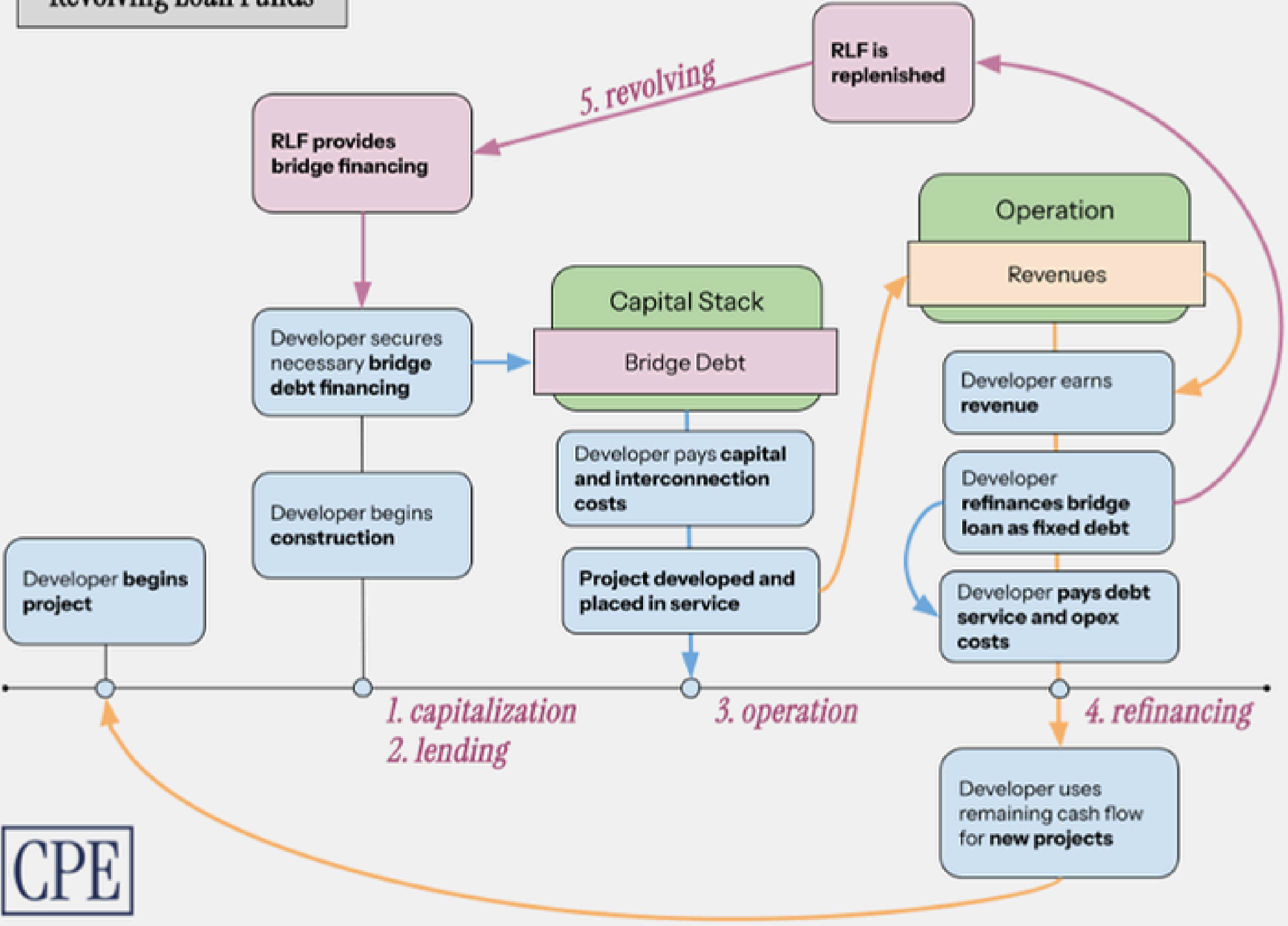
City of Bethlehem working with CPE housing team to start exploring **how a RLF could work in Bethlehem.**

Aims to offer low-interest, short-term loans for developing, preserving or rehabbing mixed-income housing taking strong projects from *infeasible to shovel ready*.

Center for Public Enterprise

Revolving Loan Funds

Revolving Loan Funds



After initial funding, RLFs are **designed to be self sustaining.**

When one project pays back its loan, another loan can be made.

The *faster the fund revolves* the more projects that can be helped.

States, cities and counties are using housing RLFs to **speed up** housing construction and improve affordability.

Figure 1. How a revolving loan fund revolves.

“The private sector is focused on return on investment,” said Chelsea Andrews, H.O.C.’s executive director. “Our return is public good.”

HEADWAY

This Is Public Housing. Just Don't Call It That.

Montgomery County, Md., like many places, has an affordable housing crisis. So it started acting like a benevolent real estate investor.

The Laureate

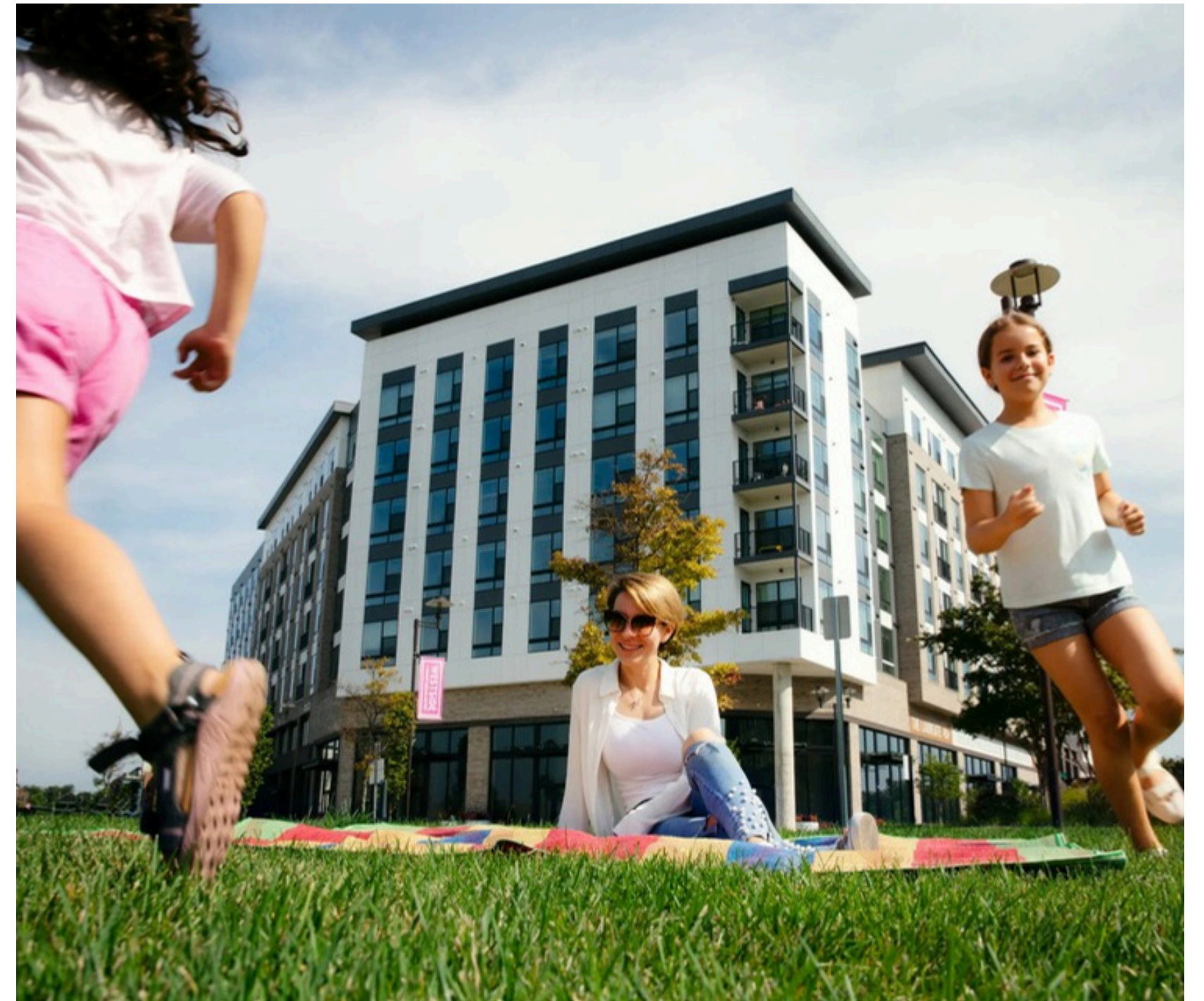
Montgomery County, MD

30% of the 268 units are affordable.

Government agency (HOC) has a 70% ownership stake via a loan made from a \$100M county-backed fund.

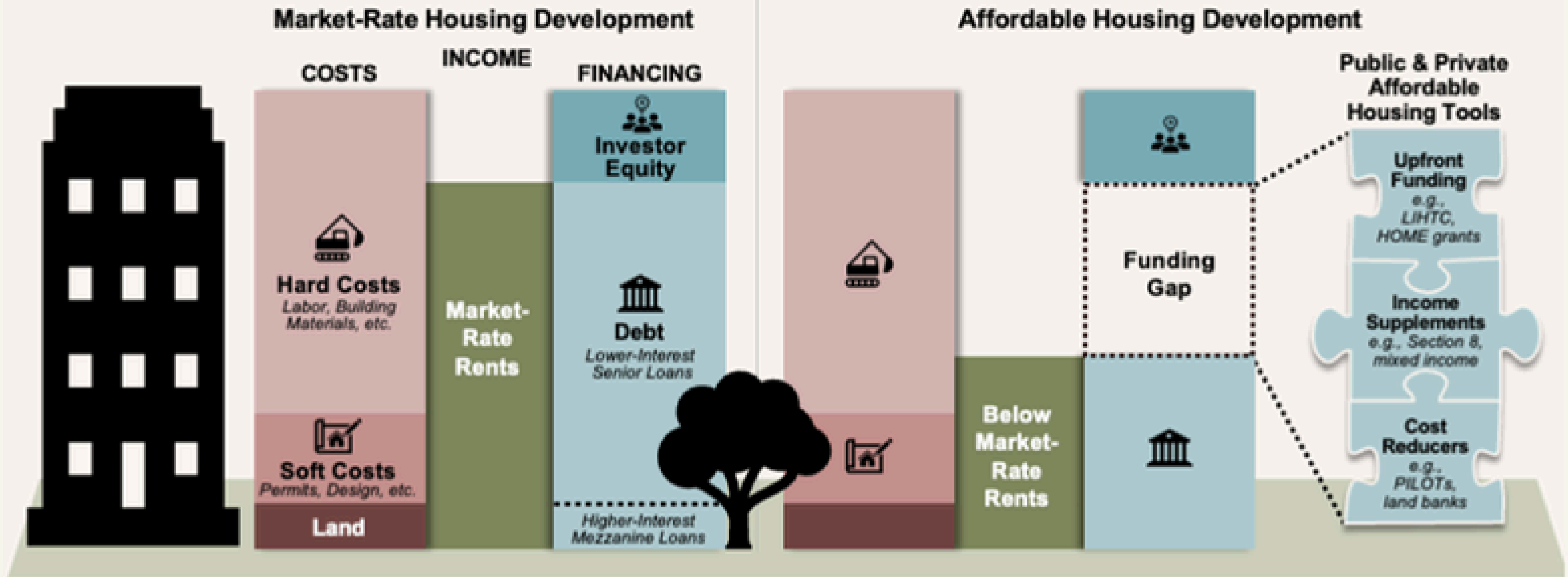
Developers typically rely on investors who want to see a 15% to 25% return on their investment.

The HOC charges just 5% allowing projects to close funding gaps and include more deeply affordable units.



Capital Stacking 101

Costs, Income, and Financing for Housing Development



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SycamoreTN.org

Lehigh County's Regional Approach

Lehigh County Executive Siegel proposes regional partnerships so communities can pool their resources to build up to 1,500 units in the Lehigh Valley.

He wants to model off Montgomery County, MD., where government bond helps pay for construction and the government takes ownership stake when buildings open.

Proposing \$100M fund with contributions from across the Valley.

Lehigh County News

\$100M housing plan will be Lehigh County Executive-elect Josh Siegel's top priority

LehighValleyNews.com | By Tom Shortell

Published December 8, 2025 at 10:00 AM EST



Jason Addy / LehighValleyNews.Com

Lehigh County Executive-elect Josh Siegel said addressing the region's housing shortage will be his top priority upon taking office. He's proposed the county adopt a housing program modeled off a public-private partnership used in Montgomery County, Md.

Strategy 1: Update Zoning and Land Use

To encourage a variety of housing types and infill development



"Missing Middle homes fit into the fabric of all sorts of places, span a useful range of density and height, and are often both the least expensive and most versatile way to meet housing needs."

Daniel Herriges | Strong Towns

Accessory Dwelling Units (ADUs) - **aka alley houses, granny flats, carriage houses, in-law suites** - are small, self-contained housing units that can stand alone or be attached to the main house.

They **exist all over Bethlehem**, but current zoning largely prevents new ones from being built.

Bethlehem is exploring how ADUs can fit into expanded Housing Options via a **zoning study**.





Survey

October-December 2025

441

Total Responses

(411 English | 30 Spanish)

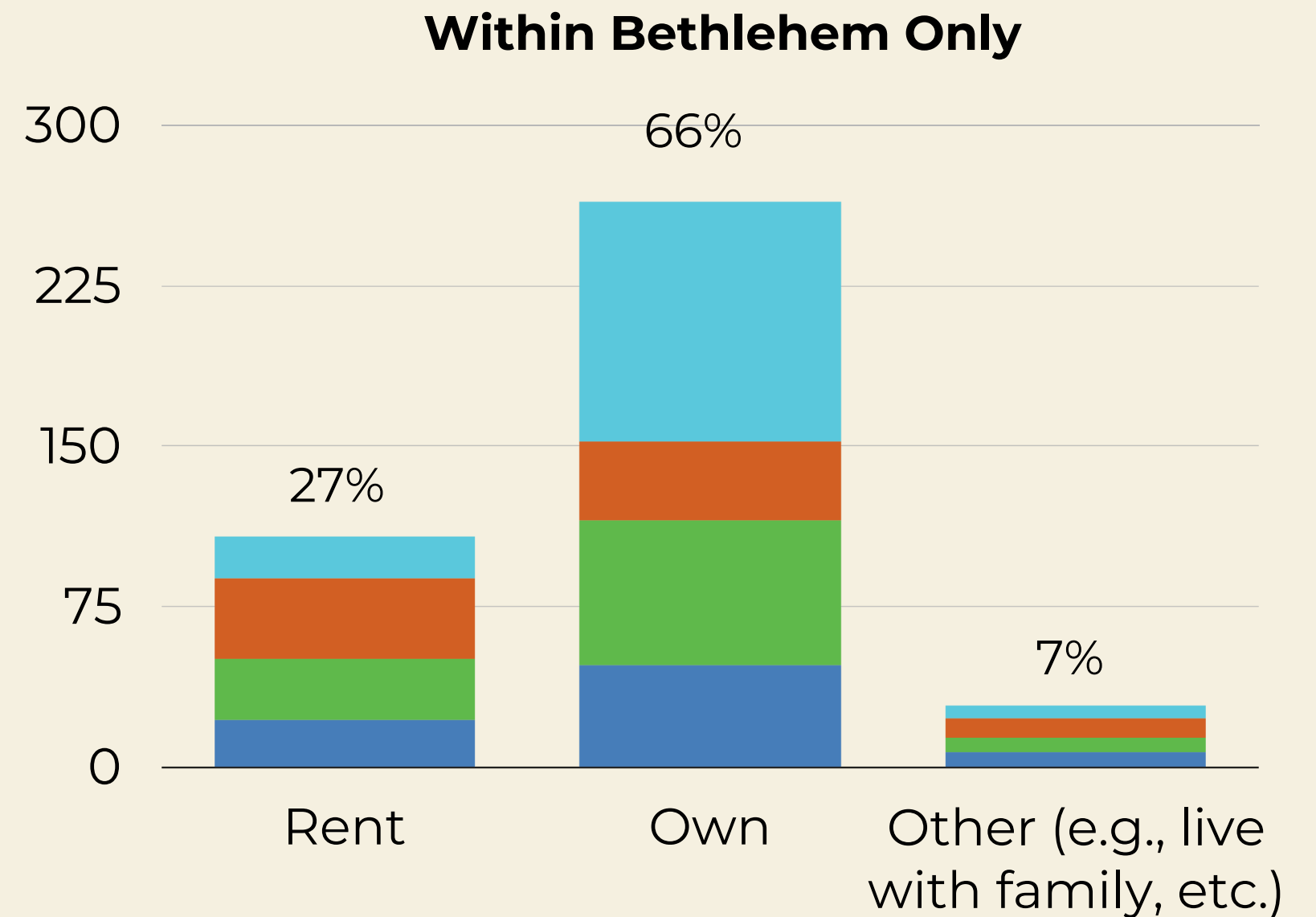
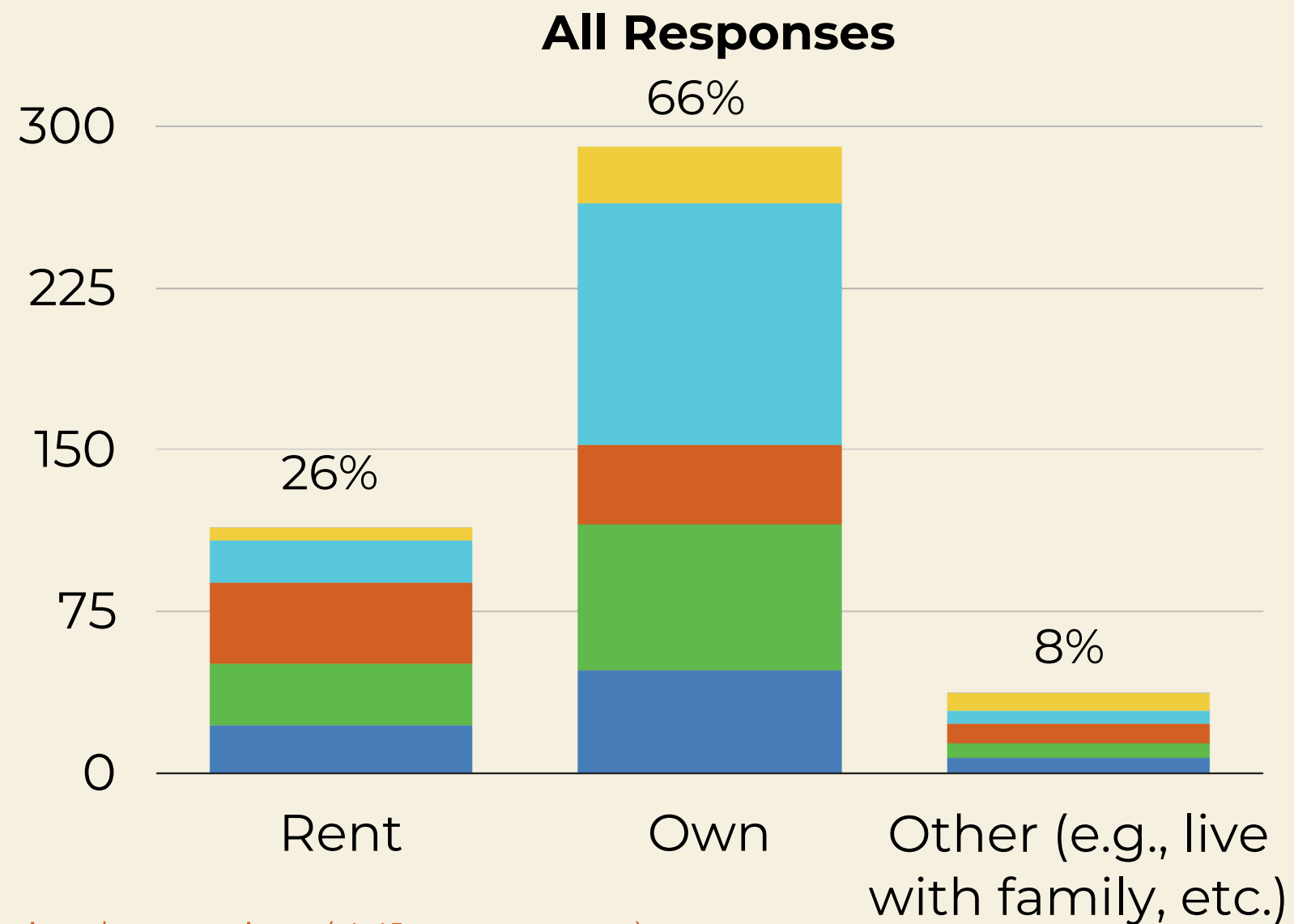
- Hosted two pop-up engagements
- Shared on social media
- Asked partners to share
- Emailed interested + subscribed residents directly



Question 10: Tenure

Do you rent or own your current home?*

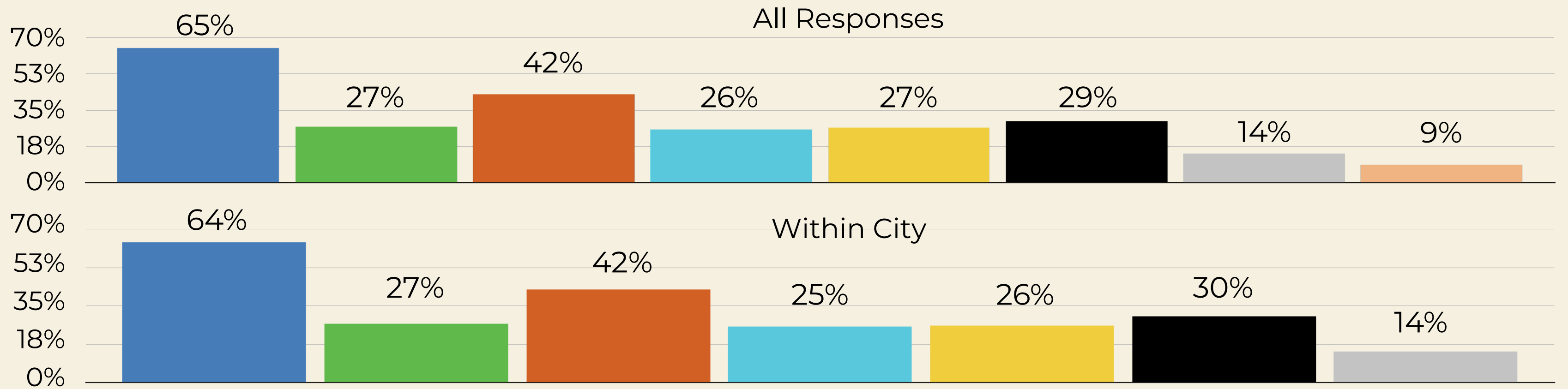
■ Central (Downtown/Northside) Bethlehem ■ Northeast Bethlehem ■ South Bethlehem ■ West Bethlehem ■ Outside of Bethlehem



*Required question (441 responses)

Question 1: Housing Experiences

Have you or someone you know experienced any of the following in Bethlehem in the last 5 years? (Select all that apply)*



- Difficulty finding housing that fits your budget
- Needing to leave the city due to housing costs
- Living with multiple generations in one house
- Needing to downsize but unable to find a smaller home
- Difficulty finding accessible housing (for seniors or people with disabilities)
- Interest in adding or living in an additional living unit (alley house, in-law suite, ADU, etc.)
- None of the above
- Other

% of respondents who selected each option

*Required question (441 responses)

Question 1: Housing Experiences

Have you or someone you know experienced any of the following in Bethlehem in the last 5 years?

Key Takeaways:

- **Housing stress is widespread across Bethlehem**, with difficulty finding affordable housing and multigenerational living reported at similar rates in nearly all neighborhoods.
- **Interest in adding or living in an additional living unit is consistent citywide** across neighborhoods and income levels (generally ~20–35% of respondents), suggesting broad relevance rather than a niche issue.
- **Lower-income respondents were more likely to report cost-related challenges**, while higher-income respondents experienced fewer affordability pressures, an expected but important equity signal.
- **Multigenerational living cuts across income levels**, with roughly 35–45% of respondents in most income brackets reporting this experience, indicating a structural, not purely economic, housing pattern.

“Other” Housing Experiences

Highlights

“Difficulty finding small enough housing to live in as a single person, with big enough kitchen space. Too many SFH's and not enough mini studios.”

Question 2: Housing Options

From your perspective, how important is it for Bethlehem to expand housing options?

Key Takeaways:

- There is **overwhelming consensus that Bethlehem needs more housing options**, with 92% of respondents stating that this expansion is very (71%) or somewhat (21%) important.
- **Support is present in every neighborhood**, although West Bethlehem residents may be more lukewarm than other areas.
- The consistency of responses suggests **housing availability is perceived as a citywide issue**, not confined to specific neighborhoods or populations.

ADU Understanding & Impressions

Question 5: Potential ADU Residents

Who do you think would most likely live in ADUs in Bethlehem?

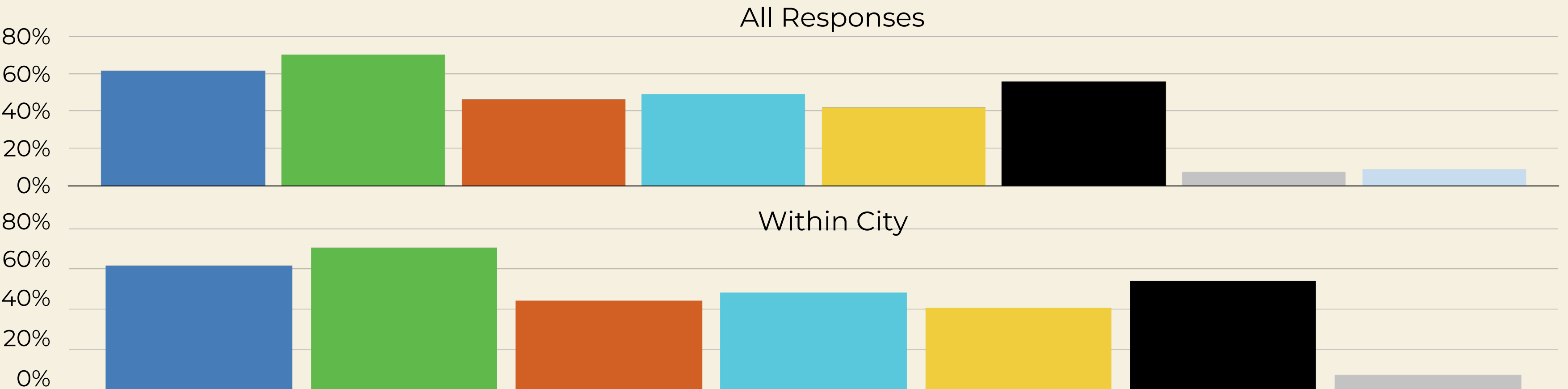
Key Takeaways:

- **Single adults, aging parents, and adult children** are widely viewed as likely ADU residents, reinforcing the role of ADUs in addressing life-stage housing needs.
- West Bethlehem respondents were notably less likely to see themselves personally living in an ADU (~16%), compared to roughly 30% in other neighborhoods.

“ADUs should be available to all, but ideally lie in the moderate/affordable range and are inhabited by people who need housing in that range or benefit from being close to the other residence on the property”

Question 6: Benefits of ADUs

What do you see as potential benefits of allowing additional living units in your neighborhood? (Select all that apply)*



- Increases housing availability and choice
- Creates multi-generational living opportunities (aging-in-place, caregiving, family flexibility)
- Provides rental income for homeowners
- More efficiently uses existing land and infrastructure
- Allows local workers to live close to where they work
- Provides smaller or more flexible housing options for singles, couples, or first-time renters
- None of the above
- Other

% of respondents who selected each option

*Required question (441 responses)

“Other” Benefits of ADUs

Highlights

- ◆ **“Increased freedom--allowing people to make choices about what dwellings to have on their property and where/how to live”**
- ◆ **“Allow senior a sense of independence, allow adult children to provide care”**
- ◆ **“Allows for interim living options for people between life situations”**
- ◆ **“Provide opportunities for innovative building design, creating variety and interest to home design in our neighborhoods”**

Considerations for the City

Question 7: City Considerations

What should the City consider when allowing for these kinds of homes?

Key Takeaways:

- **Infrastructure capacity and parking availability** are the dominant concerns across all neighborhoods.
- **Design consistency** ranked relatively high, especially in Northeast and West Bethlehem, indicating aesthetics are similarly as important to some residents as more practical concerns.
- Concerns about “who will live there” were selected less frequently, yet still roughly ~50% of respondents per neighborhood selected “**privacy**” as a concern, indicating that the City should explore policy solutions to address this.

“Other” City Considerations

Highlights

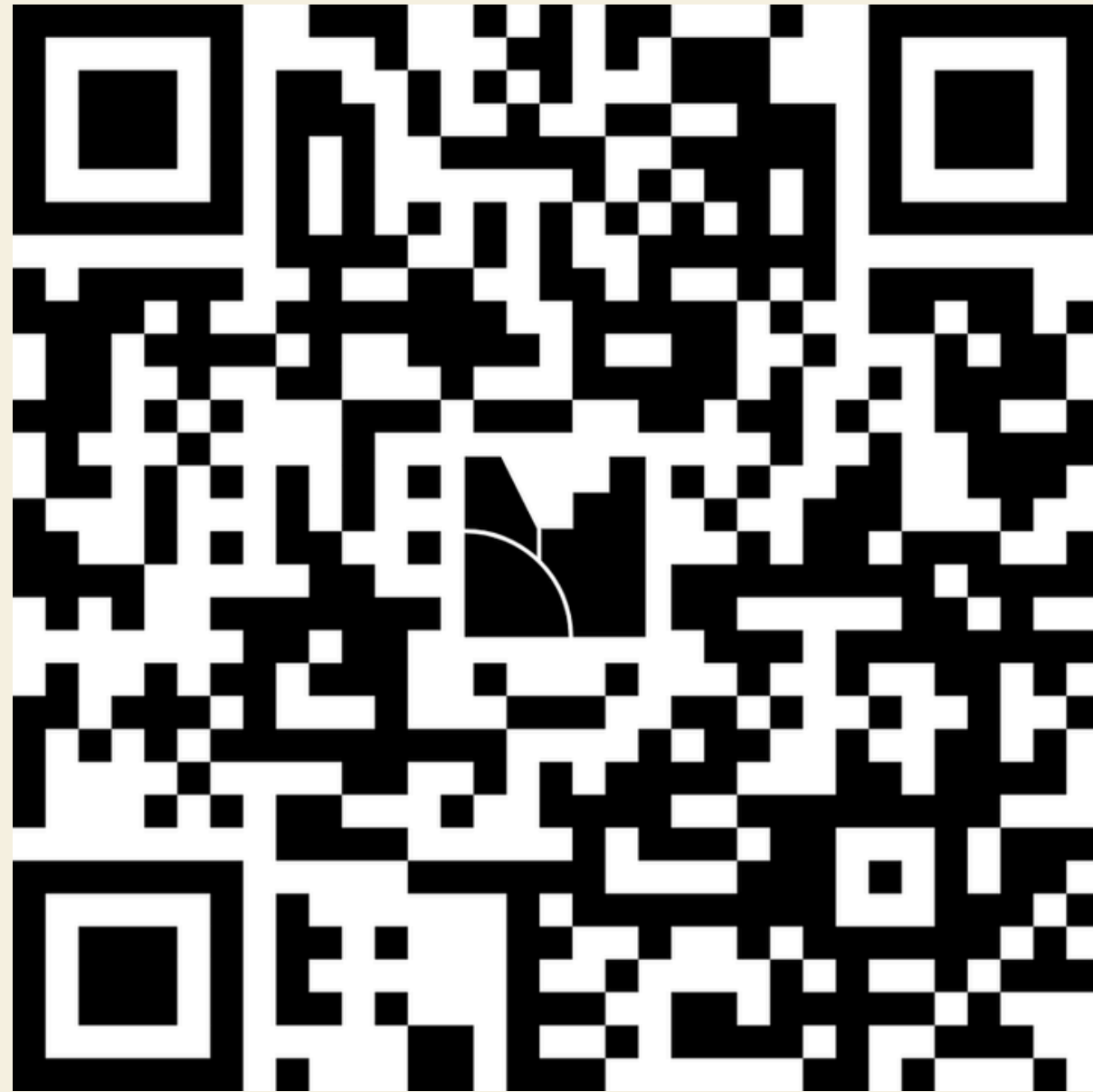
- ◆ **“The owner should live local, not an out of state landlord”**
- ◆ **“School district student capacity” ; “Impact on schools”**
- ◆ **“Public transportation accessibility”**
- ◆ **“Some places are just too dense already and cannot support the extra stress on infrastructure and neighborhoods. That's why suburban ADUs strike me as a fine idea, but I would prefer that in older neighborhoods with old homes that using existing structures might be possible.”**
- ◆ **“Ways to lower costs and speed approvals e.g. pre-approved designs”**
- ◆ **“Environmental impact and green space”**
- ◆ **“Venture capital groups and landlords that are already monopolizing and purchasing homes taking advantage of this and further reducing first home buying options. More apartments and rentals are not the full answer. We need opportunity for people to build wealth through first time home ownership...this just keeps people impoverished and landlords exploiting Bethlehem. We want residents and homeowners who have vested interests in their neighborhood and community with opportunity to build equity”**

Survey In Summary

Key Takeaways

- Housing challenges and multigenerational living are already part of daily life across Bethlehem, regardless of income or neighborhood.
- **Interest in ADUs is consistent and widespread**, even where personal likelihood of use varies.
- The public sees **clear benefits** but wants practical safeguards, especially around **infrastructure capacity and parking**.
- **Perceived barriers are as much informational and financial as physical**, pointing to the importance of clear rules, technical assistance, and financing tools.
- Overall, the data suggests **ADUs are viewed as a pragmatic, flexible response to real housing needs**.

Tell us what you think



Join at menti.com | Use code 5514 8616

Save The Date

6 p.m. to 8 p.m. Wednesday, March 4, 2026

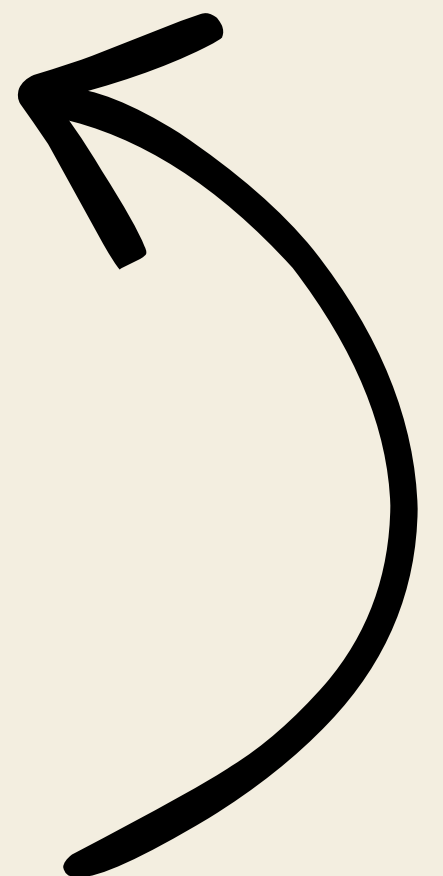
Bethlehem YMCA Lobby



ADU Workshop



Sign Up



COMMUNITY HOUSING ADVOCACY TRAINING

Thursdays | September 25 - November 13

6:00 pm - 7:30 pm

Broughal Middle School

Childcare and dinner provided!



Scan the QR code or visit
communityactionlv.org/bethlehem to register.
For more information, reach out to Anna Smith
at **610-807-9337** or asmith@caclv.org.

