

Bethlehem committee supports expansion of tax-break district



Bethlehem panel backs LERTA district: renewal targets South Side development.



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What South Side properties does Bethlehem want to add to the LERTA district?

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Two south Bethlehem industrial properties would be added to a tax abatement district up for renewal under a proposal a Bethlehem City Council panel recommended Wednesday.

City officials say the Weldship Corp., which employs 70 people at 225 W. Second St., could be ripe for improvements if the company should someday choose to expand or redevelop the building.

And the former Pennsylvania Metallurgical building, 315 Columbia St., has been vacant since 2014 companywide consolidation. Developer Lou Pektor had proposed a distillery for the site in 2014, but he no longer has an agreement to buy the property.

Alicia Miller Karner, city director of community and economic development, said she believes the Columbia Street property is under another agreement for sale. She said has not heard of any plans for the Weldship building but wanted to give the owners some incentives to redevelop.

The Local Economic Revitalization and Tax Assistance program gives property owners a break on real estate taxes associated with improvements or new construction on a site. The taxes on the new assessments are gradually phased in 10 percent a year over a decade.

The new properties would be added to properties already in the district and are up for a five-year renewal to be in the LERTA district. Those properties include stretches of Third and and Fourth Streets, portions of Lehigh Valley Industrial Park and the Majestic Bethlehem Center and an area near the Five Points intersection.

What is not included in the LERTA is the site proposed for a Wal-Mart store on the South Side and frontage along Route 412 near the industrial parks.

Karner credited the LERTA incentive for the growth on the South Side, particularly the parts of the former Bethlehem Steel plant that now features Lehigh Valley Industrial Park VII and Majestic Bethlehem Center. Among the big scores were Brandenburg Industrial Services Co., Primark and Cigars International, Karner said. She said the city has received 29 applications for LERTA properties.

"Cities like ours really need this tool to level the playing field," she said.

LERTA properties employ 4,092 full-time employees and have attracted \$193 million of investment to date. The total assessment is \$114.6 million, which under current tax rates will generate \$9.4 million annually in school, municipal and county property taxes.

Councilman Shawn Martell praised the number of jobs created in the LERTA district and called the renewal proposal "a very thoughtful plan."

The LERTA district renewal must be approved by the city, Lower Saucon Township, Bethlehem Area School District, Saucon Valley School District and Northampton County by Dec. 31.

This is the second LERTA district the city has considered this year. The city is planning a North Side LERTA district to cover, primarily, neighborhoods north of historic downtown.

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