



\$4M land donation by Lehigh Valley Industrial Park brings Eastern Gateway community plan to life

BETHLEHEM, PA | More than a decade ago, Bethlehem residents helped envision a transformation plan for South Bethlehem's Eastern Gateway, but the high cost of land stymied efforts to bring new housing options to the neighborhood.

Bethlehem Mayor J. William Reynolds announced Wednesday that a more than \$4 million land donation from Lehigh Valley Industrial Park (LVIP) will make the centerpiece of that community-driven dream a reality. The nonprofit developer is under agreement to buy the Szilagyi Fuel and Dancho sites, 1400-1414 E 4th St., and plans to donate the land to help lower the cost of bringing 120 new market-rate and affordable housing units to the city's Eastern Gateway.

"This is what happens when institutions work together to solve the housing shortage facing our community, bringing new attainable and affordable homes to help alleviate our 2% rental vacancy rate," Reynolds said. "This is the exact sort of partnership our housing strategy plan *Opening Doors* calls for to make mixed-income housing possible."

The Gateway on 4th will be Bethlehem's first mixed-income housing development offering both market-rate and affordable rental apartments, with one-, two-, and three-bedroom units. The proposal calls for two, four-story buildings with first-floor commercial space fronting East Fourth Street, a key artery into South Bethlehem, and neighborhood-compatible stacked townhomes on the more residential East Fifth Street. The affordable homes will be available for residents at 20% to 60% of the Area Median Income (AMI), about \$13,780 to \$41,340 for a one-person household and \$19,660 to \$58,980 for a four-person household. A one-bedroom affordable unit could cost between \$369 to \$1,107 per month with market-rate rents to be determined

"LVIP has been aware of the pressing need for high quality, affordable housing in the region. When two properties near LVIP VII were made available, we immediately recognized the opportunity to collaborate with the City of Bethlehem on a major housing initiative," said Kerry A. Wrobel, president and chief executive officer of LVIP. "Although housing is outside our typical focus, LVIP's Board is thrilled to take a leadership role in helping the City deliver on the vision for the Eastern Gateway. This becomes another legacy project for LVIP that will have a profound impact on the Bethlehem community and the region for years to come."

The City and LVIP have selected Pennrose, a leading affordable housing developer and manager with high-quality communities across the Lehigh Valley and Pennsylvania, to develop the two-phase community and then manage the property.

LVIP will acquire two industrial properties immediately adjacent to Lehigh Valley Industrial Park VII totaling four acres, complete the required environmental assessment and remediation of the parcels, and demolish buildings and structures; and then donate the properties to The Gateway on 4th development. LVIP's total investment will be in excess of \$4 million. Pennrose will construct and manage the housing units.

"We are honored to work closely with Mayor Reynolds, the City of Bethlehem, LVIP, and the local community to create 120 mixed-income rental homes as part of Bethlehem's transformation plan," said Jacob Fisher, regional vice president, Pennrose. "The Gateway on 4th will deliver high-quality housing, top-notch amenities, and on-site supportive services that will benefit residents and the local community for many years to come."

The development will be built over two phases pending tax credit awards. Construction is anticipated to begin on the first phase in the fall of 2026. The Gateway on 4th would be Bethlehem's first tax credit project since HDC Mid-Atlantic's Southside Lofts opened in 2014.

About City of Bethlehem

Bethlehem is a city of 76,000 people in eastern Pennsylvania – a city known for its rich colonial and industrial history. Today, Bethlehem is experiencing an economic and cultural renaissance promising a future as bright as the city's past. Bethlehem's City Hall is located at 10 E. Church St., Bethlehem PA 18018 | www.bethlehem-pa.gov.

About Lehigh Valley Industrial Park, Inc.

Lehigh Valley Industrial Park, Inc. is a private nonprofit economic development corporation located in Bethlehem, Pa. Since its inception in 1959, LVIP's seven industrial parks in Northampton and Lehigh Counties, Pa have supported over 500 businesses and 24,000 employees while generating \$1.5 billion in private investment. For the last 23 years, LVIP has been focused on the redevelopment of 1,000 acres of the former Bethlehem Steel flagship site in Bethlehem, Pa. Known as Lehigh Valley Industrial Park VII, LVIP's current park has attracted 36 businesses while helping to create over 4,300 jobs. Private investment in LVIP VII has exceeded \$650 million and resulted in over 6.5 million square feet of new construction. For more information on LVIP visit www.lvip.org or call 610-866-4600

About Pennrose

With more than 50 years of experience, Pennrose combines quality development and proven management to deliver exceptional lifestyle-centered communities for its residents. With superior knowledge and unparalleled dedication to get the job done right, Pennrose develops and operates conventional, affordable, mixed-income, and mixed-use communities throughout the United States. For more information visit www.pennrose.com.

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