Bethlehem backs 7-story apartment/restaurant project near Lehigh University

The 7-story building, with restaurant and apartments, on Fourth Street would be in city's new tax zone.

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Bethlehem City Council on Tuesday backed attorney-turned-developer Dennis Benner's proposal for a building that would house a restaurant with outdoor seating and six floors of modern apartments near Lehigh University.

The project, which would benefit from the city's new City Revitalization and Improvement Zone tax incentives, would replace a century-old condemned house at Fourth and Vine streets in the South Bethlehem Conservation District.

"The building is rundown; it has a lot of mold in it," Councilman Bryan Callahan said after the meeting. "What's going in there is a $4 million project that is going to not only generate more taxes but feet on the street. That is good for all the businesses down there."

Council's 7-0 approval, with no discussion, grants a certificate of appropriateness for the project because it is in a local historic district where demolition and exterior changes are regulated.

The project must go back before the city's advisory Historic Conservation Commission and then back to City Council for final design and review of the materials to be used.

Christine Ussler, the city's historic officer, told an advisory committee last month that the existing building at 30 W. Fourth St. is not a significant property in the district, which includes the area that grew up around Bethlehem Steel.

Ussler had given several suggestions for ways the project's architect could reduce the height or the appearance of height, such as by setting the top floor back from the rest of the building and shortening the brick wall that surrounds a rooftop garden area.

Benner, a principal in B Land Development LLC, which is pitching the project, said this week he would take the recommendations under advisement as he prepares the project for review by city planners. He said he expected the design, which went before the conservation commission last month, would be revised based on the recommendations.

The building would feature a first-floor restaurant with optional outdoor seating, as well as about a dozen 1,100-square-foot apartments, each with two bedrooms, 2 1/2 bathrooms and individual balconies.

The rooftop garden would provide additional relaxation space for tenants, who Benner said are likely to be college students and young professionals.

The project is the smallest of three Benner has announced he wants to build in south Bethlehem, taking advantage of the special CRIZ incentive.

Across the street, Benner wants to convert a former church into a $33 million student apartment high-rise with ground-level retail.

Around the corner, at Third and New streets, he wants to turn a gravel lot — the former Chicken and Ribs restaurant — into a seven-story office and retail building.

The projects are part of the 130-acre CRIZ district, which allows developers to use certain state and local taxes to defray the cost of construction.

Some of the high-profile projects in the application that won the city the CRIZ designation last year include rehabilitation of Martin Tower, a vacant skyscraper once home to Bethlehem Steel's corporate offices, for a mixed use project; and transforming Steel's rusting No. 2 Machine Shop into a Bass Pro Shop store.