

Affordable Housing Project in Jerusalem

Update December 2025

Progress Report

Since 2019, the Lutheran World Federation (LWF), together with the Housing Project Committee, has been working diligently to secure the license for building an apartment house for the Lutheran Christian community in Jerusalem. The goal is to provide affordable housing for families in need. The LWF owns plots 54 and 55 in Basin 30605, located in the Beit Hanina area. A one-story building, constructed prior to 1967, currently stands on this land and will make place for an eight-story building. The two plots are listed in the municipal plan under number 3458A, with a building coverage allowance of 75% of the total land area. We are hopeful that we are now entering the final stages before the license is granted.

Key Developments

- **Financial Commitments:** Act Church of Sweden has generously contributed approximately EUR 2,025,000 to cover the fees required for the licensing process. We extend our sincere gratitude to the Church of Sweden for this vital support.
- **Bank Guarantee for Public Garden (400,000 NIS):** As part of the permit conditions, LWF must provide a bank guarantee for the establishment of a public garden on its premises. A contractor has been identified to arrange this guarantee, which will be submitted to the municipality. The estimated cost for the garden is 800,000 NIS.
- **Public Liability Insurance:** A new insurance policy is being finalized to cover persons on the publicly accessible grounds. This coverage will be active during the construction phase of the garden.
- **Bank Guarantee for Trees:** This guarantee ensures compensation for any trees that may need to be removed. Negotiations are ongoing regarding the final amount. The guarantee would only be activated if LWF failed to pay for removal or replacement.
- **Betterment Tax:** This municipal fee, payable to the City of Jerusalem when land value increases, currently stands at over 3 million NIS. Our lawyer has already negotiated a reduction and is working to secure an exemption, as this project is non-commercial housing.

Next Steps

These developments show that we are steadily moving closer to the issuance of the building permit. A handover meeting on the housing project is planned with Bishop Azar and the new ELCJHL Bishop, ensuring continuity and a shared commitment to the project.

In preparation for the negotiation to reduce the betterment tax, eligibility criteria have been established for applicants as well as clear guidelines for the management of the housing project. This provides a transparent framework for allocation and oversight once construction begins.

At the same time, what is now urgently needed is a more fully developed fundraising strategy to secure the resources required for construction and to ensure the long-term sustainability of the project. With the licensing process nearing completion, strengthening fundraising efforts will be critical to move decisively from planning into implementation.