GROWING THROUGH PRESERVATION

The Economic Impact of Historic Preservation in Philadelphia

CONTENTS

INTRODUCTION

Historic preservation is central not only to Philadelphia's identity, but also to it's economy.

Philadelphia is one of the nation's most historic cities, home to landmarks like the UNESCO World Heritage Site, Independence Hall, and dozens of 18th, 19th, and early 20th century neighborhoods that embody the country's founding and industrial past. This historic character is not only central to the city's identity but also to its economy.

Preservation is an economic engine in Philadelphia. Rehabilitation through historic tax credit projects fuels billions in investment, creates thousands of jobs, and generates millions in local tax revenue, making it a powerful force for reinvestment and citywide prosperity. Historic districts also contribute to economic vitality as locations of choice for businesses. These neighborhoods offer character-rich retail and office locations that vary in size and affordability, making them attractive to a diversity of small businesses, start-ups, creative industries, and technology companies.

Beyond its economic impact, historic preservation plays a vital role in Philadelphia's housing and community life. Historic districts are among the city's most densely populated and fastest-growing neighborhoods. The population living in historic districts is growing and changing in positive ways, gaining new residents and becoming more diverse over the last ten years. Additionally, Philadelphia's older, undesignated housing stock provides critically important affordable housing options and is disproportionately home to Black and Hispanic Philadelphians.

From sites of worldwide significance to everyday rowhouses, Philadelphia's historic fabric is both a cultural asset and a cornerstone of economic vitality. This analysis was commissioned to quantify the impact of historic preservation on neighborhood diversity, housing affordability, and building investment.

KEY FINDINGS

4.8%

of Philadelphia's land area is historically designated.

Philadelphia's historic districts are **population dense and increasing in diversity.**

Designation Coverage

- Since 2016, the percentage of all Philadelphia properties under local historic designation has increased from 2.2% to 4.4%. This puts Philadelphia in line with the average rate of historic designation among other large cities.

- Almost 5% of the city's total land area is designated as a historic district or individually designated properties located outside of historic districts.

Demographic Diversity in Historic Districts

- Philadelphia's local historic districts are dense. The population density in historic districts is 42% higher than undesignated residential areas. This is due in large part to a great diversity of housing types - over 79% of the housing units in historic districts are in residential buildings with 2 or more units.

- Historic districts have seen significant population growth since 2010, greater than the rest of the city.

- In 2023, Philadelphia's local historic districts were significantly more White than the rest of the city. However, since 2010, historic districts have gained Black population, while the rest of Philadelphia saw a decline in Black population. The Hispanic population in historic districts has grown at a higher rate in historic districts than in the rest of the city.

- Local historic districts have seen an increase in owner-occupied households, while the rest of Philadelphia has seen a decline since 2010. Historic districts have also increased significantly in non-White homeownership since 2010.

- Local historic districts have a higher share of high income households and a lower share of low income households than the rest of Philadelphia. However, historic districts have seen a slight increase in the number of low income households since 2013, while the rest of the City has seen a decrease. Additionally, while there has been an increase in the number of households at the top end of the income spectrum in historic districts, it has been at a slower rate than the rest of Philadelphia.

67%

of Philadelphia's residential buildings were constructed before 1950.

Older Housing & Affordability

- Older housing (built prior to 1950) is an important stock of housing in Philadelphia, making up 67% of all residential buildings and 51% of all housing units. Housing built prior to 1950 tends to have smaller unit sizes, lower rents, and lower property values. This suggests that older housing is an important source of naturally occurring affordable housing in Philadelphia.

- In the older housing study area, median gross rents are 9% lower and monthly owner costs are 11% lower than in the rest of the city.

- The median household income in the older housing study area is $55,000, compared to $62,000 in the rest of the city.

- Black and Hispanic Philadelphians are slightly more likely to live in older housing than the general population. While 30% of the general population lives in the older housing study area, 34% of Black Philadelphians and 39% of Hispanic Philadelphians live there.

- Older neighborhoods have a higher rate of Black homeownership than newer areas.

2,500

jobs created by historic tax credit activity each year.

Economic Impacts

- Between 2010 and 2024, nearly 300 historic tax credit projects were completed for an overall investment of over $4 billion in Philadelphia's historic resources.

- On average each year for the last fifteen years Historic Tax Credit Projects have created over 2,500 jobs and $140 million in labor income.

- There are more jobs created per $1 million of output from historic tax credit activity than any of the comparison industries. If historic rehabilitation were a single industry, it would be the 25th largest employer in Philadelphia.

- The City of Philadelphia has been a major beneficiary of historic preservation tax credit activity. On average each year for the last fifteen years historic tax credit projects have yielded over $8 million in local taxes.

- Every $100 invested in the rehabilitation of a historic building generates $45.54 in additional economic activity in Philadelphia.

- Historic districts have a higher share of jobs small businesses, new businesses, or creative industries than the rest of Philadelphia.

Timeline of Historic Preservation in Philadelphia

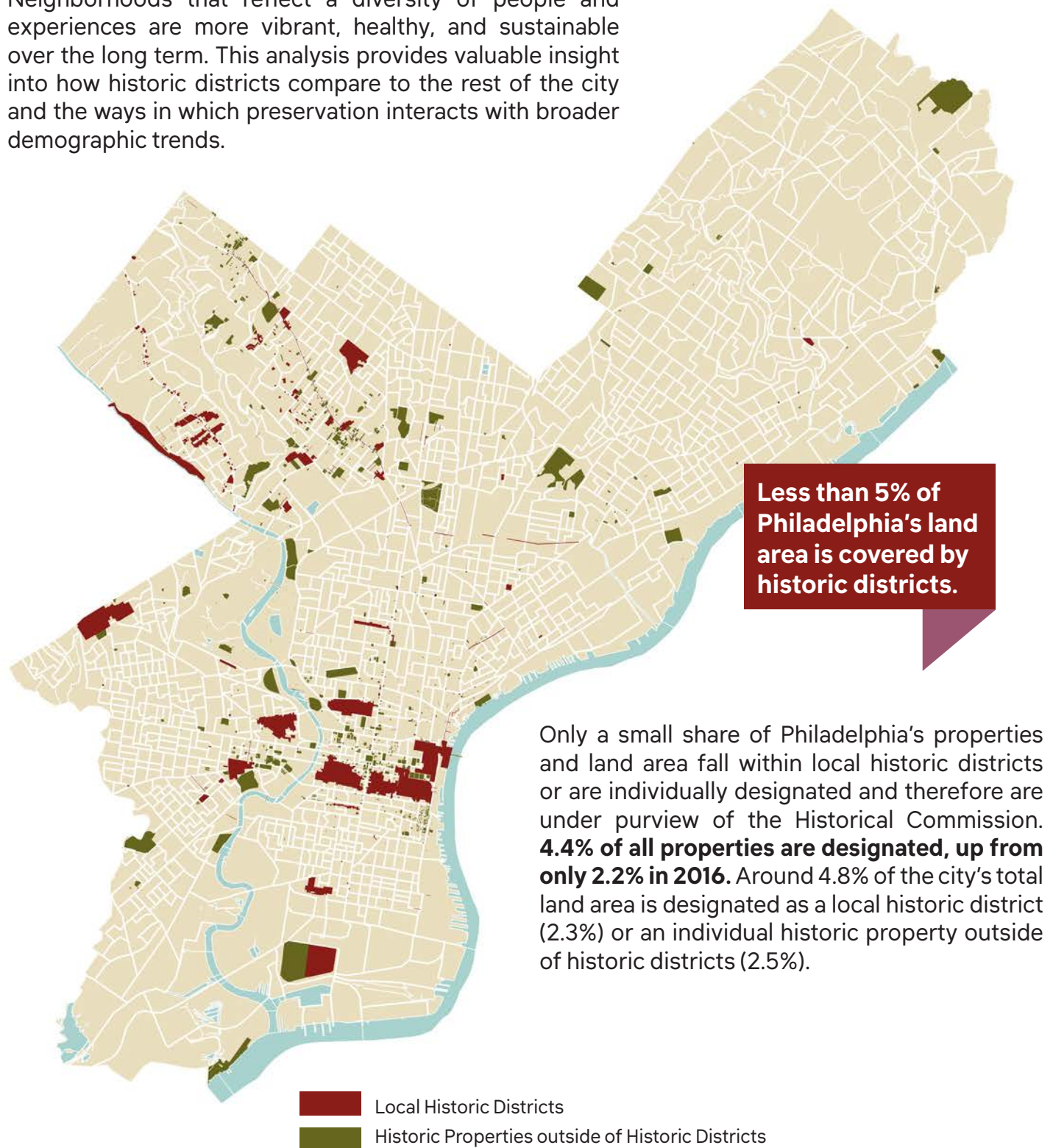## Philadelphia has over 200 years of historic preservation history.

1812: Fairmount Park began to take shape following the city's purchase of Fairmount Hill for a waterworks facility. Development of the park began in the 1820s as gardens and walkways were created around the waterworks, and Fairmount Park was formally established in 1867.

1816: Independence Hall was saved from demolition when the city purchased it from the state, which planned to sell the land as building lots. The campaign to save and restore the building, originally the Pennsylvania State House, was the earliest recorded historic preservation effort in the United States.

1931: The Philadelphia Society for the Preservation of Landmarks forms to save the Powel House, led by Frances Wister. Other founding members included members from many of the old families of Philadelphia, like Drexel and Barnes.

1948: Independence National Historical Park is established, authorized by Act of Congress. The Park was formally established on July 4, 1956.

1955: Philadelphia became one of the first cities to create a Historical Commission established by a preservation ordinance, 11 years prior to the establishment of the National Historic Preservation Act.

1959: In the late 1950s, a preservation-based approach to urban renewal was undertaken in what is today known as Society Hill. While this approach incorporated redevelopment and owner-occupied restorations, its social impacts were not dissimilar from urban renewal characterized by wholesale demolition.

1960: Elfreth's Alley Historic District and the John Bartram House are the first properties in Philadelphia listed as National Historic Landmarks.

1966: Congress passes the National Historic Preservation Act and the Academy of Music was the first property in Philadelphia to be added to the National Register of Historic Places.

1976: The Tax Reform Act of 1976 created the Federal Historic Preservation Tax Incentives Program, which proved to be enticing to developers and transformational in local neighborhoods like Old City.

1979: Independence Hall is designated as a UNESCO World Heritage Site, one of the first buildings to be listed in the United States.

1979: The Philadelphia Historic Preservation Corporation was founded as a nonprofit corporation to guide investment dollars into historic renovation projects through tax and other financial incentives, including façade easement donations. Cuthbert Row, built in 1710, becomes the first property in Philadelphia to be protected in perpetuity via a preservation easement.

1983: The Rittenhouse Preservation Coalition grows to become the Preservation Coalition of Greater Philadelphia, Philadelphia's first citizen-based preservation advocacy organization. Its first chairman was James Biddle, former president of the National Trust for Historic Preservation.

1984: The Preservation Coalition and others successfully lobby Mayor Wilson Goode and City Council to approve a major overhaul of the city's Historic Preservation Ordinance, which was first established in 1955. For the first time, the Philadelphia Historical Commission was granted the authority to prevent the demolition of historic buildings and to designate historic districts.

1986: The Diamond Street historic district is the first district approved under Philadelphia's 1984 historic preservation ordinance.

1996: The Philadelphia Historic Preservation Corporation and the Preservation Coalition of Greater Philadelphia merge to become the Preservation Alliance for Greater Philadelphia.

1997: Philadelphia enacts a 10-year tax abatement for historic building rehabilitation. In 2000, the abatement was expanded to include all new construction.

2009: The Alliance leads a campaign to protect significant public interior spaces by amending the Philadelphia Historic Preservation Ordinance to allow interior designations.

2012: Sixteen years of persistent advocacy efforts by the Alliance and others were rewarded when Pennsylvania became the 30th state to establish a state-level historic preservation tax credit.

2017: Mayor Jim Kenney forms a historic preservation task force and invites the National Trust for Historic Preservation to serve as advisor.

Demographic Diversity in Historic Districts

Neighborhoods that reflect a diversity of people and experiences are more vibrant, healthy, and sustainable over the long term. This analysis provides valuable insight into how historic districts compare to the rest of the city and the ways in which preservation interacts with broader demographic trends.

Less than 5% of Philadelphia's land area is covered by historic districts.

Only a small share of Philadelphia's properties and land area fall within local historic districts or are individually designated and therefore are under purview of the Historical Commission. **4.4% of all properties are designated, up from only 2.2% in 2016.** Around 4.8% of the city's total land area is designated as a local historic district (2.3%) or an individual historic property outside of historic districts (2.5%).

Local Historic Districts

Historic Properties outside of Historic Districts

Demographic Methodological Note

In order to eliminate instances of small sample size errors while using Census data, all existing local historic district boundaries were reviewed in relation to their Census geographies. Districts that only made up a small share of the area in their Census geography were excluded from any analysis that relied on census data. Additionally, only districts where the primary use was indicated as being either residential or mixed-use were considered for demographic analysis. Therefore, for any metric that relied on Census data, only the following local districts were included:[1]

- Chester Regent, 2019
- Chestnut Street East Commercial, 2021
- Christian Street, 2022
- Diamond Street, 1986
- French Village, 2021
- Germantown Urban Village, 2024
- Girard Estate, 1999
- Manayunk Main Street, 1983
- Old City, 2003
- Overbrook Farms, 2019
- Parkside, 2009
- Powelton Village, 2022
- Rittenhouse-Fitler, 1995
- Society Hill, 1999
- Southeast Spruce Hill, 2024
- Spring Garden, 2000
- Tudor East Falls, 2009
- Victorian Roxborough, 2022
- Washington Square West, 2024
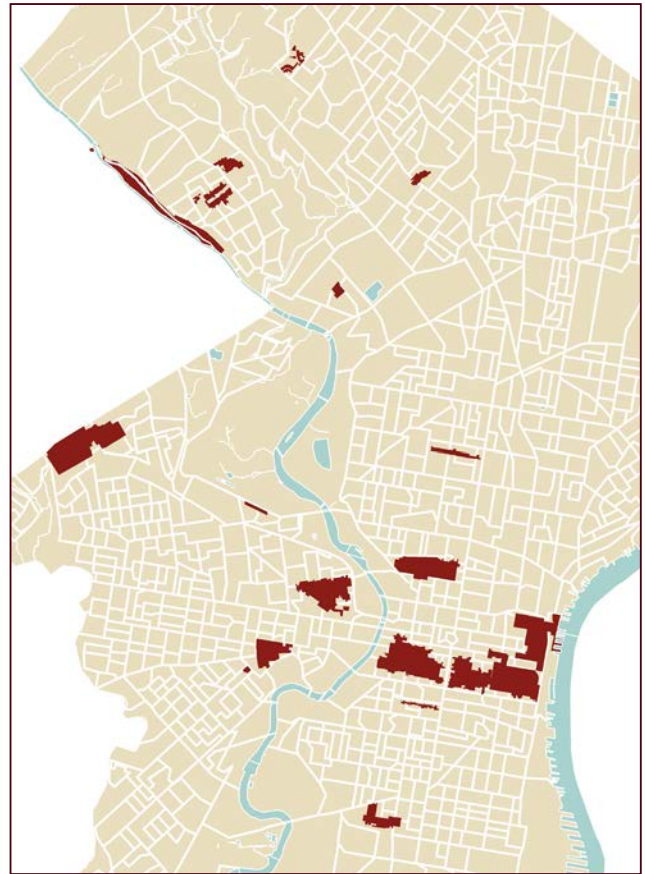
A Note on Recent Designations

Philadelphia saw a surge of historic district designation in the last 6 years, with 10 of the above historic districts having been designated since 2018. These new local historic districts greatly expanded the geographic distribution of historic districts across Philadelphia, increasing coverage into areas like North and West Philadelphia. Due to this recent increase in local historic district designation, any data showing demographic change over time is separated into categories: all historic districts and historic districts designated before 2010. This distinction allows readers to understand the impact that historic designation has had on neighborhoods that have been designated over the entire time period of this analysis. To provide the most consistent base for comparison, the change over time analysis compares two Decennial census years, 2010 and 2020. Point in time data is presented using the 5-year estimates from the most recently available American Community Survey data (2023).

1 This methodology does not apply to analysis in the Older Housing and Affordability chapter of this report.

POPULATION AND DENSITY

Around 56,000 Philadelphians, or 3.6% of the city's population, lived in local historic districts in 2023. These neighborhoods are significantly denser than the rest of the city, with about 10,000 more people per square mile than other residential areas. Higher population density supports vibrant street life, stronger local businesses, and more efficient use of infrastructure, making historic districts important hubs of urban vitality.
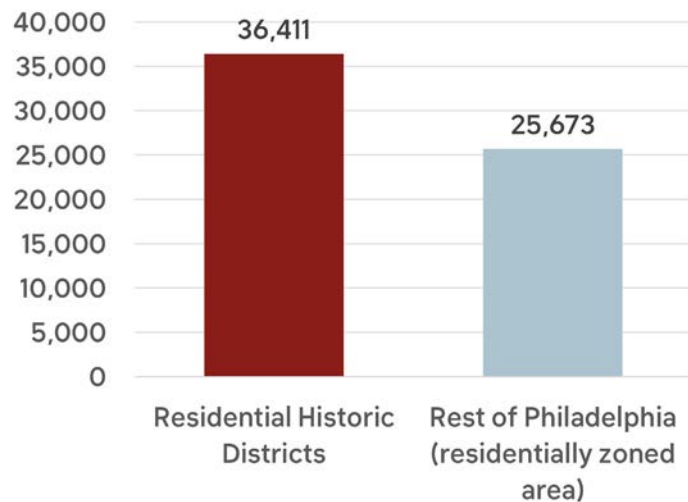
Historic districts are dense in population, with around 10,000 more people per square mile than undesignated neighborhoods.

Source: U.S. Census Bureau, "Total Population by Race," Decennial Census, Table P1, 2020 and Philadelphia Zoning Shapefile

Population in Historic Districts (2023)

3.6%

96.4%

- Local Historic Districts
- Rest of Philadelphia
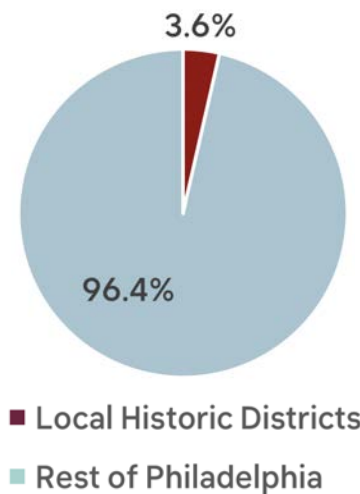
Population Density (2023)
people per square mile

|	
Residential Historic Districts	36,411
Rest of Philadelphia (residentially zoned area)	25,673

Population Change

Local historic districts have experienced robust population growth, a key indicator of healthy and desirable neighborhoods. Since 2010, the population in all historic districts has grown by 20%. In comparison, the population in the rest of the city has grown by only 4.5%. This pattern of greater population growth is true even in districts that were designated prior to 2010. Historic districts make up only 3.6% of the total population, but 14% of the city's overall population growth can be attributed to historic districts.

Change in Population, 2010-2020

	All Historic Districts	Historic Districts designated before 2010
Local Historic Districts	20.0%	27.1%
Rest of Philadelphia	4.5%	4.6%

- Local Historic Districts
- Rest of Philadelphia

Source: U.S. Census Bureau, "Total Population by Race," Decennial Census, Table P1, 2010 and 2020
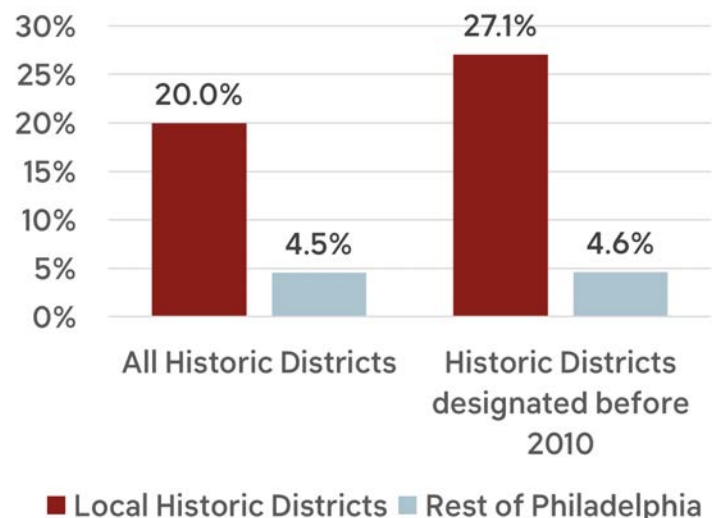
Housing Unit Growth in Historic Districts

In 2025, Mayor Cherelle L. Parker announced her proposed Housing Opportunities Made Easy (H.O.M.E.) Plan, a roadmap to ensure access to quality housing for all. The plan sets a goal of building, restoring, and preserving 30,000 homes—13,500 new units and 16,500 preserved units for both renters and homeowners—supported by $800 million in housing bonds, expanded mortgage programs, and streamlined land bank processes.

As Philadelphia implements the H.O.M.E. Plan, understanding the role of historic districts in housing production is key. These neighborhoods are already dense and experiencing population growth, which has been accompanied by an increase in housing units. Between 2013 and 2023, housing units in historic districts grew by 26%, significantly outpacing the 10% growth seen in the rest of the city.

The Old City Historic District has seen significant housing development, like this new apartment building at 209 Vine Street.

Change in Housing Units (2013-2023)

30%	26%
20%	
10%	10%
0%	
Local Historic Districts	Rest of Philadelphia
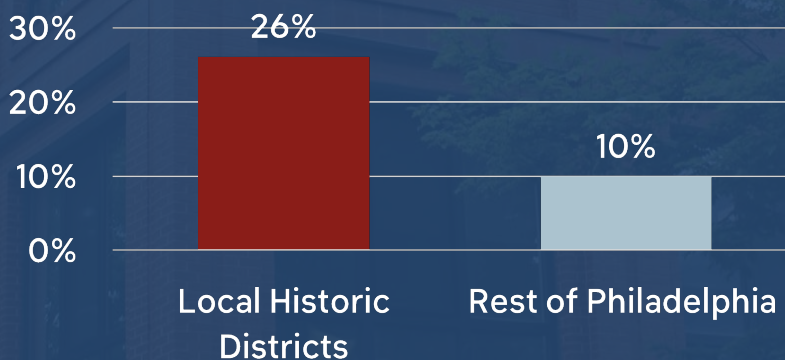
Where are these new housing units coming from? According to the Census, historic districts have gained around 7,500 net new units since 2013--around 11% of all net new housing units in the city. Federal Historic Tax Credit projects have contributed approximately 1,000 of these units through the adaptive reuse of buildings in historic districts. There has also been considerable new construction activity in historic districts like Old City, which has seen over 1,600 net new units since 2013.

RACE AND ETHNICITY

In 2023, Philadelphia's local historic districts had a noticeably different racial composition than the city as a whole. About 69% of residents in historic districts were White, compared to 32% across the rest of Philadelphia. The share of Black residents in historic districts was significantly lower than citywide levels. The Hispanic population in historic districts is smaller than in the rest of Philadelphia. About 5% of the population in historic districts is Hispanic, compared to 16% in the rest of Philadelphia.

> **Historic districts experienced a significantly different trend in Black population change. Where the rest of Philadelphia lost Black population, historic districts gained.**

Source: U.S. Census Bureau, "Hispanic or Latino Origin by Race," ACS 5-year estimates, Table B03002, 2023

RACE AND ETHNICITY (2023)

	White Alone	Black Alone	Asian Alone	Other Non-Hispanic	Hispanic
Historic Districts	69.0%	11.7%	9.1%	5.1%	5.1%
Rest of Philadelphia	32.3%	39.9%	7.7%	4.6%	15.6%

■ White Alone ■ Black Alone ■ Asian Alone ■ Other Non-Hispanic ■ Hispanic
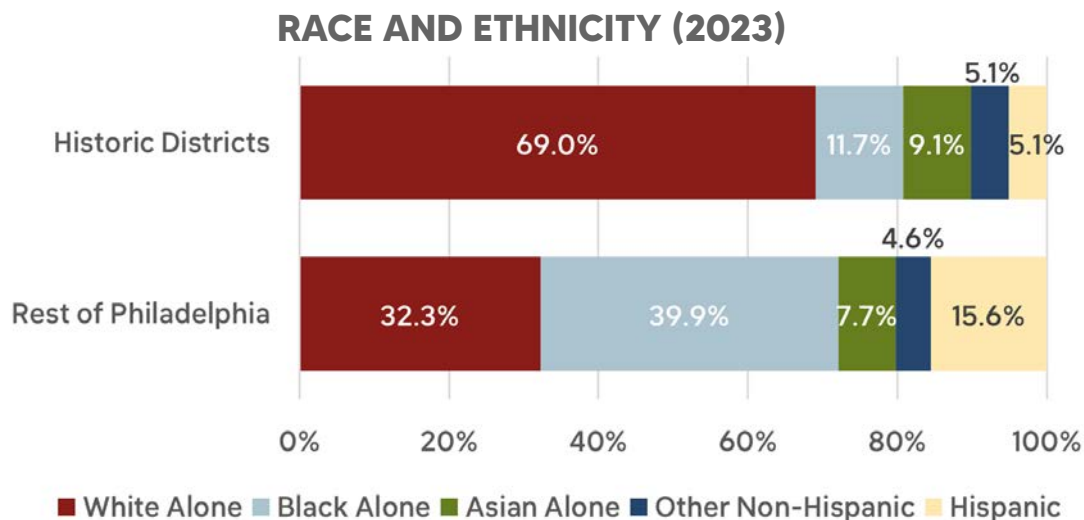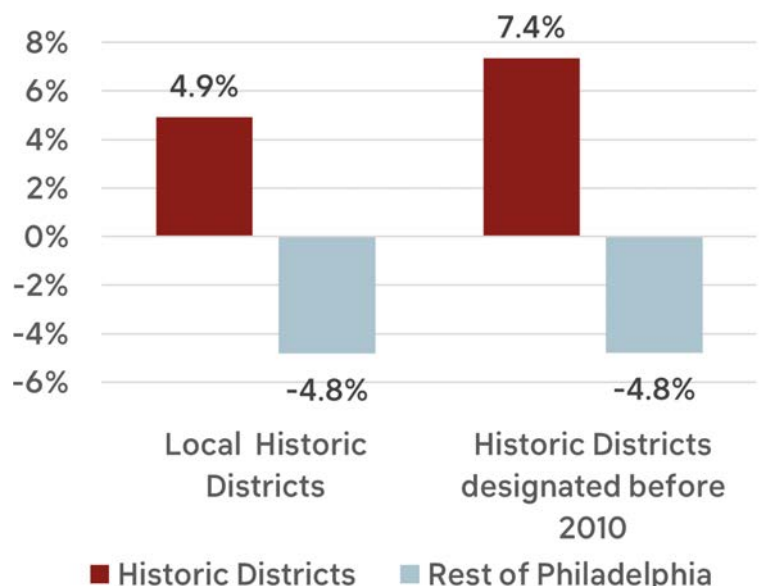
Black Population Change

However, historic districts have become places of growing diversity, gaining nearly 5% more Black residents, while the rest of Philadelphia experienced a decline. This trend is even stronger in neighborhoods with longer-standing designations, where Black population has increased over 7%. This is a sign that as historic districts experienced significant growth over the last 10 years, this growth has not been exclusionary.

Source: U.S. Census Bureau, "Total Population by Race," Decennial Census, Table P1, 2010 and 2020

CHANGE IN BLACK POPULATION, 2010-2020

	Historic Districts	Rest of Philadelphia
Local Historic Districts	4.9%	-4.8%
Historic Districts designated before 2010	7.4%	-4.8%

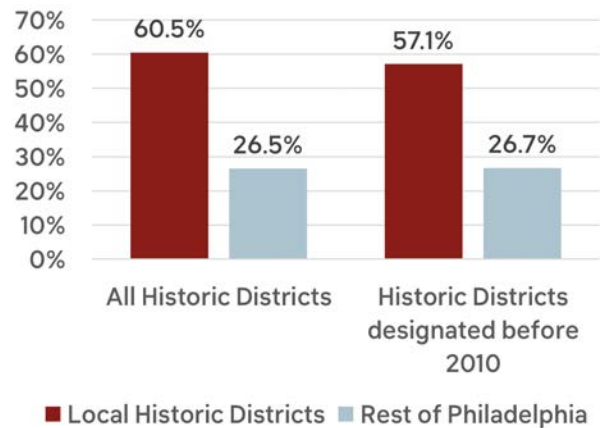■ Historic Districts ■ Rest of Philadelphia

Hispanic Population Change

Since 2010, historic districts have grown in Hispanic population, increasing by nearly 61%—more than double the rate of the rest of Philadelphia. Even in districts designated before 2010, where change has been somewhat slower, growth still far outpaces citywide trends. This pattern underscores how historic neighborhoods are attracting new residents and contributing to Philadelphia's evolving diversity.

Source: U.S. Census Bureau, "Hispanic or Latino, and Not Hispanic or Latino by Race," Decennial Census, Table P9, 2010 and 2020

CHANGE IN HISPANIC POPULATION, 2010-2020

Asian and Other Population Change

Similar trends emerge in change in Asian and Other populations. Historic districts have seen an increase in Asian population comparable to that in the rest of Philadelphia. They've also seen a large increase in "Other" populations, which includes American Indian or Alaska Native, Native Hawaiians or other Pacific Islander, or Two or More Races. Asian and Other populations only make up around 8% and 16% of the city respectively, so some of this dramatic increase may be attributable to the small sample size.

Source: U.S. Census Bureau, "Total Population by Race," Decennial Census, Table P1, 2010 and 2020

CHANGE IN ASIAN AND OTHER POPULATIONS, 2010-2020
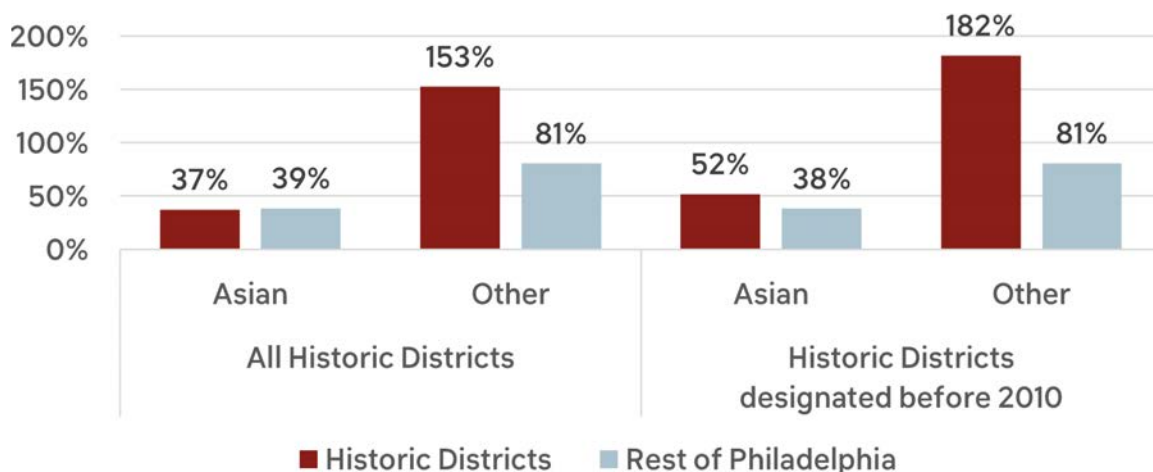
TENURE

Overall, 4.8% of Philadelphia's households live in historic districts. Historic districts are often assumed to be dominated by homeowners, given the long-term investment associated with preservation. In Philadelphia, however, renters make up the majority of households in these areas, accounting for about 65%. Historic districts have a higher share of renters than the rest of Philadelphia, where 47% or households are renters. This is likely attributable to the large number of multifamily buildings located within historic districts (see next page).

OWNER VS RENTER (2023)
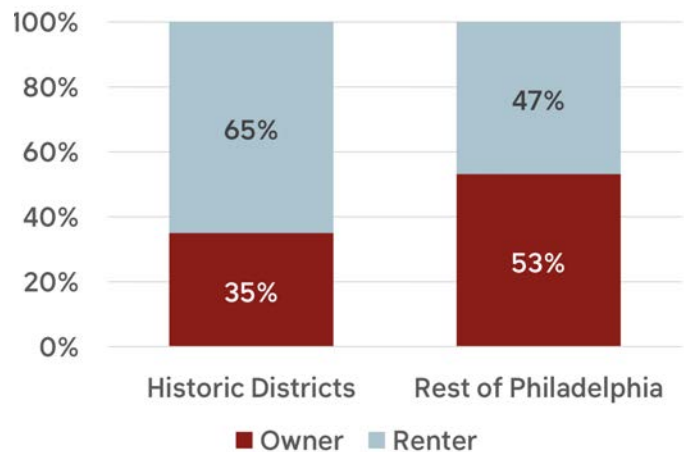
Source: U.S. Census Bureau, "Tenure," ACS 5-year Estimates, Table B25003, 2023

Tenure Change

Historic districts are seeing growth among both homeowners and renters, reflecting their broad appeal and stability. Between 2010 and 2020, homeownership rose by 11% in historic districts—contrasting with a decline citywide—and by 13% in long-term districts. At the same time, renter households grew even more rapidly, increasing 25% in historic districts and 35% in long-term districts. Together, these trends show that historic neighborhoods are supporting a healthy mix of owners and renters, offering opportunities for both long-term investment and rental housing access.

Source: U.S. Census Bureau, "Tenure," Decennial Census, Table B25003, 2010 and 2020

CHANGE IN HOUSEHOLDS BY TENURE, 2010-2020

Northwest Philadelphia Apartments Historic District

Local Historic Districts have a high share of units in multifamily buildings, contributing to their high population density and tenure mix.
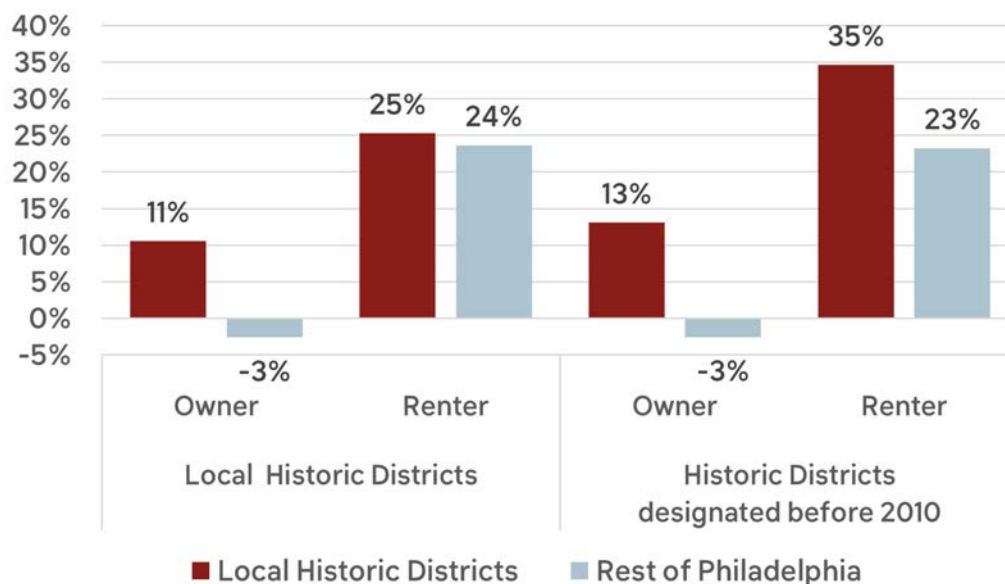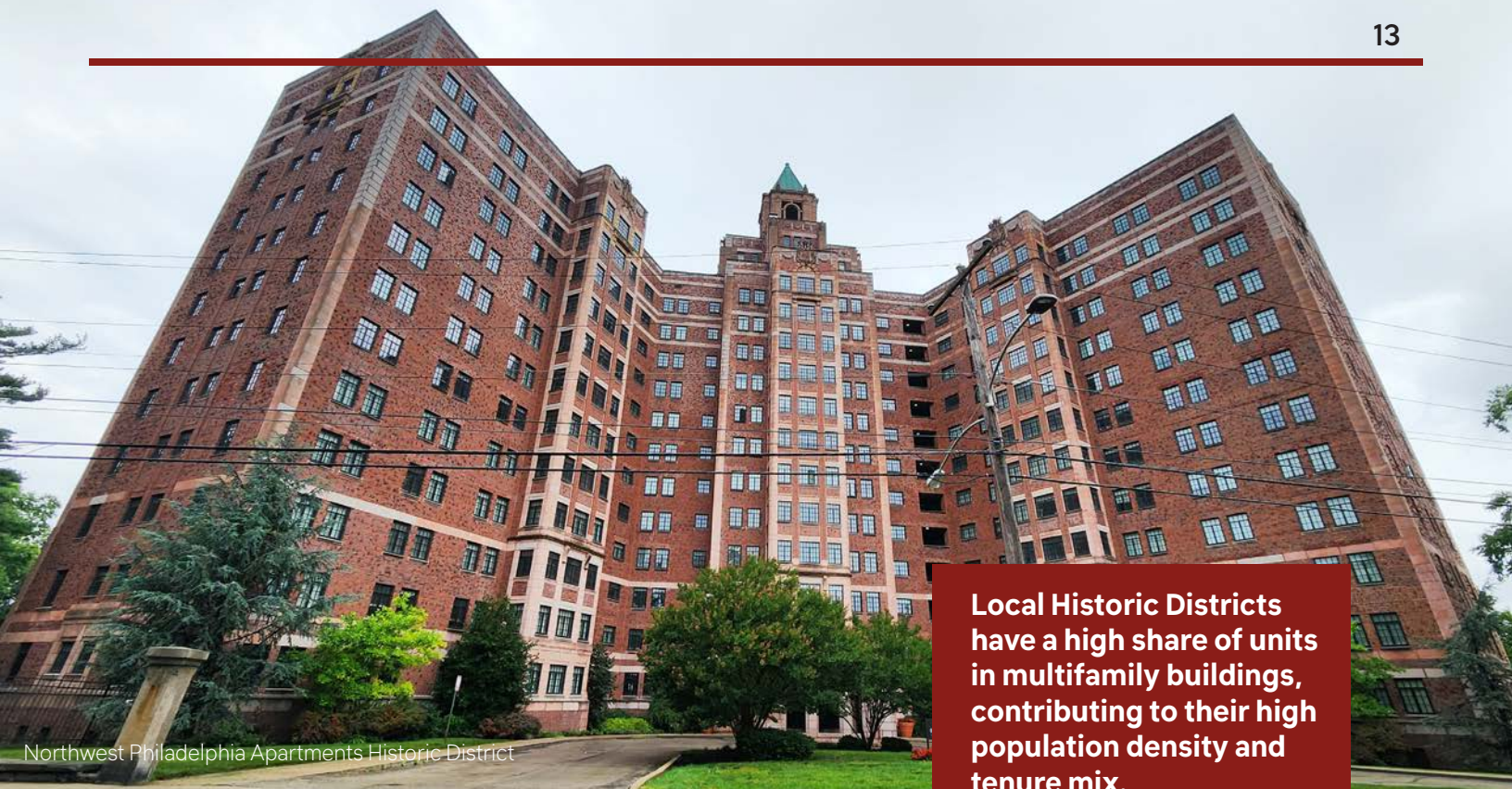
Housing Typology

A look at the mix of housing unit typologies reveals why historic districts have a high share of renter households and higher levels of density. Over 79% of the housing units in historic districts are in residential buildings with 2 or more units, compared to only 32% in the rest of the city. This high share of housing units in multifamily buildings contributes to a sizable rental population.

Source: U.S. Census Bureau, "Units in Structure," ACS 5-year estimates, Table B25024, 2023

HOUSING TYPOLOGY (2023)
Local Historic Districts

1% 3%
17%
36%
28%
15%
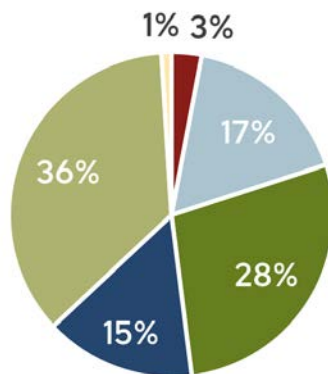
HOUSING TYPOLOGY (2023)
Rest of Philadelphia

1%
5% 10% 9%
17%
58%
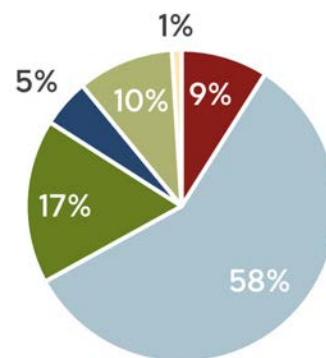
■ Single Detached   ■ Single Attached   ■ Multifamily Under 10

■ Multifamily, 10-50   ■ Multifamily, 50+   ■ Other

Homeownership by Race

Homeownership among historically underrepresented groups is an important indicator of economic stability and an opportunity for wealth-building within communities. Owning a home provides families with opportunities to build equity and invest in their neighborhoods. In Philadelphia's historic districts, however, the majority of homeowners are White, with only 19% of homeowners identifying as non-White, compared to 57% in the rest of the city.[2]

Source: U.S. Census Bureau, "Tenure by Race of Householder," 5-year ACS, Table B25003, 2023

HOMEOWNERS BY RACE (2023)
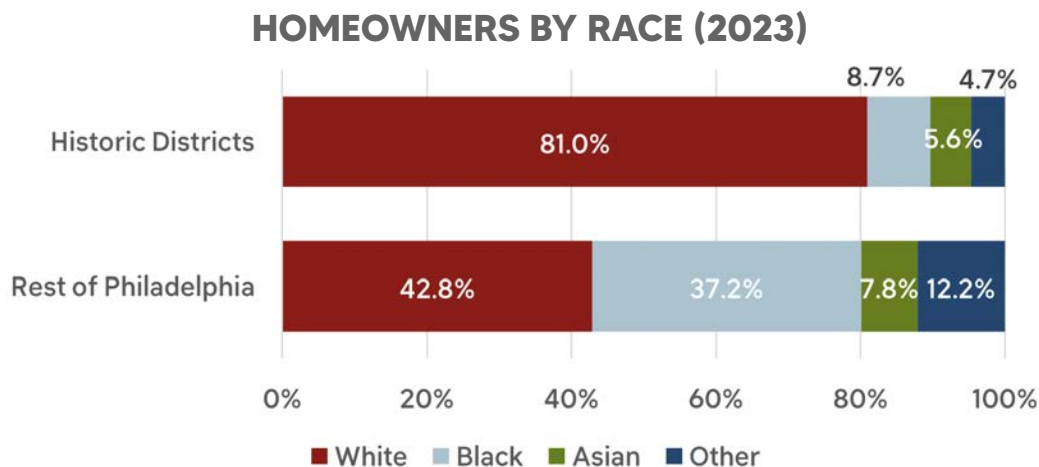
Another way to examine inclusive homeownership is by looking at the proportion of non-White households that rent versus own. In Philadelphia's historic districts, only 24% of non-White households are homeowners, compared to nearly 50% in the rest of the city. This highlights a potential gap in access to homeownership within these neighborhoods.

Source: U.S. Census Bureau, "Tenure by Race of Householder," 5-year ACS, Table B25003, 2023

NON-WHITE HOUSEHOLDS BY TENURE (2023)
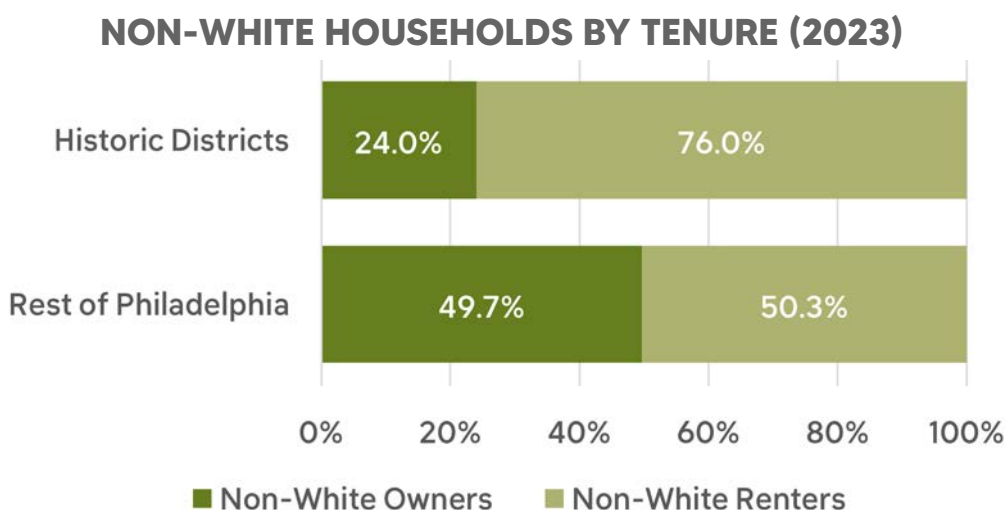
2 Non-White refers to all other racial groups identified by the Census other than White: African American, Asian, American Indian or Alaska Native, Native Hawaiians or other Pacific Islander, or Two or More Races.

However, in the last decade, non-White homeownership in historic districts has increased at a higher rate than the rest of the city. Between 2010 and 2020, the number of non-White homeowners increased by 45% in historic districts, compared to only 7% in the rest of Philadelphia. Long-term historic districts saw an even greater increase of 57%. So while homeowners in Philadelphia's historic districts are still predominantly White, the increase in non-White homeownership over the past decade suggests positive change.

Source: U.S. Census Bureau, "Tenure by Race of Householder," Decennial Census, Table H10, 2010 and 2020

CHANGE IN NON-WHITE HOMEOWNERSHIP, 2010-2020
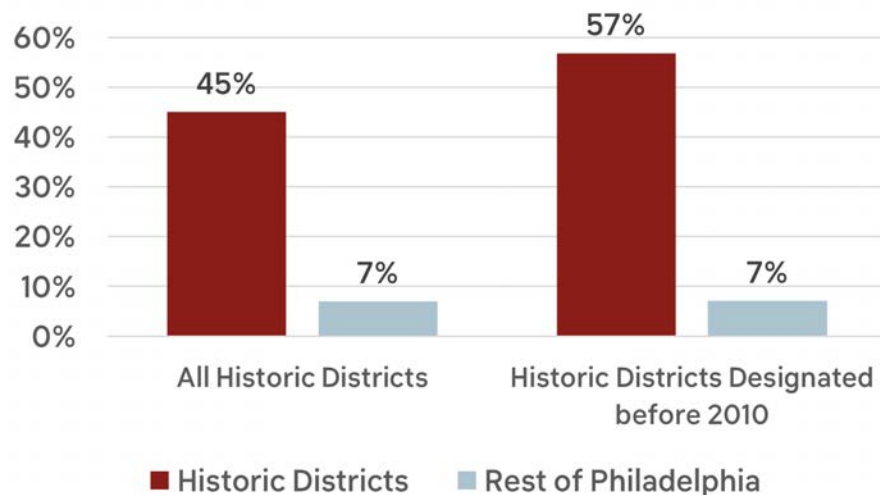
EDUCATIONAL ATTAINMENT

Residents in historic districts are more likely to be college educated than the rest of the City. Overall, over 80% of historic district residents have at least some college education, as opposed to 40% in the rest of Philadelphia.

Source: U.S. Census Bureau, "Educational Attainment," 5-year ACS, Table S1501, 2023

EDUCATIONAL ATTAINMENT (2023)
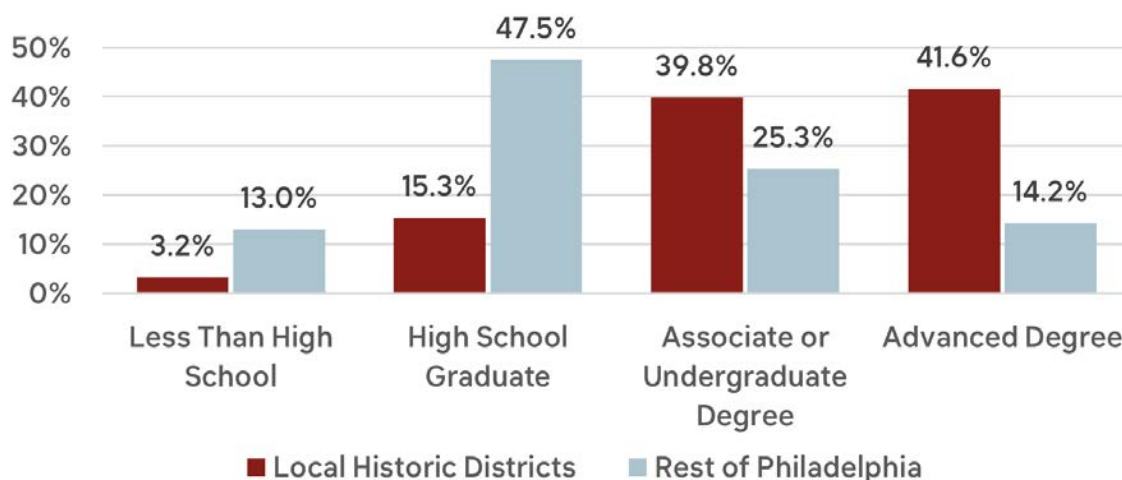
MARIAN ANDERSON MUSEUM AND HISTORICAL SOCIETY

Marian Anderson, born in Philadelphia in 1897, was a civil rights icon and a world renowned contralto, who had a ground-breaking career in classical music from the mid-1920s through the late 1950s. She traveled and performed throughout the world, including at two presidential inaugurations (Eisenhower and Kennedy), in the White House, at Carnegie Hall, and most famously on the steps of the Lincoln Memorial before 75,000 people and a national radio audience.

Her mother purchased the Martin Street home, today the Marian Anderson Residence Museum, in 1924 and Marian lived there until her marriage in 1943. She continued to use the home as a base of operations and office and retained ownership until her death in 1993.

Blanche Burton-Lyles, Anderson's protege, founded the Museum and Historical Society in the two-story brick rowhouse, which is listed on both the Philadelphia and National Register of Historic Places. The museum showcases Anderson memorabilia, gowns, books, films, and photos and gives glimpses into the amazing life and story of Marian Anderson.

> **"These stories are important, and these buildings need care."**
>
> **- Jillian Patricia Pirtle, Director of the Marian Anderson Museum**

In 2020, the Marian Anderson house sustained significant flood damage when a water pipe in the basement unexpectedly burst. The house and its irreplaceable artifacts took on three-and-a-half feet of water for well over 24 hours. Following the flooding, the Preservation Alliance for Greater Philadelphia assisted with fundraising and technical assistance to repair the damage and restore the property.

Following a grant from the National Trust for Historic Preservation, grants from the city and state, community fundraising, and the contributions of in-kind services from local contractors, the Marian Anderson Society was able to fully restore the home and reopen for visitation in 2025. The $490,000 restoration project brought modern plumbing, electrical, and climate control to better preserve the artifacts that tell the story of Marian Anderson's incredible life.

HOUSEHOLD INCOME

Historic districts in Philadelphia display a range of household incomes, demonstrating both pockets of affluence and areas with more moderate means. Among the 19 historic districts analyzed, five have a median household income below Philadelphia's citywide median of $60,698. These historic districts include Parkside, Diamond Street, Chester Regent, Powelton Village, and Southeast Spruce Hill. Overall, the combined median household income in historic districts is $27,913 higher than the city's median, reflecting the relative affluence of these neighborhoods as compared to the city as a whole.

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2023

MEDIAN HOUSEHOLD INCOME (2023)

District	Median Household Income
Christian Street	$143,283
Tudor East Falls	$120,273
Society Hill	$119,085
Old City	$115,005
Spring Garden	$99,729
Chestnut St East	$98,383
Girard Estate	$95,864
Rittenhouse-Fitler Residential	$94,630
Victorian Roxborough	$90,534
All Residential Historic Districts	$88,611
Manayunk Main Street	$87,271
French Village	$79,860
Germantown Urban Village	$78,658
Overbrook Farms	$74,486
Washington Square West	$71,153
Philadelphia	$60,698
Southeast Spruce Hill	$56,790
Powelton Village	$39,100
Chester Regent	$37,434
Diamond Street	$26,419
Parkside	$20,514

While historic districts encompass a range of household incomes, they lean toward higher-earning residents compared to the city overall. In 2023, about 30% of historic districts households earned more than $150,000—twice the citywide share—while 15% earned less than $25,000, compared with 25% elsewhere in Philadelphia. Overall, roughly one-third of households in historic districts earn below the city's median income.

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2023

HOUSEHOLD INCOME DISTRIBUTION (2023)
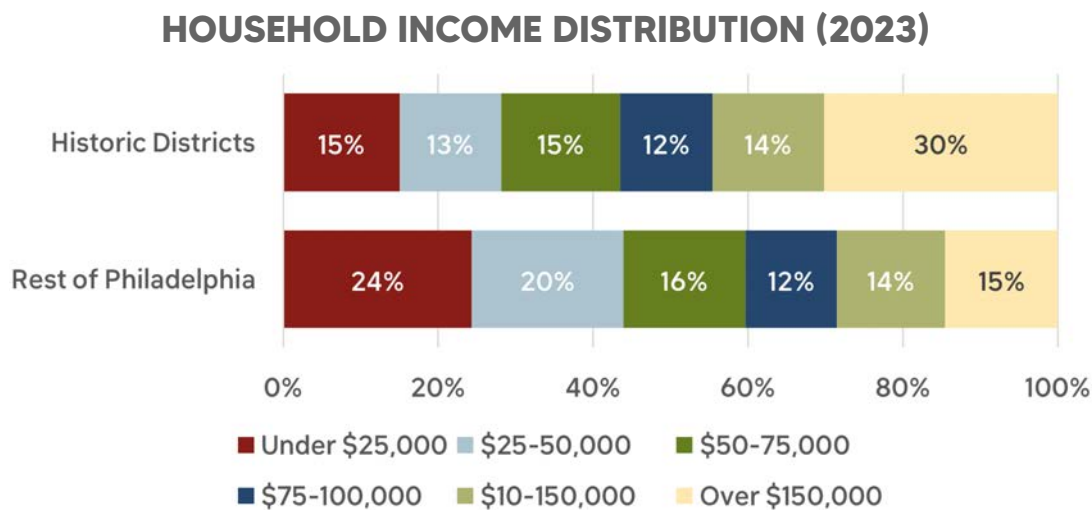
Incomes in Philadelphia have risen substantially over the past decade, with the city's median household income increasing from roughly $37,000 in 2010 to about $60,000 in 2023. Adjusted for inflation, the median income in historic districts grew by 10% over the same period, compared with a 24% increase citywide, reflecting both the higher starting point and relative stability of these neighborhoods.

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2013 and 2023

Change in Median Income

	2013 Median Household Income	2013 Median Household Income (Inflation Adjusted to 2023)	2023 Median Household Income	Percent Change 2013-2023
Historic Districts	$61,696	$80,696	$88,611	10%
Rest of Philadelphia	$36,601	$47,873	$59,570	24%

Household Income Change

There has actually been an increase in the number of households making below the city's median income in historic districts. Adjusting for inflation, a household in 2013 would have needed to make around $45,000 to have the same quality of life and spending power as a household making $60,000 (Philadelphia's median household income) in 2023. Using that as a threshold, there has been an increase of around 10% in households making below the median income in historic districts. The number of households making below the median income in the rest of the city has remained relatively the same.

CHANGE IN NUMBER OF HOUSEHOLDS MAKING LESS THAN MEDIAN INCOME
(2013-2023, adjusted for inflation)

There have been significant changes in the lowest and highest income cohorts in historic districts. In historic districts, the number of households making below 60% of the city's median income has increased ever so slightly, while it has decreased in the rest of Philadelphia. On the higher end of the income spectrum, historic districts have seen a 53% increase in households making more than 200% of the city's median income, but this is lower than the 80% increase seen in the rest of the city.

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2013 and 2023

CHANGE IN LOW AND HIGH INCOME HOUSEHOLDS
(2013 - 2023, ADJUSTED FOR INFLATION)
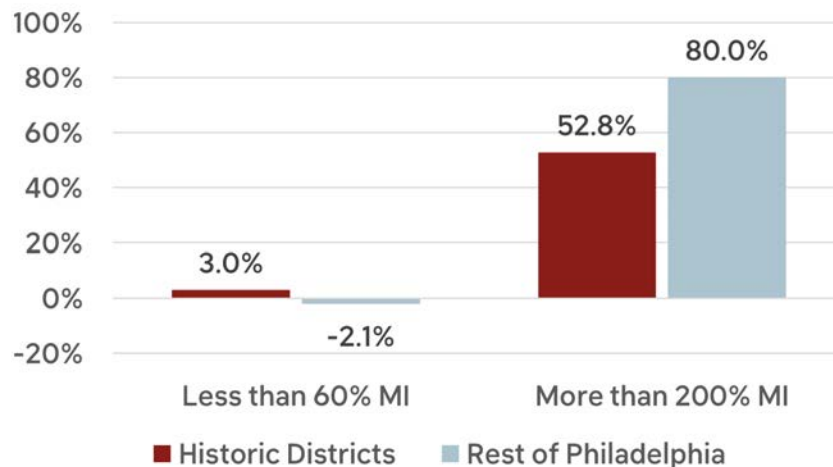
Powelton Village Historic District

ECONOMIC INTEGRATION

Cities are generally considered healthier when households in a neighborhood reflect a wide range of income levels. To measure this diversity of incomes, PlaceEconomics has developed the Economic Integration Metric. This measure looks at how the distribution of income brackets at the historic district level compares with the City of Philadelphia overall. A base of 100 was established reflecting the percentage of households in each income bracket for the City overall. Then, that share was compared to the distribution share in the historic districts. The Economic Integration Metric looks at which income brackets are under- or overrepresented in the historic district compared to the City overall. A score over 100 means there is a larger share of that income bracket in the historic district than in the City. A score of less than 100 means there is a smaller share of that income bracket in the historic district than in the City.

In the aggregate, households making less than $50,000 are underrepresented in historic districts and households making over $150,000 are overrepresented in historic districts relative to the city as a whole.

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2023

ECONOMIC INTEGRATION - ALL RESIDENTIAL HISTORIC DISTRICTS (PHILADELPHIA BASE = 100)

Line chart with y-axis from 0 to 350. X-axis categories: Under $25,000; $25 - $49,999; $50 - $74,000; $75 - $99,999; $100 - $149,999; $150 - $199,999; $200,000 or more.

All Residential Historic Districts values: 62.8, 68.2, 97.4, 101.4, 102.3, 146.6, 239.5. Philadelphia base line at 100 across all categories.

— Philadelphia   — All Residential Historic Districts
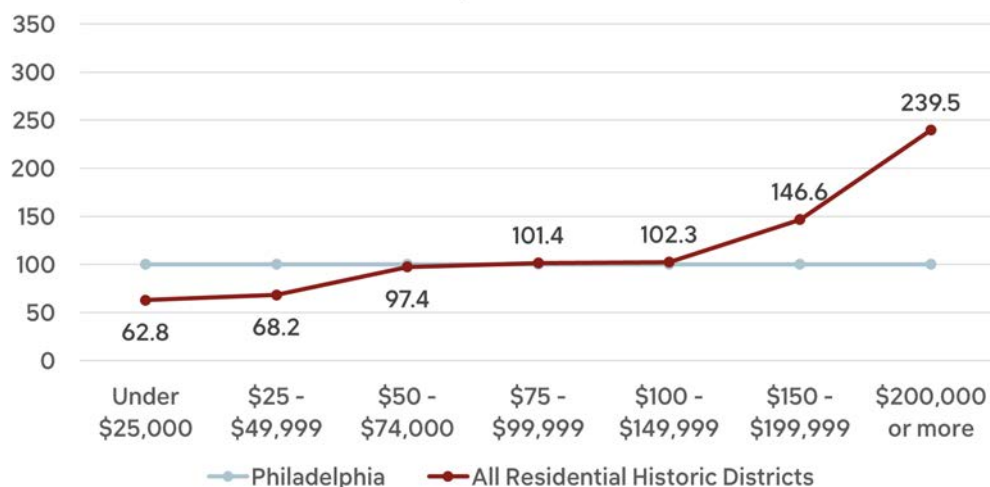
District-Level Economic Integration

At the district level, some historic districts mirror the city overall more closely than others. For example, Overbrook Farms is a historic district where the income distribution at the neighborhood level more strongly mirrors that of the city overall.

ECONOMIC INTEGRATION - OVERBROOK FARMS (PHILADELPHIA BASE = 100)

Values: 61.0, 79.0, 129.6, 125.9, 117.0, 143.6, 102.9

Categories: Undr $25K, $25 to $49,999, $50 to $74,000, $75 - $99,999, $100 to $149,999, $150 to $199,999, $200,000 or more

Legend: Philadelphia, Overbrook Farms Historic District
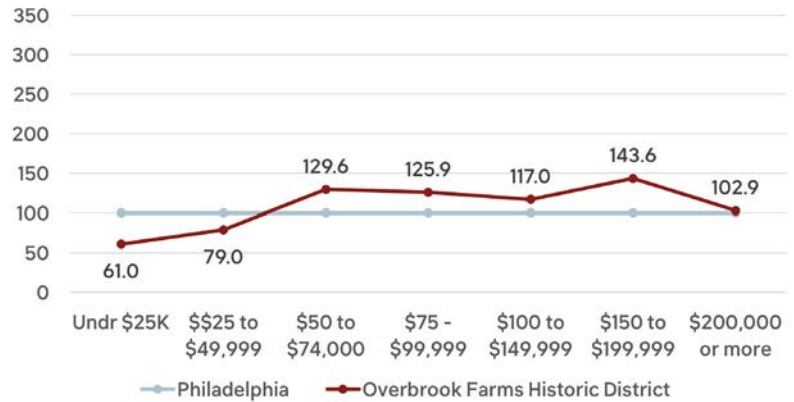
Other historic districts are a weak mirror of the city overall because they have a higher share of low income households and a lower share of high income households. This is true in the Diamond Street Historic District.

ECONOMIC INTEGRATION - DIAMOND STREET (PHILADELPHIA BASE = 100)

Values: 199.8, 153.8, 52.1, 17.0, 71.3, 23.0, 10.3

Categories: Under $25K, $25 to $49,999, $50 to $74,000, $75 - $99,999, $100 to $149,999, $150 to $199,999, $200,000 or more

Legend: Philadelphia, Diamond Street Historic District
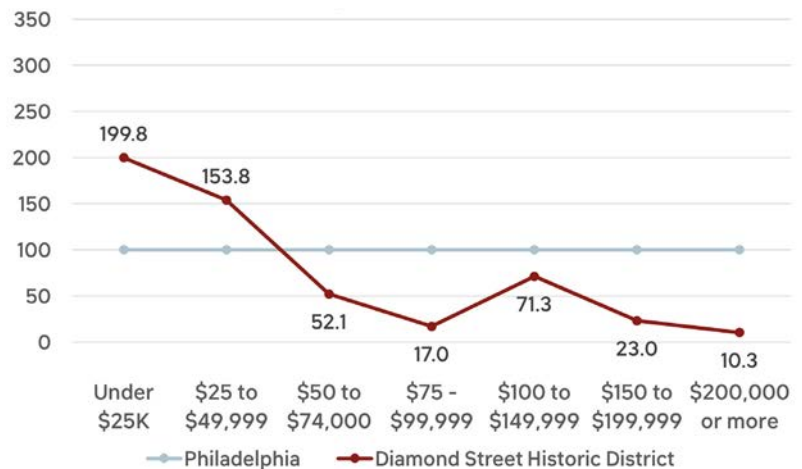
At the other end of the spectrum, some historic districts have a considerably higher share of high income households, and therefore are a weak mirror of the city as a whole. This is true in the French Village Historic District. See Appendix for the economic integration graph for each historic district.

ECONOMIC INTEGRATION - FRENCH VILLAGE (PHILADELPHIA BASE = 100)

Values: 13.4, 71.4, 186.8, 155.7, 44.0, 10.1, 337.5

Categories: Under $25,000, $25 - $49,999, $50 - $74,000, $75 - $99,999, $100 - $149,999, $150 - $199,999, $200,000 or more

Legend: Philadelphia, French Village

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2023

A mix of housing unit types fosters housing density and economic integration in many historic districts.

View of the Drake Hotel Apartments from Rittenhouse - Fitler Historic District

West Philadelphia

Older housing - built prior to 1950 - is an important stock of housing in Philadelphia, making up 67% of all residential buildings and 51% of all housing units.

Older Housing and Affordability

Older housing is an important source of naturally occurring affordability in Philadelphia. Two thirds of Philadelphia's residential buildings and over half of the city's housing units were constructed before 1950. On average, these older homes offer smaller unit sizes, lower rents, and lower property values than newer housing. Importantly, Black and Hispanic Philadelphians are more likely to live in older housing than the citywide average, underscoring the important role of older housing in providing affordable options for a diversity of communities.

2018-2025 | 1.9%

1968-2017 | 10.7%

Pre-1920 | 14.1%

Philadelphia Buildings by Age

1920-1945 | 51.6%

1946-1967 | 21.7%
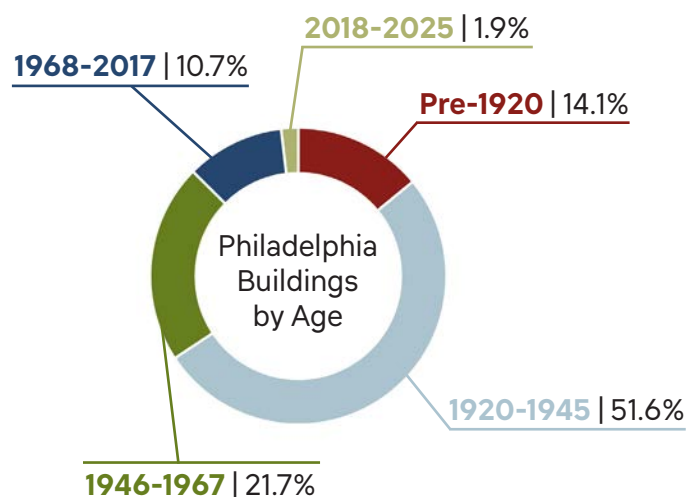
Methodology

This analysis sought to look at patterns of housing affordability in older housing. Within this analysis, historic designation status was not considered–the goal is to look at all older housing, defined here as residential properties built before 1950. This required in-depth analysis of data at the parcel and Census block group level. While some information was available at the parcel level (building age, size, condition, etc.), other data was only available on a Census block group level (demographics, rent levels, etc.).

In order to get a general understanding of the patterns of older housing in Philadelphia, **this analysis selected Census block groups where 70% or more of the housing units were constructed prior to 1950.**[3] Selecting block groups with a high share of pre-1950 housing units allowed PlaceEconomics to make defensible conclusions about the demographic and cost patterns in older housing areas.

Of the 1,338 block groups in Philadelphia, 422 met that test. About 20% of the City's land area is covered by these block groups and about 30% of the City's housing units fall within them. This study area captured 50% of all housing units built prior to 1950.

50%

of Philadelphia's pre-1950 housing units are in the Older Housing Study Area.
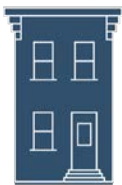
Within the study area,

81%

of housing units were built before 1950.

Older Housing Study Area
(70% of housing units pre-1950)

Rest of Philadelphia

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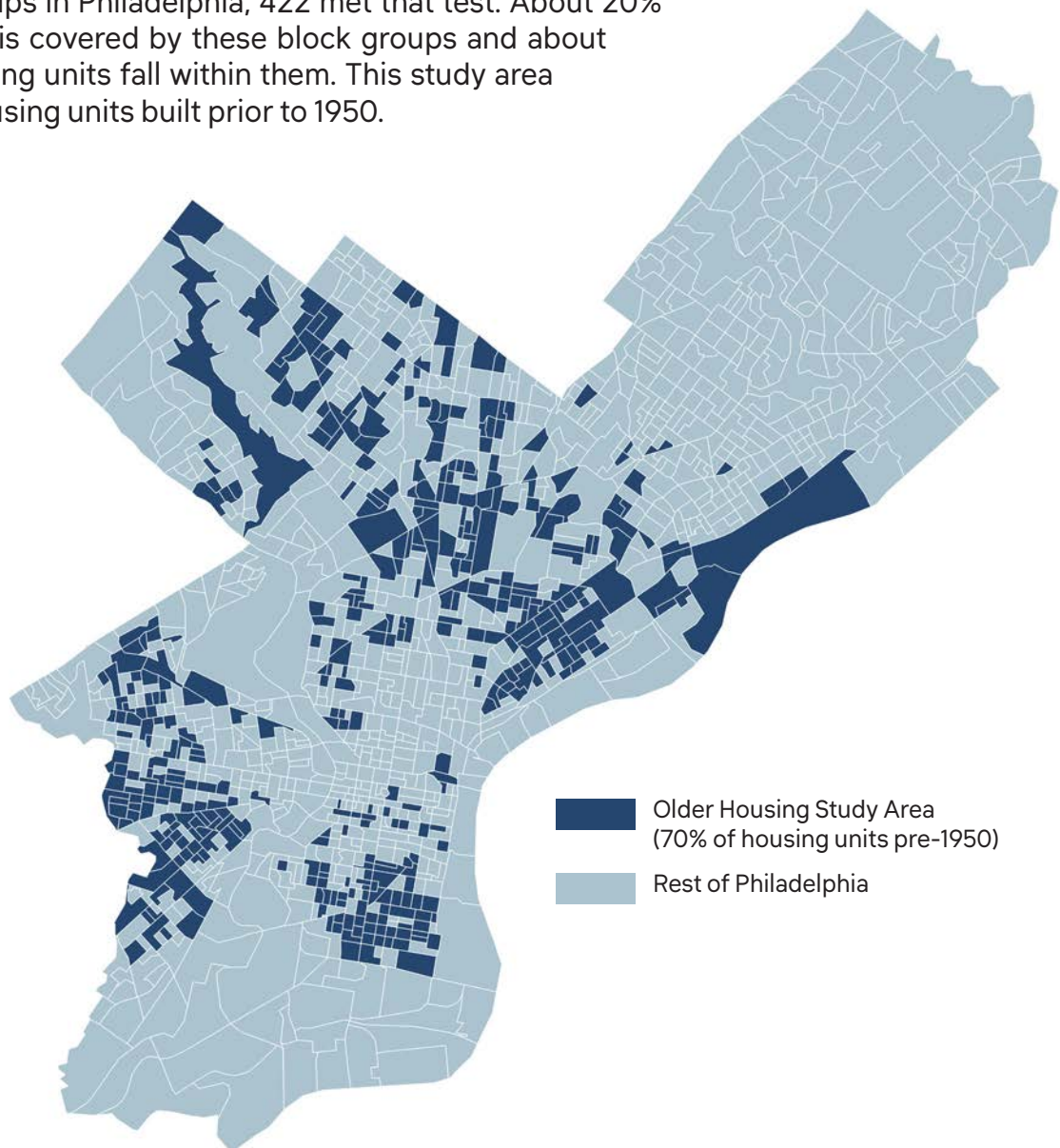
3 This analysis relies on housing units as a base, not buildings. Therefore, multifamily structures can greatly influence the overall composition of a block group. A neighborhood with older single family homes next to a new apartment building would potentially be excluded from this analysis.

HOUSING CHARACTERISTICS

Housing Unit Age

There are nearly 740,000 housing units in the City of Philadelphia, of which 50% were constructed prior to 1950. The majority of those older units fall within the study block groups, where **81% of housing units were built prior to 1950.** In the rest of the city, only 37% of housing units were built before 1950.

Source: U.S. Census Bureau, "Housing Units by Year Structure Built," ACS 5-year estimates, Table B25034, 2023

SHARE OF HOUSING UNITS BY DECADE BUILT

Legend: ■ Older Housing Study Area ■ Rest of Philadelphia

	Before 1939	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010-2019	After 2020
Older Housing Study Area	67.9%	13.9%	6.3%	3.5%	2.9%	1.5%	1.1%	1.0%	1.7%	0.2%
Rest of Philadelphia	27.6%	9.2%	18.8%	14.1%	10.0%	5.8%	3.4%	4.2%	6.1%	0.8%

Variety of Housing Types

Overall, about 30% of the city's housing units can be found in the Pre-1950 study area. The predominant housing type in these block groups is overwhelmingly single family, either detached or attached row houses, which represents about 77% of units. This figure is unsurprising given the predominance of the rowhome in Phila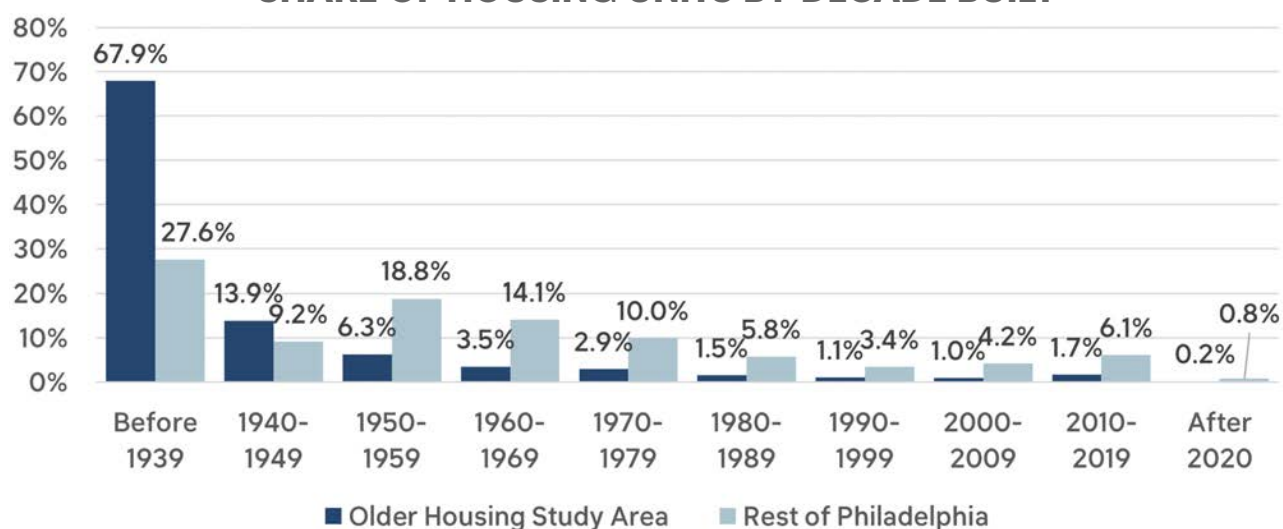delphia. These homes provided dense, affordable housing for working- and middle-class families and remain a backbone of many neighborhoods today. Beyond their architectural value, brick row houses contribute to the social and economic fabric of the city by supporting walkable streets and offering adaptable housing options that continue to meet modern needs.

Source: U.S. Census Bureau, "Units in Structure," ACS 5-year estimates, Table B25024, 2023

HOUSING UNITS BY STRUCTURE TYPE
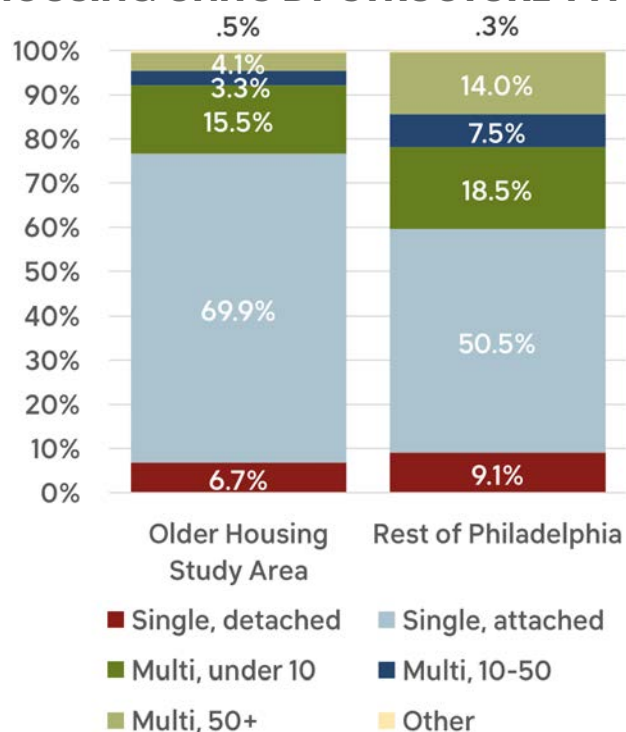
	Older Housing Study Area	Rest of Philadelphia
Other	.5%	.3%
Multi, 50+	4.1%	14.0%
Multi, 10-50	3.3%	7.5%
Multi, under 10	15.5%	18.5%
Single, attached	69.9%	50.5%
Single, detached	6.7%	9.1%

Legend:
■ Single, detached ■ Single, attached
■ Multi, under 10 ■ Multi, 10-50
■ Multi, 50+ ■ Other

Unsurprisingly, the rowhome - or single family attached home - is the predominant housing typology among Philadelphia's pre-1950 housing.

Table: Housing Typologies

		Older Housing Study Area	Rest of Philadelphia	Citywide Total
Single Family	Detached	15,211	46,757	61,968
	Attached	157,736	259,780	417,516
Total Single Family		**172,947**	**306,537**	**479,484**
Multifamily Units	Under 10 units	34,943	95,038	129,981
	10 to 50 units	7,368	38,751	46,119
	50+ units	9,304	72,096	81,400
Total Multifamily Units		**51,615**	**205,885**	**257,500**
Total Other Housing Units		1,048	1,693	2,741
Total Housing Units		**225,610 (30%)**	**514,115 (70%)**	**739,725 (100%)**

Source: U.S. Census Bureau, "Units in Structure," ACS 5-year estimates, Table B25024, 2023

Housing Unit Size

Single family homes built before 1950 tend to have smaller living areas, which can contribute both to neighborhood density and also unit affordability. A home built in Philadelphia before 1950 is, on average, around 13% smaller than one built after 1950. Smaller unit sizes in older housing help keep costs down, making these homes more affordable to rent or own compared to newer, larger units.

Source: 2024 Philadelphia Office of Property Assessment Data

MEDIAN LIVING AREA (2024, ALL SINGLE FAMILY HOMES)

Pre-1950 Single Family Homes: 1,200

Post-1950 Single Family Homes: 1,358
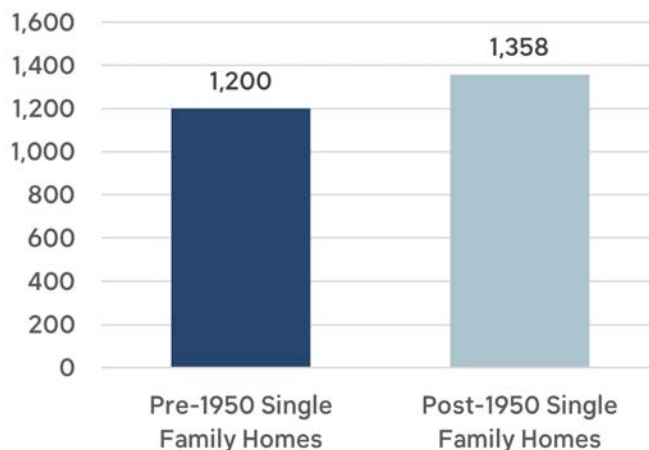
Housing Unit Density

Similar to population density, housing unit density can also be measured. Overall, the Pre-1950 study area has a much higher density of housing units than the Post-1950 block groups. The older housing study area has around 3,000 more units per square mile than the rest of the city.[4] Brick rowhouses, which make up a large share of these older neighborhoods, contribute significantly to this density by efficiently accommodating many households on narrow city lots.

Source: U.S. Census Bureau, "Housing Units," ACS 5-year estimates, Table B25001, 2023

8,035 housing units per square mile in the Older Housing Study Area

4,857 housing units per square mile in the rest of Philadelphia

Occupancy Status

The vacancy rate in the Pre-1950 study area is slightly higher than the rest of the city–11.8% compared to 8.5%.

Source: U.S. Census Bureau, "Occupancy Status," ACS 5-year estimates, Table B25002, 2023

VACANCY, 2023

Older Housing Study Area: 11.8%

Rest of Philadelphia: 8.5%

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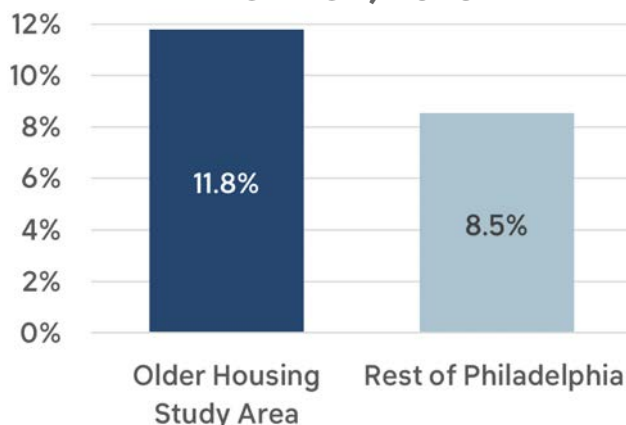
4 This data is based on Census housing unit estimates, not parcel level data, as the unit count was not reliable in the assessment.

DEMOGRAPHIC CHARACTERISTICS

Race & Ethnicity

Just over 30% of Philadelphia's population lives in neighborhoods dominated by Pre-1950 housing. These areas are home to a more diverse population than Post-1950 neighborhoods, with higher shares of both non-White and Hispanic residents. Black and Hispanic Philadelphians are slightly more likely to live in older housing than the general population. While 30% of the population lives in the older housing study area, 34% of Black Philadelphians and 39% of Hispanic Philadelphians live there.

Source: U.S. Census Bureau,"Race," ACS 5-year estimates, Table B02001, 2023 "Hispanic or Latino, and Not Hispanic or Latino by Race," ACS 5-year estimates, Table B03002, 2023

SHARE OF POPULATION IN OLDER HOUSING STUDY AREA

Population	30%
Black Population	34%
Hispanic Population	39%
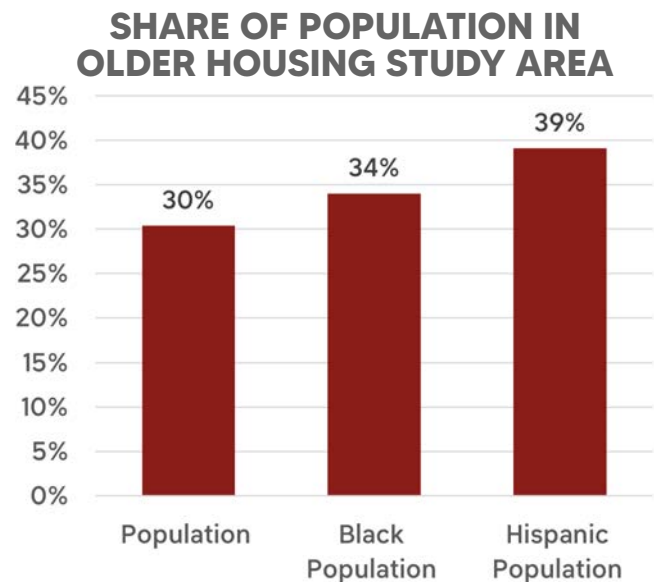
Overall, 70% of residents in the older housing study area identify as non-White, compared to 61% in the rest of the city. Similarly, 20% of residents in the Pre-1950 study area identify as Hispanic, compared to 13% in the rest of the city. This underscores the role older housing plays in providing housing options for an array of households.

Source: U.S. Census Bureau, "Hispanic or Latino Origin by Race," ACS 5-year estimates, Table B03002, 2023

> **Black and Hispanic Philadelphians are slightly more likely to live in older housing than the general population.**

ETHNICITY BY RACE (2023)

Older Housing Study Area: White Alone 27.3%, Black Alone 43.3%, Asian Alone 5.4%, Other Non-Hispanic 4.3%, Hispanic 19.6%

Rest of Philadelphia: White Alone 36.3%, Black Alone 36.9%, Asian Alone 8.7%, Other Non-Hispanic 4.8%, Hispanic 13.3%

Legend: ■ White Alone ■ Black Alone ■ Asian Alone ■ Other Non-Hispanic ■ Hispanic
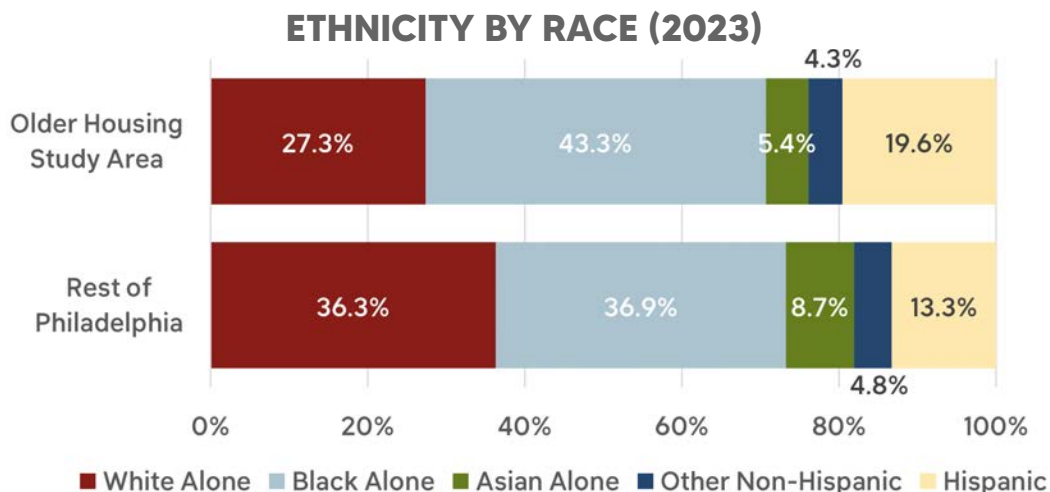
Tenure

Older undesignated neighborhoods play an important role in supporting homeownership in Philadelphia. In the Pre-1950 study area, nearly 57% of housing units are owner-occupied, compared to 50% in Post-1950 neighborhoods.

Source: U.S. Census Bureau, "Tenure," ACS 5-year estimates, Table B25003, 2023

TENURE (2023)
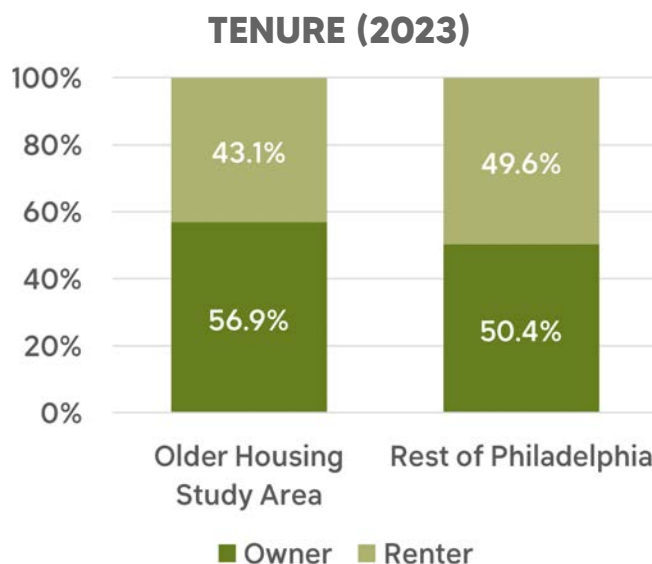
Older neighborhoods have a higher share of non-White homeowners. In the rest of Philadelphia, nearly half of all homeowners are White, but that is true of only 38% of homeowners in the older housing study area.

Source: U.S. Census Bureau, "Tenure by Race of Householder," 5-year ACS, Table B25003, 2023

HOMEOWNERS BY RACE (2023)
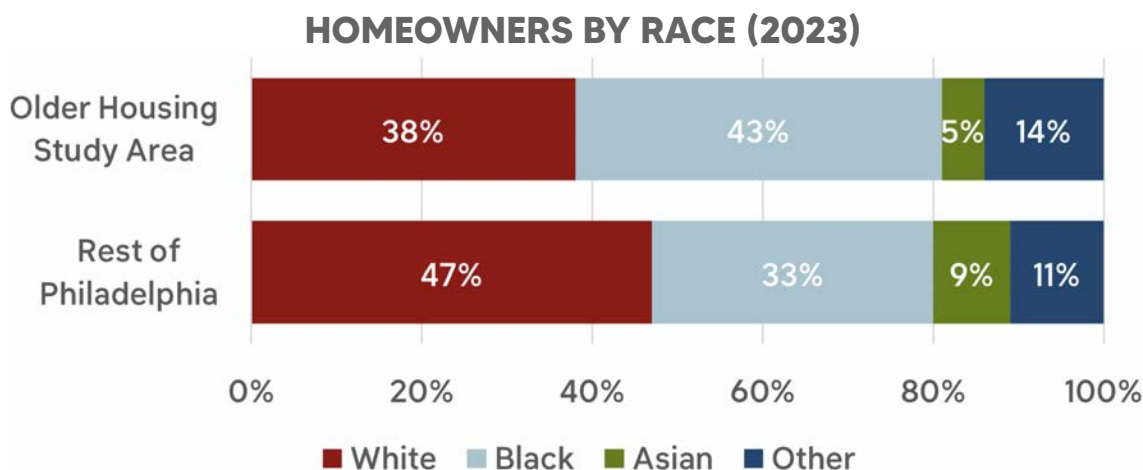
Notably, 55% of Black households in the Pre-1950 study area own their homes, compared with 44% in newer neighborhoods, highlighting the role of older housing in fostering stability for minority communities.

Source: U.S. Census Bureau, "Tenure by Race of Householder," 5-year ACS, Table B25003, 2023

SHARE OF BLACK HOUSEHOLDS THAT ARE HOMEOWNERS (2023)
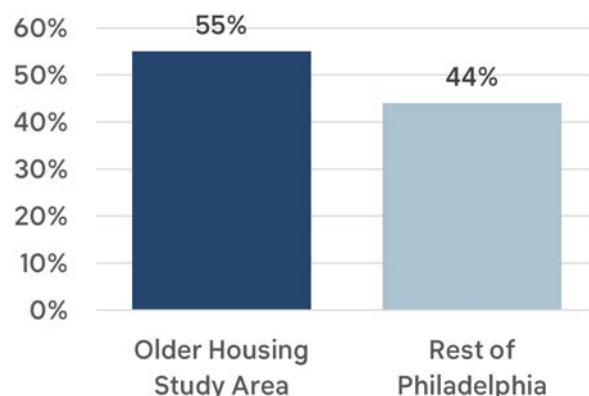
Length of Residency

Homeowners in Pre-1950 neighborhoods are more likely to be long-term residents, reflecting a degree of stability of these communities. Nearly 42% have lived in their homes since before 2000, compared to 36% in the rest of the city.

Source: U.S. Census Bureau, "Tenure by Year Moved In," ACS 5-year estimates, Table B25038, 2023

OWNER HOUSEHOLDS - LENGTH OF RESIDENCY (2023)

	Moved in 1989 or earlier	Moved in 1990 to 1999	Moved in 2000 to 2009	Moved in 2010 or later
Older Housing Study Area	26.0%	15.6%	20.1%	38.2%
Rest of Philadelphia	21.2%	14.8%	23.0%	41.0%
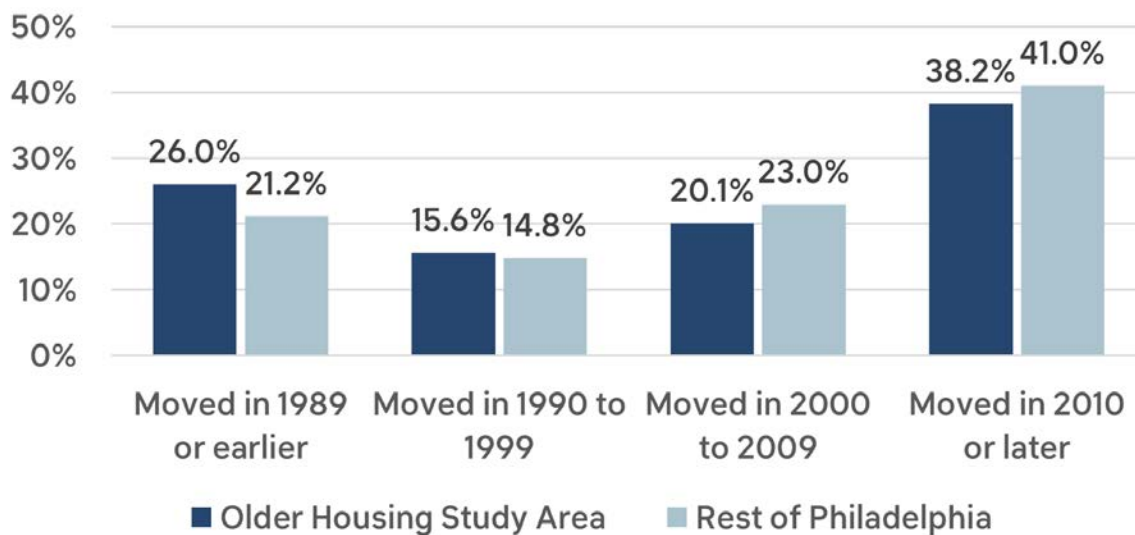
Household Income

Housing affordability is closely tied to household income, as the ability to pay rent or mortgage costs depends directly on the resources available to a household. According to 2023 U.S. Census data, the Median Household Income (MI) in the City of Philadelphia is **$60,698.** That is represented as 100% in the table below. The standard for measuring housing affordability is the percentage of income spent on housing. Regardless of total income, households that spend more than 30% of their income on housing are considered cost burdened. The table below shows the monthly housing costs that would be affordable to a household in each income range using the 30% rule of thumb.

> **The median household income in older housing is considerably lower than the city's overall median income.**

	Percentage of Median Income	Yearly Income Range	"Affordable" Monthly Housing Cost Range
Supportive Services	<30% MI	≤$18,209	≤$455
Affordable Housing	30-60% MI	$18,210-$36,429	$456-$910
	60-80% MI	$36,420-$48,558	$911-$1,214
Workforce Housing	80-100% MI	$48,559-$60,698	$1,215-$1,517
	100-120% MI	$60,699-$72,838	$1,518-$1,821
Market Rate Housing	120-150% MI	$72,839-$91,047	$1,822-$2,276
	150-200% MI	$91,048-$121,396	$2,277-$3,035
	>200% MI	≥$121,397	≥$3,036

The median household income for residents living in block groups with a concentration of Pre-1950 housing is around $55,000. This is 14%, or $7,570, lower than the median household income in block groups with newer housing. This lower median income suggests that housing in older areas is more affordable.

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2023

MEDIAN HOUSEHOLD INCOME (2023)

$55,411
in Older Housing Study Area

$62,981
in Rest of Philadelphia

Oxford Mills
Photo: Powers and Company

Overall, the income of households in the Pre-1950 study area largely mirrors the income distribution found in the rest of the city. However, a slightly larger share falls into the $20-$50,000 income cohort and a slightly smaller share falls into the highest income cohort (more than $75,000). About 53% of households outside the older housing study area earn less than the City's median income.

Source: U.S. Census Bureau, "Household Income," ACS 5-year estimates, Table B19001, 2023

HOUSEHOLD INCOME DISTRIBUTION (2023)

|	Older Housing Study Area	Rest of Philadelphia
Less than $20,000 (<30% MI)	20.7%	19.2%
$20-$50,000 (30-80% MI)	25.9%	22.4%
$50-$75,000 (80-120% MI)	15.1%	16.1%
More than $75,000 (>120% MI)	38.2%	42.3%
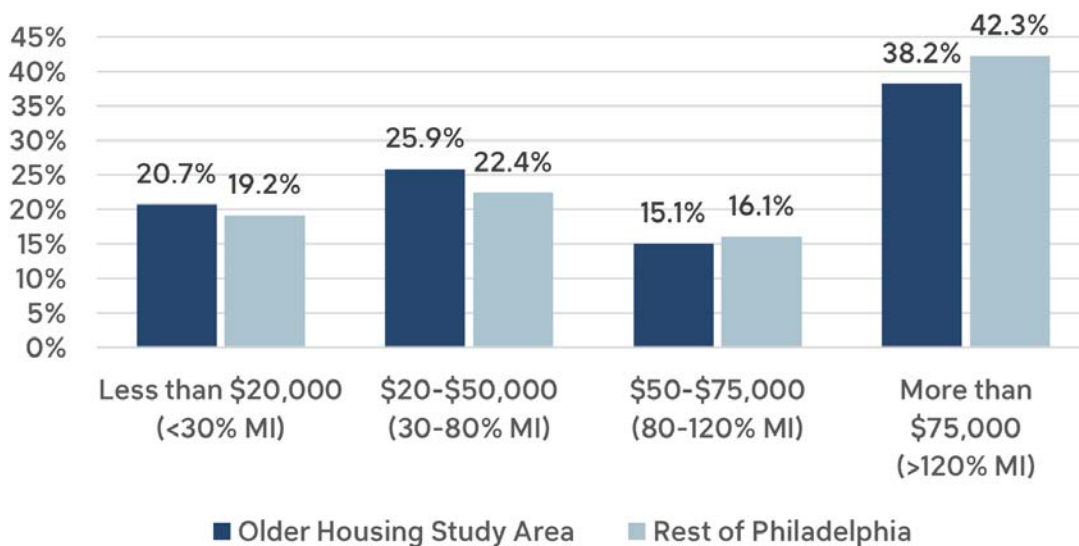
HOUSING COSTS

Median Housing Costs

The clearest measure of housing affordability is the availability of units priced within reach of lower-income households. As stated previously, households are considered housing cost-burdened if they spend more than 30% of their monthly income on housing. An analysis of rents and owner costs in the older housing study area shows that older neighborhoods offer housing across a wide range of price points. In particular, areas with a concentration of older housing provide a larger share of units affordable to low- and moderate-income households compared with the rest of the city.

Both rents and monthly owner costs are modestly lower in areas with a concentration of older housing. Median gross rent in the older housing study area is about $160 less per month, while median monthly owner costs are roughly $80 lower compared to newer housing areas.

MEDIAN MONTHLY HOUSING COST (2023)

Source: U.S. Census Bureau, "Selected Monthly Owner Costs," ACS 5-year estimates, Table B25087, 2023 and "Gross Rent," ACS 5-year estimates, Table B25063, 2023
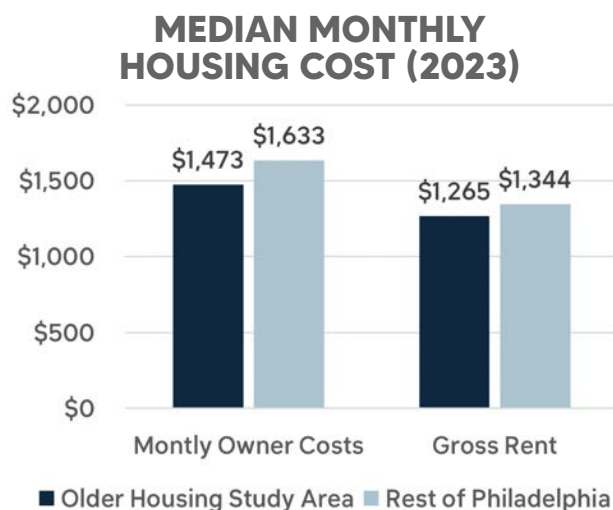
FROM THE AMERICAN HOUSING SURVEY: REGIONAL HOUSING COST TRENDS

In general, the older the housing, the lower the housing costs, and data from around the country backs that up. This graph uses data from the American Housing Survey to demonstrate the average housing cost by unit age in the Philadelphia Metro Statistical Area. As the housing gets newer, the monthly housing costs increase. According to this data, the average cost of a housing unit built in 2020 in the Philadelphia Metropolitan Statistical Area (MSA) is around $970 more per month than a housing unit built in 1939.

Source: U.S. Census, American Housing Survey, "Housing Costs — All Occupied Units," Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA (2013 OMB definition), 2023

AVERAGE MONTHLY HOUSING COST

Year of Construction

Monthly Housing Cost ••• Expon. (Monthly Housing Cost)
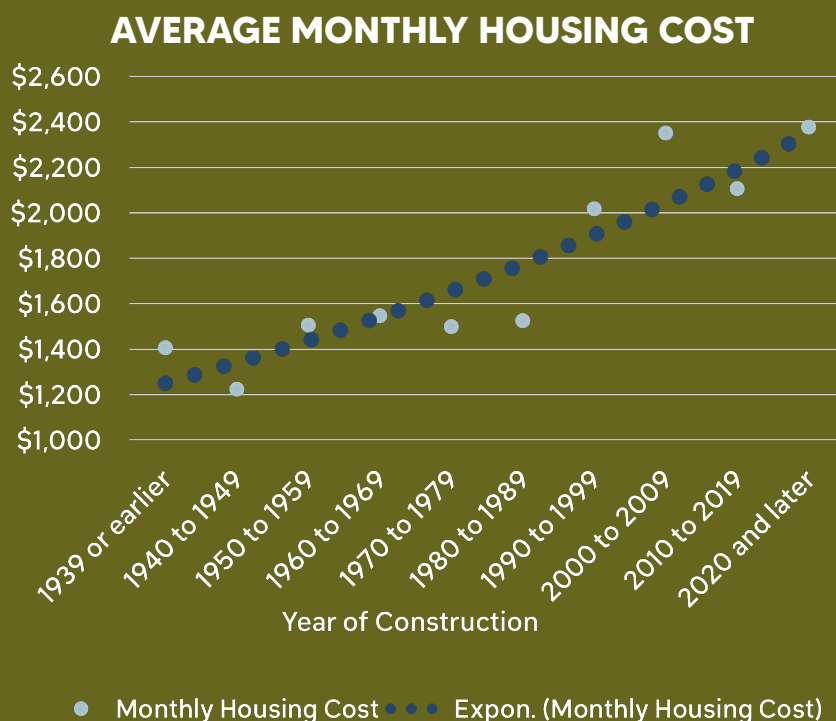
Rents in older block groups are lower than the city median at around $1,265 a month. Rents tend to be higher where there has been significant new construction: the median rent in block groups where 40% of housing units were constructed since 2010 is $1,881.

Range of Housing Costs

The graphs below show the share of rental and owner-occupied units that are affordable to households at different income levels. In the older housing study area, 51% of owner-occupied units have housing costs affordable to households earning below the city's median income, compared with 43% in the rest of the city. For rental units, 67% in the older housing study area are affordable to below-median-income households, compared with 61% in newer neighborhoods.

Source: U.S. Census Bureau, "Selected Monthly Owner Costs," ACS 5-year estimates, Table B25087, 2023 and "Gross Rent," ACS 5-year estimates, Table B25063, 2023

SHARE OF UNITS BY OWNER COST (2023)

	Older Housing Study Area	Rest of Philadelphia
More than $2,000 (>120% MI)	26.4%	31.2%
$1,250-$2,000 (80-120% MI)	35.7%	40.9%
$500-$1,250 (30-80% MI)	35.8%	27.2%
Less than $500 (<30% MI)	2.0%	0.7%

SHARE OF UNITS BY GROSS RENTS (2023)

	Older Housing Study Area	Rest of Philadelphia
More than $2,000 (>120% MI)	10.4%	16.6%
$1,250-$2,000 (80-120% MI)	40.6%	39.8%
$500-$1,250 (30-80% MI)	43.3%	35.3%
Less than $500 (<30% MI)	5.6%	8.3%

■ Less than $500 (<30% MI) ■ $500-$1,250 (30-80% MI) ■ $1,250-$2,000 (80-120% MI) ■ More than $2,000 (>120% MI)
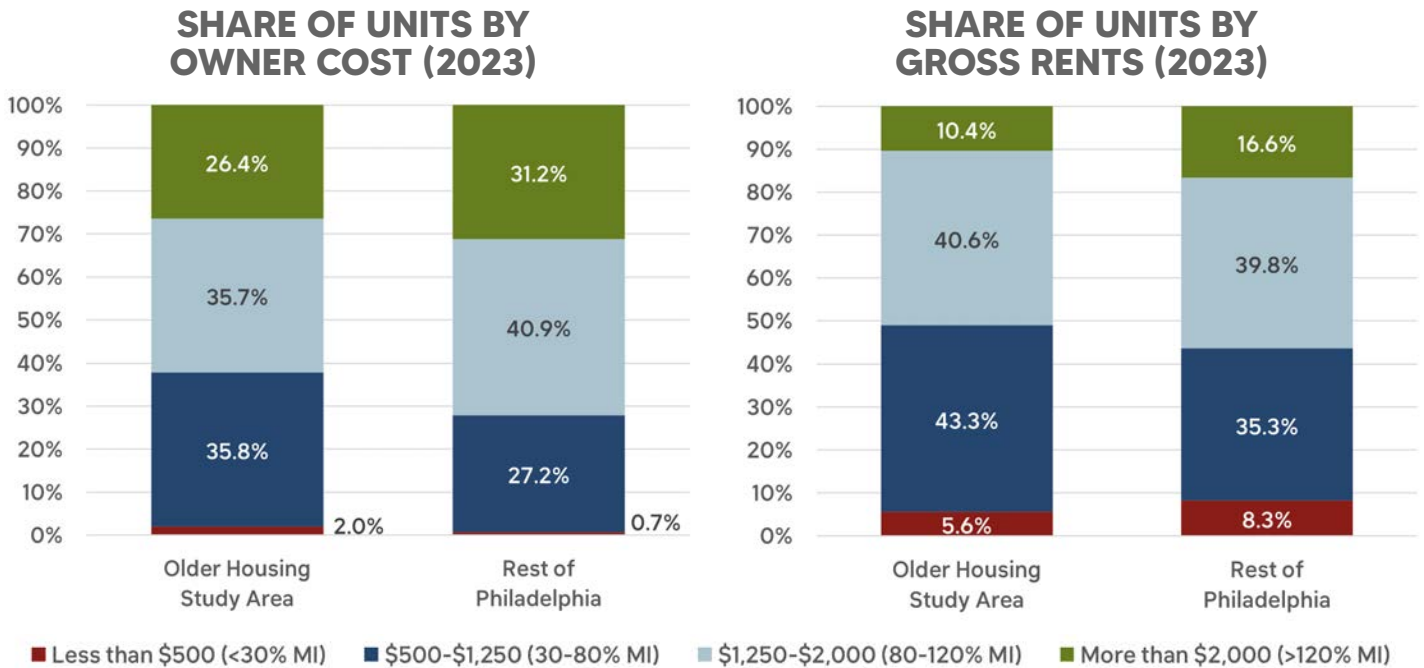
Home Values

According to property tax assessment data, the average single family home built before 1950 is valued at around 54% less than a property built after 1950. These homes are also more affordable on a per square foot basis.

AVERAGE VALUE - SINGLE FAMILY HOMES (2024)

	Pre-1950 Single Family Homes	Post-1950 Single Family Homes
Value	$225,426	$346,399
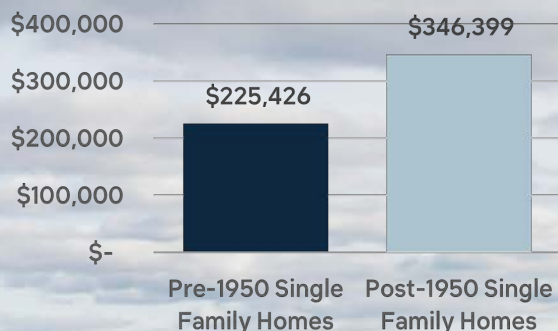
VALUE PER SQUARE FOOT- ALL SINGLE FAMILY HOMES (2024)

	Pre-1950 Single Family Homes	Post-1950 Single Family Homes
Value	$171	$245
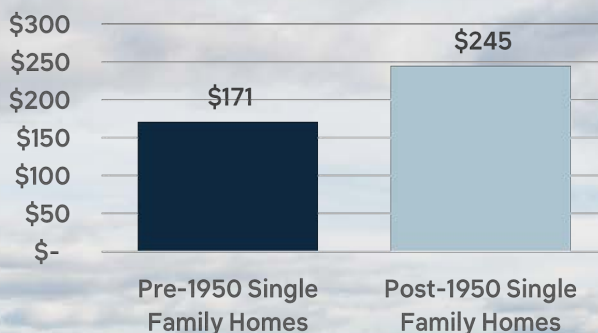
Source: Market Value, 2024 Philadelphia Office of Property Assessment Data

Kensington Neighborhood

Housing Cost Burden

Regardless of total income or unit costs, households that spend more than 30% of their income on housing are considered cost burdened. Overall, nearly 42% of all households in Philadelphia fall into this category. However, only 28% of all the City's cost-burdened households live in the Pre-1950 study area. Cost-burden rates are similar in both the older housing study area and the rest of the city, indicating that while housing costs in older neighborhoods are lower, many households remain cost-burdened primarily due to lower household incomes, as a larger share of residents in these areas earn below the city's median income.

Source: U.S. Census Bureau, "Housing Costs as a Percentage of Household Income in the Past 12 Months," ACS 5-year estimates, Table B25140, 2023

SHARE OF COST BURDENED HOUSEHOLDS (2023)

Legend: Older Housing Study Area, Rest of Philadelphia

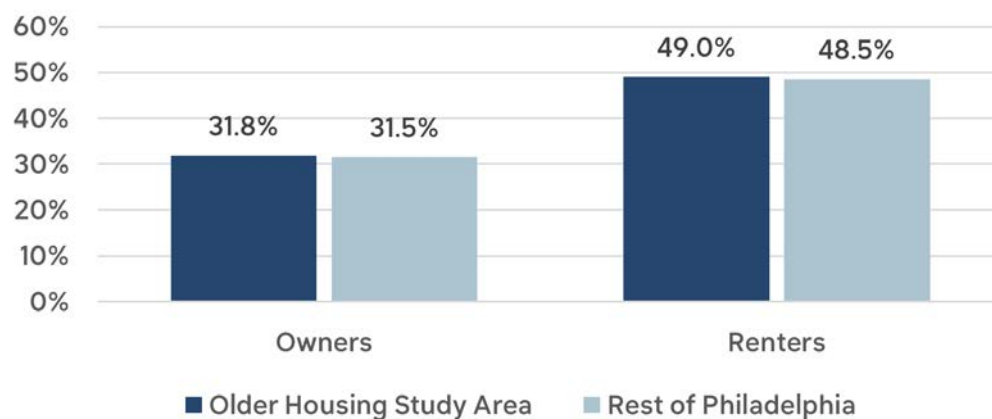Owners: 31.8% (Older Housing Study Area), 31.5% (Rest of Philadelphia)
Renters: 49.0% (Older Housing Study Area), 48.5% (Rest of Philadelphia)

Demolition of Older Housing

Between 2007 and 2024, there were a total of 3,619 full building or major demolitions in the City of Philadelphia, roughly 24% of which took place in the Pre-1950 study area. Older housing is often more vulnerable to demolition, often due to smaller home sizes, desirable land, or deferred maintenance. Since 2007, the older housing study area has experienced a higher rate of demolitions per square mile than the rest of the city. This makes the maintenance of these older homes that much more critical as a part of the city's supply of naturally occurring affordable housing.

Source: City of Philadelphia, Department of Licenses and Inspections, Inventory of Building Demolitions

DEMOLITION DENSITY (DEMOS/SQMI)

Older Housing Study Area: 31
Rest of Philadelphia: 26

The Kahn and Son Warehouse in Brewerytown was rehabilitated into loft apartments in 2017, following a $12 million rehabilitation with state and federal historic tax credits.

Impact of Historic Tax Credit Rehabilitation Projects

Nationwide, historic tax credits are the country's most effective tool to promote private investment in historic buildings. A tax credit is a dollar-for-dollar offset of income taxes that would otherwise have to be paid, making it a powerful incentive for historic rehabilitation.

Historic tax-credit projects create jobs and stimulate local economies. By incentivizing private investment in historic buildings, historic tax credits bring vacant and underutilized buildings back on the tax roll. These projects sustain important sources of income for Philadelphia through construction jobs; because historic-rehabilitation projects are more labor intensive than new-construction projects, a larger share of the project's costs go directly to labor income rather than to materials. Historic tax credits often serve as gap financing for rehabilitation projects that may not be feasible without the credit.

Two historic tax credit programs are available in Philadelphia:

FEDERAL HISTORIC TAX CREDIT

Enacted in 1976, the Federal Historic Preservation Tax Credit (HTC) is administered by the National Park Service (NPS) in partnership with State Historic Preservation Offices (SHPOs). The Federal HTC, which provides a 20% federal income tax credit on Qualified Rehabilitation Expenditures (QREs), is the nation's most effective program for encouraging investment in historic buildings and promoting community revitalization. The Federal HTC is often paired with other tax credit programs, including the Low-Income Housing Tax Credit (LIHTC), New Market Tax Credits, or State historic tax credits. Since 1976, over 50,000 buildings across the country have been rehabilitated using this credit.

PENNSYLVANIA HISTORIC PRESERVATION TAX CREDIT

The Pennsylvania Historic Preservation Tax Credit, enacted in 2013, provides a 25% tax credit for the rehabilitation of historic, income-producing buildings. The program is administered by Pennsylvania Department of Community and Economic Development (DCED) with assistance from the PA Department of Revenue and PA SHPO. In each application round, tax credit awards are distributed to qualifying projects on a first-come, first-served basis, with equitable regional distribution. A minimum investment of $5,000 in Qualified Rehabilitation Expenditures must be made in order to qualify for the credit. The tax credit certificate is transferable (one time only), so many applicants benefit financially by selling the credit certificate for its market value. The program cap was increased from $3 million to $5 million in 2019 and to $20 million in 2024. There is a $500,000 per project cap on credits received.

Number of Projects

Between 2010 and 2024, there were 295 projects that utilized some form of historic tax credit within the city of Philadelphia. Twenty-nine percent of those projects opted to pair the Federal HTC with the State HTC program to reduce risk and make the project more financially feasible.

Overall, over $4 billion in qualified rehabilitation expenditures have been invested in reusing Philadelphia's historic buildings through tax credit activity.

By population, Philadelphia is the 6th largest city in the United States. However, when compared to the other 10 largest cities in the county, Philadelphia ranks highest not only in number of historic tax credit projects, but also qualified rehabilitation expenditures.
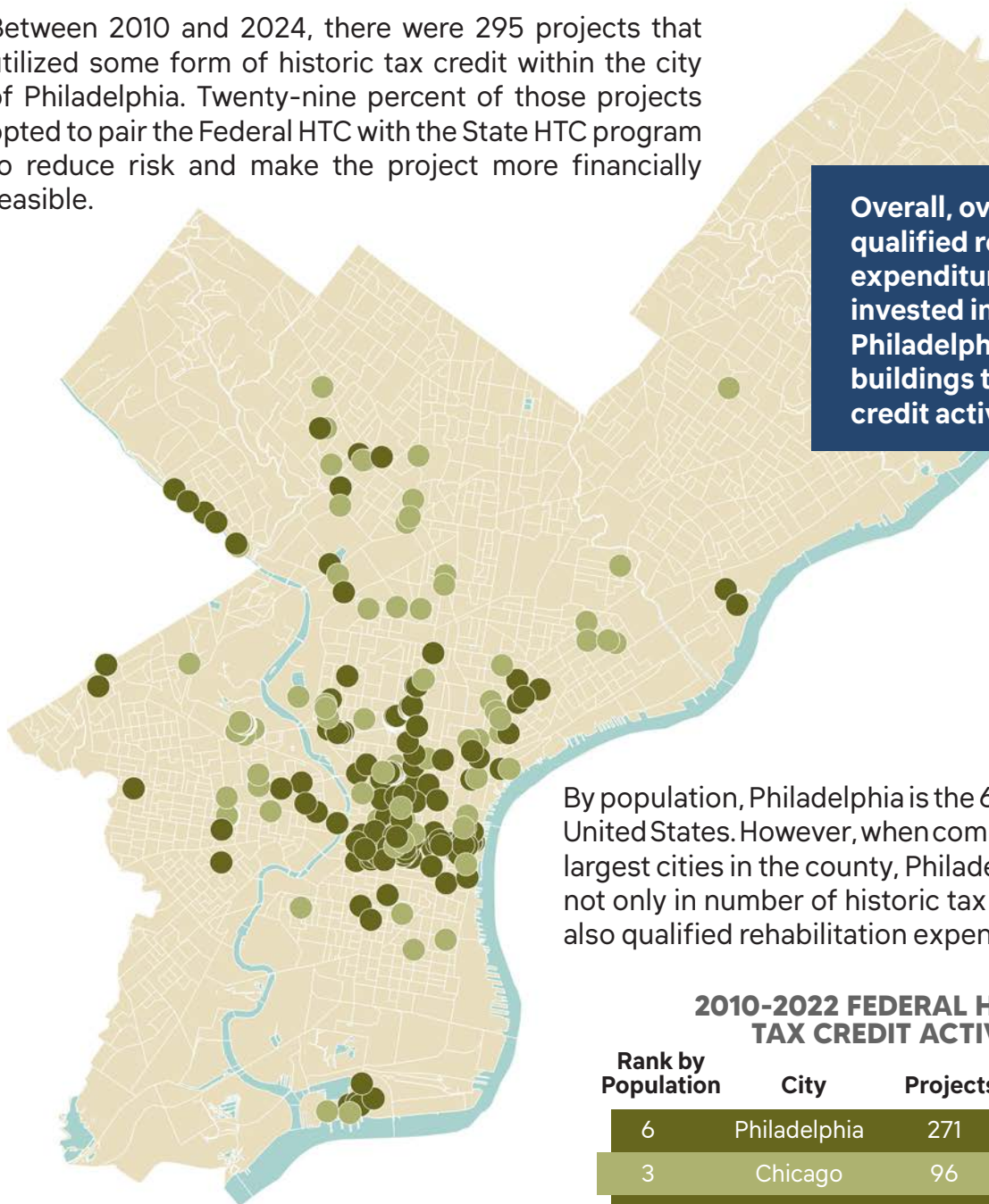
- ● Federal Historic Tax Credit Projects
- ● Federal + State Historic Tax Credit Projects

2010-2022 FEDERAL HISTORIC TAX CREDIT ACTIVITY

Rank by Population	City	Projects	QREs
6	Philadelphia	271	$3,655,600,330
3	Chicago	96	$3,445,310,016
1	New York City*	85	$3,179,337,130
9	Dallas	32	$1,444,223,808
2	Los Angeles*	25	$536,516,699
4	Houston*	21	$417,157,257
7	San Antonio*	15	$170,960,349
5	Phoenix*	13	$112,529,449
8	San Diego*	16	$90,323,375
10	Jacksonville*	9	$20,468,638

* Project Count and QRE investment came from PolicyMap (data source: National Park Service); cities without an * indicate data originated from the respective State Historic Preservation Office.

The Robinson Building at 1501 Chestnut Street was rehabilitated in 2015 using state and federal historic tax credits. Following an investment of over $59 million, the building is now known as the Avenir and boasts 180 micro apartments.

Overall, over $4 billion in Qualified Rehabilitation Expenditures (QREs) have been invested in rehabilitating Philadelphia's historic buildings through tax credit activity. On average each year for the last fifteen years historic tax credit projects have generated more than $267 million in private investment.
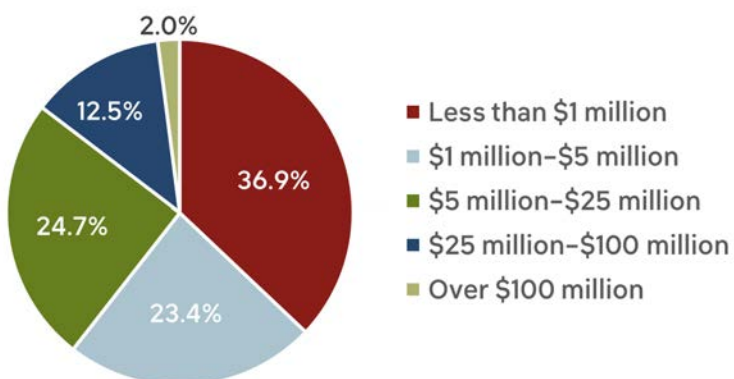
	Federal Only		Federal + State		TOTAL	
	Count	QRE Investment	Count	QRE Investment	Count	QRE Investment
2010	11	$327,047,493	0	$0	11	$327,047,493
2011	57	$93,865,972	1	$71,300,000	58	$165,165,972
2012	15	$168,930,453	0	$0	15	$168,930,453
2013	20	$190,767,345	2	$12,300,000	22	$203,067,345
2014	16	$172,653,908	6	$156,119,659	22	$328,773,567
2015	8	$29,811,933	4	$131,187,468	12	$160,999,401
2016	15	$121,966,145	4	$49,849,817	19	$171,815,962
2017	26	$248,610,040	5	$181,426,549	31	$430,036,589
2018	10	$161,434,039	4	$300,111,672	14	$461,545,711
2019	7	$111,089,164	5	$114,438,585	12	$225,527,749
2020	9	$406,280,418	14	$160,207,244	23	$566,487,662
2021	1	$3,000,000	21	$213,275,637	22	$216,275,637
2022	2	$3,806,791	8	$226,120,000	10	$229,926,791
2023	6	$78,600,000	5	$78,861,100	11	$157,461,100
2024	7	$99,414,500	6	$97,735,250	13	$197,149,750
TOTAL	210	$2,217,278,200	85	$1,792,932,981	295	$4,010,211,180

While there are some very large projects that utilized the state and federal historic tax credit programs, the majority, over 60%, had QREs less than $5 million.

PROJECTS BY SIZE

- 2.0%
- 12.5%
- 36.9%
- 24.7%
- 23.4%

- Less than $1 million
- $1 million–$5 million
- $5 million–$25 million
- $25 million–$100 million
- Over $100 million

Every project has expenses that don't qualify for historic tax credits, but those additional expenditures still have an impact. See page 44 for an estimate of the total QRE and non-QRE investment in historic rehabilitation.

Jobs

On average each year for the last fifteen years Historic Tax Credit Projects have created 1,777 Direct Jobs and an additional 729 Indirect/Induced Jobs. If historic rehabilitation were a single industry, it would be the 25th largest employer in Philadelphia.

Labor Income

On average each year for the last fifteen years Historic Tax Credit Projects have produced Direct Labor Income of $94.8 Million and an additional $46.6 Million in Indirect/Induced Labor Income.

Local Taxes

On average each year for the last fifteen years Historic Tax Credit Projects have yielded $3.8 Million in Direct Local Taxes and an additional $4.3 Million in Indirect/Induced Local Taxes.

Every $100 invested in the rehabilitation of a historic building generates $45.54 in additional economic activity in Philadelphia.

Historic tax credit projects have also been used to create housing units in Philadelphia. Overall, almost 7,900 net new housing units have been created, 3% of which were affordable to low- to moderate-income households.

NET NEW HOUSING UNITS

703, 9%

7,190, 91%

■ Net New Low-Median Income Units
■ Net New Market Rate Units

2,500

jobs created by historic tax credit activity each year

$141.4 million

in labor income created by historic tax credit activity each year

$8.1 million

local tax revenue created by historic tax credit activity each year

But an analysis of just Qualified Rehabilitation Expenditures won't tell the whole story...

On the previous page, the impacts of historic tax credit projects in Philadelphia were identified. The *average annual* impacts over the past fifteen years are summarized in the first table below.

Those are impressive numbers and demonstrate a significant contribution to the Philadelphia economy. But they don't tell the whole story, and this is why. As explained earlier, both federal and state tax credits are awarded against Qualified Rehabilitation Expenditures (QREs). But nearly every historic rehabilitation project has expenditures that do not qualify as QREs. Some kinds of costs – an elevator placed outside the original walls, for example, or site improvements – are simply not eligible for tax credits. But often even more significant are new additions to existing historic buildings. The design of the addition has to be deemed appropriate by the State Historic Preservation Office and the National Park Service before any credits are awarded, but the additions themselves receive no credit.

Unfortunately, there is no consistent source of data reflecting these non-QRE expenditures. But the reality is that: 1) these additional expenditures would not have been made were it not for the portion of the project that received tax credits; and 2) these non-QRE expenditures also have positive economic impact on the Philadelphia economy.

To make a reasonable estimate of these additional expenditures PlaceEconomics reviewed the non-QRE investments in fifteen Philadelphia tax credit projects over the last three years. These were projects of all sizes with QREs ranging from $3 million to $150 million. What was found was that for every $100 of QRE investment there was another $42.60 invested that did not receive tax credits, but did generate jobs, labor income and local taxes.

Assuming this ratio was representative of all projects over the last fifteen years, the revised table of impacts would look like this:

> **For every $100 of QRE investment there was another $42.60 invested that did not receive tax credits, but did generate jobs, labor income, and local taxes.**

AVERAGE ANNUAL IMPACTS BASED ON QRES:

	Investment	Jobs	Labor Income	Local Taxes
Direct		1,777	$94.8 million	$3.8 million
Indirect/Induced	$267 Million	729	$46.6 million	$4.3 million
Total		2,506	$141.4 million	$8.1 million

AVERAGE ANNUAL IMPACTS ADJUSTED FOR ESTIMATED TOTAL INVESTMENT:

	Investment	Jobs	Labor Income	Local Taxes
Direct		2,534	$135.2 million	$5.4 million
Indirect/Induced	$381 Million	1,040	$66.6 million	$6.2 million
Total		3,574	$201.8 million	$11.7 million

Older Buildings and the Low Income Housing Tax Credit

One of the most effective tools for the creation of affordable housing since its adoption in 1987 has been the federal Low Income Housing Tax Credit (LIHTC). Between 1987 and 2021, a total of nearly 21,000 housing units have been created in Philadelphia, more than 80% of which were for low income households. The LIHTC can be used for both new construction and acquisition and rehabilitation. Developers, both for-profit and non-profit, have disproportionately chosen to acquire and rehabilitate existing, and nearly always older, buildings. Sixty percent of all units created resulted from the acquisition and rehabilitation of existing buildings.

The rehabilitation projects also tended to be of a smaller scale, averaging 26 units per project as opposed to 47 units per project in new construction developments.
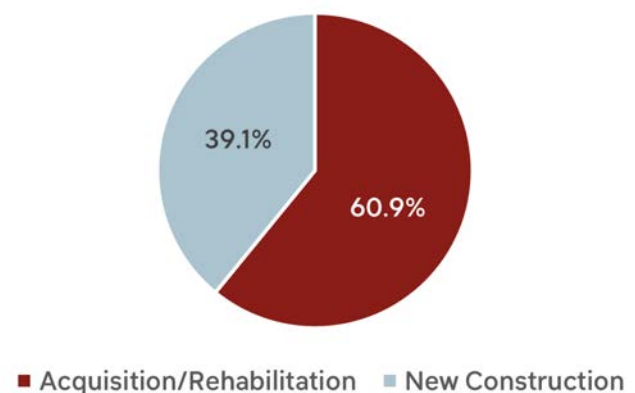
But it has not only been tenants who have benefited from the preference for older buildings; developers and taxpayers have benefited as well. Since 2006, HUD has maintained a database of LIHTC projects, tracking the amount of LIHTC credit allocation per project. For new construction, the average LIHTC allocation has been $18,832 per unit per year. For the rehabilitation projects, the equivalent amount has been $7,585. This means that taxpayers' dollars are being much more effectively spent on rehabilitation than on new construction.

PHILADELPHIA LOW INCOME HOUSING TAX CREDIT PROJECTS

39.1%

60.9%

■ Acquisition/Rehabilitation   ■ New Construction

The LIHTC is sometimes still insufficient to make a project feasible and other sources of funds need to be obtained. One of those additional sources is a city's Community Development Block Grant (CDBG) fund. Of course, CDBG funds are not available for every project, but both new construction and rehabilitation projects have sometimes received allocations. Over the years the LIHTC has been available, slightly more than $50 million CDBG money has been awarded to these projects. And although rehabilitation projects have created sixty percent of the units, new construction projects have received sixty percent of the CDBG awards.

Nationally units created through new construction were 36.3% more expensive than the acquisition and rehabilitation alternative.

Tenants, developers, taxpayers, and older and historic buildings all benefit when the decision is made to rehabilitate existing buildings when creating affordable housing. That is why the core of Philadelphia's goal to create 30,000 additional units of housing needs to have the rehabilitation of existing buildings as the top priority.

PHILLY OFFICE RETAIL
GERMANTOWN, PHILADELPHIA

> "We need to reuse buildings, keep wealth local, and bring the community up."
>
> **- Ken Weinstein**

The former Charles Schaeffer School, built 1876, now a corporate headquarters and co-working space.

Philly Office Retail is a 25-person real estate and development firm founded by Ken Weinstein. Their focus is on historic preservation and adaptive reuse of older buildings and on run down, dilapidated, blighted, and vacant commercial and residential properties that can be given new life.

Some of their early interventions were in Germantown, an area where they continue working. To advance their efforts, they created Jumpstart Germantown, a community development program that urges collaboration with "experienced or aspiring developers" who want to reinvest in Germantown and surrounding communities, create jobs, provide affordable housing, and build local wealth.

With the lessons learned, they have expanded the Jumpstart network to over 20 communities and cities across the nation, expanding their reach where like-minded people are seeking to address similar challenges. Their training program has graduated over 1800 people, over $60 million has been loaned through their loan program, and they established a developers' network to help "jumpstart" people interested in real estate development that addresses blight and promotes community reinvestment.

The Impact of Historic Rehabilitation Relative to Other Industries

Among the impacts of historic preservation is the job creation and labor income generation from the rehabilitation of historic buildings. Because of the labor intensity of rehabilitation there are a high number of jobs created both directly and indirectly, and they are relatively well-paid jobs, particularly for those without advanced formal education.

Comparisons were made between the jobs and labor income created by historic rehabilitation and other industries found in Philadelphia. The following estimates are based on $1,000,000 of output. There are more jobs created per $1 million of output in historic rehabilitation than any of the comparison industries except full-service restaurants. There are about four more direct jobs and four more total jobs created by the restaurants. However, many of those jobs are modestly paid. So, while the total labor income from restaurant activity is greater, that income is divided among more people. The gambling industry generates slightly more jobs but because the jobs are, on average, lower paid, both the direct labor income and the total labor income are less than with historic rehabilitation. At the other end, in pharmaceutical manufacturing and in rail transportation there is relatively high labor income, but this is offset by having far fewer jobs per $1 million in output.

Historic rehabilitation creates a higher number of good-paying jobs relative to other top industries.

There are very few categories of industries where there is a local economic impact more balanced between numbers of jobs created and the relatively good pay of those jobs than through the rehabilitation of historic buildings.

Impact of $1 million Output

	Direct Jobs	Indirect & Induced Jobs	Total Jobs	Direct Labor Income	Indirect & Induced Labor Income	Total Labor Income
Historic Rehabilitation	4.8	2.0	6.7	$354,879	$159,983	$514,862
Pharmaceutical Manufacturing	0.8	1.7	2.5	$225,755	$180,936	$406,691
Surgical and Medical Instrument Manufacturing	3.2	1.5	4.7	$262,870	$142,229	$405,100
Miscellaneous Food Processing	2.1	1.9	4.1	$126,205	$171,446	$297,651
Retail Motor Vehicle and Parts Dealers	1.4	0.6	2.0	$83,453	$55,241	$138,694
Rail Transportation	1.9	2.0	3.9	$262,601	$195,331	$457,931
Gambling Industries	5.0	2.0	7.0	$256,666	$201,726	$458,392
Full service restaurants	8.6	2.2	10.8	$382,070	$198,105	$580,175
Retail Clothing and Accessories	3.3	1.4	4.7	$143,589	$121,511	$265,099

MOSAIC DEVELOPMENT PARTNERS, LLC, JV

Mosaic Development Partners, LLC JV is a Philadelphia based Minority Certified commercial real estate development company founded in 2008 to help revitalize neighborhoods and marginalized communities. Their goal is sustainable development that creates jobs, promotes small businesses that reflect their communities, and builds partnerships with those who have been traditionally excluded from development.

Their portfolio includes office, mixed use residential, affordable housing, institutional education, sports complexes, life sciences, university housing, and hospitality. Currently, they are the lead on the Zion Baptist Church annex rehabilitation, a project that will have significant economic and social impact on the North Philadelphia neighborhood. For years, the former Zion Baptist Church annex had been vacant and in disrepair. Following an $18 million investment, the annex will be repurposed as a multipurpose community center that will be able to better serve the community. As a partner organization, Temple University will operate a primary care center on the property, bringing critical health benefits to the neighborhood. The project benefits from both state and federal historic tax credits and new markets tax credits. "There's no other way to get these projects done, tax credits are essential," said Leslie Smallwood-Lewis, Founder and Chief Operating Officer at Mosaic. The new facility is scheduled to open in 2026 and will be named after Leon H. Sullivan, Zion's former pastor and civil rights leader.

> "There's no other way to get these projects done, historic tax credits are essential."
>
> **-Leslie Smallwood-Lewis, Founder and COO at Mosaic**

Future Rev. Leon H. Sullivan Community Impact Center
Photo Credit: Emma Lee/WHYY (both photos)

Old City Historic District

Jobs in Historic Districts

In 2022, around 5.8% of Philadelphia's jobs were located in historic districts. Those jobs are more likely to be jobs at small businesses, jobs at new businesses, or jobs in creative industries. Historic districts show a comparable share of women- and -minority owned businesses as the rest of the city.

SHARE OF JOBS IN HISTORIC DISTRICTS (2022)

5.8%
of all jobs are in historic districts

9.9%
of all jobs in small businesses are in historic districts

13.1%
of all jobs in new businesses are in historic districts

16.8%
of all jobs in creative and knowledge worker jobs are in historic districts

Source: U.S. Census, Longitudinal Employer-Household Dynamics, OnTheMap, "All Private Jobs," 2022. Creative jobs include jobs in Arts, Entertainment, and Recreation and Knowledge worker jobs include jobs in Information and Professional, Scientific, and Technical Services, as defined by NAICS Industry Sector codes.

CONCLUSION

Historic preservation is central not only to Philadelphia's identity, but also to its economy.

The findings in this report demonstrate the ways in which the city's past continues to shape its present and future. Historic districts are not only centers of cultural identity but evolving, dynamic neighborhoods. These districts are among the city's densest and fastest-growing neighborhoods, contributing meaningfully to housing production, population growth, and economic vitality. At the same time, the city's older, undesignated housing stock plays a critical role in affordability, offering naturally occurring lower-cost options that disproportionately house Black and Hispanic Philadelphians. Together, these patterns illustrate how preservation strengthens community stability while supporting the city's housing goals.

Economically, preservation has proven to be an industry in its own right, generating billions in investment, sustaining thousands of jobs, and contributing millions annually in local tax revenue. Historic districts also support Philadelphia's business landscape, providing distinctive and adaptable spaces for small businesses, start-ups, and creative industries. In sum, preservation in Philadelphia is not solely about safeguarding historic character—it is a cornerstone of economic vitality, community life, and growth.

Appendix 1: Data by Council District

Area Designated (Local Historic Districts & Individual Landmarks outside Local Historic Districts)

	Total Area (sqmi)	Share Designated
Council District 1	9.11	9.7%
Council District 2	22.39	4.9%
Council District 3	8.30	8.2%
Council District 4	20.73	6.1%
Council District 5	7.01	9.0%
Council District 6	18.53	0.6%
Council District 7	9.41	3.5%
Council District 8	13.80	6.6%
Council District 9	9.34	0.6%
Council District 10	23.82	1.9%

Properties Designated (Local Historic Districts & Individual Landmarks outside Local Historic Districts)

	Total Properties	Share Designated
Council District 1	68,767	16.6%
Council District 2	65,176	8.7%
Council District 3	48,723	3.8%
Council District 4	57,466	3.2%
Council District 5	63,426	7.3%
Council District 6	55,187	0.2%
Council District 7	64,371	0.1%
Council District 8	56,975	1.7%
Council District 9	53,641	0.03%
Council District 10	50,046	0.04%

Historic Tax Credit Activity

	Count	QREs	Net New Market Rate Housing Units	Net New Low-Moderate Income Housing Units
Council District 1	67	$798,101,025	1,042	15
Council District 2	31	$527,912,128	1,510	10
Council District 3	34	$574,971,462	100	144
Council District 4	18	$348,240,954	849	44
Council District 5	111	$1,441,073,112	2,911	346
Council District 6	10	$62,349,723	252	0
Council District 7	7	$93,545,806	275	78
Council District 8	16	$150,416,977	243	66
Council District 9	0	$0	0	0
Council District 10	1	$13,600,000	0	0

Housing Units by Year Built (2023)

	Total Housing Units	Before 1939	1940 to 1949	1950 to 1959	1960 to 1969	1970 to 1979	1980 to 1989	1990 to 1999	2000 to 2009	2010 to 2019	After 2020
Council District 1	82,215	57.0%	6.3%	4.5%	5.3%	5.7%	4.6%	2.2%	4.7%	8.8%	0.9%
Council District 2	78,975	45.8%	8.2%	11.5%	9.1%	7.7%	4.3%	2.5%	4.5%	6.1%	0.5%
Council District 3	73,122	54.0%	11.2%	9.9%	4.7%	4.9%	2.7%	2.3%	3.1%	6.2%	0.9%
Council District 4	79,855	38.2%	12.8%	12.9%	12.8%	7.0%	6.2%	2.8%	3.1%	3.3%	0.9%
Council District 5	82,820	38.6%	7.2%	7.8%	8.3%	7.3%	5.6%	3.8%	6.5%	13.4%	1.5%
Council District 6	64,625	23.0%	12.5%	31.6%	12.5%	11.0%	4.0%	2.7%	1.5%	1.0%	0.1%
Council District 7	63,951	48.8%	14.7%	14.8%	6.4%	5.7%	3.1%	2.6%	1.0%	2.4%	0.5%
Council District 8	78,198	53.3%	12.1%	12.8%	6.4%	6.0%	3.2%	1.8%	2.2%	2.0%	0.1%
Council District 9	68,156	27.7%	19.1%	30.8%	10.8%	6.2%	2.2%	1.3%	1.2%	0.5%	0.2%
Council District 10	67,029	5.2%	4.0%	19.9%	35.3%	17.9%	8.5%	5.1%	3.0%	1.1%	0.0%

Appendix 2: Economic Integration by Historic District

Economic Integration -- Chester Regent Historic District
Philadelphia Base = 100

Economic Integration - Christian Street
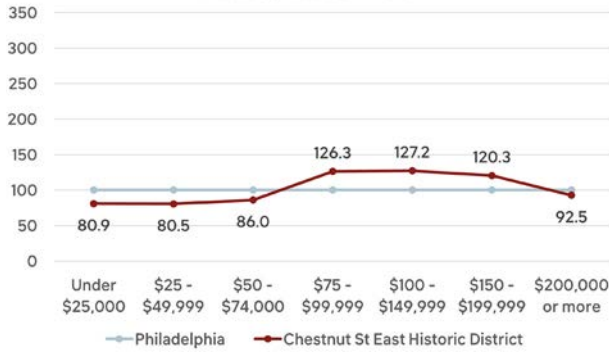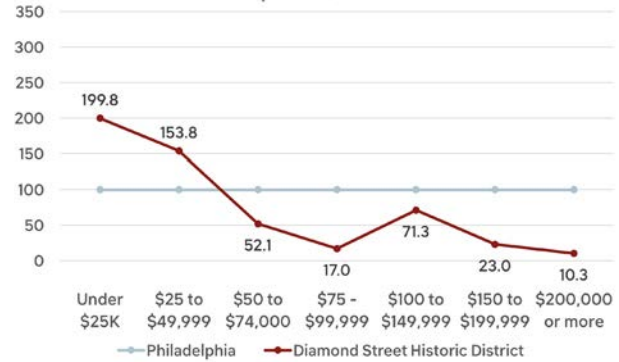Philadelphia Base = 100
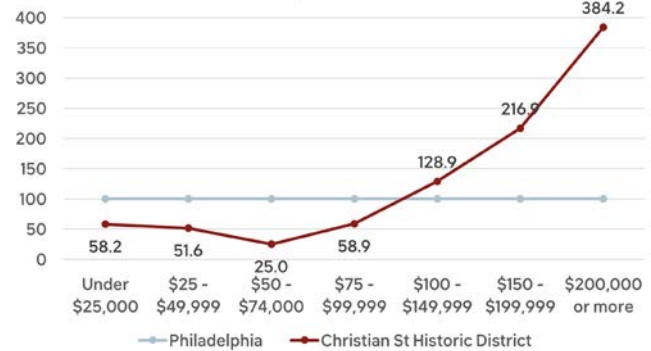
Economic Integration - Chestnut Street East
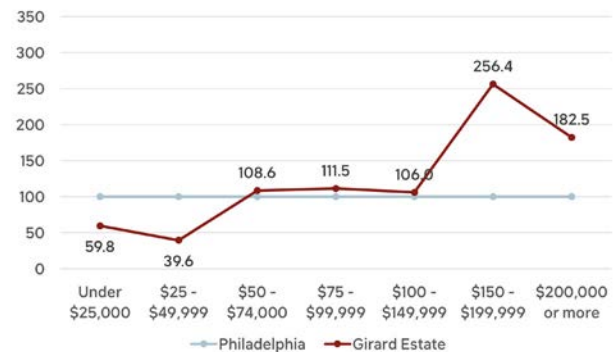Philadelphia Base = 100

Economic Integration -- Diamond Street
Philadelphia Base = 100

Economic Integration - Germantown Urban Village
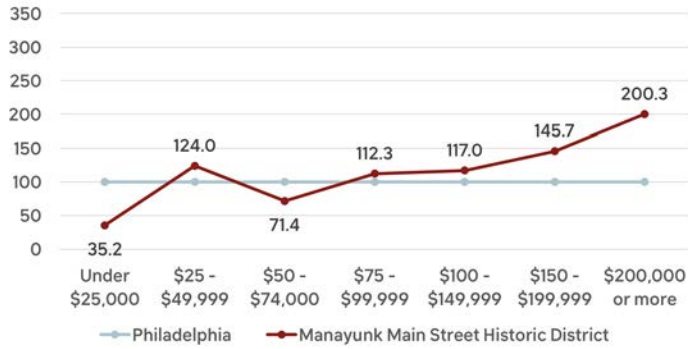Philadelphia Base = 100

Economic Integration - Girard Estates
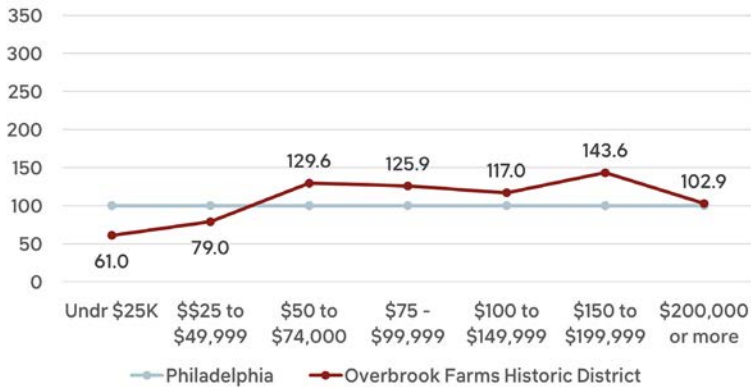Philadelphia Base = 100

Economic Integration - Manayunk Main Street Historic District
Philadelphia Base = 100

	Under $25,000	$25 - $49,999	$50 - $74,000	$75 - $99,999	$100 - $149,999	$150 - $199,999	$200,000 or more
Manayunk Main Street Historic District	35.2	124.0	71.4	112.3	117.0	145.7	200.3

Philadelphia — Manayunk Main Street Historic District

Economic Integration - Old City
Philadelphia Base = 100

	Under $25,000	$25 - $49,999	$50 - $74,000	$75 - $99,999	$100 - $149,999	$150 - $199,999	$200,000 or more
Old City	12.5	29.3	76.2	186.8	153.5	171.9	285.8

Philadelphia — Old City

Economic Integration - Overbrook Farms
Philadelphia Base = 100

	Undr $25K	$$25 to $49,999	$50 to $74,000	$75 - $99,999	$100 to $149,999	$150 to $199,999	$200,000 or more
Overbrook Farms Historic District	61.0	79.0	129.6	125.9	117.0	143.6	102.9

Philadelphia — Overbrook Farms Historic District

Economic Integration - Parkside
Philadelphia Base = 100

	Under $25,000	$25 - $49,999	$50 - $74,000	$75 - $99,999	$100 - $149,999	$150 - $199,999	$200,000 or more
Parkside	231.8	64.7	74.8	99.2	40.1	20.2	19.5

Philadelphia — Parkside
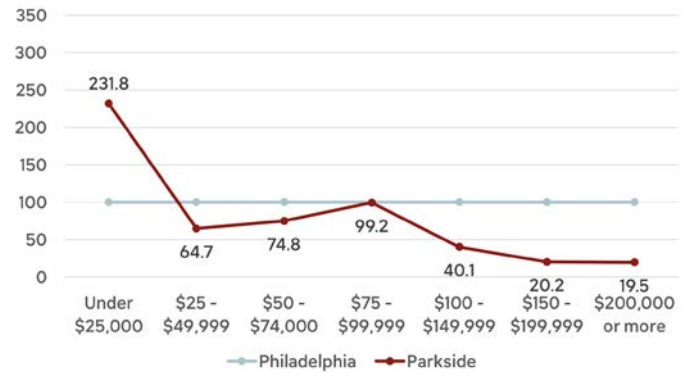
Economic Integration - Powelton Village
Philadelphia Base = 100

	Under $25,000	$25 - $49,999	$50 - $74,000	$75 - $99,999	$100 - $149,999	$150 - $199,999	$200,000 or more
Powelton Village Historic District	147.1	131.8	112.2	35.2	64.9	96.2	22.8

Philadelphia — Powelton Village Historic District

Economic Integration - Rittenhouse-Fitler Residential
Philadelphia Base = 100

	Under $25,000	$25 - $49,999	$50 - $74,000	$75 - $99,999	$100 - $149,999	$150 - $199,999	$200,000 or more
Rittenhouse-Fitler Residential	47.1	68.9	120.1	70.6	91.5	135.7	309.8

Philadelphia — Rittenhouse-Fitler Residential
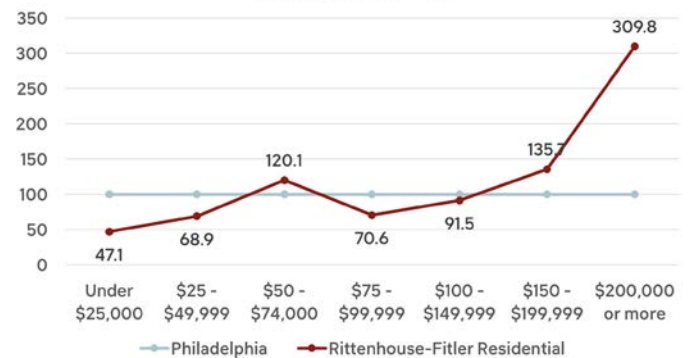
Economic Integration - Society Hill
Philadelphia Base = 100

Income	Philadelphia	Society Hill
Under $25,000	100	51.9
$25 - $49,999	100	57.7
$50 - $74,000	100	56.8
$75 - $99,999	100	98.4
$100 - $149,999	100	109.3
$150 - $199,999	100	197.6
$200,000 or more	100	321.7
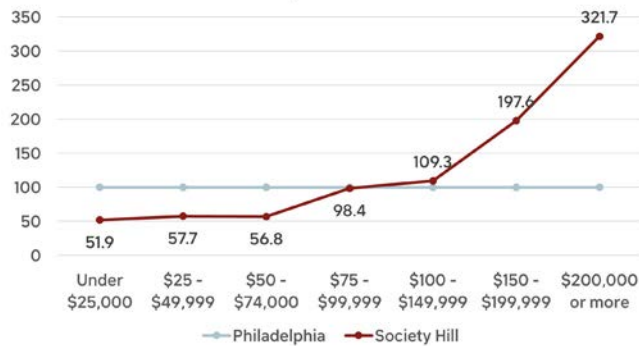
Economic Integration - Southeast Spruce Hill
Philadelphia Base = 100

Income	Philadelphia	Southeast Spruce Hill Historic District
Under $25,000	100	116.2
$25 - $49,999	100	93.9
$50 - $74,000	100	157.5
$75 - $99,999	100	73.6
$100 - $149,999	100	75.0
$150 - $199,999	100	97.5
$200,000 or more	100	40.5
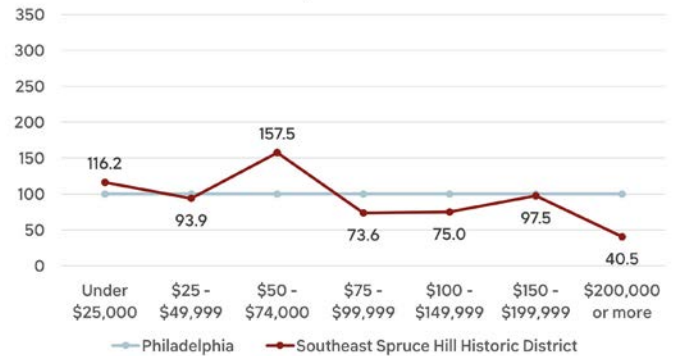
Economic Integration - Spring Garden
Philadelphia Base = 100

Income	Philadelphia	Spring Garden
Under $25,000	100	68.3
$25 - $49,999	100	31.5
$50 - $74,000	100	68.2
$75 - $99,999	100	144.9
$100 - $149,999	100	107.7
$150 - $199,999	100	183.8
$200,000 or more	100	262.5
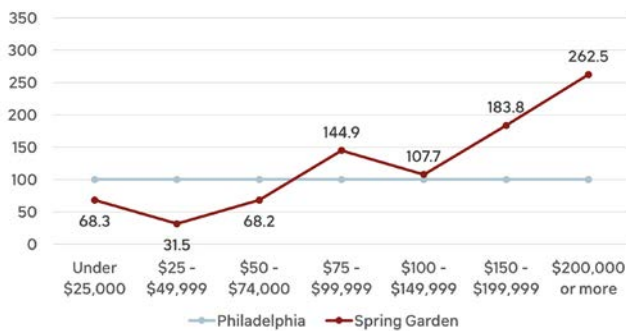
Economic Integration - Tudor East Falls
Philadelphia Base = 100

Income	Philadelphia	Tudor East Falls
Under $25,000	100	71.0
$25 - $49,999	100	24.8
$50 - $74,000	100	19.8
$75 - $99,999	100	156.2
$100 - $149,999	100	103.3
$150 - $199,999	100	331.4
$200,000 or more	100	232.3
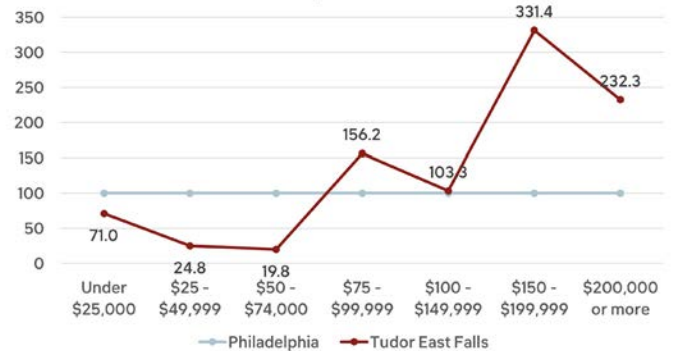
Economic Integration - Victorian Roxborough
Philadelphia Base = 100

Income	Philadelphia	Victorian Roxborough
Under $25,000	100	64.5
$25 - $49,999	100	40.5
$50 - $74,000	100	121.8
$75 - $99,999	100	103.4
$100 - $149,999	100	133.4
$150 - $199,999	100	176.5
$200,000 or more	100	173.0

Economic Integration - Washington Square West
Philadelphia Base = 100

Income	Philadelphia	Washington Square West
Under $25,000	100	75.1
$25 - $49,999	100	93.2
$50 - $74,000	100	105.7
$75 - $99,999	100	90.9
$100 - $149,999	100	89.9
$150 - $199,999	100	97.1
$200,000 or more	100	207.8
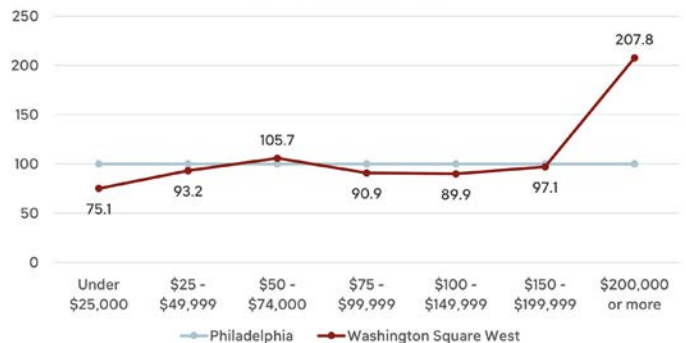
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GROWING THROUGH PRESERVATION

The Economic Impact of Historic Preservation in Philadelphia

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