

**PHILADELPHIA MUST GROW AND DIVERSIFY ITS MIDDLE INCOME POPULATION**

At the start of the 1970s, middle-income residents comprised 59 percent of Philadelphia's population of almost two million people. By 2010, with around 400,000 fewer residents, only 42 percent of the city's people qualified as middle-income. Since then, the city's socioeconomic diversity has continued to be adversely affected by this large population shift and demographic imbalance. Today, Philadelphia is often labeled as "America's Poorest Big City", and among the top 30 US-populated cities, Philadelphia is ranked near the bottom for annual median household income.

Despite a noticeable inflow of new residents since the early 2000's, Philly's gains have been countered by the city's ongoing exodus of citizens. During that same time, many mid-to-large sized US cities, have experienced population expansion as well as a notable increase in diversity. Their increase of residents is highly attributable to immigrants, and the relocation of 1st and 2nd generation families spreading out to new cities across the country.

Philly's story has been different. According to a 2023 Pew Report, in the latter half of the 20th century, Philadelphia was considered a "low-immigration city". Things have improved notably since the early 2000s, but the city's growth pattern does not parallel peer cities in sheer numbers, demographic characteristics, and in the inflow of 1st and 2nd generation families.

For example, Hispanics are America's largest minority group, yet in Philadelphia, the Latino population is relatively small for a top 10 US city (see chart below), and unlike every other top 10 city in America where its largest Latino subgroup is comprised of immigrants, Philly's largest Latino subgroup is that of Puerto Ricans who are natural-born American citizens.

<b>U.S. CITIES</b> Overall Population	<b>OVERALL POPULATION</b>	<b>HISPANIC POPULATION</b>	<b>HISPANIC % OVERALL POPULATION</b>
1 - New York	8,804,190	2,417,676	27%
2 - Los Angeles	3,898,747	1,910,196	48%
3 - Chicago	2,746,388	776,290	28%
4 - Houston	2,316,120	1,044,120	45%
5 - Phoenix	1,680,992	725,394	43%
<b>6 - Philadelphia</b>	<b>1,584,064</b>	<b>241,425</b>	<b>16%</b>
7 - San Antonio	1,547,253	998,698	65%
8 - San Diego	1,423,851	431,477	30%
9 - Dallas	1,343,266	553,420	41%
10 - Austin	974,447	311,823	31%

Source:  
US Census

So why aren't there more first- and second-generation families and individuals moving to the city? In short, brand—or the lack of it. The historic significance of Philadelphia, as well as its vast big city amenities, are just a few notable features that diverse populations outside of the region are unaware of. This, combined with an affinity that diverse populations can have with US cities with which they identify both culturally and socially, limits the consideration of our city for relocation.

When Philly's brand was not well understood or lacked connection to certain domestic populations, attraction strategies have served the city well; consider Visit Philadelphia and Campus Philly. The latter not only helps to retain bright minds our colleges and universities educate, it also helps to attract and connect talent to local employers. Visit Philadelphia's efforts not only attract tourists to the city, our hospitality industry is now a major driver for Philly's economy.

According to the Pew Charitable Trusts, "A vibrant and substantial middle class is widely considered essential for economic health and social stability in any community". Bruce Katz at the Lindy Institute for Urban Innovation at Drexel adds, "Urban neighborhoods function best when they contain families with a broad mix of incomes. Economic integration sets in motion a virtuous cycle of functioning markets, attractive amenities, quality schools, and other essentials of community life."

A larger middle-income population also contributes to the restoration of crucial rungs on the social and economic ladder that have eroded over time and prevented many in low-income communities from accessing greater social and economic mobility and thus, an enhanced quality of life.

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