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# Tax abatements analysis coming in Phila.

Philadelphia Business Journal - 1:34 PM EDT Friday by [Natalie Kostelni](#)

The **Building Industry Association of Philadelphia** is scheduled Wednesday to release the results of a study of Philadelphia's residential tax abatement program, which gives residents a break on city real estate taxes on new construction projects.

The study was conducted by **Econsult Corp.**, a consulting firm in Philadelphia. How much the study cost and what the study might reveal was not disclosed. The BIA is a group that promotes residential development and construction in Philadelphia and it is expected that the report will support the abatement and its continued implementation.

Preliminary results of the impact of Philadelphia's real estate tax abatements, which give developers an incentive to build, indicate the breaks helped propel an unprecedented construction boom throughout the city and have had a significant impact on other facets of Philadelphia's economy.

However, the success of the policies has raised questions about how much longer the tax breaks should continue, and whether the city has gained enough momentum to, at the least, tweak the abatements.

In 1997, a tax abatement was put in place on office buildings that were converted into residential or hotel use. In 2000, a bill was passed in City Council that gave the breaks on new construction projects, both residential and commercial.

Current BIA figures indicate that there are 3,358 abatements throughout the city.

The BIA will release its report at Pradera Homes, a 53-unit development of new homes that it said has revitalized the North Philadelphia neighborhood near **Temple University**. At that event, BIA board members, local developers and officials from the Asociacion de Puertorriquenos en Marcha, a leading housing and social services community organization based in North Philadelphia that developed Pradera, will be present.

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