

AN ORDINANCE

Adding a new Chapter 9-5700, entitled “Leasing of Commercial Property,” to require commercial lessors to provide certain disclosures before entering lease agreements and to provide related protections to tenants, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 9 of The Philadelphia Code is hereby amended to read as follows:

TITLE 9. REGULATION OF BUSINESSES, TRADES AND PROFESSIONS

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CHAPTER 9-5700. LEASING OF COMMERCIAL PROPERTY.

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§ 9-5701. Definitions.

In this Chapter, the following definitions shall apply:

(1) *Administration.* *The Managing Director’s Office, or such other agency as the Mayor may designate to administer and enforce the provisions of this Chapter.*

(2) *Commercial Property.* *Real property, including any part, portion, or unit thereof, for use primarily to conduct activities of business, industry or trade, which activities shall exclude any principal residential use, as set forth in subsection 14-601(2).*

(3) *Lessee.* *Any person or entity that seeks to rent, lease, or obtain the use of a Commercial Property from a Lessor under the terms of an oral or written agreement.*

(4) *Lessor.* *An owner of a Commercial Property or any person or entity that is engaged in the business of renting or leasing Commercial Property under rental or leasing agreements on behalf of a Commercial Property owner.*

§ 9-5702. Disclosure Required.

(1) *Before presenting an offer to lease Commercial Property, a Lessor shall provide the Lessee, and retain a copy of, the following commercial leasing disclosures, as prescribed or approved by the Administration:*

(a) *A commercial leasing notice explaining how to determine the zoning and approved uses of the Commercial Property available for lease.*

(b) *An acknowledgement form, signed by the Lessor and the Lessee, indicating that:*

(i) *the Lessee was provided the commercial leasing notice set forth in Section 9-5702(1)(a) with a seven (7) day opportunity to determine the zoning and approved uses of the Commercial Property before becoming obligated under contract to lease; and*

(ii) *both Lessor and Lessee have been provided signed copies of the acknowledgement form.*

(2) *No Lessor shall enter into an agreement to rent a Commercial Property before seven (7) days after providing the Lessee the disclosures required by this Section unless the parties mutually agree upon a different period of time, by a separate writing signed and provided to both parties.*

(3) *Neither failure to possess the disclosures required by this Section nor inability to obtain such disclosures from a City website shall excuse a Lessor from compliance with this Section.*

(4) *A Lessee shall have a private right of action against any Lessor who falls to comply with the requirements of this Section and may recover, for each such violation, actual damages, punitive damages not to exceed \$2,000 per violation, reasonable attorneys' fees and court costs to the extent allowed by law, and such other relief, including injunctive relief, as the court may deem appropriate. This subsection 9-5602(4) in no way limits the rights of a Lessee to pursue any legal rights and claims they may possess under a written agreement or any other applicable law.*

SECTION 2. Effective Date. This Ordinance shall become effective sixty (60) days after it is enacted into law.