



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 171115

Introduced December 14, 2017

Councilmember Henon

**Referred to the
Committee on Rules**

AN ORDINANCE

Amending Title 21 of The Philadelphia Code, entitled "Miscellaneous," by adding a new Chapter 21-2600, entitled "Real Estate Transfers," to establish requirements that sellers of real estate provide to buyers certain information regarding zoning and Code compliance in connection with the property, and establishing penalties and related requirements, all under certain terms and conditions.

WHEREAS, The Council of the City of Philadelphia finds that throughout the City many owners of properties are using such properties in violation of the zoning ordinances and regulations found in Title 14 of The Philadelphia Code; and

WHEREAS, Many owners are maintaining such properties in violation of housing, building, safety, and fire ordinances and regulations, and offering such properties for sale without revealing such illegal use or the receipt of notice of the existence of housing, building, safety and fire violations; and

WHEREAS, Many innocent purchasers of such properties are not aware of the illegal use or the existence of the nature of violations until they have entered into agreements of sale or have consummated the purchase; and

WHEREAS, In order to prevent undue hardships and losses imposed on such innocent purchasers by owners who have failed to reveal the illegal use of the property being conveyed or who have made misrepresentations in that regard sellers the Council of the City of Philadelphia will require that certain disclosures and certifications be made to the purchaser of real estate; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

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SECTION 1. Adding Chapter 21-2600 of The Philadelphia Code, as follows:

CHAPTER 21-2600. [RESERVED]REAL ESTATE TRANSFERS

§ 21-2601. Definitions.

In this Chapter, the following words and phrases shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Owner. Any person, co-partnership, association, corporation or fiduciary having legal, or equitable title, or any interest in any real property. Whenever used in any clause, prescribing or imposing a penalty, the term owner, as applied to co-partnerships and associations, shall mean the partners, or members thereof, and as applied to corporations, the officers thereof.*
- (2) Property. Any building or structure situate in the boundaries of the City except buildings or structures used, designed or intended to be used, exclusively, for churches or other places of religious worship, except that for the purpose of certification or statements regarding notices of housing, building, safety or fire violations, the word "property" shall include all buildings or structures.*
- (3) Agreement of sale. Any agreement, or written instrument, which provides that title to any property shall thereafter be transferred from one owner to another owner, and shall include inter alia written leases which contain options to purchase the leased property, and leases which provide that the lessee of the property shall acquire title thereto after the payment of a stipulated number of regular rent payments or after a stipulated period of time.*
- (4) Department. The Department of Licenses and Inspections.*

§ 21-2602. Certificates.

- (1) Notwithstanding any other provision of this code, or requirements under state law, it shall be unlawful for any owner to sell their property, or any interest therein, unless the owner shall first deliver to the purchaser at or prior to the time for settlement:*

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- (a) a certification of the Zoning classification, issued by the Department indicating the zoning classification and the legality of the existing use of the property to be sold; and
- (b) a certificate issued by the Department disclosing whether there exists any notice of an uncorrected violation of the housing, building, safety or fire ordinances.

§21-2603. Agreements of Sale.

- (1) Notwithstanding any other provision of this code, or requirements under state law, every owner shall insert in every agreement for the sale of property a provision showing the zoning classification of such property, and stating whether the present use of the property is in compliance with or in violation of zoning laws and ordinances as required by §21-2602, and every owner shall insert in every agreement for the sale of property a provision disclosing whether there exists any notice of an uncorrected violation of the housing, building, safety or fire ordinances as required by §21-2602.

§21-2604. Non-Conforming Uses.

- (1) A certificate from the Department certifying that the property has been approved or designated as a non-conforming use shall be deemed in compliance with this Chapter.

§21-2605. Penalties.

- (1) Any owner who violates the provisions of this Chapter shall be subject to pay a fine of not more than two thousand dollars.

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SECTION 2: The provisions of this Chapter are severable and if any provision, sentence, clause, section or part thereof shall be held illegal, invalid, unconstitutional or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of the ordinance or their application to them or to other persons and circumstances. It is hereby declared to be the legislative intent that this Chapter would have been adopted if such illegal,

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invalid or unconstitutional provision, sentence, clause, section or part had not been included therein, and if the person or circumstances to which the ordinance or any part thereof is inapplicable had not specifically been exempted therefrom.

SECTION 3. This Ordinance shall take effect immediately.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate matter added.