



# City of Philadelphia

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

## Legislation Text

**File #:** 160720, **Version:** 1

Amending Title 9 of The Philadelphia Code, entitled "Regulation of Businesses, Trades and Professions," to add a new chapter limiting the use of a restrictive covenant or usage restriction that prohibits a purchaser of property from using the property as a grocery store, all under certain terms and conditions.

WHEREAS, This Council in 2002 and 2004 adopted Resolutions 020133 and 040168 which recognized that certain neighborhoods in the City suffered from a shortage of supermarkets; and

WHEREAS, This Council further found that "communities with the least access to affordable health foods also suffer the highest rates of death related to poor nutrition;" and

WHEREAS, Philadelphia has the highest poverty rate of any of the country's big cities, with the rate hovering around 26% of the population and the deep poverty rate at 12.2%, which is almost double the national average; and

WHEREAS, Supermarkets are a significant boost to a neighborhood's economy and may employ between 50 to 100 full-time employees and more than 100 part-time employees, the majority of whom are community residents; and

WHEREAS, Negative use and deed restrictions which prevent the development of certain properties as large grocery stores or supermarkets jeopardize the public health, safety and general welfare of the residents of the City who need convenient access to affordable and healthy food; and

WHEREAS, The Philadelphia Food Marketing Task Force set up pursuant to City Council hearings recommended, among other things, that the City should reduce regulatory barriers to supermarket investment; now therefore,

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

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

TITLE 9. REGULATION OF BUSINESSES, TRADES AND PROFESSIONS.

\* \* \*

*CHAPTER 9-4500. RESTRICTIVE COVENANT  
REGARDING USE FOR RETAIL FOOD SALE.*

*§9-4501. Definitions.*

- (1) *Food desert. A low-income census tract where a substantial number of residents have limited or no access to a supermarket, characterized by at least 500 people or 33% of the census tract's population residing more than one mile from a supermarket or large grocery store.*
- (2) *Large grocery store or supermarket. A retail establishment with a primary business of selling grocery products which has at least 15,000 square feet of selling area that is used for a general line of food and nonfood grocery products.*
- (3) *Large grocery restrictive covenant. A restrictive covenant or usage restriction applicable to the sale or other transfer of a property located in a food desert that prohibits a purchaser or lessee from using said property for a large grocery store or supermarket.*

§9-4502. *Prohibition.*

- (1) *No large grocery restrictive covenant shall be valid or enforceable.*

§9-4503. *Licensing With Respect to a Restricted Property.*

- (1) *A Commercial Activity License shall not be effective to authorize any business activity at a property with respect to which a large grocery restrictive covenant is in place.*

SECTION 2. This ordinance shall apply to restrictive covenants and usage restrictions entered into after the effective date of this bill.

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**Explanation:**

*Italics* indicate new matter added.