Table of Contents

- Purpose ............................................................................................................................................. 3
- Section 1: Understanding Permit Requirements ............................................................................. 4
- Section 2: Research the Property’s Zoning ................................................................................... 5
- Section 3: How to Read a Zoning Permit ..................................................................................... 9
- Section 4: Building Permits & Violations ..................................................................................... 11
- Section 5: Resources .................................................................................................................... 13
- Confirmation of Receipt of Commercial Leasing Notice ............................................................ 15
Purpose

The intention of this guide is to help support small business owners who are seeking to rent commercial spaces for their businesses. This guide should be used by potential commercial lessees to make educated decisions **prior to entering into a lease**. It provides step-by-step instructions for researching what permits have been issued to a property, how to determine the legal use of a property, and how to determine if the property has open violations. Additionally, the guide includes a number of resources that are available should the potential lessee need additional guidance.

If, after reviewing this guide, the potential lessee has unanswered questions, they are encouraged to reach out to the Department of Commerce’s Office of Business Services at business@phila.gov or 215-683-2100.

This guide is required, by law, to be given by the property owner or their representative to the potential lessee no less than seven (7) days before a lease can be signed.
Section 1: Understanding Permit Requirements

A Zoning (or Use Registration) Permit ensures that a use aligns with the general character of a neighborhood to protect quality of life. For example, the construction of a factory on a residential block would negatively impact residents and would not be permitted. The Zoning Code identifies uses that are allowed for each property in the City. Prior to establishing a new use on a property, a Zoning Permit must be obtained.

There are cases where uses that the Zoning Code would not ordinarily allow are able to legally exist. A use can be nonconforming which means that it existed prior to the establishment of the Zoning Code or prior to a change in the Zoning Code that would have otherwise prohibited the use. Alternatively, a use can be granted by variance or special exception which means that the owner or tenant obtained a permit after appealing to the Zoning Board of Adjustment (ZBA). If a permit is obtained in this manner, the ZBA may also place additional restrictions on the operation of the business, these are known as provisos. Some examples of provisos include restricting the hours of operation of a business, restricting the location of a business (e.g., no outdoor seating of a restaurant), or granting a temporary approval.

A Building (or Construction) Permit ensures that work is compliant with construction codes to protect against structural failure, fire hazard, and health risks. Requirements vary based on the use of the building and are outlined in the Philadelphia Building Construction and Occupancy Code.

A Certificate of Occupancy (CO) may be issued with a building permit. A CO certifies that a building is compliant with construction codes at the time the building was constructed, or the use was established.

A Certificate of Occupancy may also be required when there is no work but there is a significant change in use. For example, an office space converted to a daycare center will require a CO because the fire safety requirements of each use are different. The Department of Licenses and Inspections (L&I) started issuing COs for many new buildings and uses in the 1960s. If the use of the space recently changed, the building owner should have a copy of the CO available.

In most cases, if the use of a property changes, a Zoning Permit, a Building Permit, and a CO are all required. If one or more of these permits/certificates cannot be located, that may indicate that the use of the property was not legally established. The proper permits would need to be obtained to legalize the use prior to the business opening.

If the lessee is proposing to further change the use of the property or make alterations, additional zoning and building permits will be required prior to the business opening.

Notes:

- A potential lessee should be cautious when assessing permits for a property with multiple tenant spaces. Zoning Permits are issued to an entire property unless the permit specifies otherwise. Building Permits and COs are typically issued to specific tenant spaces.
- Prior to signing a lease, the potential lessee and the property owner/representative should discuss who will be responsible for obtaining the required permits and/or completing work if a current or new use needs to be established.
- Some specific types of businesses may also need license approval prior to opening. Some examples of business licenses are a Food Preparation and Serving License, a Special Assembly Occupancy License, and a Dumpster License. It is the responsibility of the business owner to ensure that all required licenses are obtained.
Section 2: Research the Property’s Zoning

Every property is required to obtain a Zoning Permit for the use(s) of the property. You may also hear these permits referred to as Use Registration Permits.

You can use resources on the City's website to determine if a property has a Zoning Permit for a certain use. If a Zoning Permit is required, you can determine if the Zoning Permit will be issued “by-right” or if it will require a Special Exception or a Variance from the ZBA.

The following steps will help you understand the zoning of a specific property.

**STEP 1:** Determine if a Zoning Permit already exists for your intended use.

- **Step 1A:** Access the Atlas site by entering [https://atlas.phila.gov](https://atlas.phila.gov) in your internet browser.
- **Step 1B:** Enter the property address in the search tool.
- **Step 1C:** Click on the “Licenses & Inspections” section to expand the search results.
- **Step 1D:** Under the “Permits” section, click on the appropriate permit “ID” number to open the permit details.

  - Be sure to find the most recent Zoning Permit on record.
  - Zoning permits issued prior to 2006 will only be found under “Zoning Permit Documents”.

**Notes:**

- Approved Zoning stays with a property. If the owner/lessee changes over time, a new Zoning Permit will NOT be required as long as the use remains the same.
- A Zoning Permit does eventually expire if the use is not established or commenced. If construction is required to establish the use, the permit is valid for three (3) years. If no construction is required, the permit is valid for six (6) months.
- If the active use of the space is not consistent with the approved Zoning Permit, the use may have never been legally established. This means, a new Zoning Permit is required to legalize the active use.
- If a use is intentionally discontinued or abandoned for three (3) years or more a new permit may need to be obtained to continue that use. This does not apply to regulated uses.
- If a regulated use discontinues operation for a continuous period of 90 days or more, a new permit will need to be obtained to continue that use. Examples of regulated uses are gun shops or drug paraphernalia stores, see 14-603(13) of the Zoning Code for more information.

If an existing Zoning Permit is located and the use is consistent with the intended use, skip Steps 2 and 3 and refer to Section 4 of this document. If a new Zoning Permit is required for the intended use, continue to Step 2 below for next steps.

**STEP 2:** If a new Zoning Permit is required for the intended use, verify the Zoning details of the property:

- **Step 2A:** In Atlas, click on the “Zoning” section to expand the zoning details.
- **Step 2B:** Determine the Base Zoning District and any Zoning Overlays of the property.
**STEP 3:** To determine if the proposed use is permitted, access the Use Tables of the Philadelphia Zoning Code by entering [https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-208451](https://codelibrary.amlegal.com/codes/philadelphia/latest/philadelphia_pa/0-0-0-208451) in your internet browser.

- **Step 3A:** Review the Use Table for the appropriate Base District to verify if the intended use is permitted in the Base District.
- **Step 3B:** Review the overlay requirements by clicking on the “Code Section” in the Overlay section. The link(s) will take you to the specific overlay section(s) of The Philadelphia Zoning Code.

**Notes:**
- The Zoning Summary Generator ([https://www.phila.gov/zoning-summary-generator/](https://www.phila.gov/zoning-summary-generator/)) can also be used to determine what uses are permitted on a specific property.
- Read definitions and footnotes carefully. The definitions of each use are listed in 14-601 of the Zoning Code. The footnotes are located before each table.
- Overlay zoning district regulations apply in combination with the underlying base zoning district regulations.
  - When there are conflicts between the provisions of the overlay zoning district and the base zoning district, the regulations of the overlay zoning district govern.
  - When two or more overlay district provisions conflict, the stricter provision shall govern, unless otherwise specified.
- If your intended use is not permitted, you have the option to seek a variance or special exception from the ZBA. This process typically takes several months and includes a community meeting and a hearing.

### Table 14-602-4: Uses Allowed in Special Purpose Districts

<table>
<thead>
<tr>
<th>Previous District Name</th>
<th>IDD</th>
<th>CED</th>
<th>SSD</th>
<th>REC-P</th>
<th>REC</th>
<th>New</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>District Name</strong></td>
<td>SP-INS</td>
<td>SP-ENT</td>
<td>SP-STA</td>
<td>SP-PO-P</td>
<td>SP-PO-A</td>
<td>SP-AIR</td>
<td>SP-CIV</td>
</tr>
<tr>
<td>Residential Use Category</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Household Living</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Group Living</td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Parks and Open Space Use Category</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Active Recreation</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>N</td>
<td>Y[1]</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Public, Civic, and Institutional Use Category</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adult Care</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>Airport-Related Facilities</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Y</td>
<td>N</td>
</tr>
<tr>
<td>Child Care</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>S[2]</td>
<td>Y</td>
</tr>
<tr>
<td>Community Center</td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>Educational Facilities</td>
<td>Y[3]</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>Fraternal Organization</td>
<td>Y</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Hospital</td>
<td>Y[4]</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>N</td>
<td>Y</td>
</tr>
</tbody>
</table>

Y = Yes permitted as of right | S = Special exception approval required
N = Not allowed (expressly prohibited) | Uses not listed in this table are prohibited

See § 14-602(6)(a) (Notes for Table 14-602-4) for information pertaining to bracketed numbers (e.g., “[2]”) in table cells.
Section 3: How to Read a Zoning Permit

Permit records may look different depending on when they were issued. See sample images below for possible types of permits you may find in Atlas.

SAMPLE 1: If you see a zoning record similar to the one shown below, you will need to look for a stamp on the “Application for Zoning Permit or Use Registration Permit” page. This stamp indicates that the permit was approved and provides the date of approval. The approved use will be written at the bottom of the last page of the application.

You can also determine if the permit is issued by variance (an appeal to the ZBA) by looking at this document. A permit that was issued by variance will have a Calendar Number listed. Additional provisos imposed by the ZBA will also be listed if applicable on the last page of the application next to the use. The permit shown on this page was issued by variance but has no provisos.
**SAMPLE 2:** If you see zoning records similar to the ones shown below, the approved use will be listed under the “Use Registration” or “Approved Use(s)” sections.

You can also determine if the permit is issued by variance (an appeal to the ZBA) by looking at this document. A permit that was issued by variance will have a Calendar Number and date listed. Additional provisos imposed by the ZBA will also be listed if applicable. The permits shown on this page were not issued by variance and have no provisos.
Section 4: Building Permits & Violations

Researching Building Permits
In addition to obtaining a Zoning Permit, the property must also meet the requirements of the Philadelphia Building Construction and Occupancy Code before it can be occupied. Prior to signing a commercial lease, it is important to understand if the space is legally allowed to be occupied with your intended use and/or if additional permits and alterations are required.

Typically, any new occupancy or any alterations to a space will require a Building Permit. For more information, enter [https://www.phila.gov/services/permits-violations-licenses/apply-for-a-permit/building-and-repair/get-a-building-permit/](https://www.phila.gov/services/permits-violations-licenses/apply-for-a-permit/building-and-repair/get-a-building-permit/) in your internet browser.

To find building permits that have been issued to a property, follow Steps 1A through 1D on Page 5. Under the “Permits” section, you will find building permits issued to the property.

Additionally, you can ask the property owner or owner’s representative for a copy of any recent building permits and associated Certificates of Occupancy.

Obtaining New Building Permits
If you are proposing any renovations, you must obtain Building Permits. Before a permit is issued, L&I will confirm if the proposed renovations meet the requirements of the Philadelphia Building Construction and Occupancy Code. *Proposed alterations and changes in occupancy may potentially trigger upgrades to the existing space.* The potential time and cost of these upgrades should be considered. Some major areas of concern are:

- **FIRE PROTECTION** (Sprinklers and Alarm Systems)
- **NUMBER OF EXITS**
- **ACCESSIBILITY FEATURES** (Entrance, Bathrooms, etc.)
- **PLUMBING FIXTURES**
- **POTENTIAL STRUCTURAL ANALYSIS FOR INCREASED LOADING**

If clarification of code requirements is required, consult a design professional. Make sure that the design professional is a Pennsylvania licensed architect or engineer and be wary of expediters acting as design professionals.

Lawful Occupancy
Any assembly space (restaurants, theaters, museums, etc.) that can be occupied by 50 or more people should have a Lawful Occupancy (LO) sign posted indicating the maximum occupancy of the space. If you intend to use an assembly space for more than 50 occupants, ask the owner if they have an LO on file.
Confirming if there are Open Violations on the Property

Follow the steps below to determine if there are any open violations on the property.

**Step 1:** Access the Atlas site by entering [https://atlas.phila.gov](https://atlas.phila.gov) in your internet browser.

**Step 2:** Enter the property address in the search tool.

**Step 3:** Click on the “Licenses & Inspections” section to expand the search results.

**Step 4:** Under the “Violations” and “Inspections” sections, click on the appropriate permit “ID” number to open the violation details. Also, the status of the violation is listed on the right side of the table. All violations will be listed regardless of the status.

**Notes:**

- Some open violations may prevent you from being able to open your business or obtain permits. It is important to understand the impact of these violations **prior to signing a lease**.
- The potential lessee and the property owner should discuss the responsibility for addressing existing and future violations **prior to signing a lease**.
## Section 5: Resources

### Additional City of Philadelphia Resources

<table>
<thead>
<tr>
<th>Service</th>
<th>Description</th>
<th>Website</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Commerce Business Resource Finder</td>
<td>A tool for locating organizations that provide free or low-cost guidance and resources about starting, running, and growing a business.</td>
<td><a href="https://www.phila.gov/commerce/business-resource-finder/#/">https://www.phila.gov/commerce/business-resource-finder/#/</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Office of Business Services</td>
<td>The Office of Business Services helps business owners navigate City services and understand business regulations, as well as assists entrepreneurs through the process of opening, operating, and growing a business in Philadelphia.</td>
<td><a href="https://www.phila.gov/services/business-self-employment/support-for-businesses/meet-your-areas-business-service-manager/">https://www.phila.gov/services/business-self-employment/support-for-businesses/meet-your-areas-business-service-manager/</a></td>
<td>215-683-2100</td>
<td><a href="mailto:business@phila.gov">business@phila.gov</a></td>
</tr>
<tr>
<td>Philadelphia VIP</td>
<td>Provides one-hour virtual consultations and full representation for free to eligible nonprofits and small businesses. Must complete online application to request assistance.</td>
<td><a href="https://www.phillyvip.org/get-legal-help/nonprofit-small-business/">https://www.phillyvip.org/get-legal-help/nonprofit-small-business/</a></td>
<td>215-523-9550</td>
<td><a href="mailto:phillyvip@phillyvip.org">phillyvip@phillyvip.org</a></td>
</tr>
<tr>
<td>Philadelphia Bar Association</td>
<td>Provides attorney referrals through the Lawyer Referral and Information Service. Can obtain a 30-minute consultation for $35 with an attorney by going through this service. Referrals can be requested online or over the phone.</td>
<td><a href="https://lris.philadelphiabar.org">https://lris.philadelphiabar.org</a></td>
<td>215-238-6333 (M–F, 9 a.m. to 5 p.m.)</td>
<td></td>
</tr>
<tr>
<td>The Welcoming Center</td>
<td>Offers technical assistance for immigrants interested in starting a small business. Must complete online application for assistance.</td>
<td><a href="https://pages.welcomingcenter.org/application-small-business-classes.html">https://pages.welcomingcenter.org/application-small-business-classes.html</a></td>
<td>215-557-2626</td>
<td></td>
</tr>
</tbody>
</table>
Other Small Business Resources

Small Business Development Center at Temple University
Provides free counseling to small businesses on numerous aspects of business development. Must complete online application for assistance.

Website: https://pasbdc.ecenterdirect.com/signup/
Phone: 215-204-7282
Email: sbdc@temple.edu

Score Philadelphia
Offers free mentorship program for entrepreneurs. Must complete online application to participate.

Website: https://philadelphia.score.org/content/find-mentor-280
Phone: 215-231-9880
Email: contact.scorephiladelphia@gmail.com

Entrepreneur Works
Creates pathways of opportunity for talented, yet underserved, entrepreneurs.

Website: https://www.myentrepreneurworks.org
Phone: 215-545-3100
Email: info@entre-works.org

The Enterprise Center
Provides support and assistance for minority small business owners.

Website: https://www.theenterprisecenter.com/business/entrepreneur-landing
Phone: 215-895-4000
Email: info@theenterprisecenter.com

The Business Center
Equips adult and youth with the tools to start, sustain, and expand their small businesses.

Website: https://www.thebizctr.com/
Phone: 215-247-2473
Email: education@thebizctr.com

Greater Philadelphia Association of REALTORS
Offers online search function to find a local realtor to assist in the search for a commercial property for a small business.

Website: https://phil.rapams.com/scripts/mgrqispidll?APPNAME=IMS&PRGNAME=IMSMemberLogin&ARGUMENTS=-APBR&SessionType=N&ServiceName=OSRH&NotLogin=Y
Phone: 215-423-9381
Email: info@gpar.org
Confirmation of Receipt of Commercial Leasing Notice

This Commercial Leasing Notice is required, by law, to be given by the property owner or their representative to the potential lessee no less than seven (7) days before a lease can be signed.

Upon receipt of this Commercial Leasing Notice, both the owner or owner’s representative and the potential lessee shall sign and date below. Two copies of this page have been provided so that each party may maintain an original copy for their records:

By signing below, I (Printed Name of Owner/Owner’s Representative) hereby certify that this Commercial Leasing Notice was provided to the potential lessee, as required by law, no less than seven (7) days before signing a lease.

Owner / Owner’s Representative: _______________________________ Date: ________________

By signing below, I (Printed Name of Potential Lessee) hereby certify that I have received this Commercial Leasing Notice by the owner or owner’s representative, as required by law, no less than seven (7) days before signing a lease.

Potential Lessee: _______________________________ Date: ________________

PROPERTY OWNER OR REPRESENTATIVE COPY
Confirmation of Receipt of Commercial Leasing Notice

This Commercial Leasing Notice is required, by law, to be given by the property owner or their representative to the potential lessee no less than seven (7) days before a lease can be signed.

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By signing below, I (Printed Name of Owner/Owner’s Representative) hereby certify that this Commercial Leasing Notice was provided to the potential lessee, as required by law, no less than seven (7) days before signing a lease.

Owner / Owner’s Representative: ____________________________ Date: ________________

By signing below, I (Printed Name of Potential Lessee) hereby certify that I have received this Commercial Leasing Notice by the owner or owner’s representative, as required by law, no less than seven (7) days before signing a lease.

Potential Lessee: ____________________________ Date: ________________