



## A Checklist of the Basic Requirements for Philadelphia Rental Owners

The following is intended for informational purposes only and is not intended as legal advice, nor should it be construed as legal advice. Consult your own legal counsel regarding your particular situation.

### Licenses and Certificates

*Philadelphia rental owners must obtain a variety of licenses and certificates. Some pertain to every rental owner; others pertain to rental owners under certain circumstances.*

**Commercial Activity License (CAL), also known as an Activity License-** The Business Privilege License (BPL) is now known as the Commercial Activity License – Nearly all rental owners must obtain a CAL. Applications and instructions are available on the city’s website, <https://business.phila.gov/commercial-activity-license-city-of-philadelphia-tax-id/>

**Housing Rental License, also known as Housing Inspection License-** Required of nearly all rental owners. See <http://www.phila.gov/li/pages/tenantlandlord.aspx>

- To be eligible for the Housing Rental License, rental owners must first have:
  - **Business Income and Receipts Tax Account Number.** See <http://www.phila.gov/Revenue/businesses/Pages/RegisterBusiness.aspx>
  - **Federal Tax Identification Number.** See [https://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Apply-for-an-Employer-Identification-Number-\(EIN\)-Online](https://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Apply-for-an-Employer-Identification-Number-(EIN)-Online)
  - **Zoning Approval (for two or more units).** See <https://business.phila.gov/location-and-zoning-information/>
- When applying for the Housing Rental License, owners must name a **Managing Agent** for the property, who will receive any notices, orders or summonses issued by L & I. The Agent must provide tenants with contact information for the person responsible for routine maintenance. Agents must be over 18 years old. Owners can serve as the Managing Agent.
- Exceptions to the Housing Rental License Requirement:
  - i. If a building contains multiple dwelling units, a single rental license may be obtained for the entire building, as long as the license specifies each unit in the building governed by the license.

- ii. A rental license is not required for any dwelling unit that is occupied by the owner or a member of the owner's family. The Department of Licenses and Inspections can require the owner to submit an Affidavit of Non-Rental.
- iii. A rental license is not required for "limited lodging activity" as defined in Sec. 14-604 (13) of the zoning code (limiting the number of days an individual visits).

**☐ Certificate of Rental Suitability-** All rental owners must obtain a Certificate of Rental Suitability no more than 60 days prior to the beginning of a tenancy. Owners must have their Inspection License to get a Certificate. The Certificate is available on the L & I website through <http://www.phila.gov/li/pages/tenantlandlord.aspx>

**☐ Dumpster License- Private -** Required for all dumpsters over one cubic meter in size that are stored on private property. The license is obtained through the Department of Licenses and Inspections. More information can be found here: <https://business.phila.gov/dumpster-license-public-right-of-way/> The city has established a program known as SWEEPS (Streets & Walkways Education and Enforcement Program) to enforce the law against violators through intensified street patrols by uniformed litter enforcement officers, computerized tracking of code violation notices, and speedy adjudication of violations. Through education and enforcement, SWEEP supports and enhances individual and community efforts to maintain a clean City. SWEEP officers have recently increased their enforcement activities. The SWEEP website can be accessed here: <http://www.philadelphiastreet.com/sweep/>

**☐ Dumpster License- Public right of Way -** This license is required for all dumpsters larger than one cubic yard that are stored in a public right-of-way. More information here: <https://business.phila.gov/dumpster-license-public-right-of-way/>

**☐ Dumpster Medallions-** Every dumpster must have a Radio Frequency Identification (RFI) Medallion attached to it. They are issued by the Department of Licenses and Inspections. More information on the RFI Medallion can be found here: <https://business.phila.gov/dumpster-license-public-right-of-way/>

**☐ High Rise License-**The Philadelphia Fire Code requires an annual High Rise License for structures in excess of six (6) stories. The fee is based on gross area of the building. If the building is used exclusively for residential purposes, and has a license under the Property Maintenance Code, no Fire Code High Rise license is needed. If however, the building is partly used for residential purpose and has a Housing Inspection License, that portion of the gross area used for residential purposes can be deducted from the gross area for Fire Inspection High Rise fee calculations. See <https://business.phila.gov/high-rise-license/>

### **Additional Requirements**

*In addition to obtaining licenses and certificates, Philadelphia rental owners must adhere to other Philadelphia ordinances. Some pertain to every rental owner; others pertain to rental owners under certain circumstances.*

**☐ Airbnb taxes and restrictions-** While many rental owners have lease restrictions on sublets and short-term rentals, Philadelphia rental owners should be aware of regulations for limited lodging rentals such as Airbnb or similar websites. Philadelphians who rent their primary residents more than 90 days a year must obtain a Use Registration Permit. The city's 8.5% hotel tax applies to limited lodging arrangements, and must be collected by the primary resident or booking agent. Primary residents who rent their homes to another party for more than 90 days in a year, where the lodging for any particular visitor is no more than 30 consecutive days, must obtain a rental license. And no one can rent out their homes for more than 180

days annually. Additionally, no more than 3 persons who are unrelated by blood, marriage, adoption, etc. can rent on a limited lodging basis. The limited lodging cannot result in changes to the residential character of the building, nor adversely affect the residential character of the neighborhood. Lodgers' guests are allowed only between the hours of 8:00am and 12:00 am. Smoke and CO alarms must be present. And all limited lodging is subject to all fair housing laws.

See <http://www.phila.gov/Revenue/businesses/taxes/Pages/HotelTax.aspx>

**□ Certificate of Occupancy-** A is required as a condition of a change in the use and occupancy of a space in accordance with the International Building Code, for example, after major renovations. Certificates of Occupancy are also required for all new construction and building additions. See <https://business.phila.gov/certificate-of-occupancy/>

**□ Criminal records, restrictions on screening for employees-** Philadelphia prohibits employers from basing employment decisions on prospective employees' criminal records unless the records include convictions for offenses that have a relationship to the employment sought. Additionally, employers cannot conduct criminal records screenings until they have made a conditional offer of employment. See <http://www.phila.gov/HumanRelations/DiscriminationAndEnforcement/Pages/ChangestotheBantheBoxLaw.aspx>

**□ Energy Benchmarking:** Following a national trend, Philadelphia recently enacted energy benchmarking obligations for building owners. Owners of most buildings with indoor floor space of 50,000 square feet or more (commercial or residential) must annually enter energy benchmarking information on the EPA's internet-based Benchmarking Application system, currently known as "Portfolio Manager." Owners must enter information regarding building energy usage, water usage, and building characteristics and use attributes as required on the Benchmarking Application (required information includes gross floor area, operating hours, and use-specific information such as building area heated and air conditioned, number of computers, refrigerators, etc.). The **Mayor's Office of Sustainability** has been designated to administer the requirements of this ordinance. See <http://www.phillybuildingbenchmarking.com/>

**□ Fire code requirements including Smoke Detectors and CO alarms-** There are specific requirements for one & two-family dwellings, multiple-family dwellings and rooming houses, buildings that require more than one exit stair, and high rises. Information is available at the Fire Code Unit of the Philadelphia Fire Department. All fire code requirements can be found here: <http://philadelphiafirearmsystems.com/occupancy-fire-code/>.

**□ Does the Historical Commission Affect Your Property?** The Philadelphia Historical Commission (PHC) regulates preservation through the City's building permit review process. Any work on historic property that requires a building permit or changes the exterior appearance of the building, site, or permanent site features at the historic property must first have the approval of the Historical Commission. See <http://www.phila.gov/historical/aboutus/Pages/FAQ.aspx>

**□ Lead Paint Disclosure-** Owners of pre-1978 rental housing in which children aged six and under will reside must provide a new lessee with a valid certification prepared by a certified lead inspector that states whether the property is either lead free or lead safe. Lessors must provide a new lessee with the certification prior to entering into a lease agreement. Information is available at the City's L&I website, accessible at <http://www.phila.gov/li/pages/tenantlandlord.aspx>

☐ **Lead Paint Booklet-** The booklet, “Protect your Family from Lead in Your Home” must be given to new tenants in pre-1978 housing. Printed copies are available through the EPA or PAA-East. Fill out this order form: [http://www.paa-east.com/uploads/3/1/1/4/31149221/lead\\_paint\\_order\\_form\\_4.28.16.pdf](http://www.paa-east.com/uploads/3/1/1/4/31149221/lead_paint_order_form_4.28.16.pdf)

☐ **Notice of Rent Increase Requirements- Except for Properties Under the Jurisdiction of HUD-** Unless the lease provides a longer period of time, rental owners must notify residents of rent increases at least 60 days prior to the effective date of the increase, if the tenancy is one year or more, and at least 30 days prior to the effective date of the increase where the tenancy is less than one year. Residents with a lease of one year or more must notify the rental of their intention not to renew within 30 days of receiving a timely notice. All notices must be in writing. See <http://www.phila.gov/fairhousingcommission/Pages/default.aspx>

☐ **“Partners for Good Housing Guidebook,”** published by L & I, and available on their website. Owners must give the booklet to new tenants. Printed copies are available to PAA members through PAA-East. Fill out this order form: [http://www.paa-east.com/uploads/3/1/1/4/31149221/partners\\_for\\_good\\_housing\\_order\\_form\\_4.28.16.pdf](http://www.paa-east.com/uploads/3/1/1/4/31149221/partners_for_good_housing_order_form_4.28.16.pdf)

☐ **PGW’s Landlord Cooperation Program-** Pennsylvania law allows PGW to place liens on properties for tenants’ unpaid gas bills. The Landlord Cooperation Program allows landlords who register their properties and comply with the Program’s requirements to avoid liens. Rental owners can register at PGW’s website, <http://www.pgworks.com/residential/customer-care/landlord-programs>

☐ **Recycling Plans-** Businesses, institutions and apartment communities using private waste haulers must file a Recycling Plan online with the Philadelphia Streets Department, publicly post the plan and distribute copies to residents. More information can be found on the city’s Business website: <https://business.phila.gov/have-a-recycling-plan/>

☐ **Smoking Policy Disclosure-** Effective June 26, 2016. Rental owners of multifamily buildings that serve as a residence for three or more families with each family occupying a single dwelling unit must disclose in their lease the smoking policy for the building. The disclosure must state whether smoking is prohibited in all dwelling units, permitted in all dwelling units or permitted in some dwelling units. The official ordinance can be found here: <https://phila.legistar.com/LegislationDetail.aspx?ID=2554769&GUID=D527A3E6-59A6-481B-A49B-1346DCAEC23B&Options=ID|Text|&Search=160018>

Additional information for rental owners: <https://business.phila.gov/>