

RESOLUTION NO. 86-21

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND DIRECTING THE CITY MANAGER TO UPDATE ALL CITY APPLICATIONS AND FORMS TO REQUIRE DISCLOSURE OF THE IDENTITIES OF BENEFICIAL & RESPONSIBLE OWNERS OF LIMITED LIABILITY CORPORATIONS (LLCS)

WHEREAS, the use of the Limited Liability Corporation (LLC) business formation by landowners in acquiring real property has become increasingly common; and

WHEREAS, the LLC business formation, at times, conceals the identity of the true owners by the practice of appointment of a professional agent and/or manager, such as an attorney or accountant; thereby, never having to reveal the owner's (member's) name(s) or the source of capital contributions (i.e., funding); and

WHEREAS, such anonymity provided by the LLC formation poses obstacles for code enforcement, thereby decreasing the incentive for owners to keep their properties in good repair, a practice often referred to as "deferred maintenance"; and

WHEREAS, the obstacles imposed on code enforcement results in increased neighborhood blight.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richmond as follows:

1. The City Manager is hereby directed to work with City Departments to update all City forms and applications to require the disclosure of beneficial and responsible owners of LLCs as part of the submittal requirements;
2. The City Manager is hereby directed to maintain a list, which should be updated annually, of all real property owned by LLC within the City jurisdiction with address and assessor's parcel number. The list shall also include the names and addresses of beneficial and responsible owners of the LLCs, as disclosed to the City through its application process; and
3. The City Manager is hereby directed to provide the City Council a progress report every six months, which describes the implementation of this resolution and the successes and barriers of the implementation for the first three years after adoption.

BE IT FURTHER RESOLVED that the disclosure of beneficial and responsible owners of LLCs will be used for transparency purposes only and not as a condition of approval.

I certify that the foregoing resolution was passed and adopted by the City Council of the City of Richmond at a regular meeting thereof held July 6, 2021, by the following vote:

AYES: Councilmembers Jimenez, Martinez, McLaughlin, Willis,
and Vice Mayor Johnson III.

NOES: Councilmember Bates and Mayor Butt.

ABSTENTIONS: None.

ABSENT: None.

PAMELA CHRISTIAN

CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:

THOMAS K. BUTT
Mayor

Approved as to form:

TERESA STRICKER
City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 86-21**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on July 6, 2021.



Pamela Christian, Clerk of the City of Richmond