

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY ADDING DIVISION IV TO CHAPTER 2.84 RELATING TO REAL ESTATE PURCHASE CONTRACTS

WHEREAS, the City wishes to promote transparency when making significant financial expenditures in connection with the acquisition of real property;

WHEREAS, it is important to know which persons and/or entities, other than the seller of real property, stand to benefit from such significant financial expenditures;

NOW, THEREFORE, the City Council of the City of Long Beach ordains as follows:

Section 1. Division IV is added to the Long Beach Municipal Code to read as follows:

DIVISION IV.

REAL ESTATE PURCHASE CONTRACTS.

2.84.060 Real Estate Purchase Contracts.

A. Any person or entity selling real property to the City, for a sales price of One Million Dollars (\$1,000,000) or more, shall be required to disclose in writing the identity of all third-party, finders, brokers and/or agents entitled to any compensation from the seller, or agent of the seller, resulting from the sale, and the nature and value of such compensation; provided, however that written disclosure shall not be required if such third-party's compensation is valued at less than Ten Thousand Dollars (\$10,000).

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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B. Seller shall preserve and maintain, for a period of not less than three (3) years after completion of the subject sale of real property, all financial records related to such sale, and such records shall be open to inspection, examination and audit by City upon three (3) days' advance notice of City's intention to exercise its rights hereunder.

C. If the City determines that the requirements of this Section have been violated by any person, the City shall assess a civil penalty against such person in an amount equal to ten percent (10%) of the total compensation paid by City to seller in connection with the subject sale of real property to the City. The City shall give notice of the assessment of this penalty to the seller, and the seller may appeal the imposition of this penalty to the City Council in accordance with Section 2.93. The civil penalty shall constitute a debt of the person charged to the City of Long Beach and is collectible by the City as an obligation or liability created by statute.

Section 2. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

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I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of \_\_\_\_\_, 20\_\_, by the following vote:

Ayes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Noes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
City Clerk

Approved: \_\_\_\_\_  
(Date)

\_\_\_\_\_  
Mayor