

# PROPOSED REAL ESTATE DISCLOSURE ORDINANCE

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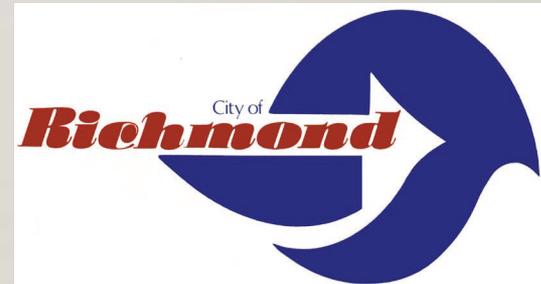
ITEM G-1

CITY OF RICHMOND

RENT PROGRAM

JANUARY 21, 2026

NICOLAS TRAYLOR, EXECUTIVE DIRECTOR



# STATEMENT OF THE ISSUE

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- Residential rental properties are sold without disclosure of rent-related fees or restrictions, creating administrative burdens for the City and unexpected obligations for new owners.

# FISCAL IMPACT

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- There is no fiscal impact associated with this item at this time. Staff will assess future resource needs during ordinance development.

# BACKGROUND

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- Approximately 400 residential rental properties are sold annually in Richmond. Outstanding fees, rent control status, or eviction-related restrictions are often not disclosed at sale.

# PREVIOUS BOARD AND STAFF ACTIONS

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- 2019–2020: Rent Board requested disclosure changes through CCAR
- Limited adoption by realtor forms
- 2025 Cooperation Agreement proposed administration of a disclosure ordinance

# WHY AN ORDINANCE IS NEEDED

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- Realtor disclosure forms are not universally used
- Disclosures are inconsistent and incomplete
- A City ordinance ensures transparency in all transactions

# PROPOSED ORDINANCE – REQUIRED DISCLOSURES

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Sellers must disclose:

- Rent control and/or just cause status
- Outstanding Rent Program or City fees
- Rent or eviction restrictions tied to the property
- Unpaid tenant restitution awards

# ENFORCEMENT MECHANISM

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Failure to disclose may result in:

- Private right of action by buyer
- \$1,000 statutory damages per undisclosed item
- Recovery of attorney's fees

# RENT PROGRAM RESPONSIBILITIES

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- Provide standardized disclosure form within 48 hours of request
- Maintain form without personal identifying information
- Coordinate with City to update ownership records

# BENEFITS OF THE ORDINANCE

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- Protects buyers and successor owners
- Reduces staff time spent on fee collection
- Improves accuracy of rental housing data
- Increases compliance and revenue

# RECOMMENDED ACTION

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- RECIEVE a presentation on the proposed Real Estate Disclosure Ordinance and DIRECT staff to draft a proposed ordinance for Board consideration and potential recommendation to the City Council.