

Agenda Report

September 11, 2023

TO: Honorable Mayor and City Council

FROM: City Clerk

SUBJECT: PROVIDE DIRECTION ON (1) PROPOSED TOPICS FOR POSSIBLE CITY CHARTER AMENDMENTS TO BE STUDIED; (2) CHARTER REVIEW PROCESS; AND/OR (3) SCOPE AND CHARGE FOR A CHARTER STUDY TASK FORCE, IF DESIRED

RECOMMENDATION:

It is recommended that the City Council:

- (1) Find that the proposed action is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption");
- (2) Provide direction to staff on general topics that should be studied and potentially submitted to voters as changes to the City Charter;
- (3) Provide direction to staff on how best to proceed with Charter Study, including, but not limited to, the following options:
 - a. Discuss Charter amendment matters at the City Council level, as part of a series of City Council workshop/study session discussions;
 - b. Refer specific matters to the Legislative Policy Committee (or other City Council committee) for study and recommendation to the City Council; and/or
 - c. Refer specific matters to a separate, appointed Charter Study Task Force with a specified scope and charge established by the City Council for study and recommendation to the City Council.

BACKGROUND:

Pasadena has a City Charter, first passed by Pasadena voters in 1901, that serves as the "constitution" for the City. The power of home rule, granted by the California Constitution, makes available to charter cities a variety of tools to use to develop local policy and address local concerns. A city charter is adopted, amended, or repealed by voters of the city, with city charter provisions generally having precedence over state law in the area of "municipal affairs." Given the impact that changes to a city's charter can have on the organization and how it does business, charter study does not occur often and requires, and would benefit from, a clear scope and charge prior to proceeding.

Regarding previous Charter Study efforts, broad City governance questions resulted in prior City Councils initiating and convening a Task Force. In the late 1990's, such broad topic examples included the consideration of a directly elected Mayor to serve as the eighth member of the City Council, a review of the general form of City government, studying various models of compensation for members of the City Council, and reviewing and adding aspects of the Pasadena Unified School District Board of Education structure into the City's Charter.

When it came to more specific/narrow Charter governance issues, the City Council has from time to time directed staff to provide information, and conducted its own study and assessment of Charter issues without convening a separate, appointed Charter Study Task Force. This includes (a) the 2018 adjustment to the City's election cycle to comply with changes in state law (consolidating local election dates with statewide election dates); and (b) the 2020 measure that continued the annual Light & Power Fund transfer, preserving \$18 million annually for the City's General Fund.

Based on what staff believes are the City Charter issues to be studied, the City Council could itself review each issue, either as a workshop or by referral to a Council Committee. It could also submit specific issues to a Charter Study Task Force as part of a detailed scope and charge established by the City Council.

Current List of Possible Charter Amendment Topics

The current list of potential Charter amendment topics that have been raised in recent years include the following:

City Council Governance

- City Council vacancy appointment process and ability to call a special election to fill an unanticipated Council vacancy (see Attachment A)
- City Council term limits
- Vice Mayor appointment timing and term
- Timing of Mayoral election in relation to Council District elections

Charter Amendments Suggested by City Staff

- Revise Charter language related to the annual Light & Power Fund transfer to the General Fund to use current accounting terminology
- Consider increases to procurement limits which do not require City Council approval
- Clean-up/make corrections to City Charter

Other Possible Charter Amendment Topics Not Listed

With regard to possible revisions to The Pasadena Fair and Equitable Housing Charter Amendment (Rent Control measure passed in 2022), the Council may wish to solicit the Rental Housing Board for their views on any suggested Charter changes. City staff has no specific proposed revisions, at this time.

Also not included on the list of potential City Governance Topics are policy issues related to campaign finance and lobbyist registration that have previously been mentioned in Council discussions. In staff's view, these matters are likely more appropriately addressed by City ordinance than by Charter amendment.

Finally, there may be other topics that the City Council desires to add to the list above, which could be raised and considered as part of Council's discussion. And if the Council were to form a Charter Study Task Force, it could solicit additional topics from the Task Force as part of their initial work plan, with the Task Force to propose these topics for City Council consideration at a future meeting.

Task Force Scope and Charge

It is staff's recommendation that a Charter Study Task Force be directed to focus on the assigned/approved list of topics as the "scope" of the Task Force's work, and as the parameters of what can and cannot be studied by the Task Force. As for the Task Force's charge, staff would recommend that the Task Force be directed to review each of the assigned topics, provide a recommendation on the appropriateness/necessity of each topic, and to submit its findings as part of a Final Report to the City Council by late May/early June 2024. The report would contain, among other information, recommended Charter Amendments, revised Charter language to effectuate the recommended changes, and proposed ballot question language that voters would consider in supporting or opposing the amendment(s). This work product would then be considered by the City Council in one or more meetings as part of a final determination on what to submit to voters.

Charter Study Consultant

On February 27, 2023, City staff received direction to proceed with organizing a Charter Study Task Force and solicit proposals for consultant services to support the work of the Task Force. A request for proposals was prepared and released on April 10, 2023. In May and June, City staff contacted prospective consultant groups and individuals that were viewed as qualified to participate in the proposal process, and in an effort to encourage greater participation. This included reaching out to former consultants used by the City, as well as leaders and academics in the field of Public Policy and Administration from surrounding universities (i.e., CalTech, UCLA, USC, Pepperdine, Cal State LA, etc.). Despite a series of deadline extensions to allow for more participation and additional proposals to be submitted, only one formal response was received by the City, from Baker Tilly.

Baker Tilly's proposal, which was received by the City Clerk's Office on July 13, 2023, includes a scope of work that sufficiently responds to the City's solicitation. Their consultant team is comprised of three primary members: Jay Trevino, Director, Andrea Miller, Project Manager, and Shauna Clark, Special Advisor. City staff has met with Mr. Trevino to clarify the scope of services proposed, roles of key team members, expected workload/work product, and anticipated project schedule.

The role of the consultant team would be to serve as primary support staff to the Task Force, provide research and data, help facilitate meeting discussions, and author the work of the Task Force as part of the Final Report (described above). In addition to the consultant team, City staff to be assigned to this effort would include members of the City Attorney, City Manager, and City Clerk's Office. City staff is prepared to return to the City Council with a staff recommendation and contract approval for Baker Tilly if the City Council proceeds with a Task Force approach to Charter Study.

Next Steps

As already noted, for prior Charter Study efforts, some proposed Charter amendments were brought forth by the City Council without a separate Task Force. In other instances, a Task Force of residents have been utilized (appointed by the City Council) to fully focus on and vet proposed changes to the City Charter when topics were considered to be more complex and/or broad in nature (Citywide elected Mayor, City Council compensation, incorporating Pasadena Unified School District into the City Charter). Depending on how the City Council views the current list of topics, the following options (not an inclusive list) are suggested by staff as approaches on how to proceed:

- a. Discuss Charter amendment matters at the City Council level, as part of a series of City Council workshop/study session discussions, for possible submittal to voters at an upcoming election;
- b. Refer specific matters to the Legislative Policy Committee (or other City Council committee) for study and recommendation, prior to taking further action; and/or
- c. Refer specific matters to a Charter Study Task Force as part of a specified scope and charge established by the City Council for study and recommendation.

For instances where the City Council's busy regular meeting schedule does not provide sufficient time for discussion, one or more matters can be referred to one of the five standing City Council committees for a review and recommendation prior to the City Council's deliberation and action. For City Council governance issues, the Legislative Policy Committee could serve in this role to review and provide recommendations to the City Council. For topics such as procurement limits, the Finance Committee would have the appropriate jurisdiction over that particular subject matter. As the City Council discusses each topic, it can refer that topic to the appropriate Council Committee.


City Council Vacancies

Attachment A provides an in-depth review of a recently raised Charter Study topic, namely the current City Charter vacancy provisions for the City Council. This review provides options for amending the City Charter to allow for (or require) special elections to fill vacancies when they occur on the City Council. This not only responds to the significant sentiment expressed by residents and the City Council to have an election option for vacancies but also serves as an example of the work that can be done at the City Council level to bring forward Charter Amendments for voter consideration.

FISCAL IMPACT

Of the available options for the City Council to consider as part of this discussion, formation of a Charter Study Task Force will require a significant financial commitment (Task Force meeting support, consultant contract, etc.). There is currently \$535,000 in the City Clerk's FY 2024 Elections Budget, with staff intending to utilize a portion of these funds to support the formation of a Task Force (if the Council proceeds in that manner). While staff believes that sufficient funds exist in the current Election Budget to cover both the expenses of the upcoming March 5, 2024 Primary Municipal Election and support for a Charter Study Task Force, if additional funds are needed, staff will return to the City Council and request additional funding.

Respectfully submitted,



Mark Jomsky, CMC
City Clerk

Attachments:

- A. Analysis of City Council Appointment Process to Fill Council District Vacancies