

The Lines of Authority in a Charter City

Achieving Permanent Reform Through Direct Democracy

www.transparentpg.org/initiative

Luke Coletti

The City Charter

The [City Charter](#) is the organic law of the City. It functions much like a local constitution, establishing the structure of the City's government and defining how authority is exercised. *The provisions of a charter are the law of the State and have the force and effect of legislative enactments.* (Cal. Const., art. XI, § 3(a))

The City Charter provides the framework for our local government, including:

- The powers of the Mayor and Council.
- How laws are adopted.
- How elections are conducted.
- How city officers and employees are compensated.

Because a charter city has “home rule” authority under the [California Constitution](#), the City Charter allows the City to govern “municipal affairs” according to rules adopted by its own voters. (Cal. Const., art. XI, § 5)

A city charter is often described as the city's constitution because it performs a similar role. It defines the framework of government and sets the rules under which the Mayor and Council may exercise their authority. Importantly, a charter does not simply grant power — it also places limits on how that power may be exercised. Restrictions written into the Charter reflect decisions made by the voters about how their city should be governed.

Because the Charter is the City's foundational governing document:

- Only voters can adopt or amend it.
- The City Council must abide by its provisions.

For this reason, when a problem arises concerning how City Council authority is exercised, the only permanent solution is a Charter amendment approved by voters.

Direct Democracy

In addition to electing representatives, California voters also possess the power of direct democracy. Under the [California Constitution](#), the people reserve to themselves the powers of initiative and referendum, allowing voters to participate directly in the lawmaking process.

Pacific Grove's Charter preserves these powers for voters and [provides](#) that they are exercised according to the procedures established by the California Constitution and the general laws of the State.

[These tools](#) were adopted in 1911 during the Progressive Era as reforms designed to make government more responsive to the public and less controlled by special interests.

Because these powers allow voters to make laws directly, the initiative process has often been described as California's "fourth branch of government."

The Referendum

A referendum allows voters to challenge an ordinance (law) adopted by the City Council. Proponents only have 30 days to qualify the petition. If enough signatures are collected:

- The ordinance is suspended, and
- Voters are given the opportunity to approve or reject the ordinance, or
- The City Council can rescind the ordinance.

The referendum power is an important safeguard because it allows citizens to stop laws they believe were adopted improperly or without sufficient public support.

However, the referendum has important limits.

- It applies only to ordinances adopted by the Council.
- It does not apply to resolutions or many administrative decisions.
- It does not permanently change the underlying authority that allowed the ordinance to be adopted.

For this reason, a referendum can stop a specific decision, but it cannot change the structure of authority established in the City Charter.

The Initiative

An initiative allows voters to propose a law themselves.

If supporters gather enough signatures, the proposed measure must be placed on the ballot for voters to decide. Proponents have 180 days to qualify the petition.

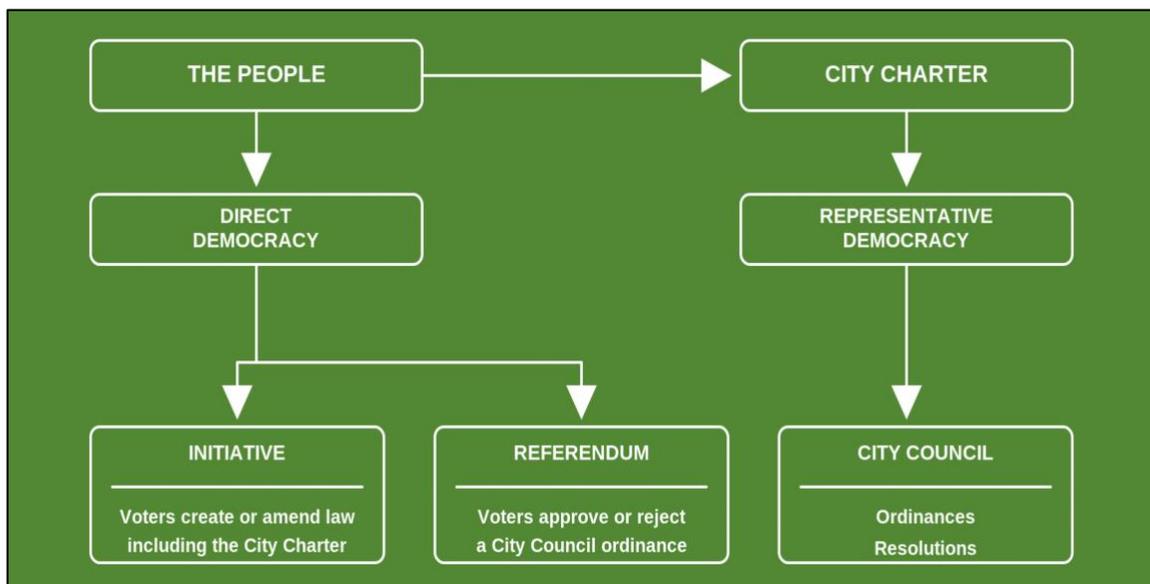
Through the initiative process, voters may:

- Adopt new laws.
- Repeal existing laws.
- Amend the City Charter.

Unlike the referendum, which reacts to a decision already made by elected officials, the initiative allows voters to directly create new law and restructure government authority. For this reason, the initiative is the most powerful tool of direct democracy. If approved by voters, an initiative becomes law and cannot be changed except by another vote of the people.

The Lines of Authority

This diagram shows how authority flows in a charter city like Pacific Grove. At the top are the people, who adopt the City Charter, the city's foundational governing document. The Charter establishes the framework of local government and defines the powers of the City Council, which exercises authority through representative democracy by adopting ordinances and other official actions. In this way, the Council's authority ultimately derives from the Charter adopted by the voters.



California’s system of direct democracy allows voters to act directly through the powers of initiative and referendum. The referendum allows voters to approve or reject a specific ordinance adopted by the City Council, while the initiative allows voters to create or amend law themselves — including amendments to the City Charter. Together, these tools ensure that the public retains the ultimate authority to shape the structure of local government and to correct decisions when necessary.

Why This Matters

The recent debate in Pacific Grove over City Council pay and benefits illustrates why it’s important to understand how this structure works. A referendum can suspend a specific ordinance, but it cannot change the underlying authority granted by the City Charter. As long as the Charter allows the City Council to approve their own pay and benefits, future City Councils will continue to exercise that authority.

For this reason, lasting reform requires an amendment to the City Charter. The initiative process allows voters to implement that reform directly.

Finally, this Charter amendment reflects the key principle of good governance: oversight. By requiring voter approval of pay and benefits for elected officials, it enshrines a standard of review those same officials should follow — independent oversight and inquiry into city operations, rather than rubber-stamp approval.

###