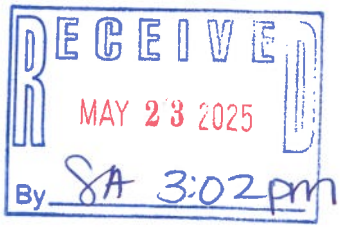
Luke Coletti
718 Walnut Street
Pacific Grove, CA 93950

May 23, 2025

Via Hand Delivery



Sandra Kandell, City Clerk
c/o City Manager's Office
City Hall
300 Forest Ave., 2nd Floor
Pacific Grove, CA 93950

Re: ***Request for Approved Summary of Referendum Against Ord. 25-007***

Ms Kandell:

Pursuant to Article 16 of the Pacific Grove City Charter, I intend to exercise the right of referendum as a citizen of the City in accordance with the procedures prescribed by the Constitution and General Laws of this State.

Pursuant to Elections Code section 9238 (B), I am submitting a proposed summary of a referendum against Ordinance 25-007, passed by the Pacific Grove City Council on May 21, 2025. Please immediately transmit the enclosed summary to the City Attorney. The City Attorney must provide an approved summary of 5,000 words or less within 10 business days. The proponents have 30 days from the date that the summary is approved to provide the signatures on the referendum petition.

I request that you confirm that the City recognizes this submission as the initiation of the process under Elections Code section 9238 (b)(2)(B). Please respond post-haste by email to ljcoletti@icloud.com.

Sincerely,

Luke Coletti

Enclosures

RECEIVED
MAY 23 2025
By SA 3:02 pm

Proposed Summary

Referendum Against Ordinance 25-007

Ordinance of the City Council of the City of Pacific Grove Increasing the Compensation of the Mayor and City Councilmembers.

This is a referendum against Ordinance 25-007, passed by the Pacific Grove City Council on May 21, 2025. The purpose of this referendum is to submit the question of whether to increase the compensation amounts for the Mayor and City Councilmembers to a vote of the electorate. Government Code section 36516(b) allows the City Council to submit Councilmember and Mayoral salary information to the electorate.

A 'yes' vote is to uphold Ordinance 25-007 increasing the compensation amounts for the Mayor and City Councilmembers by 130 percent. A 'No' vote is to repeal Ordinance 25-007 and continue with the current compensation amounts for the Mayor and City Councilmembers.

Ordinance 25-007 increases the compensation amounts for both the Mayor and City Councilmembers by 130 percent. Commencing June 20, 2025, the date Ordinance 25-007 becomes effective, the compensation amounts for the Mayor and City Councilmembers shall be increased as follows:

Mayor.....$700 to $1610 per month
Council Members .....$420 to $966 per month

A link to the city's website containing the text of Ordinance 25-007, which is the subject of this referendum, is provided below.

https://files.cityofpacificgrove.org/Document_Center/Resolutions%20&%20Ordinances/Ordinances/2025/25-007%20Council%20Salary%20Increase%20Ord.pdf

Luke Coletti, proponent: _____ Date: 5/23/25

Docusign Envelope ID: 9B30032E-E118-4E0A-81C9-1623241D6E90

RECEIVED
MAY 23 2025
By SA 3:02 PM

ORDINANCE NO. 25-007

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE INCREASING THE COMPENSATION OF THE MAYOR AND CITY COUNCILMEMBERS

FINDINGS

WHEREAS, Article 11 of the Charter of the City of Pacific Grove provides that the Mayor may receive compensation as provided by ordinance, but in no case shall the compensation exceed that amount which is permitted by State Law for General Law cities of comparable size to Pacific Grove; and

WHEREAS, Article 12 of the Charter of the City of Pacific Grove provides Councilmembers may receive compensation as provided by ordinance, but in no case shall the compensation exceed that amount which is permitted by the State Law for General Law cities of comparable size to Pacific Grove.

WHEREAS, by Ordinance No. 1682 N.S., passed and adopted by council on July 19, 1989, compensation for Pacific Grove Councilmembers was set at $300.00/month and compensation for the Pacific Grove Mayor was set at $500.00; and

WHEREAS, the most recent increase in salaries for the Mayor and City Councilmembers was by Ordinance No. 98-24 adopted on August 19, 1998 (effective December 1, 1998), 26 years ago as of December 1,2024, which increased the compensation of the Mayor from $500 a month to $700 a month and increased the compensation of City Councilmembers from $300 a month to $420 a month; and

WHEREAS, on June 29, 2023, Senate Bill No. 329 was adopted by the California State Legislature and approved by the Governor pertaining to the compensation of City Councilmembers and became effective on January 1, 2024; and

WHEREAS, the findings in SB 329 regarding the permitted compensation increases for the Councilmembers included the following:

SECTION 1. The Legislature finds and declares all of the following:

(a) The compensation schedule for general law cities has not been adjusted since 1984, meaning that city council compensation has not kept pace with inflation.

(b)Allowing cities to adjust their compensation for inflation since 1984 may help city councils become more diverse because increased compensation can help individuals from across different income levels receive sufficient income from their service to help ensure that they can continue to serve the public and support their families.

WHEREAS, the changes made by SB 329 to Government Code Section 36516 included the following permitted compensation increases for City Councilmembers:

Docusign Envelope ID: 9B30032E-E118-4E0A-81C9-1623241D6E90

RECEIVED
MAY 23 2025
By SA 3:02 PM

1. For cities with a population of 35,000 or less, the compensation permitted increased from $300 dollars to $950 dollars.

2. In the alternative, the compensation of City Councilmember could be increased by the greater amount of:

   (A) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation in effect when the ordinance or amendment is enacted.

   (B) An amount equal to inflation since January 1, 2024, based upon the California Consumer Price Index, which shall not exceed 10 percent for each calendar year.

WHEREAS, the California Consumer Price Index increased from December 1998 to December 2024 by 107.9 percent; and

WHEREAS, the cost of living in the City of Pacific Grove is 19% higher than the California state average, due in large part to the cost of housing; and

WHEREAS, Government Code Section 36516(f) states: "A city council member may waive any or all of the compensation permitted by this section."; and

WHEREAS, City Ordinance No. 1872 was adopted on December 16, 1992 which allowed for the mayor and council members to decline all of their compensation, but may not decline the compensation in part or accept in part; and

WHEREAS, Government Code Section 36516.5 provides for general law cities that an increase in compensation shall be effective whenever one or more members of the city council becomes eligible for a salary increase by virtue of the council member beginning a new term of office which would be in December 2026; and

WHEREAS, the California Attorney General has determined in 57 Ops. Cal. Atty. Gen 11 that where a city charter provides that members of the city council shall receive salary in such amount as the city council may approve by ordinance that the increase may become effective at a time different from that provided in Government Code Section 36516.5; and

WHEREAS, there are no provisions in the Government Code which specify the amount of the additional compensation which may be received by an elected mayor, but since the Pacific Grove Mayor also serves as a member of the City Council, the percentage for compensation increases specified in Government Code Section 36516 as described above can be applied for the Mayor's compensation; and

WHEREAS, applying the 5% per year formula of Government Code Section 36516, there would be a compensation increase for City Councilmembers from the current $420 a month to $966 a month using 5% annual increase for the 26 year period from December 1998 (the last compensation increase) through December 2024 which is 26 years. 5% of $420 is $21 multiplied by 26 years is a $546 increase. $420 plus $546 equals $966; and

Docusign Envelope ID: 9B30032E-E118-4E0A-81C9-1623241D6E90

WHEREAS, applying the 5% per year formula of Government Code Section 36516, there would be a compensation increase for the Mayor from the current $700 a month to $1610 a month using 5% annual increase for the 26 year period from December 1998 (the last compensation increase) through December 2024 which is 26 years. 5% of $700 is $35 multiplied by 26 years is a $910 increase. $700 plus $910 equals $1610; and

WHEREAS, this City Council desires to increase City Councilmember compensation for the reasons stated in the Findings by the Legislature for adoption of SB 329 as recited above by the allowable five percent per calendar year, and, further, to increase the Mayor's compensation by using the same formula.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF PACIFIC GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1. Findings. The foregoing Findings are hereby incorporated by reference in full.

SECTION 2. Effective Date. This Ordinance shall become effective 30 days after the second reading of this Ordinance ("Effective Date").

SECTION 3. Repeal of Ordinance No. 1872 N.S. Ordinance No. 1872 N.S. is hereby repealed in its entirety.

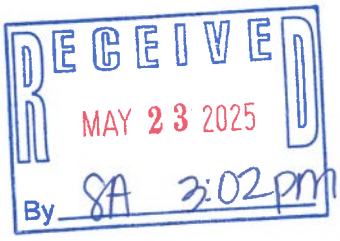
SECTION 4 Compensation of Councilmembers and Mayor. As of the Effective Date of this Ordinance, the compensation for City Councilmembers and the Mayor shall be as follows:

Council Members .....$966 per month
Mayor.....$1610 per month

SECTION 5. Waiver of Compensation. The Mayor and/or individual Councilmembers may waive any or all of the compensation permitted by this Ordinance.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 21st day of May, 2025, by the following vote:

AYES: Mayor Smith, Mayor Pro Tem Amelio, Councilmembers Garfield, Poduri, and Rau.
NOES: Councilmembers McDonnell and Walkingstick.
ABSENT: None.



APPROVED:

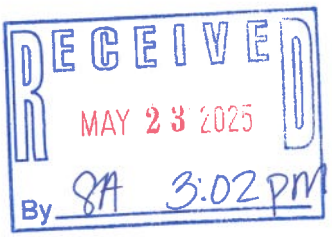
Signed by:
3A6EFFFE41534EC...

NICK SMITH, Mayor

Docusign Envelope ID: 9B30032E-E118-4E0A-81C9-1623241D6E90

ATTEST:
DATED: 5/22/2025

DocuSigned by:
Sandra Kandell
4E11A61C850B4E1...
SANDRA KANDELL, City Clerk



APPROVED AS TO FORM:

DocuSigned by:
Brian A. Pierik
01871FB17BD8435...
BRIAN A. PIERIK, City Attorney