

Petition for Submission to Voters of Proposed Amendment to the Charter of the City of Pacific Grove

To the Mayor and Council of the City of Pacific Grove:

We, the undersigned, registered and qualified voters of the State of California, residents of the City of Pacific Grove, pursuant to Section 3 of Article XI of the California Constitution and Chapter 2 (commencing with Section 34450) of Part 1 of Division 2 of Title 4 of the Government Code, present to the Mayor and Council of the City this petition and request that the following proposed amendment to the Charter of the City be submitted to the registered and qualified voters of the City for their adoption or rejection at the next statewide general, statewide primary, or regularly scheduled municipal election pursuant to Section 1200, 1201, or 1301.

The proposed charter amendment reads as follows:

Initiative Charter Amendment for Accountability, Oversight, and Transparency

SECTION 1: PURPOSE, EFFECT, FINDINGS, AND DEFINITIONS

- A. **Purpose:** The purpose of this *Initiative Charter Amendment for Accountability, Oversight, and Transparency* ("Initiative") is to require voter approval of compensation and benefits for the Mayor and the Councilmembers at the City's general municipal election, ensuring accountability and transparency through direct voter oversight at elections where voter participation will ordinarily be the highest.
- B. **Effect:** This Initiative amends the Charter of the City of Pacific Grove to require voter approval of compensation and benefits for the Mayor and the Councilmembers, to require fiscal impact reports before such measures are submitted to the voters, and to authorize reimbursement of actual and necessary expenses, as follows:
1. **Compensation.** This Initiative requires voter approval at the City's general municipal election to fix the compensation for the Mayor and the Councilmembers. Compensation for the Councilmembers shall not exceed the amount permitted under State Law for a general law city of comparable population to Pacific Grove. The voters may authorize the Mayor to receive additional compensation beyond that of the Councilmembers. Prior to placing a compensation measure on the ballot, the Council must obtain and make publicly available a fiscal impact report describing the City's financial condition and the projected impacts of the proposed compensation. Any lawful compensation in effect as of the Effective Date of this Initiative shall remain in effect until modified in accordance with this Initiative.
 2. **Benefits.** This Initiative requires voter approval at the City's general municipal election to provide City-paid benefits for the Mayor and the Councilmembers. Benefits for the Mayor and the Councilmembers shall not exceed the limits permitted by applicable State Law for legislative body members. Prior to placing a benefits measure on the ballot, the Council must obtain and make publicly available a fiscal impact report describing the City's financial condition and the projected impacts of the proposed benefits. The Mayor and the Councilmembers may participate at their own expense in any City-sponsored plan for which participation is permitted by law and applicable plan rules. Any lawful benefits in effect as of the Effective Date of this Initiative shall remain in effect until modified in accordance with this Initiative.
 3. **Reimbursement.** This Initiative authorizes reimbursement of actual and necessary expenses incurred by the Mayor and the Councilmembers while serving in the performance of official duties, as provided by ordinance.
- C. **Findings:** The people of the City of Pacific Grove find that this Initiative promotes accountability, transparency, fiduciary responsibility, and public trust in local government, based upon the following findings, any one of which is sufficient to support adoption of this Initiative:

1. **Constitutional Authority.** The California Constitution expressly provides that amendment of a city charter may be proposed by initiative (Cal. Const., art. XI, § 3(b)). The California Constitution further provides that the compensation of city officers is a municipal affair subject to the provisions of a city charter as an exercise of a charter city's plenary authority to provide for the compensation of its officials. (Cal. Const., art. XI, § 5 subds. (a) & (b)(4)).
2. **History of Mayor and Council Compensation.** The City of Pacific Grove is a charter city organized under the Constitution of the State of California. Pacific Grove became a charter city on April 19, 1927 (Statutes 1927, page 2329). Revised Charters were adopted in 1955, 1969, and 1974. The 1969 Charter (Statutes 1969, page 3744) established that both the Mayor and the Councilmembers "*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.*" This provision has never been amended to expressly authorize additional compensation for the Mayor and is therefore inconsistent with the City's longstanding practice. This Initiative corrects that inconsistency by expressly authorizing the Mayor to receive additional compensation, subject to voter approval. Prior to 1969, compensation for the Mayor and the Councilmembers was expressly prohibited.
3. **Controversy Surrounding Ordinance 25-007.** On May 7, 2025, during first reading of Ordinance 25-007, the Council rejected a motion to submit the proposed 130% salary increase to the voters. At the same meeting, the Council approved a motion to defer action on providing medical benefits for the Mayor and the Councilmembers until after the budget was finalized, leaving open the possibility of granting such benefits in the future. These actions, exemplified by Ordinance 25-007, underscore the need for a Charter amendment requiring voter approval to fix compensation and to provide benefits for the Mayor and the Councilmembers.
4. **Public Concern Drives Historic Referendum.** Following the final adoption of Ordinance 25-007 on May 21, 2025, citizens of the City exercised their right of referendum and, soon thereafter, submitted a petition bearing more than 1,800 signatures. On September 13, 2025, the Council repealed Ordinance 25-007, thereby removing the opportunity for voter oversight of the proposed compensation changes. The swift qualification of the petition reflected widespread opposition to the Council's existing authority to increase its own compensation and provide new benefits without voter approval. This referendum—the first to qualify in Pacific Grove since 1981—illustrates the electorate's demand for binding safeguards to prevent recurrence.
5. **Applying State Safeguards to the City Charter.** California Government Code section 36516.5 prohibits compensation changes from taking effect during a councilmember's current term, allowing adjustments only when one or more members begin a new term following an election. Because Pacific Grove is a charter city, this statutory safeguard does not apply unless adopted by the Charter. Ordinance 25-007 demonstrated that compensation changes may take effect immediately and without voter oversight. This Initiative requires that any compensation for the Mayor and the Councilmembers be fixed only upon voter approval at a general municipal election, thereby preventing self-dealing and ensuring accountability.
6. **Safeguarding the City Treasury from Self-Dealing.** The authority of the Council to grant itself benefits, including medical benefits, raises concerns about the fiduciary duty owed to taxpayers, as demonstrated by the recent attempt to consider granting medical benefits under Ordinance 25-007. This Initiative requires voter approval before the Mayor and the Councilmembers may receive City-paid benefits and further requires the Council, prior to placing any compensation or benefits measure on the ballot, to obtain and make publicly available a fiscal impact report detailing the City's financial condition, liabilities, unfunded obligations, reserves, revenues, and the projected impacts of the proposed compensation or benefits, thereby ensuring that public funds are protected from self-dealing and reinforcing the principle that elected officials serve as trustees, not beneficiaries.

7. **Lessons from Bell, California.** The 2010 scandal in the City of Bell exposed how local officials exploited charter city status, low-turnout elections, and the absence of meaningful voter oversight to approve extraordinary compensation for themselves and senior administrators, prompting statewide reforms to prevent similar abuses, see *People ex rel. Harris v. Rizzo* (2013) 214 Cal.App.4th 921. In 2013, Senate Bill 311 required that charter measures proposed by a city council be submitted to voters only at a statewide general election, ensuring that significant governance decisions occur when voter participation is highest. This Initiative applies that same safeguard locally by requiring that any measure to fix compensation or to provide City-paid benefits for the Mayor or the Councilmembers be approved by the voters at the City’s general municipal election, thereby preventing self-dealing and ensuring accountability through maximum voter oversight.
8. **Maximizing Voter Participation in Elections.** From 2018 to 2024, Pacific Grove’s general municipal election turnout averaged 81.30%, exceeding primary election turnout by 26.23%. This gap surpasses the threshold in the California Voter Participation Rights Act, which requires local elections to be consolidated with statewide general elections if holding them separately would reduce turnout by 25% or more. This Initiative builds on that safeguard by requiring that measures concerning compensation or benefits for the Mayor and the Councilmembers be submitted to the voters for approval only at a general municipal election, thereby ensuring that these decisions are made at the election with the highest level of voter participation. See Exhibit A.
9. **Minimal Cost of Adding Ballot Measures.** According to *Election Cost Estimates – A Guide for Districts* (Monterey County Elections, 2025), the estimated cost of consolidating a municipal election with a statewide general election is \$7–\$10 per registered voter, based on historical averages across all districts. Adding a city measure does not increase this per-voter cost because all contests—mayor, councilmembers, and ballot measures—are included within the standard estimate. Incremental costs are limited to items such as printing the text of a measure or including arguments and rebuttals, which represent only a minor portion of overall election expenses. This Initiative recognizes the existing cost structure of consolidated elections and provides that measures concerning compensation or benefits for the Mayor and the Councilmembers be submitted to the voters for approval only at a general municipal election, thereby ensuring voter control without significant additional expense. See Exhibit B.
10. **Initiative Upholds Accountability and Transparency.** This Initiative aligns Pacific Grove with best practices in municipal governance. It ensures that any decision on compensation or benefits is subject to voter oversight, protects public funds from misuse, and strengthens accountability, transparency, and public trust in local government.

D. **Definitions:** The following definitions apply to this Initiative and govern its interpretation:

1. **“Compensation”** has the meaning provided in Article 25, subdivision (a)(1), as set forth in Section 2.D of this Initiative.
2. **“Benefits”** has the meaning provided in Article 25, subdivision (b)(1), as set forth in Section 2.D of this Initiative.
3. **“General municipal election”** has the meaning provided in Article 8 of the City Charter, namely, the election held on the first Tuesday after the first Monday in November of each even-numbered year.
4. **“Submittal Date”** means February 3, 2026, the date that the notice of intention to circulate this Initiative was submitted to the elections official of the City of Pacific Grove.
5. **“Effective Date”** means the date that this Initiative became effective pursuant to State Law.

SECTION 2: PACIFIC GROVE CITY CHARTER AMENDMENTS

- A. This Initiative hereby amends the Charter of the City of Pacific Grove, as amended through the Submittal Date. New text to be inserted in the City Charter is indicated in **bold** type, and text to be deleted is indicated in ~~striketrough~~ type. Text in standard type currently appears in the City Charter.

- B. Article 11 of the City Charter shall be amended to read as follows:

Article 11. The Mayor.

A Mayor shall be elected at each general municipal election and shall hold office for the term of two years from and after the Tuesday next succeeding the day of such election and until a successor is elected and qualified. ~~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.~~

The Mayor may receive compensation and may receive benefits in accordance with the provisions of Article 25 of this Charter. The Mayor may also be reimbursed for actual and necessary expenses incurred while serving in the performance of official duties, as provided by ordinance.

The Mayor shall be ineligible to hold any office or employment with the City except as a member of any board, commission or committee thereof of which the Mayor is constituted such member by General Law. In the name and on behalf of the City the Mayor shall sign all contracts, deeds, bonds and other legal instruments in which the city is a party. The Mayor or the Mayor's designate shall represent the City at all ceremonial functions of a social or patriotic character when it is desirable or appropriate to have the City represented officially thereat. The Council shall choose one of its members to serve as Mayor pro tempore during the absence of the Mayor. The Mayor shall preside over all Council meetings and shall be entitled to one vote.

In the event a vacancy occurs in the office of the Mayor, the remaining Council Members shall appoint, by four affirmative votes, one of their number to serve as Mayor for the remaining term of the vacated office of Mayor. If the Council does not fill the Mayoral vacancy within thirty (30) days its appointment power shall lapse and the Mayor Pro Tempore shall assume the office of Mayor. In either event, a vacancy shall then exist as to that Council seat, which shall be filled in accord with the provisions of Article 12 of this Charter.

- C. Article 12 of the City Charter shall be amended to read as follows:

Article 12. The Council.

Three Councilmembers shall be elected at each general municipal election and shall hold office for the term of four years each from and after the Tuesday next succeeding the day of such election, and until their successors are elected and qualified.

A vacancy in an elective office shall be filled by appointment by the Council, such appointee to hold office until the next general municipal election and until a successor is elected and qualified. Such successor shall be elected for the unexpired term of his or her predecessor at the general municipal election and until a successor is elected and qualified. Such successor shall be elected for the unexpired term of his or her predecessor at the general municipal election next succeeding such appointment. Should the Council fail to fill any such vacancy within thirty days after the same occurs, then it shall be filled by appointment by the Mayor; provided, however, that if the offices of a majority, or more, of the Council shall become vacant, then the City Clerk shall call a special election at once to fill the vacancies for the unexpired terms, and the same shall be conducted substantially in the manner provided for general municipal elections.

If any Councilmember of the City shall be absent for more than two consecutive regular meetings without good cause as determined by the Council, or shall cease to be a resident or elector of the City, or shall fail to qualify, or shall resign or be convicted of a felony, or be adjudged mentally incompetent, the Councilmember's office shall thereupon become vacant.

~~The 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.~~

The Councilmembers may receive compensation and may receive benefits in accordance with the provisions of Article 25 of this Charter. The Councilmembers may also be reimbursed for actual and necessary expenses incurred while serving in the performance of official duties, as provided by ordinance.

No Councilmember shall be eligible to hold any other office or employment with the City except as a member of any board, commission, or committee thereof, of which the Councilmember is constituted such member by the General Law of the State.

The term of office for a Councilmember who files as a candidate for the Office of Mayor shall automatically expire on the Tuesday next succeeding the general municipal election held following that filing. The filing period for candidates to fill such Councilmember's term shall be extended an additional five days.

D. Article 25 of the City Charter shall be amended to read as follows:

Article 25. Compensation.

(a) Mayor and Councilmember Compensation.

(1) For purposes of subdivisions (a) and (b) only, "compensation" means salary, stipend, or other remuneration paid by the City to the Mayor and the Councilmembers for any and all service as elected officials. Compensation does not include benefits or reimbursements, or monies paid by other agencies for service on the legislative body of said agencies.

(2) Compensation for the Mayor and the Councilmembers shall be fixed only upon approval by the electors of the City at a general municipal election. Compensation for the Councilmembers shall not exceed the amount permitted by State Law for general law cities of comparable population to Pacific Grove; the Mayor may receive additional compensation, in an amount approved by the electors. The Mayor and the Councilmembers may waive compensation in whole or in part and the waived compensation shall be paid into the City treasury. Any lawful compensation in effect shall apply to all persons serving as the Mayor or as a Councilmember, whether elected or appointed to fill a vacancy.

(3) Prior to placing a compensation measure on the ballot, the Council shall obtain and make publicly available a fiscal impact report including, but not limited to, the City's current financial condition, liabilities, unfunded obligations, reserves, revenues, and projected impacts associated with the proposed compensation.

(b) Mayor and Councilmember Benefits.

(1) For purposes of subdivisions (a) and (b) only, "benefits" means any City-paid health, welfare, retirement, or other benefit provided to the Mayor or the Councilmembers that is not required by State or Federal law.

(2) Benefits for the Mayor and the Councilmembers shall be provided only upon approval by the electors of the City at a general municipal election. Benefits for the Mayor and the Councilmembers shall not exceed the limits permitted by applicable State Law for legislative body members. The Mayor and the Councilmembers may decline benefits to the extent permitted by law and applicable plan rules. This subdivision does not prohibit the Mayor or the Councilmembers from participating at their own expense in any City-sponsored plan for which participation is permitted by law and applicable plan rules. This subdivision does not apply to any benefit or contribution required by State or Federal law. Any lawful benefits in effect shall apply to all persons serving as the Mayor or as a Councilmember, whether elected or appointed to fill a vacancy.

(3) Prior to placing a benefits measure on the ballot, the Council shall obtain and make publicly available a fiscal impact report including, but not limited to, the City's current financial condition, liabilities, unfunded obligations, reserves, revenues, and projected impacts associated with the proposed benefits.

(c) The Council shall fix the compensation of all **other** City officers and employees. The compensation of all **other** officers and employees shall be fixed by ordinance. Any fees received by any officer or employee in connection with official duties shall be paid into the City treasury.

SECTION 3: IMPLEMENTATION

- A. **City Charter Amendments:** Upon approval by the voters, this Initiative shall be filed with the California Secretary of State and recorded with the Monterey County Recorder, in the manner required by law, such that SECTION 2 of this Initiative (PACIFIC GROVE CITY CHARTER AMENDMENTS) shall become effective.
- B. **Other Ordinances, Policies, and Plans:** The City of Pacific Grove is hereby authorized and directed to amend the Pacific Grove Municipal Code, and other ordinances, policies, and plans affected by this Initiative, as soon as possible and periodically thereafter as necessary to ensure consistency between the provisions adopted in this Initiative.
- C. **Implementing Ordinances:** The Council is authorized, after a duly noticed public hearing, to adopt implementing ordinances, policies, guidelines, rules, and/or regulations, as necessary, to further the purposes of this Initiative.
- D. **Defense of Initiative:** The Council shall take all steps reasonably necessary to defend this Initiative against any challenge to its validity. Notwithstanding the Council's obligation to defend this Initiative, the Initiative's proponents shall have the right to intervene in any action challenging the Initiative's validity and shall be afforded the full right to participate as a party thereto.
- E. **Prospective Application:** Any lawful compensation or benefits in effect on the Effective Date of this Initiative shall remain in effect unless and until modified in accordance with this Initiative.

SECTION 4: EFFECT OF COMPETING OR ALTERNATIVE MEASURE ON THE SAME BALLOT

This Initiative establishes a comprehensive requirement for voter approval of compensation and benefits for the Mayor and the Councilmembers. If any other charter amendment measure appearing on the same ballot (1) addresses compensation or benefits for the Mayor or the Councilmembers, (2) amends Articles 11, 12, or 25 of the City Charter, or (3) otherwise conflicts with any provision of this Initiative, the measures shall be deemed to be in conflict.

Article XI, § 3 (d) of the California Constitution provides: *"If provisions of two or more measures approved at the same election conflict, those of the measure receiving the highest affirmative vote shall prevail."*

Accordingly, if this Initiative and any such conflicting measure are both approved at the same election, the measure receiving the highest affirmative vote shall prevail, and the other measure shall not take effect.

SECTION 5: SEVERABILITY AND INTERPRETATION

This Initiative shall be broadly construed in order to achieve its purpose. This Initiative shall be interpreted so as to be consistent with all applicable State and Federal laws, rules, and regulations.

If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, part, or portion of this Initiative is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Initiative. The voters hereby declare that this Initiative, and each section, subsection, paragraph, subparagraph, sentence, clause, phrase, part, or portion thereof would have been adopted or passed even if one or more sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, parts, or portions were declared invalid or unconstitutional.

If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity shall not affect any application of this Initiative that can be given effect without the invalid application.

Any singular term shall include the plural and any plural term shall include the singular. The title and captions of the various sections in this Initiative are for convenience and organization only, and are not intended to be referred to in construing the provisions of this Initiative.

SECTION 6: EFFECTIVE DATE

This Initiative shall become effective in the manner allowed by law.

SECTION 7: AMENDMENT OR REPEAL

This Initiative may be amended or repealed only by the voters of the City of Pacific Grove.

SECTION 8: EXHIBITS

Two tables are attached to this Initiative as Exhibits for informational purposes only: (A) *Pacific Grove Voter Turnout, 2018-2024*, and (B) *Pacific Grove General Municipal Election Costs, 2018-2024*. These tables are not affected by this Initiative.

Exhibit A

Attached for informational purposes only is a table showing Pacific Grove's Voter Turnout in primary elections (55.07%) and general municipal elections (81.30%) from 2018 to 2024, sourced from certified election data. The 26.23 percentage-point gap, which exceeds the threshold established by the California Voter Participation Rights Act, further justifies requiring voter approval of proposed changes to compensation and benefits at a general municipal election. This table is not affected by this Initiative.

Pacific Grove Voter Turnout, 2018-2024				
Election Year	Election Type	Registered Voters	Votes Cast	Turnout (%)
2018	Primary	9,598	5,053	52.65%
2020	Primary	10,131	6,710	66.23%
2022	Primary	10,428	5,108	48.98%
2024	Primary	10,218	5,357	52.43%
Average	-	-	-	55.07%
Election Year	Election Type	Registered Voters	Votes Cast	Turnout (%)
2018	General	10,025	7,960	79.40%
2020	General	10,694	9,677	90.49%
2022	General	10,488	7,334	69.93%
2024	General	10,484	8,952	85.39%
Average	-	-	-	81.30%

Exhibit B

Attached for informational purposes only is a table showing the total invoiced costs of consolidated general municipal elections in the City of Pacific Grove from 2018 to 2024, as billed by Monterey County Elections. The table includes the total number of candidates and local ballot measures for each election. As reflected in the table, variations in the number of candidates and the inclusion of local ballot measures did not result in significant changes to total election costs, demonstrating that adding a City ballot measure to an already consolidated election does not materially increase overall election expenses. This table is not affected by this Initiative.

Pacific Grove General Municipal Election Costs, 2018-2024				
Election Contests	2018	2020	2022	2024
Mayoral Candidates	3	1	2	3
Council Candidates	7	6	6	6
Local Ballot Measures	2	1	2	2
Total Election Cost	\$53,583	\$60,671	\$63,595	\$57,893