SUBJECT: Positions on Local Ballot Measures for the November 8, 2011 Election

BACKGROUND
This report provides an opportunity for the Sunnyvale City Council to take positions on local measures on the November 8, 2011 Ballot. The report summarizes each measure, provides the City’s adopted policy on the measure (if any), and a staff recommendation when appropriate. Per Council Policy 7.3.13 Support for Councilmembers; Staff-Council Communications, staff shall provide analysis and a position recommendation on only those ballot measures that directly impact City business. Consistent with Council Policy 7.3.2 Legislative Advocacy Positions, City business is defined as all matters directly related to service delivery, or otherwise contributing to the City’s operational success. Consistent with other ballot measures, no public funds have been or will be used to campaign for or against these measures.

Staff recommends the following positions on the ballot measures discussed in this report:

- **State Ballot Measures:** None on ballot
- **Local Ballot Measures:** Two Charter amendment measures
  
  **Measure A:** NO STAFF RECOMMENDATION
  
  **Measure B:** NO STAFF RECOMMENDATION

EXISTING POLICY
Report to Council 11-147 Amended Resolution Calling for Special Municipal Election for Proposed Charter Amendments, on a Consolidated November 8, 2011 Ballot

Council Policy 7.3.2 Legislative Advocacy Positions

Council Policy 7.3.13 Support for Councilmembers; Staff-Council Communications

DISCUSSION
City Council approved placing two measures on the November 8, 2011 ballot with RTC11-110, Resolution Calling for Special Municipal Election for Proposed Charter Amendments, on a Consolidated November 8, 2011 Ballot; and approved amending the ballot measure language with RTC 11-147, Amended Resolution Calling for Special Municipal Election for Proposed Charter Amendments, on a Consolidated November 8, 2011 Ballot.
A brief analysis of each measure follows, including a measure summary, an impartial analysis by the Office of the City Attorney, relevant City policy, fiscal impact, staff analysis by the appropriate department regarding impact on City operations, and staff recommendation. The impartial analysis by the Office of the City Attorney was prepared pursuant to Elections Code section 9280.

Staff recommendation options are: Support, Oppose, No Staff Recommendation, or Take No Position. While the meaning of Support and Oppose recommendations are clear, “No Staff Recommendation” and “Take No Position” are clarified as follows:

No Staff Recommendation – Consistent with City policy, staff does not provide analysis or make recommendations on measures that do not impact City business as defined in Council Policy 7.3.2, Legislative Advocacy Positions.

Take No Position – Despite a measure’s ability to impact City business, Staff may recommend that Council abstain from taking a position. This recommendation to remain neutral on an issue may be made for a variety of reasons (e.g., ballot language is not clear; the pros and cons of the business impact cancel each other out; etc.). Should this option be recommended, the reason will be explained in staff’s analysis.

**Measure A**

**Summary:** Shall Charter Sections 600, 601, 602, and 605 be amended to change the current Council-appointed Mayor to a directly-elected Mayor for a 4-year term, to provide an 8-year lifetime term limit for a directly-elected Mayor, and to provide that service as Mayor is not counted toward Council term limits and a person can serve a combined total of 16 years as Mayor and Council member in a twenty-year period?

**Impartial Analysis by the Office of the City Attorney:** These proposed Charter amendments would change Sunnyvale’s method of choosing a mayor. The Charter now provides that the City Council selects one of its members by majority vote as mayor for a two-year term. The proposed Charter amendments would change the method of selecting the mayor to a direct election by voters. The proposed Charter amendments would establish a four-year term for the mayor and an eight-year lifetime term limit for the mayor. A term as a directly-elected mayor would not be considered as a Council term for purposes of term limits, and an individual could serve a total of sixteen years in a twenty year period as a Councilmember and directly-elected mayor. The job duties of a directly-elected mayor would not change from those of a Council-selected mayor.
Charter Section 600 now provides that the elective offices of the City are the seven members of the City Council. The proposed amendment changes one of the elective offices to be designated as the mayor.

Charter Section 601 now provides that the City Council is selected from the City at large for a term of four years. The proposed amendment will provide that the mayor is also elected from the City at large for a term of four years, and that the total number of elected positions remains at seven. The proposed amendment provides that Seat I on the Council shall be designated the mayor’s seat and filled at the 2013 general election and every four years thereafter.

Charter Section 602 now provides that there is a term limit of two consecutive four year terms for a Councilmember, with a required break of four years after two consecutive terms or two years after one term, and not more than eight years’ service in a twelve year period. The amendment provides that the lifetime term limit as directly-elected mayor is eight years, and a person can serve as a Councilmember and directly-elected mayor for a total of sixteen years in any twenty year period.

Charter Section 605 now provides that the mayor is selected by the City Council from one of its members for a term of two years, and can be removed by a vote of five members of the City Council. The proposed amendment deletes the selection or removal of the mayor by the City Council. It does not change the mayor's job duties or position as a voting member of the Council.

A "YES" vote is a vote to amend Charter Sections 600, 601, 602 and 605 to change from the current Council-selected mayor to a directly-elected mayor with a four-year term as mayor and eight-year lifetime term limit, and with possible service as a Councilmember and mayor of sixteen years in any twenty year period. The role and duties of the mayor would not change.

A "NO" vote is a vote to retain the current Council-selected mayor with a term of two years.

**City Policy:**

**City Charter** The City's existing Charter policies on selection of a Mayor and term and term limits are established by Sections 600, 601, 602 and 605.

**Staff Analysis:** With the exception of the fiscal impact in the case of a special election, this proposed amendment to the City Charter has no impact on City business.

**Fiscal Impact** (excerpted from RTC 11-147): If the Charter amendment on a directly-elected Mayor is approved by the voters, there should be no additional election costs in future years as the costs for the Mayor's seat will be the same
as for a Council member. If an incumbent Council member runs for Mayor and is elected in the middle of the Council member’s term, a special election to fill the Council seat vacated by the newly elected Mayor will need to be held. The City is responsible for paying the costs of such a special election, if required

**Staff Recommendation:** No Staff Recommendation

**Measure B:**

**Summary:** In order to reduce future Council compensation increases, shall Charter Section 603 be amended to delete the current automatic 5% annual increase in Council compensation, to set the 2012 Council compensation at $2,088.64 per month and Mayor compensation at $2,784.86 per month, and to provide for annual cost of living adjustments tied to the Consumer Price Index not to exceed 5% or result in a decrease?

**Impartial Analysis by the Office of the City Attorney:** This proposed Charter amendment would change the current annual 5% cost of living increase to Council salaries to a cost of living adjustment based on the annual Consumer Price Index for the Bay Area, not to exceed 5%. The proposed amendment would set the 2012 Council salaries at the current 2011 amount of $2,088.64/month and the mayor’s salary at $2,784.86/month with the first CPI adjustment in 2013. The result of this amendment would most likely reduce the annual cost of living increases for Council salaries below the current automatic 5% increase.

Charter Section 603 now provides that the Council salary was set at the amount for general law cities with similar populations in 1992, and adjusted annually to increase 5%. The mayor receives a 33.3% premium for service as mayor. This Charter section was last amended in 1992, and Council salaries have been adjusted upward for cost of living at 5% annually since 1992. In 2011, Council salaries based on the 5% annual adjustments for cost of living are $2,088.64/month and the mayor’s salary is $2,784.86/month. If the Charter is not amended, these salaries will continue to be adjusted upward by 5% annually.

The proposed Charter amendment would remove the automatic annual 5% increase to Council and mayor salaries, and substitute an annual cost of living increase based on the annual Consumer Price Index-Urban for the Bay Area. The maximum permitted increase would be 5% and the minimum permitted increase would be 0%. The Council and mayor salaries for 2012 would be set at the current 2011 salaries of $2,088.64/month for Council members and $2,784.86/month for mayor. No cost of living increase would be provided in 2012, and cost of living adjustments would begin in 2013.
A "YES" vote is a vote to amend Charter Section 603 to set 2012 Council and mayor salaries at $2,088.64/month and $2,784.86/month with annual cost of living increases commencing in 2013 based on the Bay Area Consumer Price Index-Urban not to exceed 5% or be below 0%.

A "NO" vote is a vote to maintain the 2011 Council and mayor salaries at $2,088.64/month and $2,784.86/month and to provide for continuing automatic 5% annual cost of living adjustments.

**City Policy:**

*City Charter,* Section 603 establishes policies on Council and Mayor compensation.

**Staff Analysis:** With the exception of the fiscal impact noted below, this proposed amendment to the City Charter has no impact on City business.

**Fiscal Impact** (excerpted from RTC 11-147): If the Charter amendment on Council compensation is approved by the voters, there will be future cost savings if the future annual Consumer Price Index (CPI) increases are less than the current 5% increase in the Charter. The exact amount of savings will depend on the difference between the annual CPI and 5%. There will be a onetime cost savings of $9,190 in 2012 based on setting the compensation at the 2011 base with the first increase in January, 2013. If the CPI remains below the current 5% automatic increase, savings will increase based on compounding.

**Staff Recommendation:** NO STAFF RECOMMENDATION

**PUBLIC CONTACT**
Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center, and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

**ALTERNATIVES**
1. Support, oppose, or take no position on Measure A.
2. Support, oppose, or take no position on Measure B.
3. Take no action at this time.
4. Other action as directed by Council.

**RECOMMENDATION**
No staff recommendation on Measure A or Measure B.
Reviewed by:

Robert Walker, Assistant City Manager
Prepared by: Coryn Campbell, Assistant to the City Manager

Approved by:

Gary M. Luebbers
City Manager