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Lafayette Moves Forward With Charter City Process

By Jonathan Seclow

The Lafayette City Council is considering dropping Lafayette's general law status in favor of becoming a charter city. Such a move would place Lafayette among the 114 cities in California that have adopted charters.

The City Council assigned a committee to investigate the advantages of becoming a charter city. On Monday, the committee's findings were presented to the council by the committee's chair, Cheryl Noll.

In her report, Noll explained that the City Council's primary motivation for considering such a shift is the possibility of increased revenue. Charter cities have the ability to raise their property transfer taxes, which are fixed at 0.055% in general law cities. The benefit of a higher property transfer tax is that it creates a source of local revenue that cannot be withheld by state legislators in Sacramento. Such a revenue source would be particularly valuable now, as many fear large "take-aways" by the state during California's budget crisis. Even if Lafayette were to adopt a charter, voters would still have to approve any

increase in property transfer taxes.

Furthermore, the report claimed that a move to a charter city would give Lafayette greater control of local governance as it relates to capital projects. There are regulations that general law cities must follow when awarding contracts to vendors. Charter cities are allowed to bypass many of these regulations for contracts under \$100,000. This will free up time and money for city administrators, who are forced to devote time to advertising and evaluating bids. It will also allow the city to award contracts to local vendors in cases where they are not the lowest bidder.

Another benefit of pursuing charter city status, according to the committee's report, is that it allows the city to restructure and modify its local government in a manner that it sees fit. However, the City Council stated that they found no problems with the current structure.

Finally, the committee said that charter cities might be able to pay non-prevailing wages for certain capital projects. While this seems possible under California law, it has proven much harder in practice for cities that have tried it. To date, no city has been able to pay non-prevailing wages without being contested. There are several cases regarding the matter in court now.

The risk of adopting a charter is that it can be amended in ways that could constrain the city government. The committee found that these risks were minimal, and very few city charters featured binding arbitration amendments.

Following the presentation, Noll announced that the committee would like to support Lafayette's pursuit of a charter.

"We would like to recommend that Lafayette adopt a shorter and broader charter. We would like one similar to San Ramon's," Noll said.

The City Council reacted favorable to the committee's recommendation.

"The consensus then, is to have the committee move forward and prepare a draft charter for Lafayette," said Mayor Don Tatzin.

Following the committee's presentation, the Council moved to have the committee prepare a draft charter for possible inclusion as a ballot measure in the next local election.

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