



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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### REPORT TO COUNCIL

#### **SUBJECT**

Discussion and Direction Regarding Amendments to Sunnyvale Municipal Code Section 2.28.030 Related to In-Lieu Petitions for Publication Costs of City Council Candidate Statements

#### **BACKGROUND**

At the March 3, 2020 election, Sunnyvale voters approved Measure B, changing the Sunnyvale electoral system from seven at-large Councilmembers to a system with six district-based Councilmembers and a Mayor elected at-large. The November 3, 2020 Election was the first election held under the new system, with voters registered in Districts 2, 4 and 6 eligible to vote for a candidate from their respective district and all Sunnyvale voters eligible to vote for Mayor.

Sunnyvale Municipal Code (SMC) section 2.28.030 currently allows candidates for City Council to obtain a subsidy for the cost of publishing a candidate statement for a local election. Pursuant to this SMC section, the City pays the full cost of publishing a candidate statement for any candidates who submit 250 or more signatures, verified by the registrar of voters. Candidates submitting less than 250 verified signatures are eligible for a pro-rated amount based on the number of verified signatures.

On June 9, 2020, Council adopted Resolution No. 998-20 (Attachment 1) waiving the signature gathering requirement in SMC Section 2.28.030 and providing for the City to cover publication costs of all City Council Candidate Statements for the November 2020 General Municipal Election due to the COVID-19 Emergency (RTC No. 20-0498).

On July 14, 2020, Council held a Study Session regarding local campaign finance, including a discussion of the requirements in SMC section 2.28.030 (RTC No. 20-0597). Key areas of discussion about SMC section 2.28.030 included the following comments and ideas:

- Setting the number of signatures required for a full subsidy of a District Councilmember at a number lower than the current 250, possibly 50 or 100 signatures.
- Requiring all candidates to pay a portion of the candidate statement cost, with the City subsidizing the remaining cost.
- Councilmembers noted a minimum of 20 valid signatures of registered voters are required by the California Elections Code to run for local office.

Based on the discussions held at the June 9 and July 14, 2020 Council meetings this Report is brought forward to facilitate a discussion of the issue of city-paid publication costs for candidate statements and possible direction to staff regarding amendments to Sunnyvale Municipal Code section 2.28.030.

## **EXISTING POLICY**

Sunnyvale Municipal Code Section 2.28.030 (In lieu petitions for cost of candidate's statement) (Attachment 2).

## **ENVIRONMENTAL REVIEW**

Consideration of and direction on amendments to SMC section 2.28.030 does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and 15378(b)(5) in that it is a fiscal and governmental organizational or administrative activity that will not result in direct or indirect changes in the environment and does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

## **DISCUSSION**

### **1. Recent Elections and Subsidies Pursuant to SMC Section 2.28.030**

Nearly all candidates in the last four City Council elections have used the provisions of SMC section 2.28.030 to obtain a full or partial subsidy of the cost to publish Candidate Statements of Qualifications (additional information regarding these subsidies is contained in Attachment 3).

- For the August 2016 Special Council Election, the City subsidized 100% of the \$4,198 cost to publish two candidate statements.
- For the November 2016 Council Election, the City subsidized 63% of the \$16,281 cost to publish nine candidate statements.
- For the November 2018 Council Election, the City subsidized 95% of the \$11,964 cost to publish six candidate statements.
- For the November 2020 Council Election, the City waived the signature gathering requirement due to the COVID-19 emergency (Resolution No. 998-20) and subsidized 100% of the \$27,699 cost to publish 11 candidate statements.

### **2. Costs to Verify Signatures**

In addition to paying the cost of any subsidy for which a candidate is determined to be eligible, the City also pays the costs for the Santa Clara County Registrar of Voters (ROV) to verify signatures submitted to determine a candidate's eligibility for the SMC section 2.28.030 subsidy. Verification costs are based on actual ROV staff time. For the 2020 election, the ROV estimated that the cost to verify approximately 250 signatures would range from \$3,414 to \$4,370. Resolution No. 998-20 waived the signature gathering requirements for the November 3, 2020 Election, which resulted in a savings of the costs the City would have normally incurred from the ROV to verify signatures on Petition-in-Lieu of Payment for Candidate's Statement of Qualifications forms. Requiring a lower number of signatures for a subsidy would reduce the City's cost for the ROV to verify submitted signatures.

### **3. Publication Costs for Candidate Statements in Other Jurisdictions**

The subsidy for the cost to publish a Candidate Statement of Qualifications is available in several other municipalities in Santa Clara County. Attachment 4 to the report provides details of the various subsidies for candidate statements available to council candidates in Santa Clara County.

### **4. Options for Amending SMC 2.28.030 Regarding Candidate Statement Costs**

As noted above, at meetings on June 9 and July 14, 2020, several Councilmembers expressed interest in reducing the number of signatures needed for City Council Candidates to receive a partial

or full subsidy from the City for the cost to publish a Candidate Statement of Qualifications now that Councilmembers are elected by districts instead of citywide. Other ideas were also briefly discussed. Options for updating SMC section 2.28.030 include, but are not limited to:

- (a) **Reducing the number of signatures required for council candidates in districts 1-6.** Some councilmembers noted that with the new district system, the number of signatures required should be lower than the 250 required when councilmembers were elected citywide. The Council could retain the current requirement of 250 signatures for the mayor, since that position is still elected on a citywide basis, and reduce the number required for district candidates. Dividing the current 250 signatures required for citywide election by six districts yields approximately 42 signatures as an option for full District Councilmembers candidate statement subsidies, but the Council could select any number it deems appropriate, including the 50-100 signatures suggested at the July 14, 2020 Council meeting.
- (b) **Eliminate the signature requirement and/or have the City pay all or a specific portion of the cost of the candidate statement.** The council could choose to amend the current ordinance to eliminate the signature requirement (which would save the city the costs of the ROV signature verification process) and either specify that the City will pay the full cost of candidate statements or a specified percentage or dollar amount.
- (c) **Eliminate City-paid subsidies for candidate statements.** As noted in Attachment 4, several cities in Santa Clara County do not provide any subsidy for candidate statement publication costs. The Council could repeal SMC section 2.28.030, which would then require candidates to cover the publication costs for their own statements.

### **FISCAL IMPACT**

Modifying the signature gathering requirement associated with SMC section 2.28.030 (in lieu petitions for cost of candidate's statement) for Councilmembers elected by district so that the City may cover all or some costs for candidate statements in future elections is not anticipated to have a significant fiscal impact. The FY 2022/23 Budget includes a project for Bi-Annual Elections Costs in the amount of \$489,750. This amount was recommended to cover the cost of three District Councilmember elections, including a full subsidy of all Candidate Statements of Qualifications and potential for up to two ballot measures.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, Sunnyvale Public Library and Department of Public Safety. In addition, the agenda and report are available at the Office of the City Clerk and on the City's website.

### **ALTERNATIVES**

Provide staff direction on whether and how the Council would like to modify the subsidy for City Council candidate statements. Options include but are not limited to:

1. Reducing the number of signatures required for council candidates in districts 1-6 to obtain a full subsidy.
2. Eliminate the signature requirement and/or have the City pay all or a specific portion of the cost of the candidate statement.
3. Eliminate City-paid subsidies for candidate statements.
4. Other direction as provided by Council.

### **STAFF RECOMMENDATION**

Staff makes no recommendation. This report is developed to facilitate a conversation by the City Council. Staff will prepare and return with an Ordinance amending SMC section 2.28.030 to reflect any City Council direction from this discussion.

Prepared by: David Carnahan, City Clerk

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

### **ATTACHMENTS**

1. Resolution No. 998-20
2. Sunnyvale Municipal Code Section 2.28.030 In lieu petitions for cost of candidate's statement
3. Recent Candidate Statement Subsidies Pursuant to Sunnyvale Municipal Code (SMC) Section 2.28.030
4. Cities and Towns in Santa Clara County Subsidy of Council/Mayor Candidate Statements