

CHARTER CITY OF CATHEDRAL CITY

ARTICLE I. MUNICIPAL AFFAIRS

ARTICLE II. CONTRACTS, PUBLIC FINANCING AND FRANCHISES

ARTICLE III. REVENUE RETENTION

ARTICLE IV. GENERAL LAWS

ARTICLE V. INTERPRETATION

ARTICLE VI. ELECTIVE OFFICIALS

ARTICLE VII. APPOINTED CITY CLERK

PREAMBLE

We the people of the City of Cathedral City declare our intent to restore our community to the historic principles of self-governance inherent in the doctrine of home-rule. Sincerely committed to the belief that local government has the closest affinity to the people governed, and firm in the conviction that the economic and fiscal independence of our local government will promote the health, safety and welfare of all citizens of this City, we do hereby exercise the express right granted by the Constitution of the State of California to enact and adopt this Charter for the City of Cathedral City.

ARTICLE I. MUNICIPAL AFFAIRS

Section 100. Municipal Affairs. The City shall have full power and authority to adopt, make, exercise and enforce all legislation, laws, and regulations and to take all actions relating to municipal affairs, without limitation, which may be lawfully adopted, made, exercised, taken or enforced under the Constitution of the State of California. Without limiting in any manner the foregoing power and authority, each of the powers, rights, and responsibilities described in this Charter is hereby declared to be a municipal affair, the performance of which is unique to the benefit and welfare of the citizens of the City of Cathedral City.

Section 101. Incorporation and Succession. The City of Cathedral City, in the County of Riverside, State of California, shall continue to be a municipal corporation under its present name City of Cathedral City. The boundaries of the City of Cathedral City shall continue as now established until changed in the manner authorized by law. The City of Cathedral City shall remain vested with and shall continue to own, possess, control and enjoy all property rights of property and rights of action of every nature and description owned, had, possessed, controlled or enjoyed by it at the time this Charter takes effect, and is hereby declared to be the successor of same. It shall be subject to all debts, obligations and liabilities, which exist against the municipality at the time this Charter takes effect. All lawful ordinances, resolutions, rules and regulations, or portions thereof, in force at the time this Charter takes effect and not in conflict

with or inconsistent herewith, are hereby continued in force until the same have been duly repealed, amended, changed or superseded by proper authority.

Section 102. No increased Power to Tax. The citizens of Cathedral City, being mindful of the increasing tax burden upon them, confer no increased power to tax upon the City. The City of Cathedral City shall have only that power to tax allowed to general law cities.

Section 103. Fines and Penalties. The City Council may determine the maximum amount of any fine, penalty or forfeiture for violations of a City ordinance or resolution.

ARTICLE II. CONTRACTS, PUBLIC FINANCING AND FRANCHISES

Section 200. Public Works Contracts. The City of Cathedral City, as a Charter City, is exempt from the provisions of the California Public Contract Code and the City expressly disclaims applicability of the provisions of the California Public Contract Code. This exemption shall not prohibit the City Council from subsequently adapting any section, article, chapter, or part of the California Public Contracts Code in whole or in part for the City's own use.

(A) The City shall have the power to establish standards, procedures or regulations to regulate all aspects of the bidding, award and performance of any public works contract, including, but not limited to, the compensation rates to be paid for the performance of such work and use of alternative contracting and project delivery methods, including without limitation, design-build, public private partnerships, construction manager at risk, best value procurement, pre-qualification of bidders, and similar methods. The City shall have the power to perform any work of improvement by use of its own forces and is not required to contract for the construction of public improvements or to award contracts for such work to the lowest responsible bidder. The City may also contract with other public agencies for the construction of works of public improvement.

(B) The City shall have the power to accept gifts and donations, including donations of material and labor, in the construction of any public works project.

(C) The City shall have the power to enter into project labor agreements with applicable labor unions and trade associations for City public works projects having an estimated cost in excess of five million dollars. Any private project with an estimated cost in excess of five million dollars receiving City financial assistance shall enter into a project labor agreement with applicable labor unions and trade associations.

Section 201. Purchasing. The City shall have the power to establish standards, procedures, rules or regulations related to the purchasing of goods, property, or services, including, but not limited to, the establishment of local preferences, and award of vendors on the basis of best-value.

Section 202. Public Financing. The City shall have the power to establish standards, procedures, rules or regulations related to any public financing.

Section 203. Economic Development. The City may undertake economic development activities, including without limitation to those enumerated in this section, for the purpose of promoting the general health and welfare of the inhabitants of the City, job creation, improving market rate and affordable housing options, improving retail and commercial options, improving dining, entertainment and recreation options, and improving the City's tax base thereby

furthering the City's ability to enhance and provide municipal services to its residents. The economic development activities authorized by this section accomplish these purposes and are municipal affairs. Without limiting the foregoing authority, the City Council may perform the following activities, or authorize the City Manager or his or her designee to carry out the following activities:

(A) Purchase, lease, obtain option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal property, any interest in property, and any improvements on it, including repurchase of developed property previously owned by the City;

(B) Acquire real property for resale or transfer to a private or public entity if the acquisition of the real property is found by the City Council to be necessary for the economic development of the City;

(C) Dispose of real and personal property for fair market value, or for less than fair market value of the property, so long as the disposition is found to aid in the purposes of this section;

(D) Provide for site preparation work, including but not limited to demolition, clearing, and hazardous substance remediation, for private developments;

(E) Insure, rent, manage, operate, repair, and clear real property owned by the City;

(F) Rehabilitate, alter, construct buildings on, or otherwise improve real property in anticipation of disposal or long-term lease of the property to a private or public entity;

(G) Acquire, demolish, repair, and replace buildings or other improvements damaged or destroyed due to a state or nationally declared emergency;

(H) Accept financial assistance from public or private sources for the purpose of engaging in economic development activities;

(I) Provide financial assistance in the form of grants, loans, payments of insurance premiums, tax rebates, or other assistance to assist in the attraction or retention of commercial, recreational, educational, and industrial activity in the City;

(J) Provide financial assistance in the form of grants, loans, payments of insurance premiums, tax rebates, or other assistance to assist in the attraction or retention of multi-family housing development to the City;

(K) Issue bonds or other forms of debt, consistent with the requirements of state law;

(L) Take such other action as the City Council finds necessary and appropriate to encourage economic development within the City in furtherance of the purposes of this section.

Section 204. Franchises. Plenary control over the use of City streets and other public property is vested in the City. Franchises may be granted to persons, firms or corporations, upon such terms, conditions, restrictions or limitations as the council may prescribe by ordinance; but no franchise shall be granted without reserving the City adequate compensation for the privilege conferred.

Section 205. Utility Franchises. The City shall have the power to adopt any ordinance providing for the acquisition, development, or operation by the City of any utility, or any ordinance providing for the granting of a franchise to any utility not owned by the City which proposes to use or is using the City streets, highways or other rights-of-way.

ARTICLE III. REVENUE RETENTION

Section 300. Reductions Prohibited. Any revenues raised and collected by the City shall not be subject to subtraction, retention, attachment, withdrawal or any other form of involuntary reduction by any other level of government.

Section 301. Mandates Limited. No person, whether elected or appointed, acting on behalf of the City, shall be required to perform any function which is mandated by any other level of government, unless and until funds sufficient for the performance of such function are provided by said mandating authority.

ARTICLE IV. GENERAL LAWS

Section 400. General Law Powers. In addition to the power and authority granted by the terms of this Charter and the Constitution of the State of California, the City shall have the power and authority to adopt, make, exercise and enforce all legislation, laws and regulations and to take all actions and to exercise any and all rights, powers, and privileges heretofore or hereafter established, granted or prescribed by any law of the State of California or by any other lawful authority. In the event of any conflict between the provisions of this Charter and the provisions of the general laws of the State of California, the provisions of this Charter shall control.

ARTICLE V. INTERPRETATION

Section 500. Construction and Interpretation. The language contained in this Charter is intended to be permissive rather than conclusive or limiting and shall be liberally and broadly construed in favor of the exercise by the City of its power to govern with respect to any matter which is a municipal affair.

Section 501. Severability. If any provision of this Charter should be held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law.

ARTICLE VI. ELECTIVE OFFICIALS

Section 600. Enumeration. The elective officers of the City of Cathedral City shall be five (5) Council Members, each of whom shall have the right to vote on all questions coming before the Council, and one (1) City Treasurer, who shall not be entitled to vote on questions coming before the City Council.

Section 601. Election of Council Members. Each member of the City Council shall continue to be elected by the voters of the entire City without regard to residency districts, until the first regular election occurring after the official population of the City reaches 65,000, as calculated by the California Department of Finance, by which time the City Council shall have established a by-district election system for City Council members. The City Council is hereby authorized to initiate and approve the formation of a by-district election system for City Council members, in

accordance with the California Voting Rights Act, prior to the City's population reaching the above threshold should the Council determine, in its discretion, that a change in election system best suits the needs of the City. The City Council members shall be elected at the general municipal election on even numbered years, three (3) beginning in 2018 and two (2) beginning in 2020 each for a four (4) year term.

Section 602. Eligibility for Office. Eligibility for the offices of City Council members and City Treasurer shall be as mandated by general law.

Section 603. Mayor and Mayor Pro Tem. Effective at the end of the current term of the elected Mayor, the position of Mayor shall become an appointed position. The City Council at the first meeting in December each year, shall appoint a Council Member to serve as Mayor for a one-year period on a rotating basis. After the City Council appoints the Mayor, at the first meeting in December each year, the Council shall appoint a Council Member to serve as Mayor Pro Tem for a one-year period on a rotating basis.

Section 604. Mayor's Powers and Duties. The Mayor shall preside at all meetings of the City Council and perform such other duties consistent with the office as may be imposed by the Council or by the vote of the people. The Mayor shall be entitled to vote, and must vote when present, except as prohibited by State Law, but shall possess no veto power. As presiding officer of the Council, the Mayor will faithfully communicate the will of the Council majority to the Administrative Officers in matters of policy. The Mayor shall be recognized as the official head of the City for all ceremonial purposes.

Section 605. City Council Salaries. The then-current salary of the Mayor, Mayor Pro Tem and Council Members shall be reviewed and adjusted annually beginning with the first pay period after July 1 of each year based on the change in the consumer price index for all urban consumers (CPI-U) for the Los Angeles-Riverside-Orange County, CA average for all items, 1982-84=100, as published by the U.S. Department of Labor's Bureau of Labor Statistics or the most closely equivalent successor thereto in the event the index is terminated or changed. The "base index" for the adjustment shall be the index for December 2015. Regardless of the CPI-U, in no case shall the salaries be increased by more than 3% in any given year.

Section 605.1. City Council Salary Decrease. In the event that the City Council approves or imposes a salary decrease upon a group of City employees represented by a recognized bargaining group for any reason, Council salaries shall be decreased by a corresponding percentage effective at the same time the employee salary decrease becomes effective. If multiple groups of City employees experience reductions in salary that go into effect during the same fiscal year, the City Council's salary shall be reduced by the largest percentage reduction experienced by an employee group. If multiple groups of City employees experience reductions in salary that are implemented on a staggered basis throughout the fiscal year, City Council salaries shall be reduced by the highest percentage reduction experienced by an employee group then in effect. For example, if one employee group has a salary decrease of 2% effective July 1 and another group has a salary decrease of 3% effective September 1, Council salaries shall be decreased by 2% effective July 1 and on September 1 the Council's salary shall be decreased by an additional 1%.

Section 606. City Council Vacancies. In the event that a Council seat becomes vacant, for whatever reason, prior to the expiration of the term, the City Council may hold a special election to fill the vacancy or it may appoint a qualified individual to fill the vacancy. If the Council appoints a qualified individual to fill the vacancy, the appointment shall adhere to the following: If the vacancy occurs less than six months after the most recent Council election, the candidate

from the election receiving the next highest vote total shall be appointed by the City Council. If there is no next highest candidate, or if the next highest candidate declines the appointment, or if the vacancy occurs more than six months after the most recent election the Council shall appoint a qualified elector to fill the remaining term, except that if a regularly scheduled election will occur prior to the end of the term then the appointment shall only be until that next regularly scheduled election.

Section 607. City Treasurer's Power and Duties. The powers and duties of the Treasurer shall be those established in California Government Code for municipal treasurers and such duties as the City Council may, from time to time, assign to the Treasurer by ordinance.

ARTICLE VII. APPOINTED CITY CLERK

Section 700. Creation of Office. Effective at the end of the current term of the elected City Clerk, the position of City Clerk shall become an appointed position. Authority to hire, promote, discipline, fire, and set the employment conditions for the City Clerk shall reside with the City Manager.

ARTICLE VIII. EFFECTIVE DATE

Section 800. Effective Date. This Charter shall become effective on January 1, 2017.