

WORK SESSION AGENDA REPORT

TO:Mayor and CouncilFROM:Kate Thunstrom, City AdministratorSUBJECT:Charter Next Steps

DATE: June 9, 2025

OVERVIEW:

The topic of the Mayor Term Length as well as the longevity of the Charter Commission has been discussed at two meetings.

- 1. Council discussed on February 24th
- 2. Charter Commission discussed on March 10th

<u>Mayor Term Length</u>: Neither group was opposed to considering a mayor's term to be four years. It was identified that there are individuals in each group that require the mayors term length to be put on a ballot.

<u>Charter Dissolution</u>: This topic is not fully supported by both parties. The conversation was mixed regarding keeping or dissolving the Charter. This will place the question to the voter on a ballot.

LMC: Staff requested information from the League. They have provided the following information ahead of the discussion:

Advantages of a home rule charter:

- One of the principal virtues of the home rule charter is that it allows each city to tailor its charter to its
 own individual needs and desires (cities are encouraged to contact the League of Minnesota Cities
 Charter Assistance Program for model and sample charters, research memos, and advice that will
 assist in drafting, amending, or adopting a charter). City residents draft, adopt, and amend the city's
 charter.
- A home rule city, unlike a statutory city, has the power to make changes to fit its own needs by amending its charter. These changes can occur locally, rather than waiting (and hoping) for a new law to be passed when the Legislature is in session.
- The home rule process educates the voters of the city. Some work on charter commissions, while others will learn about the charter and any amendments when they vote on proposed changes.
- A city charter may cover many functions and procedures, or it may be very similar to the statutory form of city government.
- If general state laws are silent on a specific subject, local citizens may address them in their city's charter.
- A charter may provide for initiative and referendum, recall, and election of councilmembers by wards.
- City charters sometimes include limitations that are more stringent than those in the general state laws. For example, a few home rule charters contain tax and debt limitations.

• The cost of government under a city charter need not be greater or less than the cost of the statutory city form of government.

Disadvantages of a home rule charter:

- Cost. While the cost of preparing a home rule charter should be relatively minor, the smaller the community, the larger the cost in proportion to population.
- Drafting. Poor charter drafting can be a problem. A charter city can minimize these concerns by relying on model charters and consulting competent professional advice.
- Time. The process for amending a charter is often time-consuming and cumbersome.
- Division. Charter amendments can be difficult to pass (particularly when the subject matter is controversial). Sometimes, city advocates will go directly to the Legislature for a solution, in order to bypass local opposition or to avoid dividing the community. This tends to defeat the original purpose of home rule: local control.
- Elections. If the city charter provides for special elections, election expenses may be overly burdensome to city budgets.
- Jurisdiction. Anyone looking for the applicable law relating to a home rule charter city must consult not only the state statutes, but the particular home rule charter. Only a few collections of the home rule charters exist. An up-to-date copy of a city charter is of utmost importance to ensure the advice is accurate.
- Uniqueness. The experiences of other cities may be of little help to a home rule charter city. For example, when the Supreme Court or the attorney general gives a ruling that concerns a statutory city, that opinion will, in most instances, be equally applicable to all other statutory cities in the state. Rulings affecting a home rule charter may, however, only be relevant to those cities that have very similar charter provisions.
- Complexity. The procedure for abandoning the charter form of city government may be similarly complicated.

Other related topics include:

Charter cities can have any form of government (commission, weak mayor-council, strong mayorcouncil, or council-manager). If a charter city has a weak mayor-council form of government, it will look similar to a plan A statutory city because plan A statutory cities by default have a weak mayor-council form of government.

Definition of a weak-mayor council: where the administrative and legislative authority belong to the council and the powers of the mayor are generally no greater (or less) than those of any other council member, and where no individual council member holds any specific administrative powers

St. Francis is a weak mayor-council form

Charter sets out the size of the city council and there is generally no state law that limits the number of council members. On the other hand, state law imposes limits on the number of council members in statutory cities depending on their form of government.

Charter cities have much broader authority to regulate. Statutory cities can only exercise powers granted to them by state law. Charter cities can exercise any power granted by the Charter as long as it does not conflict with state law.

Voters have more control over government in a charter city, as the city's charter may provide that all elective city officers, including mayor and members of the council, shall be elected at large or otherwise. Additionally, the city charter can expand or restrict city governmental powers.

Initiative, referendum, and recall are not available to statutory cities.

- Initiative allows voters to bypass the council and propose an ordinance change to be placed on the ballot.
- Referendum allows citizens to petition to require a council action be voted on by voters, such as upholding or repealing an action.
- Recall allows city voters to recall council members in cases of serious malfeasance or nonfeasance during their term of office in the performance of the duties of their office.

Charter cities can adopt ordinances on all appropriate subjects unless prohibited by law., Statutory cities can only adopt ordinances when authorized by state law. While charter cities' ability to adopt ordinances on all appropriate subjects unless prohibited by law allows those cities to exercise all powers legally available under state law and the state constitution, this has the effect of entrusting the city council with a wide range of powers whereby initiative, referendum, and recall act as a check on this power

Licensing and regulation. While statutory cities must find a specific statute authorizing the licensing or regulation of an activity before they can regulate that activity, a charter city can often rely on an 'all-powers" provision in its charter to license or regulate activities within its border. Without such an "all-powers" or broad grant of authority, a charter city must find a specific charter provision or state law authorizing the regulation

Special assessments. Both statutory and charter cities can finance local improvements by special assessments against benefited property under a uniform constitutional and statutory procedure. While most charter cities follow state law, a city charter may provide a different procedure or authorize the council to adopt a different procedure and may require the city to use that method exclusively.

Accounting. All cities are required to publish their annual financial statements. In charter cities, the city charter may require additional reports and publication of the reports depending on the desire of the community. The number and kinds of funds, and the authority to transfer between funds, may come under charter regulation with minimum statutory restriction. In statutory cities, the law is more restrictive on this subject.

Process to abandon a city charter:

Any charter city can abandon its charter and become a statutory city. A charter city can abandon its charter by presenting a proposal, adopting it, and having it become effective in the same manner as a charter amendment. This means that abandonment requires the approval of 51% of those voting on the question.

Additionally, the proposal must include a schedule containing necessary provisions for transition to the plan A statutory city form of government, in order to place the city on a regular election schedule as soon as practicable. The proposal can provide for continuation of specific provisions of the charter for an interim period and must specify the plan under which the city will operate as a statutory city (plan A).

Since the state was formed, only 3 cities – Jordan, Isanti, and Sauk Centre – have abandoned their charter form of government (all since 1989). All three cities are now plan A statutory cities.

Additional information:

League's Handbook for Minnesota Cities Chapter 4: The Home Rule Charter City for a discussion about charter amendments, available using this link: <u>https://www.lmc.org/resources/handbook-for-minnesota-cities-chapter-4-the-home-rule-charter-city/</u>

Public Education:

Putting one or both items on a ballot will require public education. Beginning the public education steps early is advised. If this is moving forward to the 2026 ballot, staff needs time to prepare for the education so the sooner decisions are made the more we can accomplish.

COUNCIL TO DETERMINE NEXT STEPS:

- 1. What election year does the Council wish to see the mayors term length go to the ballot?
 - a. 2026 mid-term year
 - b. 2028 Presidential election year
- 2. Does Council want to move forward with a vote to dissolve the Charter? If so, what year is item to be on a ballot?
 - a. 2026 mid-term year
 - b. 2028 Presidential election year