



DATE: May 6, 2025

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Response to City Council Referral: Reviewing Voluntary Expenditure and Contribution Limits for Elections

BACKGROUND

On March 25, 2025, City Council Members Ray Bonilla Jr., George Syrop, and Francisco Zermeno submitted a City Council Referral Memorandum. This referral seeks the City Council approval of the following:

- Direct the City Manager to agendize a City Council work session to review the City's voluntary expenditure and individual contribution limits for elections.
- Direct the City Manager to schedule the work session and any subsequent legislative business item before the end of calendar year 2025 to allow enough time before the 2026 election.

This memo provides a brief staff analysis in response to the above requests.

DISCUSSION

In early 2025, staff in the City Attorney's Office reviewed the approach that neighboring jurisdictions have taken towards voluntary expenditure and individual contribution limits after moving to district elections. Comparable cities did not adjust their campaign finance regulations until at least one cycle after moving to districts.

This referral proposes to move forward with amending the limits before the 2026 election to be in place for the first cycle of district elections. This is a policy decision and, as such, staff are not making a recommendation for either approach.

If the City Council chooses to move forward with this referral, staff recommends that the work session be scheduled for June 3, 2025. A subsequent item with adjustments to the ordinance, if desired, would then be scheduled for September 2, 2025, which is the first regular meeting after the City Council recess.

The work session would include analysis of the following factors:

- Data on the limits from comparable jurisdictions with district elections
- Data on the cost of running an average campaign in similar sized districts in comparable jurisdictions
- Alternatives for adjustments to the ordinance based on an analysis of the above data

Should the City Council ultimately decide to adopt adjustments that lower expenditure and contribution limits, staff does recommend that campaign committees and candidates who have raised or spent funds thus far in 2025 in accordance with the City Clerk's published limits should not be penalized.

Of significance, the City's campaign finance regulations do not, as a practical matter, affect independent expenditures for or against candidates. Since 2015, the City's regulations have required reporting of such expenditures, including the three largest contributors in certain kinds of advertising. It is acknowledged, however, that independent expenditures have an increasing impact on elections at all levels of government.

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Approved by:



Dr. Ana M. Alvarez, City Manager