

TOWN OF PORTOLA VALLEY

# Proposed Town Charter

*Public Hearing #1 | May 13, 2026*

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# Town Council Priority and Work Items

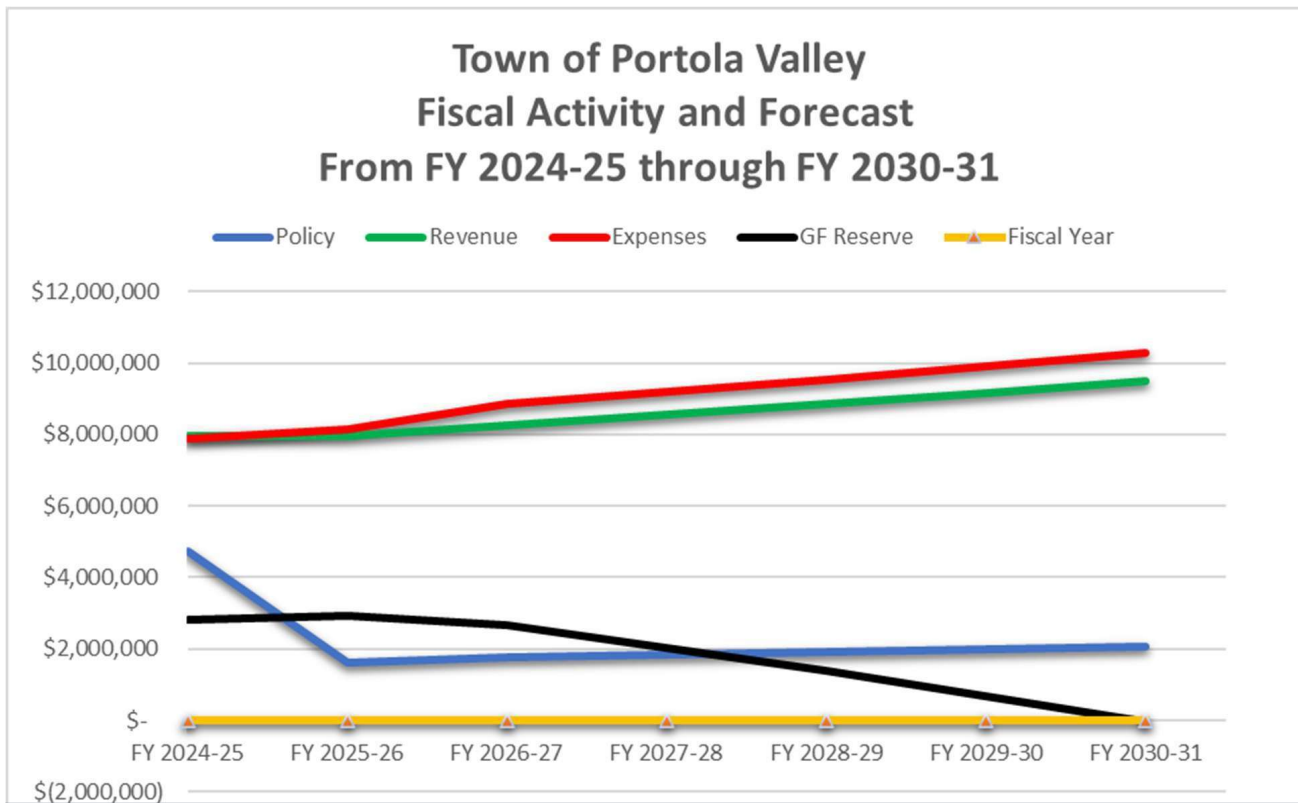
## Council's Top Priority: Financial Responsibility and Long-Term Viability


### Priority Tasks Completed and Underway:

- Educate the community on Town finances
- Complete the backlog of financial audits
- Implement financial consultant best practices recommendations
- Conduct a user fee study
- Develop and implement infrastructure to improve operational efficiency and effectiveness
- Evaluate options including additional locally controlled funding to address the Town's structural deficit



# Town Budget Forecast - The Black Line



 **~\$700K/yr**  
Ongoing structural deficit

 **FY 2027-28**  
Reserves fall below 20% minimum

 **FY 2029-30**  
Reserves fully depleted

# Community Feedback

The Portola Valley Conversation community survey (September 2025) identified three core resident priorities:



## Disaster Preparedness

Residents want preparedness for wildfires, earthquakes, and flooding — including prevention measures, evacuation planning, and reliable emergency communications.



## Protect Town Autonomy

Residents do not want zoning and planning decisions made by the County. Remaining incorporated preserves local decision-making authority.



## Long-Term Fiscal Stability

Residents want to ensure that the Town can continue delivering services at current levels without depleting reserves or cutting Town services programs.

60% of Portola Valley registered voters are highly interested in the Charter approach (September 2025 Survey)

# General Law Town vs. Charter Town

## GENERAL LAW TOWN (current)

Must follow all California state law, even on municipal affairs

Limited authority over municipal affairs

Shares Documentary Transfer Tax with County (55¢ per \$1,000)

Cannot adopt a Real Property Transfer Tax

State Legislature controls many local decisions

## CHARTER TOWN (proposed)

Local control over defined municipal affairs

Authority to adopt a Real Property Transfer Tax (RPTT)

Local RPTT revenue goes entirely to the Town

Still subject to US & CA Constitution, and to State law on non-municipal matters

Voters control Charter content and can amend it in the future

# Charter Cities & Towns in California

~362

General Law  
Cities/Towns

~121

Charter  
Cities/Towns

~26%

Of California cities  
have charters

## Nearby Charter Cities that include a local RPTT component:

✓ Albany

✓ Berkeley

✓ Emeryville

✓ El Cerrito

✓ San Mateo

✓ Piedmont

## Council-Directed Approach: A Simple, Focused Charter

On April 22, 2026, the Town Council directed preparation of a brief, narrowly focused charter similar to the St. Helena model that authorizes the proposed RPTT while otherwise keeping Portola Valley subject to general State law to keep the process simple, streamlined, and on schedule.

### WHAT CHARTER WILL DO

Convert Town from General Law to Charter status

Focuses narrowly on revenue authority to authorize the Town to levy an RPTT

Keep 100% of RPTT revenue locally controlled

Preserve existing Town governance structure and Municipal Code

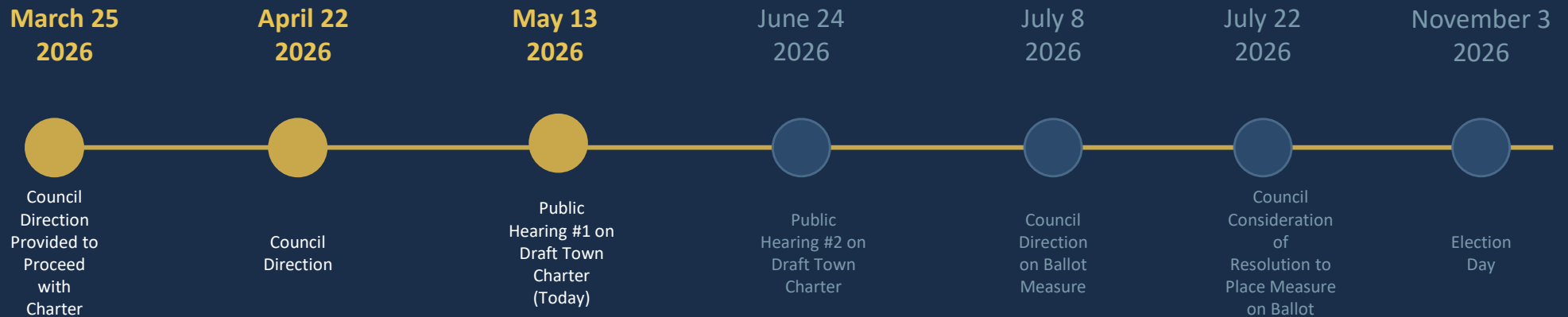
Allow future Charter amendments if voters choose

### WHAT CHARTER WILL NOT DO

- Change the Town's form of government
- Alter the Municipal Code or existing law
- Affect public contracting or prevailing wage rules
- Change local election procedures
- Limit future Council or voter options

## PROPOSED TIMELINE

# Path to the November 3, 2026 Ballot



**Filing Deadline: August 7, 2026** — Last day to submit ballot measures to the County Registrar of Voters

**If voters approve:** Charter and RPTT take effect January 1, 2027. Require a 50%+1 majority vote.



# Tonight's First Public Hearing on Draft Charter

## Charter Summary

- St. Helena model selected: simple, brief charter focused on RPTT authorization; Town otherwise remains subject to general State law
- St. Helena Article IV (Form of Government) not included: Staff researched and determined the Town does not need to specify its form of government in the Charter
- Draft Town Charter prepared and attached for public review and comment
- Second public hearing scheduled for June 24, 2026 (at least 30 days after today)

## Public Hearing

- Council and public invited to review and comment on the draft Charter  
**Staff recommend the Council hold this public hearing and receive** community input on the proposed draft Charter before the Council considers placing it on the November 3, 2026 ballot.



## Questions for staff