

# CITY OF AUSTIN GOVERNMENT STRUCTURE: A COMPARATIVE ANALYSIS

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# Forms of U.S. Local Government

- \* Mayor-Council form
  - \* The oldest form of local govt
  - \* Mayor is the political AND Executive/Administrative head
  - \* Can be “strong” or “weak” mayor based on charter powers given
- \* Commission form
  - \* Elected individuals serve as heads of various functional areas of city
  - \* Portland, Oregon is only major city with this form
- \* Council-Manager
  - \* Designed to provide more effective governance while retaining Democratic control. Features elected board of directors (City Council) led by lay chairperson (Mayor) and appointment of professional CEO (City Manager)
  - \* Similar to models used by schools and large nonprofit orgs

# Key Dates: History of Austin City Government

## 1839 City Incorporated

- 1840 Election for city officials held ; Mayor aldermanic form; Mayor and eight aldermen elected for one year; later number reduced to six; numbers increased to as many as 20.
- 1908 Voters adopted commission form of Government; Mayor and four Commissioners elected; functions of government divided among 5 elected officials.
- 1924 Voters adopt Council-Manager form; five Council Members at large; those five then electing a Mayor at their first meeting.
- 1953 Council members elected by place and select the Mayor from within their ranks.
- 1969 Council increased to 7 members.
- 1972 Roy Butler became first directly elected Mayor; 6 Council Members still elected by place.
- 2012 Voters approve election of 10 Council Members by district and a Mayor at large.

# Changes in Forms of Government

## *Largest Cities in U.S.*

Rank	City	Form
1	New York	Mayor-Council
2	Los Angeles	Mayor-Council
3	Chicago	Mayor-Council
4	Houston	Mayor-Council
5	Philadelphia	Mayor-Council
6	Phoenix	Council-Manager
7	San Antonio	Council-Manager
8	San Diego	Mayor-Council
9	Dallas	Council-Manager
10	San Jose, CA	Council-Manager
11	Austin	Council-Manager
12	Indianapolis	Mayor-Council
13	Jacksonville, FL	Mayor-Council
14	San Francisco	Mayor-Council
15	Columbus, OH	Mayor-Council
16	Charlotte	Council-Manager
17	Fort Worth	Council-Manager
18	Detroit	Mayor-Council
19	El Paso	Council-Manager
20	Memphis	Mayor-Council

- In all cities over 100,000 pop: 176 are council-manager, 97 are mayor-council and one employs commission form.
- IN RECENT YEARS, In cities over 100,000:
  - 8 cities have switched from council-manager to mayor-council.
  - 3 cities have switched from mayor-council to council-manager.
  - 9 cities rejected changing from council-manager to mayor-council
  - November 4: Sacramento this year became 9<sup>th</sup> major city to reject change to mayor-council. Vote was 57% to 43%.

# Form of Local Government

## *Texas' Top Ten Cities*

City	Rank	2013 Est. Pop.	Form of Government	Year adopted	Comments
Houston	1	2,195,914	Mayor-Council	1946	FN 1
San Antonio	2	1,409,019	Council-Manager	1951	
Dallas	3	1,257,676	Council-Manager	1930	FN 2
Austin	4	885,400	Council-Manager	1924	
Ft. Worth	5	792,727	Council-Manager	1924	
El Paso	6	674,433	Council-Manager	2004	FN 3
Arlington	7	379,577	Council-Manager	1949	
Corpus Christi	8	316,381	Council-Manager	1945	
Plano	9	274,409	Council-Manager	1961	
Laredo	10	248,142	Council-Manager	1981	

# Form of Local Government

## *Texas' Top Ten Cities - Comments*

- FN 1 In earlier years, Houston operated under both the Mayor-Council and the Commission form of government. Due to a variety of circumstances, the city adopted Council-Manager government in 1942. The plan was voted out in 1947 and today, the city remains a Mayor-Council city.
- FN 2 Since 2000, Dallas voters, in two separate elections, have rejected a change to Mayor-Council government.
- FN 3 In 2004, El Paso became the largest city in the country to change from Mayor-Council to Council-Manager government.

# City Council Configuration

## Texas' Top Ten Cities

City	Rank	2013 Est. Pop.	Council Configuration	Year adopted	Comments
Houston	1	2,195,914	11-5-1	1979	
San Antonio	2	1,409,019	10-1	1977	
Dallas	3	1,257,676	14-1	2005	
Austin	4	885,400	10-1	2013	
Ft. Worth	5	792,727	8-1	1975	
El Paso	6	674,433	8-1	2004	
Arlington	7	379,577	5-3-1	1949	
Corpus Christi	8	316,381	5-3-1	1945	
Plano	9	274,409	7-1	1961	All are at large, but 4 must reside in district
Laredo	10	248,142	8-1	1981	

# Duties, Powers and Responsibilities

## *Mayor-Council vs. Council-Manager*

Subject	Council-Manager <i>Austin, San Antonio, Dallas, etc.</i>	Strong Mayor <i>Houston</i>	Stronger Mayor <i>Denver</i>
Apptmt. of Chief Administrator	City Council	Mayor	Mayor
Apptmt. of Dept. Heads	City Manager	Mayor, conf. by Council	Mayor, conf. by Council.; Mayor can remove w/o Council
Work of Depts	No role for Council	No role for Council	No role for Council
Apptmt. Of Adv. Bds.	City Council	Mayor, conf. by Council	Mayor, no conf. by Council
Prepare Budget	City Manager	Mayor	Mayor
Approve Budget	City Council	City Council	Council; Mayor has veto
Passage of Ordinances	City Council	City Council	Council; Mayor has veto
Purchasing	Restrictions on City Manager	City Council	Mayor approves contracts up to \$499,999 w/o Council



# During Disability of Mayor

City	Austin	Houston	Denver
Member of Council Presides	Yes	Yes	No
How is Mayor Pro Tem Chosen	Council elects one of its own	Mayor chooses, subject to CC approval	Mayor Chooses a Member of his/her Cabinet

In Denver, by charter the Mayor's Cabinet is composed of managers of the following departments: Public Works, Finance, Parks and Recreation, Environmental Health, Safety, General Services, Human Services, Aviation, Community Planning and Development, and the City Attorney. The Mayor designates one member of the cabinet to serve as Deputy Mayor, who serves at the pleasure of the Mayor. The Deputy Mayor serves as the Active Mayor in the case that the Mayor cannot. This continues until an election can be held for Mayor

# IBM Study: Smarter, Faster, Cheaper: An Operations Efficiency Benchmarking Study of 100 American Cities (2011)

- \* Study demonstrates that throughout U.S. spending commitments are outpacing expected revenue growth for cities.
  - \* Local govts must find new revenue and budget reductions to close budget gaps.
- \* Report argues cities must operate smarter if they are to do more with less. Can be done through benchmarking – comparing operational profile of similar situated organizations to find opportunities to improve.
- \* Used public data to benchmark the 100 largest cities. (Austin does this)
- \* Found that the most important factor in determining efficiency of a city is management.
- \* Also found that Council-Manager cities are nearly 10% more efficient than Strong Mayor.

# Why Bond Ratings Matter

City	Moody's Rating
Houston	AA2
San Antonio	AAA
Dallas	AA1
Austin	AAA
Fort Worth	AA1
El Paso	AA2
Arlington	AA1
Corpus Christi	AA2
Plano	AAA
Laredo	AA2

Bond ratings (by Moody's Investors Service) of the ten major cities in Texas are shown here. The chart shows that the citizens of Houston (the only Mayor-Council city in the top ten) pay more to issue their bonds than do several Council-Manager cities.

Houston's bonds are rated the same as El Paso, Corpus Christi, and Laredo, two levels below those of Austin, San Antonio, and Plano.

Standard and Poor's and Fitch ratings are substantively the same as Moody's.

SCALE – TOP TO BOTTOM: AAA, AA1, AA2, Aa3, A1, A2, A3, BAA1, BAA2, BAA3, BA and below

# Role of Various Players on the Team

- \* **Mayor**
  - \* Charter duties: preside, vote, no veto, no administrative duties.
  - \* Unwritten duties: leads goal process, leads policy priority process, leads Council to an effective governance team.
- \* **Council**
  - \* Works with Mayor to give CM clear goals, objectives and overall policy direction; gives orders to CM as a body, not as individuals.
- \* **City Manager**
  - \* Directs implementation of Council policies and budget; appoints and supervises all city employees (except specified charter exceptions).

# Summary

- \* This is the system which has worked nationwide in large and small cities for over 100 years.
- \* In Texas, this system is successful in diverse cities.
  - \* Examples: Dallas (business oriented), San Antonio (diverse in race, income, city area).
- \* In Austin this system has worked for 90 years.
  - \* It is to the CMs advantage to make the Council look good. It is to the Council's advantage to give the CM the professional latitude to advise the best way forward, including working out the details of accomplishing everyone's overall objectives for a great City of Austin.