

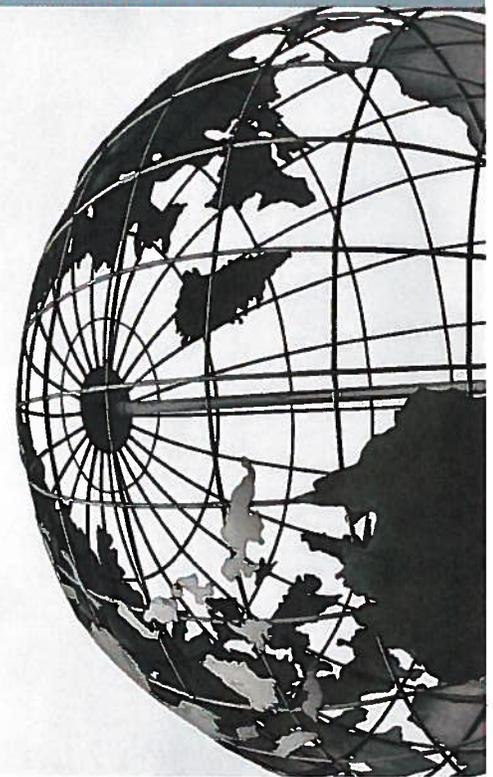
# PUBLIC SECTOR DIGEST

SPECIAL SUB-SECTION

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THE CAO CHRONICLES

# THE HEART OF TEXAS



## WITH CITY MANAGER, MARC ANTHONY OTT

Marc Anthony Ott was selected as City Manager for the City of Austin by the Austin City Council in January 2008. Mr. Ott previously served as Assistant City Manager for Infrastructure Services for the City of Fort Worth. Prior to his position in Fort Worth, Mr. Ott was City Administrator for the City of Rochester Hills, Michigan, and the Assistant City Manager, Deputy City Manager and City Manager of Kalamazoo, Michigan. Mr. Ott completed his undergraduate studies in management, and later earned a master's in public administration from Michigan's Oakland University and is also a graduate of the Program for Senior Executives in State and Local Government at the John F. Kennedy School of Government, Harvard University.

## AUSTIN, TEXAS



### Why did you pursue a career as a city manager?

The truth is, I didn't start on this path. I originally planned on going to law school. However, when I finished undergraduate school, I just didn't feel ready for law school. I eventually discovered that law school was closely related to my interest in government, so, I started my MPA. As a part of that program, I participated in an internship with a city administrator. I was lucky enough to work with an administrator who really believed in encouraging young people into the profession. He gave me a really substantive experience. I realized the impact that a local government has on the everyday lives of its residents and I was really impressed by that. That sold me. I found that this work was important enough to me and I decided to stay with it. More than 20 years later, I'm still in this profession, and I haven't had one minute of regret about it.

### How has your former role as Assistant City Manager for infrastructure services for the City of Fort Worth helped you in your current position as City Manager for Austin?

I don't think any one position in particular has prepared me for Austin more than another. It's been the accumulation of experience in several cities over the years that has brought me to a point at which I am finally able to lead an organization like this. Early in my career, I thought that one day I would like to have the opportunity to take all of my professional experience, education, and life experiences to provide leadership to one of America's premier cities. My experience with Infrastructure Services in Fort Worth certainly was directly on point. I don't think there is a city in America where infrastructure is not a high priority.

### What has the City of Austin done to prepare for the replacement and maintenance of its infrastructure down the line?

Every five or six years, Austin undertakes a significant bond program. It was back in 2006 that the City undertook a bond program of \$567 million, and in 2010, the voters approved another \$90 million transportation only bond program, which is going towards addressing the city's transportation infrastructure. In addition, we have major utility operations in Austin with large capital programs that are coordinated in conjunction with other capital investments. This allows us to be both cost effective and efficient and to ensure that we aren't tearing up a road to install a water line just a year after we paved it.

So, we are investing in all areas of infrastructure either through voter approved bonds or through user fees. It's a tall order. On the transportation side, one thing we are working on is a strategic mobility plan—conducting an analysis to understand the gaps in our transportation system in order to create a multi-modal seamless transportation system. This will allow us to lessen the reliance on roads in the city and encourage other modes of transportation.

Seventy percent of respondents to Austin's Area in Motion (AIM) study stated that congestion/traffic is the most serious problem that has come from rapid growth in the Austin area. How is the city addressing this issue?

We understand that traffic congestion is a serious problem. When I first arrived in Austin in 2008, I was surprised that there was no transportation department in the organization. When we talk about the most challenging circumstances facing a city, transportation mobility is almost always near the top. Austin has a great reputation, but when I arrived here, we didn't have a department that was on the ground, focused on this significant challenge. I created the Transportation Department, which has already made great progress in increasing mobility. We have put in place an innovative car-sharing program, making small, fuel efficient vehicles available for people all over the city. We are also at the table participating in transportation conversations at the regional level, which brings a new level of interaction with other agencies dealing with our regional transportation issues. Light rail is one of those conversations and we are poised at this point to go to the voters to gauge their interest in some form of rail. We are looking at the possibility of a November 2012 referendum on this issue, and are preparing a presentation to the Mayor and City Council soon.

Austin continues to have the lowest property tax rate of any of the major cities in Texas. How does Austin maintain this standard?

The taxable value of property tends to be high here, so we are able to apply a lower rate. Alternately, Fort Worth's taxable value of property isn't as high so they have a higher rate. Also, Austin experiences new growth and development every year, especially on the commercial side. Samsung is a good example. They have recently invested more than \$1 billion dollars in Austin. Because of the mix of business and industry here, Austin is typically one of the last cities to experience the effects of an economic downturn and the first to feel the relief. That has been true during this most recent downturn, but I don't want to give the impression that this happens all by itself. It's in part due to the City's economic development strategy and the partnerships we have with institutions of higher education, the business community, and the State of Texas. All of us work in partnership to further the economic viability of Austin. Our lower tax rate also makes us attractive to those that have capital to invest, and businesses looking to relocate to Austin. We are currently seeing examples of this with businesses from Silicon Valley that are choosing to relocate in Austin because of the low tax rate and our highly educated and diverse population.

Does Austin receive substantial financial support from the State and National Governments?

We do receive some. In 2011, we were awarded about \$63 million in federal and state grants and those grants were for a variety of programs and services. They provided preventative health care, housing assistance, home weatherization programs, and emergency preparedness services. However, we have also seen some reductions in grant funding, so we have had to find alternative methods of sustaining programs previously funded by other sources.

The City of Austin won the Government Finance Officer's Distinguished Budget Presentation Award for the 2009 Fiscal Year. Why was Austin recognized?

The City of Austin has been a leader in financial planning, performance measurement, and budgeting for more than twenty years. I'm pleased to say that my staff and I have been able to build upon that reputation. Our budget process is sophisticated and comprehensive. It integrates our city's finances with business planning, performance measurement, and resident input to a degree I haven't seen anywhere else. Our budget is organized around activities and services instead of line item expenditures. This elevates our budget discussions so we can have a meaningful conversation about outcomes that impact our residents.

Why is it important to effectively convey budget information to the public?

When I first arrived in Austin, one of my objectives was to put together a budget process that



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would take the mystery out of how a municipality crafts its budget. I feel we have succeeded in that through a variety of methods over the last three budget cycles. We have made information available to more people earlier, and we have engaged more stakeholders in the process as well. In developing the 2012 Budget, we held six community focus groups to help us learn more about our residents' priorities and concerns. We also held forty public meetings with the city's various boards and committees and had six public hearings on the budget. In an effort to be more transparent, city expenditures are also posted online through our E-Cheque book for anyone interested in the vendors that we process payments to. We also post city contracts and contractors online.

Additionally, we introduced an interactive tool that allows input on possible budget reductions. We publish those possible cuts early on so everyone knows what we might have to cut in the budget. From the moment that it's published we start getting valuable feedback. We also put together a board game that looks at real issues through the budget process. In this exercise, residents try to make the same budget decisions we have to make. Point being, there is not enough revenue to fund all programs and services so the players are forced to make those tough budgeting decisions. These sessions are educational for participants, but they are also very informative for us. We also targeted high school students with this game. Some young people heard about this initiative on the news and actually asked their parents if they could participate. We realized how concerned youth are about some local issues such as parks, swimming pools, and library hours.

#### **What will Austin look like in twenty years?**

When I arrived, the City Council had a vision for Austin to be the most liveable city in the country. In support of that vision, my intent is to have Austin known as the best managed city in the country. We are making progress toward both the Council's vision and this management goal. Looking forward, in twenty years, I expect to see our population continue to diversify. I also think Austin will continue its reputation as a major government centre and technology hub. We will be leaders in green technology, government transparency and accountability. In twenty years, Austin will have a seamless multimodal transportation system that will include rail. We are nearing completion on a new comprehensive plan called Imagine Austin. I'm excited about it as it's one of the things I initiated upon my arrival after realizing Austin didn't have a current comprehensive development plan. Imagine Austin is a flexible plan, so it can be updated on a regular basis. It will guide the values and decision making for investments in the City and provide a context for the next 20 years.