




MEMORANDUM

TO: Mayor and Council Members

FROM: Jesús Garza, Interim City Manager 

DATE: January 30, 2024

SUBJECT: **60-90 day Goals/Transition**

Council Member Alison Alter, along with a sub quorum of the Council, including Council Members Ryan Alter, Paige Ellis, Natasha Harper-Madison and Zo Qadri, shared some questions with me late last week regarding my plans over the next 90 days as Interim City Manager and requesting my feedback regarding a new City Manager.

I appreciate the opportunity to share with all of you my answers to those questions.

1. What are your key goals over the next 90 days or so?

My overall focus remains the same from when I began as the Interim City Manager. The three focus areas are:

- (1) Addressing Mayor, Council and community priorities with a sense of urgency
- (2) Positioning the organization for the next City Manager
- (3) Bringing stability to the City as a whole through leadership review/assessment and attention to providing operational excellence

In important ways, these three priorities are interrelated. For example, through our assessment of the organization we evaluated areas where it was evident that we clearly needed to improve outcomes and where our ultimate success was dependent on cross-functional work. Some important examples of these included: homelessness, emergency management, development services/permitting and housing/affordability. In each of these areas we have made significant organizational and leadership changes. However, the work is not done and will continue to be a priority during my interim management.

- Homelessness Response Review:
As of December 2023, we have a stand-alone Homeless Strategy Office (HSO). Over the coming months we will be working in partnership to launch and complete an assessment of City, County, Central Health and Integral Care

investments and outcomes related to homelessness services. McKinsey & Company will be leading this assessment and we have formed a working group of staff from each of these entities. The end result will be a practical action plan designed to address our mutual purpose to ensure that our collective service delivery model ensures that homelessness is rare, brief and nonrecurring.

- **Emergency Response:**

We're continuing to work across the organization to update the emergency management strategic and hazard mitigation plans. I am pleased that our new system, which was tested in recent weeks, is working well. But there are always lessons learned and we are in the process of evaluating our most recent response and making adjustments as necessary.

- **Development Services/Affordability:**

As you know, the City Council approved Phase II of the Development Services process redesign work. During the next 90 days I expect to bring the City Council an update on Phase II. We will also be launching a significant IT project to replace the current AMANDA software to support our new processes.

We are moving forward with a review of the myriad housing programs we currently have to ensure that our affordable housing investments are as efficient and effective as possible. As you are aware, the City has also applied for a Federal Grant that could allow this work to expand to include a mid-term update of our Housing Blueprint. As we have passed the mid-term point in the Blueprint, this is an ideal time to capture some of the significant work that has occurred in affordability and determine if the current blueprint needs adjustment.

We are planning to bring to Mayor and Council for consideration amendments to our Land Development Code that will support Equitable Transit-Oriented Development (ETOD) by the end of February through May.

- **Resiliency/Climate Change:**

We are taking a city-wide approach to addressing both efforts we can engage in to effect climate change as well as ensure resiliency where we have the ability to make an impact, focused on a three-legged approach: environmental sustainability, resiliency and affordability.

This includes our emphasis on:

- Expanding climate resilience and adaptation efforts to prepare, respond, recover and adapt to climate-related hazards, particularly given they are becoming more frequent.
- Funding the Resilience Hub Network – community-focused facilities that offer day-to-day services in neighborhoods before and after emergencies.

- Making targeted investments in preparation and response to wildfire disasters.
- Funding Austin Energy’s Distribution System Resilience Program to strengthen/reengineer the assets across the system against wildfire and extreme weather events and address overall system reliability.
- Formalizing the partnership with the University of Texas at Austin on all climate-related work, including joint research projects on issues like heat mapping and climate change effects on the City’s water supply.

We also have two significant long-term plans coming forward for Austin Energy and Austin Water that recognize this same critical three-legged approach (environmental sustainability, resiliency and affordability):

- Updating Austin Water’s Water Forward Program
 - Updating Austin Energy’s Generation Plan
- Imagine Austin, the City’s comprehensive plan, serves as a guide for long-term growth, development, and land use decisions. Initially adopted in 2012, it is time to review what was envisioned at that time and update it to reflect and align with current Council priorities: (Funding was approved by Council through the adoption of the Fiscal Year 2024 Budget.)
 - Refinement of plan update goals and strategies is underway
 - Collaboration with Sustainability, Resilience and Equity Offices, Budget Office and Corporate Public Information Office is also underway
 - Capital Improvement Program Redesign.
 - We created a stand-alone department focused on completing the City’s Capital Improvement Program on time and on budget.
 - This department manages construction of a \$7B CIP including roads, bridges, water and wastewater lines, libraries, AFD/EMS stations and parks projects.
 - Beyond that, this department is tasked with managing generational investments in infrastructure beyond our traditional bond programs and those include:
 - Support Project Connect working in partnership with Austin Transit Partnership and Capital Metro for urban rail and MetroRapid programs
 - Expansion of Austin-Bergstrom International Airport
 - Redevelopment and expansion of the Convention Center
 - By June, we are breaking ground on our fifth priority AFD/EMS station, bringing the fourth priority AFD/EMS station online for service and completing the redesign of three other existing AFD/EMS stations.

- Animal Services Department
 - The Council is set to approve important changes to these services on Thursday, February 1. The implementation of these changes, once approved, including recommended training, will continue to be a focus for the next several months.

- Childcare
 - Many of you have identified Childcare as an important part of our affordability conversation. In early March, we our planning a presentation at a work session with the City Council to lay out the many efforts and ideas to address critical gaps in childcare in our community.

- Parks and Recreation Department (PARC)
 - A presentation made to the Audit and Finance Committee last week brought a number of questions specifically related to funds available for acquisition of property. PARC is working on a presentation that will highlight a global picture as to what the City owns property-wise, including information related to percentage of undeveloped land as well as information on percentage of partially developed land. It is through that lens that we can work with Mayor and Council to continue to evaluate the prospect of further acquisition while also ensuring a systematic approach to not only acquisition and development of land, but also facilities and programming for the department as well.

I do want to preface the above as saying this is likely not an exhaustive list as there may well be additional pressing issues that we are asked to address within this window. However, I will keep you updated as any additional concerns arise.

2. What do we need to have in place for an effective transition to the new City Manager?
 To me, an effective transition to a new City Manager means having a clear understanding of the role the next City Manager will play. An effective City Manager will have the ability to run the organization operationally, while working with the Mayor and Council to ensure alignment with policy and priorities. I also plan to share with all of you my efforts outlining the next 90-180 days to help highlight key initiatives underway and will have that ready within the next couple of weeks.

3. What qualifications do you think we should look for when hiring our new City Manager?
 You need to have an experienced professional who is familiar with what it means to work in a Council/Manager form of government. An individual who can serve as a true leader for the organization operationally and ensure that the best professional recommendations are provided to the Mayor and Council for informed decision-making. I would also strongly recommend that the next City Manager is familiar with the complexity of city operations.

4. What plans do you have to hire executives (department level or above) over the next 90 days or so?

I have already visited with a number of you in regard to filling the Deputy City Manager position. I still have a couple of you to touch base with as it relates to this position and want to do so before any other discussion on moving forward. In addition, I plan to visit with all of you regarding the Aviation Executive Director position and will do so in the coming weeks.

With that said, there are only a handful of positions that I have currently that are scheduled to occur in 90 days:

- (1) HR Director – in the process of recruiting and hope to have an appointment to share with you within the next 60 days.
- (2) Interim Chief Ethics and Compliance Officer. A City Audit of our Ethics and Compliance programs identified a need for this position and a subsequent recommendation by the City Auditor to create it. I plan to name someone to this post within the next two weeks.
- (3) Chief Learning Officer. I shared with you all my intent to create this position earlier this month. The position has been posted and my goal is to appoint someone in March.
- (4) Innovation Office. I plan to name a permanent Officer for this position within the next two weeks.

With that said, I do want to stress that this is the landscape as I see it now. I hope that you will remain open to the fact that over the course of the next 60 – 90 days, we may find ourselves in a situation where additional changes could be necessary since this can certainly be a fluid process when it comes to evaluation of leadership.

5. What plans do you have to restructure or sunset offices, departments, or programs?

I do not have any plans to sunset any offices, departments or programs. However, we are working on organizational changes to our many Real Estate functions. We're also taking a focused approach to redefining the role of the Economic Development Department to lead, for example, on workforce development and childcare initiatives. I will be bringing more information forward to all of you regarding these plans in the coming weeks.

6. Please share the challenges you see in APD and let's discuss some possible alternative solutions.

I outlined what I see as the challenges in Austin Police Department (APD) via my memo to Mayor and Council earlier this month. However, for ease of reference, below are the high-level areas that I view as priority work for the next 90 days and beyond:

- While the recruiting bonus program is yielding positive results, we also want to consider alternate recruiting strategies, including:
 - Using professional recruiting agencies specializing in police recruiting
 - Investing financial resources for new recruits participating in the Academy
- Furthering partnerships with higher education institutions, to enhance Academy curriculum design and delivery

- Entering into a partnership with BerryDunn McNeil & Parker, LLC (BerryDunn) focusing on a targeted operational review
- Bridging the pay and benefits as possible for our Police Officers by extending the existing ordinance
 - As a result of the ordinance approved in 2023, Officers received \$2,500 this month and will receive an additional \$2,500 in October which equates to a 6% pay increase for the average Police Officer
 - Consideration of another ordinance is slated for your consideration on Thursday
 - We further feel it imperative to get the Austin Police Association back to the table to enter into contract negotiations

I also think it bears repeating that good progress has certainly been made under the leadership of former Police Chief Joseph Chacon and Interim Police Chief Robin Henderson throughout 2023. Still, we are facing at this moment the need for a variety of critical initiatives to be implemented simultaneously. That is my reasoning behind providing additional resources to APD to help better support the Department, our Interim Police Chief and her management team to ensure success.

7. What do you believe the proper communication with or input from Council is over personnel and restructuring decisions? How do you think these communication channels might look differently as we get closer to the transition to the new city manager? The most important alignment for a City Manager is with the Mayor and Council regarding Council priorities. While personnel and restructuring decisions are and should be at the discretion of the City Manager as set up by the charter, it in no way means that input is not welcome. As we move to ensure a smooth transition to a new City Manager, it is my sincere hope that this alignment is fully integrated to set us up for success.

cc: CMO Executive Team
Department Directors