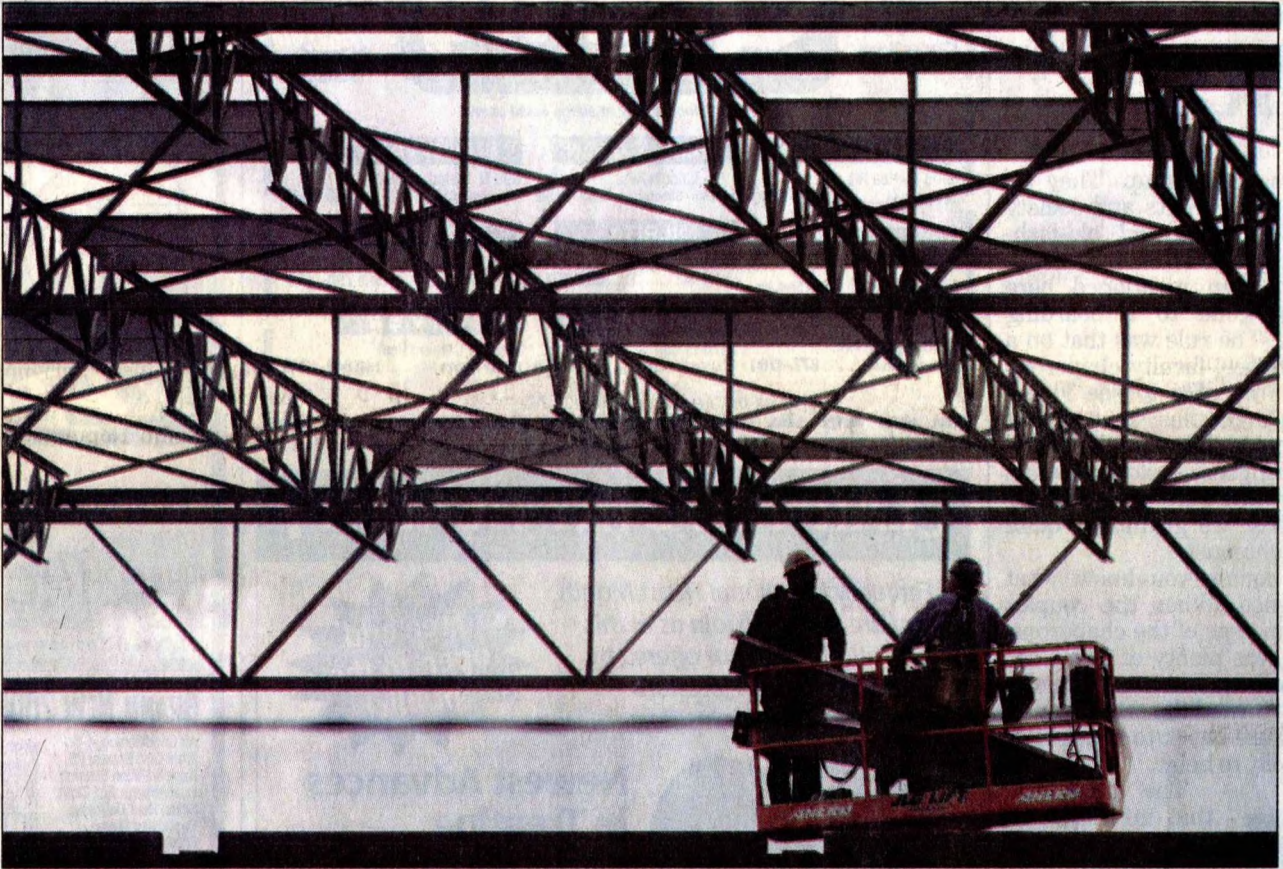


Acclaimed manager to take city's reins



PATRICK TEHAN — MERCURY NEWS

Ironworkers help in the construction of the new Ikea store, one of the top projects on the burner for interim City Manager Ted Gaebler, who will take over in East Palo Alto the first of the month.

Ted Gaebler, co-author of "Reinventing Government" and most recently Nevada County executive, takes over Saturday on interim basis, and says he may apply for permanent job.

By **Thaai Walker**
Mercury News

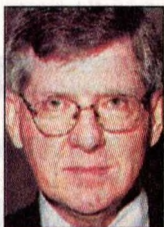
In government circles, Ted Gaebler is known as a change agent — the guy to go to when you want to turn your government around.

But with only 120 days to spend as East Palo Alto's new interim city manager, the question is, how many of those skills will come into play?

East Palo Alto officials say they simply want Gaebler, who won national recognition with the 1992 bestseller "Reinventing Government," to help keep things moving, especially through an upcoming budgeting process that is expected to be particularly painful in this year's dire economy.

East Palo Alto, a city that has trouble providing services be-

cause of its low tax base and where the desire for progress often conflicts with fears about change, has been searching for a city manager since dismissing its previous one last June. Gaebler will start Saturday.



Gaebler

"We don't have any turning around to do; we're headed in the right direction," Mayor Pat Foster said. "But I know he has expertise in how government is run, and of course we will listen to that."

Gaebler said he is open to applying for the permanent position. As interim, his impact may be limited. "They didn't bring me in for bold new initiatives to be done in four months," said the career public

NEWSMAKER PROFILE TED GAEBLER

PERSONAL: A longtime public administrator and co-author of the acclaimed 1992 bestseller "Reinventing Government." Married to Bonne Gaebler; is the father of two adult children, Christopher and Robin.

HIS ROLE: As interim city manager, he will run East Palo Alto until the city council decides on a permanent replacement — a job he says he may apply for. The biggest short-term challenge will be setting the budget for the next fiscal year, which begins in July.

HIS STYLE: Experienced, entrepreneurial and affable, with an open-door policy, Gaebler advocates running government like a business.

WHAT PEOPLE SAY ABOUT HIM: "He's here to share his expertise and he really wants to help." — Rick Haffey, who replaced Gaebler as Nevada County executive officer

HIS BACKGROUND: Former county executive officer of Nevada County, and city manager in San Rafael and Visalia, and Vandalia, Ohio. Was vice president for business development at Affiliated Computer Services. Received a master's degree in government administration from the University of Pennsylvania's Wharton School. Received an undergraduate degree in government administration at Miami University, Oxford, Ohio.

MANAGER | Challenges lured him, new boss says

Continued from Page 1B

administrator, who most recently served as the county executive officer for Nevada County in California. "If I just help share the normal, day-to-day load, I think that would be OK."

"On the other hand," he continued, "with me they probably get a little bit more than that because I have an interest in having governments delight their citizens and their employees."

Gaebler said he took the job because he is attracted to East Palo Alto's particular challenges.

On a recent visit, he motored past well-kept homes, cluttered salvage yards and big-box stores. His city manager's eye saw a city of untapped potential.

But, he said, he also saw a place that requires the utmost care in balancing progress with the preservation of the qualities residents hold most dear. "We can't abandon the community values in the interest of trying to attract investment," he said.

East Palo Alto is a far different place from Nevada County in California's Gold Country, where Gaebler oversaw a staff of 1,100 employees and a \$135 million annual budget. He was known there as an affable boss who had an open-door policy and reputation for working past midnight and being tardy to meetings. He comes to a city that has 100 employees and a \$12 million annual budget.

When he left Nevada County, he was given a four-page commendation listing his accomplishments and a standing ovation.

But he also had critics. His views on government were unpopular with the county's self-labeled conservatives. A shift from a liberal majority to a conservative majority on the Nevada County Board of Supervisors led him to resign last December.

"It was about a professional

TRADING SPACES

East Palo Alto has named Ted Gaebler, a career public administrator, interim city manager. A comparison with the city and Nevada County, where he last served:

	EAST PALO ALTO	NEVADA COUNTY
Population (2002)	31,100	95,300
Median household income (1999)*	\$45,006	\$45,864
Urban/rural	100% urban	57% urban, 43% rural
Race/ethnicity	59% Hispanic, 27% white, 23% black, other less than 10%	93% white, other less than 10%

Race percentages don't add up to 100 percent because of multiple race categories
*Household income is from 1999

Source: Mercury News research

MERCURY NEWS

difference of opinion of philosophy," said board President Sue Horne, who was part of the majority that compelled Gaebler's departure. "I'm very fiscally conservative, and in the times we're going into I think it's very important to have leaders that are very attuned to the limits of county government."

Critics also took him to task on his contract — some felt he had too much power and too many perks, including a salary of \$108,000. Gaebler said he is negotiating with East Palo Alto for a similar salary to the one earned by its former city manager, Monika Hudson, whose management company was paid \$134,000 last year.

His fans, including some Bay Area public officials, say East Palo Alto is in for a good experience, even if Gaebler's stay is brief.

"They are fortunate to have a leader of Ted's caliber," said Palo Alto City Manager Frank Benest. "He's a great leader."

Mayor Foster said she would

like Gaebler to address morale problems among city employees who in recent years have been affected by contract disputes, council divisiveness and staff upheavals.

Those upheavals included former City Manager Hudson's abrupt dismissal. Hudson, who was praised for her leadership and criticized for her management style during her tenure, was undergoing a performance evaluation at the time. The city later paid \$106,000 to settle her claim that she had been improperly fired.

Whether it will be Gaebler or someone else, the next permanent city manager in East Palo Alto will be charged

with bringing together a city government sometimes criticized by the public for being unresponsive and cumbersome.

And the council will also be looking for someone to push forward with economic development projects. While East Palo Alto has had success in attracting big retailers such as the Ikea furniture store, other

hopes for a grocery store, a town square and an overhaul of 130 acres of industrial lands remain unrealized.

As an administrator, Gaebler's main interest lies in the inner workings of an organization; how well its various parts are functioning; how satisfied the employees are. The goal, he said, is to address those issues to better deliver services and in turn create a government that citizens can be proud of.

"Reinventing Government" influenced the Clinton administration's efforts to restructure the federal government. Co-written by David Osborne, the how-to guide promoted an entrepreneurial, competitive and open-minded form of government and challenged old ideas about how a bureaucracy should function. Sunnyvale's city government was featured as a place that had put this theory to work.

"I tried to get everyone on the council to buy the book — I was jazzed," said former city council member Sharifa Wilson, who was particularly impressed by examples of cities that ran businesses on the side. Though no one took her up on the suggestion, she said, "I thought it had some good ideas that we could incorporate as we were pushing forward with economic development."

Although Gaebler's stint is temporary, he said he plans to put his Nevada County home on the market Saturday. He said he intends look for a home on the Peninsula and would love to live in East Palo Alto.

"At this time in his career, he's not here to bring home a paycheck. He's here to share his expertise and he really wants to help," said Rick Haf-fey, who worked under Gaebler and now holds the executive officer post for Nevada County. "I think East Palo Alto has done a great thing by bringing him on."

Contact Thaci Walker at twalker@sjmercury.com or (650) 688-7581.