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**October 2023**

Mayor Wheeler and City Council,

In recent years, community members have repeatedly and clearly expressed their expectations for a city government that is more coordinated, accountable, accessible, responsive, and equitable to deliver public services in an increasingly complex world. In November 2022, Portland voters approved a ballot measure to adopt a new mayor-council structure effective January 2025, along with several other changes to our city government. Since November, city leaders, employees, and community members have embraced the opportunity to meet that expectation.

Today, I am pleased to recommend a new organizational chart that will provide a strong foundation for successful operation in the new structure, and ongoing development into a more effective organization. Having considered organizational, community, and employee needs in extensive consultation with each of you, your staffs, and bureau leadership, I am confident we have crafted a resilient and manageable structure. And while there are many right ways to organize a city, I believe this approach is most responsive to the advice, ideas, and priorities we heard through this process.

Among other changes, this recommendation:

- **Establishes a City Administrator.** Per the Charter amendments, the city administrator will centralize bureau management to promote consistent focus, policies and operations across the organization.
- **Formalizes Service Areas Led by Deputy City Administrators.** Reporting to the city administrator, deputies will lead more effective collaboration, planning, and budgeting among functionally similar bureaus, and better coordination across the organization.
- **Establishes an Equity Officer Reporting to the City Administrator.** Reporting directly to the city administrator, the equity officer will promote deeper integration and more consistent application of our equity work across the organization.

Going forward, we'll need all-hands on-deck to implement this new structure, manage through challenges and complexities that arise, and continue to focus on the urgent needs

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of our community. We must work with shared clarity of purpose to lead this organization, supporting employees through significant change and providing the next administration with sufficient stability and grounding for continuous improvement.

Even as significant change presents challenges, I know that this organization is prepared and motivated to deliver a brighter future for Portland.

Sincerely,

Michael Jordan

Chief Administrative Officer

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# Recommended Changes to the City of Portland's Organizational Structure: Background and Summary Report

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# I. Background

## Overview: Charter reforms

In November 2022, Portland voters approved Measure 26-228, marking a significant turning point for the City's government's structure. The vote directed the implementation of three interrelated charter changes:

- Allowing voters to rank candidates in order of their preference using ranked-choice voting;
- Creating four new geographic districts with three members elected to represent each district, expanding the city council to a total of 12 members; and
- Replacing the commission form of government with a city council that focuses on setting policy and a mayor elected citywide to run the city's day-to-day operations, with the help of a professional city administrator.

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*Significant public comments provided during the charter review process made clear that people prefer a professional to oversee bureau administration to enhance bureau performance and ensure equitable and professional administration of bureaus and delivery of services.*

*2022 Charter Commission Progress Report #6, p. 22*

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On November 9, 2022, Mayor Ted Wheeler and City Commissioners Jo Ann Hardesty, Mingus Mapps, Carmen Rubio, and Dan Ryan shared the following statement with Portlanders:

> "Portlanders have set a new course for city government. In the process, they've shown democracy in action. Over the past two years, thoughtful and dedicated community leaders served on our city's Charter Commission. Thousands of passionate residents voiced their opinions. People vigorously debated the proposal on the ballot. Votes have been counted, and a decision has been made.
>
> Like Portlanders, we as city leaders had a range of opinions about the charter reform ballot measure. But we are united in our commitment to ensuring a smooth transition to Portland's new form of government – and addressing the city's most pressing challenges. Throughout this transition, we will continue working together

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to expand access to housing, make our community safer, improve economic security and respond to the threat of climate change."

## Working in Service Areas

In January 2023, the Mayor reassigned bureaus to council members and into service areas based on functional similarity. These service area assignments were developed in collaboration with city council and were intended to reduce silos, foster collaboration, and improve budget planning among aligned bureaus as the transition began.

In February 2023, council adopted Resolution 37609 to provide additional structure, role clarity, and direction to those responsible for planning and implementing the transition. The resolution directed the City's chief administrative officer (CAO) to work with bureau leaders and council offices to identify organizational structure changes to prepare for the new roles of council, mayor and a city administrator. The CAO was directed to propose a recommended organizational chart in fall 2023, ahead of the Fiscal Year 2024-2025 budget development process.

At the hearing on February 3, 2023, Mayor Wheeler championed the resolution as a tool to ensure the city is working together towards its top three priorities – to prepare the City for better governance, improve the system for bureau management oversight, and remain focused on Portland's toughest problems. [1:47:48]

Commissioners stressed the importance of restructuring and coordinating efforts amid the transition to deliver on voters' directives during the Portland City Council afternoon meeting on February 2, 2023:

- Commissioner Dan Ryan: "I believe for Portland to be the City that works, we need to organize differently, think differently and act differently. Restructuring our city into five work areas is the first right step." [43:07]

- Commissioner Mingus Mapps: "Setting up a coordinated plan for implementing charter reform both fulfills the will of the voters and is an example of good strategic planning." [50:40]

- Commissioner Rene Gonzalez: "[This resolution is] delivering a technical requirement mandated by the voters in November [2022]…let's not lose sight of this that we all have a job to do, and that is to deliver charter reform as voted on by the voters." [1:44:35]

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- Commissioner Rubio on Sept. 22, 2023: "Portland is embarking on one of the biggest transformations in our history…. It's going to take a level of collaboration and communication under unprecedented circumstances that I would argue no other Portland City Council has confronted before."

### Chartering the Executive Leadership Team

In March 2023, bureau directors adopted a charter (appendix A) defining their mission, norms, membership, and working agreements as the executive leadership team (ELT) convened by the CAO. Consistent with Resolution 37609, the ELT charter defines its purpose as: "to lead and collaboratively develop city-wide organizational direction during the two years of planned development and transition at the City of Portland from 2023 to 2025…[and to] inform policy priorities established by the council, oversee efforts to better align service delivery with public outcomes, and promote the development of a more collaborative culture to better serve the needs of Portland residents."

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*Chartering the executive leadership team and engaging bureau directors was essential to aligning services in a way that allows us to do our best work for Portlanders. Working together as a leadership team prompted us to think beyond our individual bureaus, gain a much broader city-wide perspective, and take responsibility for the greater good.*

*Dawn Uchiyama, Director of the Bureau of Environmental Services*

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## II. Methodology

### Overview: Project Startup

Grouping bureaus into service areas in January 2023 was an important first step toward re-designing the city organizational structure. Together, the service areas and ELT offered the project team a useful structure for engaging council offices and bureau leadership.

The City Organization project, which developed the recommended organizational structure, kicked off in early 2023 with the goal of providing a recommendation from the CAO to council in October 2023. Two main considerations drove the project schedule: key structural decisions needed to be known before the development of the Fiscal Year 2024-2025 budget, which spans two forms of government and must reflect both the old and new organizational structures; and the new organizational structure must be up and running

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before January 2025. The schedule also needed to allow for time for technical implementation and thoughtful change management.

To meet the October 2023 deadline, and the need to create recommendations that were technically implementable, the project team's scope was limited to organizational changes to the program level and higher (the project did not include recommendations at an individual level). Within this scope, the project team focused on changes that would improve bureau management, coordination, and operational success.

During the first quarter of 2023, the project team developed a 'programmatic assessment' process to assess and understand dynamics from across the organization – including strengths, challenges, ongoing developments, and possible implications of potential changes. The ELT began convening to focus on the transition through twice-monthly meetings, periodic retreats, and work sessions.

## Programmatic Assessments

Beginning in April 2023, council offices convened leaders within their service areas to conduct programmatic assessments. These conversations were led and facilitated by service area staff. Participants, including commissioners and their staff, directors, deputy directors, equity managers and subject matter experts (the composition varied across groups) were able to speak to the needs within their service area and the organization as a whole. The discussions in these spaces were thoughtful and expansive, and the outcomes were incorporated into the recommendation.

Service area teams conducted the assessments in three phases from April to September 2023:

- *Phase 1: Service Area, Bureau Management, and Program Exception Review (April – May 2023)*
  Assessment teams began a review of the mayor's assigned service area groupings and programs to identify how well they functioned and what exceptions existed that might be better served with different bureau or program groupings. The project team fielded an employee survey designed to inform the assessment team's discussions and recommendations. The team published the survey's initial results in early May 2023. Assessment teams finalized their Phase 1 reports in early June.
- *Phase 2: Bureau Management and Coordination Review (June – July 2023)*
  Assessment teams continued reviewing service area groupings and program functions. In addition, they considered the potential added value of deputy city

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administrators (DCAs), including possible roles and responsibilities that could promote the City's core values, improved service delivery, and strengthened citywide coordination and standardization. The project team synthesized the community's desired goals and outcomes based on an analysis of public engagement sources from the previous five years. The project team published the community outcomes report in early July 2023. Assessment teams finalized their Phase 2 reports in early August.

- *Phase 3: Organizational Chart Development (August – September 2023)*
  The project team led a series of retreats and developed a variety of structural options to inspire discussion and debate, each reflecting varying levels of impact and potential outcomes and teeing up questions. The ELT and council chiefs of staff discussed and refined outstanding questions, and provided additional inputs about which of the structural choices could best meet their service areas' needs and promote a one-city approach. The project team provided a final report on employee survey results that helped inform structural options.

  During this phase, the project team applied an equity tool that described priority characteristics of what the city should be, as identified by communities' desired outcomes, employee input, and the city's core values. These characteristics describe a city government that is:
  - Anti-racist / Equitable
  - Accessible / Transparent
  - Collaborative / Coordinated / Communicative / Responsive
  - Accountable / Fiscally Responsible

  Project staff completed The City Organization Equity Tool, providing analysis to inform deliberations and highlighting options that were especially aligned or misaligned with the priority characteristics. Additional analysis can be found included in Section III: Organizational Recommendation and at the link above.

## Additional Inputs and Information

The CAO's final recommendation was informed by the programmatic assessments, best practices, employee input, community desired outcomes, feedback on the draft, and discussions with ELT and council office staff in retreats and regular meetings.

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### *Best Practices*

Throughout the process, the project team conducted best practice research, sought advice from peer cities through consultations and panel discussions, and collaborated with the ELT and program and technical experts to understand the implications of potential recommendations – including potential barriers to implementation, resource needs, and other requirements for success.

### *Employee Input*

The team conducted an employee survey from April to July 2023 and a manager survey from April to May 2023, twice disseminating initial and updated results. The survey was designed to help inform the ELT about the employee experience of the current structure, including benefits and challenges of the current service area groupings. This helped the programmatic assessment teams vet their assumptions about cross-bureau collaborations and provided insight into what employees were most concerned about.

From across the organization, 1,201 employees and 123 managers, representing all 26 bureaus and a broad cross-section of field, direct service, administrative, program, and other staff responded to the survey. In total, they submitted 2,107 comments. The project team read, categorized, and considered each comment to better understand how potential changes might impact employees. The comments were rich in ideas and input, often suggesting changes that cannot be addressed through structural changes alone. This information will remain valuable as the project team continues its change management efforts and analysis of future improvement opportunities.

### *Community Desired Outcomes*

In July 2023, the project team published the Community Outcomes Report. The report is an informal analysis of a variety of community feedback sources collected over the last five years. They include City audits of bureaus and programs from 2020-2023, recommendations from the Ombudsman's Office from 2017-2023, public comment received by the Portland Charter Commission from 2020-2022, and the results of citywide community surveys (Portland Insights Survey and Portland Engagement Project from 2022-2023).

While not a scientific study of all Portlanders and their views on city government, the combination of sources represented more than 5,000 Portlanders who spoke six different languages and came from all areas of the city.

The report identified five high-level themes that emerged repeatedly across the sources; people were interested in a government that is coordinated, accountable, accessible responsive and equitable. There were three objectives under each theme that were found

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in two or more sources, as detailed in the report. This analysis offered insights into challenges community members commonly cite in getting their needs met and possible impact of potential structural changes. However, structural changes alone cannot address the majority of the identified community desired outcomes, so much of this information will be valuable as the city considers additional changes going forward.

### *Feedback on the Draft*

The CAO shared a draft recommendation with community and employees on September 12, 2023, with an invitation to provide feedback until Oct. 5, 2023. This feedback, along with insights from council members, helped the CAO refine the draft recommendation into the final version.

Feedback received revolved around a few key themes, including neighborhoods and Portland Solutions, Parks as part of Public Works, the city's approach to equity and climate, and the ongoing natural resources assessment work. The comments were summarized to identify themes and direction and the team considered the feedback and made changes as appropriate. The changes are reflected in the CAO's final organizational recommendation.

# III. Organizational Recommendation

## Overview: The Organizational Recommendation

The CAO's final recommendation considered feedback received throughout the project. It is organized around the new city administrator position, groups of bureaus in service areas with a common focus, establishes Deputy City Administrators (DCAs) to lead the service areas, and elevates equity to the executive office. It sets the first city administrator up for success by establishing a base structure with reasonable spans of control, rational groupings of bureaus, and a leadership team with shared accountability for citywide goals and values.

At the highest level, the organizational recommendation responds to community and employee priorities around elevating our work to be more unified citywide, standardizing city policies and processes, and aligning bureaus with similar missions, nexus, and focus.

Additionally, the recommendation advances objectives identified by ELT, community and employees:

- A more coordinated, accountable, accessible, responsive and equitable city organization;

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- Development and pursuit of shared citywide vision and priorities with leadership from a citywide focused team;
- Clearer and more consistent authority amid conflicting priorities or decisions to enable teams to work better together;
- Enhanced partnerships between bureaus
- Increased authority, consistency, and integration of equity in our work;
- Standardization of city policies, processes, and business support services, balanced with flexibility to meet the community's desired outcomes;
- Improved coordination in our budgeting and planning processes;
- Sufficient and consistent communications and clear points of contact for the community;
- Improved alignment among programs and offices within and between bureaus and in service areas;
- The ability to address pressing challenges more effectively and equitably;
- Unified management, especially of externally focused programs;
- More coordinated infrastructure service delivery; and
- Unified culture that is reinforced throughout the organization.

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*"Hearing from others who had a mix of experience, and sharing my own experience with other jurisdictions and systems, was critical to being forward-thinking about what Portland can be and how we can lead in this moment and into the future."*

*Shad Ahmed, Director, Portland Bureau of Emergency Management*

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As a note, bureaus are listed on the organizational chart where they remain unchanged, and programs are listed where there are changes; if a program is not listed on the organizational chart, it will remain in the bureau where it is currently housed. Also, where new positions are noted throughout the organizational chart, specific classifications and titles are still to be determined.

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## Key Features of the Recommended Organizational Structure

### *Citywide Leadership Team Management Model*

To support this governance structure in the new form of government, this recommendation includes a city administrator, an assistant city administrator, six Deputy City Administrators (DCAs), and an equity officer as the citywide leadership team. Together, they are responsible for leading and coordinating operations across the City to improve the delivery of internal and external services, developing and implementing a shared citywide vision and priorities, and continuing to grow a shared culture across the organization. This helps with coordination and shared leadership, elevates the function of equity, and builds more accountable and coordinated systems.

This structure will also enable programs and functions within service areas that have citywide application, such as budgeting, equity, climate, and asset management (among others) to better extend across the organization. This leadership team will have the explicit charge of working across service areas to look at the whole city, standardizing practices and approaches where appropriate, elevating and empowering functions and teams for utilization citywide, and otherwise working horizontally across the organization, reducing silos, and working together to address our community's most pressing problems. This model also enables an elevation of core values, again including responsible budgeting, advancing equity and anti-racism, addressing pressing climate challenges and managing our assets proactively and responsibly, across the city, without placing every important function in the city administrator's office.

> *The professional city administrator will be nominated by a mayor subject to approval by a simple majority of city council. The city administrator must be a person of demonstrated administrative ability with experience in a responsible, important executive capacity and must be chosen solely on the basis of executive and administrative qualifications."*
>
> *2022 Charter Commission Progress Report #6, p.16*

### *The City Administrator's Team*

**City Administrator**

The charter amendments provide for significant improvements in the way the administration is managed. Under the structure established in the Charter, the city administrator would lead the city organization and work closely with the executive mayor

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to implement the laws and policies developed by the legislative council. As outlined in the charter, several key functions are elevated to be managed by the city administrator including advancing the City's core values, mitigating the human-made climate crisis and prioritizing environmental justice, preparing the annual budget, and keeping the council fully advised as to the financial condition of the City. (see 2022 Amendments to the City Charter section 2-406). The City Administrator will determine if they will serve as the City's Climate Officer or if they chose to delegate any authorities

A 2018 study by the International City/County Management Association (ICMA) found that more than 75% of local governments reported having a city administrator or equivalent role, including more than half of mayor-council governments. Local governments often establish assistant and deputy roles to support the city administrator, allowing the administrator to focus on organization-wide operations while assistants and deputies focus on specific areas. A well-established best practice, this model is especially common among medium-sized and larger cities, distributing the span of control within the city administrator's office, diversifying the skills set among administrative leadership, promoting cohesion with the organization, and establishing bridges between leadership and staff. [ICMA Guidebook for Assistant and Deputy City Managers, p. 5-8]

### Deputy City Administrators

The DCAs will align the work of bureaus within their service areas and partner across service areas to advance citywide priorities. Many of the City's challenges cannot be addressed by any one bureau alone, thus the City requires a more cross-functional and integrated approach. The DCAs will develop citywide strategies, standardize policies, coordinate approaches, and enable more meaningful collaboration within and across departments. They will also facilitate discussions within their service areas about improving service coordination, strategic priorities, and potential options for consolidating shared functions within DCA offices. The DCAs' role in citywide coordination promotes greater transparency and will help to break down silos that exist today.

### Equity Officer

The equity officer, in the office of the city administrator, will have executive responsibility for the City's work to advance our city core values of equity and anti- racism – both internally and externally. Elevating equity to the city administrator's office provides the authority needed for the citywide nature of the work, clarifies decision-making, provides consistent expectations, and sets the stage for better integration of equity work across the city organization.

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The *Office of Equity and Human Rights* will report directly to the equity officer, recognizing the need for citywide alignment and consistency. Positioning the function and responsibilities of equity in this way increases our opportunities to operate as a more unified city in advancing anti-racist and equitable policies and practices. It also demonstrates accountability for this work at the highest level of the organization.

The equity officer will also partner with others in conversations about how best to distribute equity resources across the city organization in the future.

### Assistant City Administrator

This person will work closely with the city administrator and lead the Portland Solutions, Community Relations and Council Operations teams. These functions have been placed in proximity to the executive rather than in a service area – they are all externally focused functions charged with providing responsive services to Portlanders. Because the scope of the service areas, led by DCAs, is much larger, this group will be led by an assistant city administrator rather than being placed in its own, smaller, service area.

Teams in the assistant city administrator's office include:

- A new *Communications Officer* will coordinate the City's communications approach and partner with communications teams across bureaus and service areas to provide unified content and messaging, sufficient and consistent communications, and clear points of contact for community. They will also support conversations about how best to distribute communications resources across the city organization in the future. Pending an ongoing assessment, the central communications team will also report to this person. This will help create a more transparent and accessible city organization. The classification of this new position is TBD.
- A *Community Relations* team led by a new *Engagement Officer,* will align under common management many of the community-facing programs from across the city, including teams that directly serve Portland's diverse communities. This group will work closely with the *Communications Officer* to improve the City's ability to communicate effectively and promote greater transparency with communities by developing clear, citywide policies, practices, and guidance for community engagement, working with public advisory bodies, and improving external communication as well as coordinating with engagement teams across bureaus and service areas. This team is distinct from the Portland Solutions team in that the latter is geographically based while the former's focus is community-wide. The *Engagement Officer* will also support conversations about how best to distribute engagement resources across the City's organization in the future. This work will

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help create a more transparent and accessible engagement processes across the City's organization.

- A *Council Operations* team to support the expanded 12-member council, including committee meetings and legislative research and analysis on policy priorities. The manager of the council operations team will be a key liaison between the city council and the executive leadership.
- The *Office of Government Relations (OGR)* includes state, federal, local, tribal and international government relations, as well as Tribal and Indigenous community engagement, and grant writing support. These will be elevated to the executive level of the organization because they'll be coordinating closely with both the mayor and the city administrator.
    - The Office of Government Relations (OGR) has been working internally with city leaders to identify the best path forward for the Tribal Relations Program. Looking ahead, grounded in the City's commitment to indigenous and tribal communities, OGR and future city leaders will work to embed the Tribal Relations Program within the administrative office structure separate from OGR and maintain one government-to-government relations-focused position on the OGR team.
- A *Portland Solutions* team, to respond to district-based livability concerns, is still under development and will report to the assistant city administrator. It is meant to be responsive to community-based concerns currently managed through emergency declarations and 90-day resets. The group's main focus is to provide place-based solutions for houselessness, community livability, and neighborhood-based priorities, and address and respond to pressing challenges more effectively and equitably. Bringing Portland Solutions and community relations into the same structure will help ensure close collaboration. This structure will continue to evolve as we learn more.

### *Bureaus are Organized into six Service Areas led by Deputy City Administrators*

The recommendation includes six service areas to better align the work of the City, promote collaboration, offer reasonable spans of control and reduce silos. They also align services around outcomes meaningful to Portlanders, including safety, parks, economic development, and responsible budgeting, creating a management structure that is able to deliver on community expectations. Each service area will be under the leadership of deputy city administrators who, together with the city administrator, are responsible and accountable for the management of the City's bureaucracy, as stated above. The vision for

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this structure is improved alignment and coordination among programs and offices, a clearer sense of authority and collaboration, and the opportunity to learn from one another.

An important focus in developing the recommendation is having a structure that will support and facilitate increased access and opportunities for engagement and partnership with communities—particularly in its focus on reaching and supporting systemically oppressed groups and communities in the city. And, as determined by bureau leadership and DCAs, service areas may also realize efficiencies and synergies in areas such as communications and engagement, planning, budgeting and advancing equity.

The new service area alignments offer a strong first step and opens the door for discussions about standardization, in terms of how we engage with communities, how we focus on reaching and supporting systemically oppressed groups and communities, how we communicate about our work, which will increase both transparency and accountability to our communities. It also sets conversations around increased collaboration and authority, making it clearer who does what and breaking down silos. It creates a team and a space for additional discussion around structural and process change moving forward as well as building on our ongoing organizational culture work. And it sets the stage for work to more effectively further our citywide goals, as one city.

There are many functional and appropriate ways to organize a city. Many cities cluster functions in service area like groupings. The CAO's recommended structure is based on the organizational structure of similar-sized cities, elements specific to Portland's challenges, and analysis in the programmatic assessments.

The six proposed service areas include:

### Budget and Finance

This service area provides for coordinated and unified budgeting as well as other significant financial operations, such as forecasting, with teams accountable to one DCA. The structure also allows for closer coordination between the city administrator, who has financial reporting requirements established in the charter, and the DCA of budget and finance, and their teams.

| | |
|---|---|
| **Budget & Finance**<br>**Deputy City Administrator*** | **Budget**<br>**Revenue and Financial Services**<br>**Business Operations**<br>**Fire Police Disability & Retirement** |

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Functions in this service area have citywide implications and coordination needs, including tracking progress on goals and outcomes. This unified positioning will help with transparency and accountability and help to break down silos as the new budgeting process, necessitated by the new form of government, gets developed and implemented. Like the City Operations service area, it pulls many functions from OMF.

### City Operations

This service area includes predominately internal services that support the operations of city government, largely pulled from the Office of Management and Finance (OMF), many with citywide reach. City Operations focuses on many of the centralized services that are separate and apart from budget and finance. Creating a City Operations and a Budget and Finance service area reorganizes central services around their core functions, separating operational teams from those focused more on budget and finance to ensure focused leadership in each area.

Positioning services such as Procurement, Human Resources, the Bureau of Technology Services, and Asset Management to report to a Deputy of City Operations recognizes the importance of centralized services and increases the opportunity for forming standard guidelines and policies and supporting integration within city operations.

### Community and Economic Development

This service area includes several bureaus, programs and functions that will advance the economic vitality of Portland, and impact the built environment and livability of the city. Additionally, it includes a to-be-determined structure to consolidate permitting functions, based on a city council resolution passed in late August 2023.

The group represents a priority for Portlanders and is connected to our ongoing economic recovery. Co-locating these bureaus and functions will reduce barriers to creating a vibrant economy. Including spectator venues, film and events and arts leverages their location and proximity to programs that are economic drivers.

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As noted on the organizational chart, Prosper Portland is accountable to the Prosper Commission because, by charter, the Prosper Portland board hires and fires the executive director, and they have their own general counsel.

## Community Safety

This service area includes the public safety bureaus and the Community Safety Division with their existing programs. This recommendation formalizes the work that has been underway collaborate on budget and administration, pivoting the bureaus to a community safety model.

**Community Safety Division**
**Emergency Communications**
**Emergency Management**
**Portland Fire & Rescue**
**Portland Police**

This co-location will allow public and community safety bureaus to think about safety in an integrated way, and not in silos, and will allow for more coordination and clearer lines of accountability. The recommended organizational chart also recognizes the imminent sunsetting of the Independent Police Review and instead recognizes the to be created Community Board for Police Accountability, within the Community Safety Division.

There is a dotted line from the police bureau to the police chief, as the Charter states that the police chief is appointed by the mayor and confirmed by the council. The DCA of Community Safety will lead on day-to-day strategy and priorities of the community safety service area, while, ultimately, the mayor will be held responsible for the success of the police chief in their role.

## Parks and Recreation

This service area, consisting of Parks and Recreation and the Childrens' Levy, is one that is outwardly facing and that impacts the daily lives of many Portlanders. This service area recognizes the unique place that Parks and Recreation programing, stewardship, infrastructure and planning functions have in the city. In fact, in a review of other city structures nationwide, Parks is generally not grouped with utility and/or infrastructure bureaus.

**Parks & Recreation**
**Portland Children's Levy**

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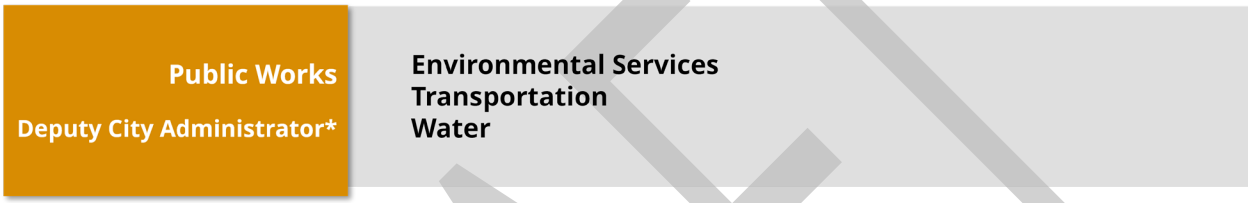
This also balances the scope, scale and span of control across the service areas, and recognizes the complexity of the Parks bureau as well as the public works bureaus. Arts, which does have strong nexus with Parks, is co-located with other economic and cultural drivers in Community and Economic Development, including the film and events and spectator venues teams.

### Public Works

This service area includes the infrastructure bureaus and provides independent buraus the opportunity for closer collaboration and shared accountability, recognizing existing synergies and creating opportunities for new ones across functions such as planning, asset management and project delivery.




Bureaus in this service area manage critical infrastructure, steward natural areas and provide many other diverse operations that touch every neighborhood in the city and are essential to Portland's livability. The alignment recognizes the synergies between the three infrastructure bureaus (Environmental Services, Water and Transportation, currently) and the amount of collaboration between the bureaus and the need to continue to work closely together on policy, planning, and implementation efforts as well as infrastructure and land management.

*Natural Resources*

BES, BPS, PBOT, PP&R, and PWB are currently assessing natural resource service delivery and potential process improvements. This team is evaluating opportunities for alignment of service delivery, which could include the potential creation of a new natural resources organizational unit. This unit is not referenced on the organizational chart as the assessment is still in progress, but the transition team continues to be very supportive of its development. The future DCAs of both Parks and Recreation and Public Works, along with Community and Economic Development and the rest of the leadership team, will be well positioned to support future decisions about the location and composition of any future natural resources-focused organizational unit.

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### *Additional Reimagined, Realigned and New Functions*

Portland's commission form of government made citywide approaches to pressing issues and coordination of services challenging. The recommendation includes functional areas to be nimble and responsive to the City's needs – some are new teams while others are re-constitutions of existing teams. It also includes realignment of programs, some of which have historically been housed in bureaus not because of programmatic alignment, but for convenience. These changes include:

- A Coordinated Citywide Asset Management function within the new City Operations service area will advance recommendations of the Citywide Asset Management Group (CAMG) and advise on best practices and aligned methodologies that supports strategic infrastructure planning and management.
- Office of Management and Finance (OMF) bureaus and programs are reassigned to various organizational units, primarily in the City Operations and Budget and Finance service areas. This creates clarity and alignment between those OMF functions that are supporting general bureau operations and those that are supporting budget and finance functions.
- The Spectator Venues Program is moved from the Office of the CAO to the Community and Economic Development service area. This aligns the program, which oversees city-owned venues hosting sports, music, arts, and other events, with others that are focused on building and supporting our economy and community.
- The Procurement Division is moved from the Bureau of Revenue and Financial Services to the City Operations service area. The Procurement Division provides central contracting and purchasing support to city bureaus, which is a different type of function than others housed in the Bureau of Revenue and Financial Services.
- The Hearings Officer, which conducts impartial administrative hearings related to land use, code, towing, and other city decisions, returns to the City Auditor's office. This provides a more neutral home for this important citywide accountability function. This move is pending budget approval.
- Office of Community and Civic Life programs are reassigned to various organizational units, including Portland Solutions and the Community Relations team. Grouping those Civic Life functions that are geographically-based with Portland Solutions allows for robust, coordinated engagement and responsiveness. Grouping those that are community-based or citywide with Community Relations allows them to coordinate closely with other engagement functions.

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- A multi-bureau assessment is in progress to evaluate opportunities for alignment of natural resources service delivery, including the potential creation of a new natural resources organizational unit. If implemented, this group would bring together key natural resource management functions from several bureaus and provide greater focus and coordination. This assessment involves representatives from the five stakeholder bureaus: BES, BPS, PBOT, PP&R, and PWB.
- A single entity for development permitting, per council direction, and pending an ongoing assessment, will be developed. In late August 2023, council directed that city development permitting functions be unified in a single entity to provide a better customer and employee experience. This project is managed by the City's Permit Improvement Team.
- An integrated security function in City Operations, focused on building and employee security.
- Liaison functions previously assigned to city council members are distributed throughout the organization based on a nexus with various working groups and benefits to the City, per Exhibit A.

Again, where new positions are noted throughout the organizational chart, specific classifications and titles are still to be determined.

# IV. Implementation

## Overview

Once an organizational chart is adopted by council, the focus will shift to implementation. Beginning in fall 2023, the implementation phase will include three key areas:

- Technical implementation
- Change management and employee support
- Future improvements planning

## Technical Implementation

The technical implementation project aims to ensure that changes occurring in Fiscal Year 2024-2025 are accurately reflected in city financial and human resources systems. The team will also gather lessons learned and document work to create a playbook for implementing future organizational changes while ensuring the City is efficiently running and maintains transparent decision making.

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Technical implementation is led by the deputy chief technology officer and supported by Steering and Technical Committees of subject matter experts as well as representatives from each bureau. The Technical Implementation Steering and Technical Committees include members from the CAO's Office, the City Budget Office, the Bureau of Revenue & Financial Services, the Bureau of Human Resources, and the Bureau of Technology Services. In addition, the Steering and Technical Committees engage with bureau representatives and other subject matter experts to advise on specific systems, data migration, integrations, questions, and business processes. Each city bureau has designated one or more representatives to lead the implementation effort within their bureau.

The Technical Implementation Steering and Technical Committees are empowered to implement council-directed organizational change, including:

- Implementing structural design components in human resources and financial systems;
- Prioritizing and implementing business and technology process development and/or improvement;
- Implementing phasing and sequencing strategies; and
- Reprioritizing other initiatives, changes, or projects in order to accommodate this priority work.

The Technical Implementation Steering and Technical Committees began regular meetings following a kickoff on August 9, 2023. In advance of council's final adoption of the organizational chart, the teams began identifying key business and system requirements, documenting implementation risks and mitigation strategies, discussing lessons learned from previous reorganizations, outlining steps around likely change scenarios, and identifying key timing considerations.

Following council approval of an organizational structure, the technical implementation efforts will shift to:

- Understanding leadership priorities and timing expectations around organizational change;
- Enabling the early establishment of key leadership and program positions;
- Deeper dives into specific organizational changes;
- Developing detailed task and timing lists, with milestones and success indicators;
- Preparing for necessary actions in the Fiscal Year 2023-2024 Fall Budget Monitoring Process and the Fiscal Year 2024-2025 Budget Process; and

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- Providing a regular cadence of status reporting to key stakeholders.

## Change Management and Employee Support

Our workforce is the most valuable part of our organization. Employees provide the important services, resources, and operations that make city government run effectively. Through the transition period, and after the new governance structure is in place, employees from all levels of the organization must have access to the information and support they need to effectively do their work, understand their roles, and feel valued. The project team is developing a change management plan, still in draft form, to document the approach to supporting employees through the transition to our new form of government from October 2023 through January 2025.

During this time period, employees will experience different types of change. Our plan includes strategies to support employees through each type, including:

- Management Change: Who a person reports to, the decision makers that impact their work, and/or what program they work for
- Workflow Change: What processes a person uses to do their work
- Environmental Change: Where a person goes to do their work
- Relational Change: How a person relates to their role, team, and/or department

The change management plan will continue to evolve as decisions around program realignment, integrating new roles or shifting existing ones, physical infrastructure requirements, resource allocation, and more decisions are made. This will likely include plans to manage and/or implement the changes by: assessing resource needs; providing targeted communications; anticipating and mitigating risks; and preparing employees for new roles, responsibilities, or norms.

The project chose the Kotter 8-Step Change Model to structure its planning and guide the organization's change. This model is particularly effective for helping organizations effectively plan, implement, and sustain broad or complex change. It emphasizes the importance of using strategies such as: creating a sense of urgency, aligning leadership, articulating a clear vision for change, building a coalition to support implementation, and enabling action by removing barriers.

Grounded in the Kotter model, the plan applies tested strategies and best practices grounded in the city's core values. It describes the major changes, decision points, approaches, tactics, timelines, and strategic considerations that need to be managed and planned for throughout the transition. Implementation will be informed by the experiences

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of employees and tailored to appropriately fit specific audiences, as well as different types and scopes of organizational changes.

## Future Improvements planning

Delivering on the community's desire for a more coordinated, accountable, accessible, responsive, and equitable government requires more than improved structure. A manageable organizational structure is a critical foundation for enabling other changes to our policies, processes, systems, talent, norms, and values. That evolution will be integral to improving how the City works to deliver services more effectively and equitably.

Additional focused conversation about process and other structural improvements will be needed in future phases of this work, as we prepare for the new form of government. Due to the timeline for this project, the need to prepare for the Fiscal Year 2024-2025 budget cycle, and the changes being focused on the program level and higher, not all challenges will be addressed in the first round of changes. Additional areas for improvement, which the CAO and transition team, with the cooperation of City bureau directors and others as needed will continue to discuss and pursue include:

- Advisory bodies
- Citywide communications approach and resourcing
- Citywide coordination and facilitation of information on state and federal grant opportunities
- Citywide engagement approach and resourcing
- Citywide equity approach and resourcing
- Climate and environmental justice
- Coordinated citywide asset management
- Constituent relations and district relations
- Data management and sharing and data-informed decision making
- Organizational desire and readiness to appoint a Chief Information Officer.
- Performance management

This work will lead into the Future Improvements Project. The goal of this project is to continue the conversations about how to better deliver services to our communities in the new form of government and how to best utilize our new organizational structure to facilitate those discussions.

Lastly, per the Charter Transition Plan, the transition team will continue to iterate and learn more in phases 2 and 3 as the transition work continues. This includes measuring

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progress and success through shared project-wide metrics articulated in the transition plan and in development by the transition team and partners.

## V. Appendices

Appendix A: ELT Charter (*note: to be attached in final version*)

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