Information Packet
Memorandum

To: Members of City Council

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Subject: Information Item: Organizational Assessment Update

I. PURPOSE

The purpose of this memorandum is to provide the council with information concerning organizational transitions that two City of Boulder departments will be undertaking in the last quarter of 2015 and into early 2016.

II. EXECUTIVE SUMMARY

As part of our organizational efforts at continuous improvement, we regularly perform assessments of departments to make sure that we are operating efficiently and are organized to best serve the public and achieve the priorities established by the Council. Earlier this year, we evaluated the operations and structures of two related departments: the Downtown and University Hill Management Division and Parking Services (DUHMD/PS) and Community Planning and Sustainability (CP&S). Both of these areas have a broad range of responsibilities that have evolved over time. The assessments were conducted to better align similar services, improve customer service and operational efficiencies, and re-imagine structures that will support our organizational vision of *service excellence for an inspired future*.

The most notable change will be the creation of the Department of Community Vitality. This new department will be made possible through the reorganization of DUHMD/PS. The intention of the Department of Community Vitality will be to focus on and refine

services that impact the vitality and quality of life in the Boulder community. The new department will work collaboratively with businesses, residents, neighborhoods and other departments to strengthen partnerships, improve services, implement best practices and creatively consider new approaches to support our community's unique quality of life. Initially, this transition will allow the new department to focus with greater clarity of purpose on key objectives including managing district activity, economic vitality, parking enforcement, and public space management. As staff moves forward with a refined focus, it is anticipated that discussions will continue about how to further fulfill the promise of a department focused on the overall vitality of the community.

CP&S has also been focused on some structural changes to better align the department in support of current council and community priorities while anticipating the future. On June 15, City Council was informed of the overall approach and plan to create the Deputy Director of Planning position. This memo will describe additional structural modifications planned to support council and community priorities.

III. BACKGROUND

The City of Boulder aspires to *service excellence for an inspired future*. Staff is dedicated to continuous improvement and regularly performs assessments of departments to make sure the organization is operating efficiently and is organized to best serve the public and to achieve the priorities established by the council. In 2015, two related departments, the Downtown University Hill Management Division and Parking Services (DUHMD/PS) and Department of Community Planning and Sustainability (CP&S) were evaluated to better align similar services, improve customer service and operational efficiencies, while taking the opportunity to re-imagine structures that will support current services while planning for the future.

Both evaluations were completed by an outside consultant and resulted in several recommended transitions. As will be discussed further in this memo, a number of these changes will be implemented over the course of the next few months. Moving forward each of these departments will be reorganized to improve service and community outcomes. The new Department of Community Vitality will replace DUHMD/PS with a renewed focus on services that support our community's unique quality of life. The Department of Community Planning and Sustainability will be re-named the Department of Planning, Housing, and Sustainability to reflect its three areas of focus.

IV. IMPLEMENTATION PLAN

a. DUHMD/PS

The city contracted with the Novak Consulting Group (Novak Group) to complete a structural review of the Downtown and University Hill Management Division and Parking Services. This review was performed to provide the City Manager and DUHMD/PS with recommendations on how to structure the division in the most effective way. The Novak Group's analysis led to several recommendations; the most substantial

of which recommends moving DUHMD/PS out from under the umbrella of the Department of Community Planning and Sustainability (CP&S) as a new department, reporting directly to the City Manager's Office. This new department will be named Community Vitality, and it will focus on working collaboratively with businesses, residents, neighborhoods and other city departments on services that contribute to our community's quality of life.

As currently configured, DUHMD/PS is responsible for the management of the Downtown and University Hill commercial districts. These districts are known as the Commercial Area General Improvement District (CAGID) and the University Hill General Improvement District (UHGID). In addition, the newly created Boulder Junction Access District (BJAD) falls under the purview of DUHMD/PS. Each of these districts brings a range of responsibilities, including: public space management, business assistance, parking/access management, facilities management, transportation policy development and district administration. The mission statement of DUHMD/PS is "To serve the Downtown, University Hill, Boulder Junction, and other neighborhoods by providing quality programs, parking, enforcement, maintenance, and alternative mode services with the highest level of customer service, efficient management, and effective problem solving."

As is apparent in the mission statement and range of responsibilities, there is a need to continually review operations and structure to ensure that the division is achieving its mission and responding to the evolving needs of the community. The Novak analysis concluded that:

> A structure like DUHMD/PS is not typically found in many local government organizations. However, what is also evident is the fact that, in Boulder, this array of functions has successfully collaborated with other city departments and key community stakeholders to develop and support thriving districts throughout the city… In assessing the optimal structure for DUHMD/PS in the future, several key objectives need to be considered. First, any recommended change to the structure must preserve the elements of the current structure that have been successful. Second, the organization of these functions must be flexible so that future growth in the number and complexity of districts is cared for at the level expected in the Boulder community. And third, the recommended structure must be sustainable over time in terms of workload for staff and the financial constraints of the city.

The Novak Group developed its recommendations by conducting over 30 stakeholder interviews, both inside and outside of the city organization, to provide 360-degree feedback on current operations and services. They also researched best practices from across the country, and analyzing multiple layers of background information about the department and its work groups. This effort led to the following transition plan:

- Create the Department of Community Vitality that reports to the assistant city manager;

- Further explore and refine the Department of Community Vitality's key objectives that contribute to our community's quality of life;
- Hire a deputy director of Community Vitality;
- Fill vacant communications & special events oversight coordinator with a communications specialist position, focused primarily on communication support and transition citywide special events coordination to other staff;
- Expand the Downtown Business and TDM (travel demand management) coordinator position to include special events responsibilities beyond the Pearl Street Mall Improvement District special events;
- Move the Economic Vitality function from CP&S to the Department of Community Vitality;
- More closely partner with the City Manager's Office and Public Works/Transportation on parking policy;
- Transition capital asset management planning of parking assets to Facilities Asset Management (FAM);
- Appropriately staff the Parking Enforcement operation to provide consistent coverage; and
- Convert the vacant assistant parking manager position to a working supervisor or lead parking enforcement officer position.

The new organization is represented in **Attachment 1.**

Under the new structure the Department of Community Vitality will work more closely with other departments, such as the City Manager's Office and Public Works (Transportation and FAM), to utilize their expertise. This operational transition will allow the new department to focus on its initial key objectives of managing district activity, economic vitality, parking enforcement, and public space management. It will also ensure that the city, as a whole, is providing uniform services across departments and developing policies that fit into the broader organizational and transportation planning efforts. Under this new structure, clear responsibilities for workgroups will be more clearly understood and the workload will be more sustainable.

DUHMD/PS has a vacant deputy director position that will transition to the new department. This position will be responsible for overall departmental management, communication coordination, policy development, long- and short-range planning, and leading educational and organizational initiatives for the department.

Integrating the economic vitality positions within this new department will result in a more comprehensive approach to supporting and addressing economic vitality issues as well as help cultivate communication channels between the broader business community, the districts and parking management divisions. During this transition the economic vitality staff will also experience some change. The current economic vitality coordinator will be moving to a position in the City Manager's Office focused on a citywide customer

experience project and support community engagement strategies and neighborhood programs, as well as other city initiatives. Every effort to ensure a smooth transition of the Economic Vitality function will be made as we seek to fill the economic vitality coordinator position in the near future.

Transportation policy and access management are complex issues in the City of Boulder. Looking toward the development of the comprehensive, city-wide and multi-modal Access Management and Parking Strategy (AMPS), along with the Transportation Master Plan, Community Vitality will be focused on leveraging expertise from across the several departments including Public Works/Transportation; these efforts will fall under the guidance of the City Manager's Office, in partnership with Community Vitality and the Transportation Department.

To facilitate the transition, Community Vitality will also work with Public Works/Facilities Asset Management (FAM) to develop a comprehensive asset inventory and multi-year capital asset improvement program for the Downtown and University Hill parking facilities and public amenities that will be integrated with the Capital Improvement Program. Staff from both departments will work cooperatively to develop the plan based on existing work plans as well as an annual major maintenance program. A multi-year agreement will be created outlining responsibilities:

- FAM's role will be focused on utilizing its expertise in capital asset management plan development;
- Community Vitality's role will be focused on operational maintenance, customer service and implementation of the annual maintenance program.

Broadening the focus of the division to include the interplay between Boulder's business community and Boulder's neighborhoods will help the Department of Community Vitality evolve and respond to the changing needs of the entire community. An interdepartmental approach will be needed to ensure the broadest perspective. Discussions will be underway with the Neighborhood Liaison and City Manager's Office to determine the most effective approach to meet the evolving needs of the community.

b. CP&S

The city contracted with MIG Consulting to conduct an organizational assessment of the Department of Community Planning and Sustainability (CP&S). In line with the previously mentioned intentions, this analysis was aimed at providing insight into CP&S's organizational efficiencies in the Department. MIG found that the executive director currently has a large span of control due to increased programming over the past several years. MIG's primary recommendations are to reduce this large span of responsibility and empower several working groups through manager and deputy director positions. This organizational shift will also provide CP&S with the foundation to respond to future community interests through clearly defining several divisions: Climate and Sustainability, Planning, and Housing. On June 15, council was updated on the initial transition of responsibilities within the planning function of CP&S, and this memo section will further detail the entire transition that the department is moving toward.

Currently, CP&S has several working groups: The Office of the Executive Director, Comprehensive Planning, Development Review, Local Environment Action Division and Support Services (shared between CP&S and Public Works), Economic Vitality and Resilience (Chief Resiliency Officer). The executive director of CP&S also has a reporting relationship with DUHMD/PS and is serving as the interim housing director. The Housing Division is currently located outside of CP&S and has not had a department director since 2013.

MIG completed an operational assessment through conducting a series of work sessions with senior managers from CP&S and elsewhere in the organization, interviewing staff, leading focus groups, conducting a department-wide survey, performing a network analysis to identify key working relationships, and researching best practices from similar departments across the country. The recommendations from MIG come from an exhaustive process that has included input from every level of the department and city organization.

MIG made several recommendations to move toward a more efficient organizational structure. These include: creating a more distributed workload, empowering decision making throughout the department, clearer labeling of work groups to better convey purpose and function, developing a tighter integration of planning functions within the department and with other departments, leveraging departmental leadership, and increasing the departments capacity to handle the myriad of issues and challenges facing the City of Boulder with respect to planning, housing and sustainability.

MIG initially suggested three structural options for creating an optimal organization. After considering each alternative and having lengthy discussion with the city's executive team, a preferred organizational option emerged. This structure will organize the department into five divisions. Two divisions will be overseen by deputy directors, two other workgroups overseen by managers, and a single senior project manager will work across the department on special planning initiatives. All of these positions will report to the executive director.

The new structure creates a formalized channel for each division to work within the larger departmental organization. The span of control for each manager and deputy director will be:

- Deputy Director for Planning, supervising:
    - Current Comprehensive Planning Division
    - Current Planning/Development Review Division
    - City Design Team(formerly, Urban Design Work Group)

- Deputy Director for Housing, supervising the Housing Division
    - Planning and Policy
    - Community Investment
    - Homeownership

- A renamed, Climate and Sustainability Division (formerly the Local Environmental Action Division, or LEAD) led by two managers, including
    - Climate Commitment
    - Energy Services
    - Zero Waste

- Senior Project Manager overseeing special projects

Under the preferred organizational option, CP&S will change its name to reflect the new areas of oversight to the Department of Planning, Housing and Sustainability (DPH+S).

The new organization is represented in **Attachment 2.**

As described in the DUHMD/PS section of this memo the Economic Vitality Division will move out from CP&S into the Department of Community Vitality. In addition, the Resilience workgroup will transition to the City Manager's Office to coordinate the implementation of the cross-departmental work. This workgroup is primarily made up of a single position in the Chief Resilience Officer, Greg Guibert. A work plan will be submitted to council and 100 Resilient Cities in September and following that discussion the implementation phase of the resilience work will begin.

The Housing Division which has operated in coordination with CP&S during this interim period will formally transition to be a part of the Department of PH&S. The natural alignment between the two departments has become apparent through the last two years. This transition will also provide the new department with the opportunity to recruit/hire a deputy director to oversee the Housing Division.

The new organizational structure of Planning, Housing and Sustainability will provide the foundation for greater departmental effectiveness through increased structural clarity, clear alignment between working groups (such as Housing), improved communications, and a more distributed workflow. This structure will also allow the department to evolve in each of the work areas in the future as community interests shift.

V. NEXT STEPS

Both Community Vitality and Community Planning, Housing & Sustainability will begin to take the next steps toward the organizational transitions described above through September. Additional steps will be taken in the coming months that include:

- Integrate new workgroups within DPH&S,
- Recruit for deputy housing director position,
- Transition chief resilience officer position to City Manager's Office,
- Hire special projects manager,
- Transition Economic Vitality Division to Department of Community Vitality,

- Establish new Department of Community Vitality under City Manager's Office,
- Transition capital asset planning management responsibilities to the Facilities Asset Management Division,
- Further emphasize partnership with the City Manager's Office and Transportation Department on parking policy and AMPS,
- Create the customer experience manager position in the City Manager's Office, and
- Hire community vitality deputy director, economic vitality manager, parking services supervisor, and two additional parking management officers.

VI. OTHER IMPACTS

- Fiscal
  - The employment of the deputy director of Housing, referenced in this memo, will potentially create a fiscal impact. The potential impact is based on what employment grade is determined for the deputy housing director. Currently there is a vacant housing policy manager position in the Housing Division that will be reallocated to the deputy position. The grade for this position is still being developed through Human Resources.
  - The employment of two new parking management officers will create a potential fiscal impact.

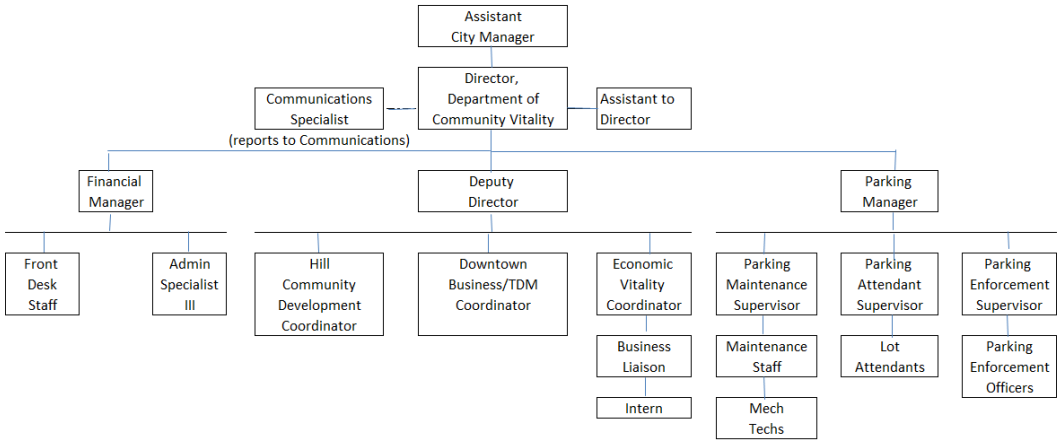
VII. CONCLUSION

Staff is pleased to provide this information concerning the organizational transitions of two City of Boulder departments that support continuous improvement efforts and community priorities. Staff looks forward to implementing these new structures to create greater efficiencies, improved customer service, and address the community's evolving needs.

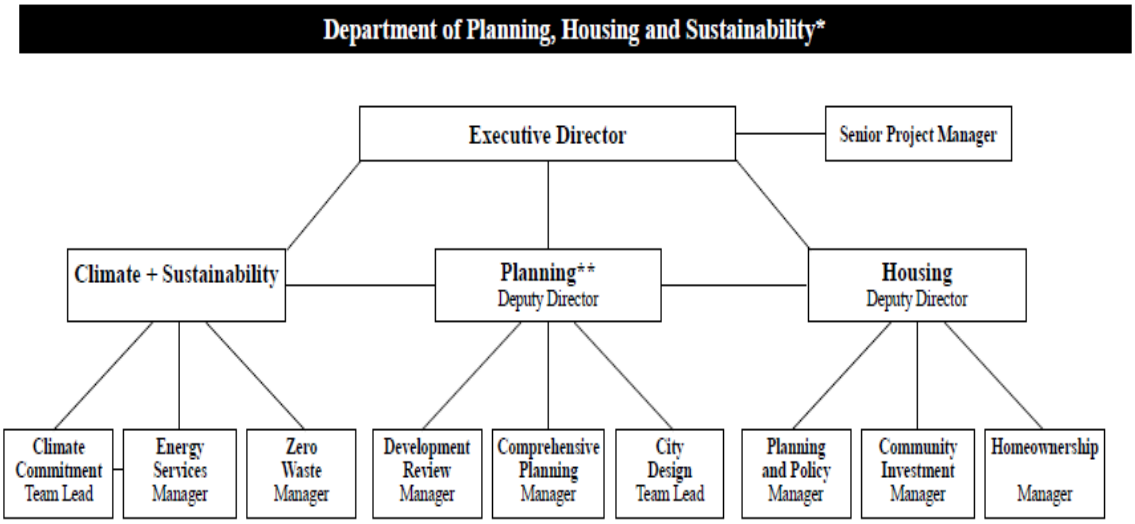
VIII. ATTACHMENTS

Attachment 1 – New organizational structure of Community Vitality
Attachment 2 – Organizational chart for CPH&S

New organizational chart for Community Vitality



New organization chart for CPH&S



* The critical support groups of **Administrative Services**, **Information Resources**, **Finance/Budget** and **Communications** are shared and co-managed between PH+S and Public Works/Development Services.

** Planning along with the **Building Construction** and **PW/Development Review** work groups of Public Works/Development Services collaborate to provide integrated customer service within the **Planning and Development Services Center**. This includes the development review function related to inclusionary housing in the Planning and Policy group of Housing.

NOTE: Under the revised departmental structure, the **Economic Vitality Program** will be repositioned within the new Department of Community Vitality (formerly Downtown/University Hill Management Districts and Parking Services) and the **Chief Resilience Officer** will report to the City Manager's Office.

Teaming and Collaboration: The diagram expresses reporting relationships within the new structure. Individuals and work groups within the department collaborate daily with colleagues throughout the organization and in the community.