

SUBJECT: **ORGANIZATIONAL STRUCTURE AND STAFFING UPDATE**
PREPARED BY: **CITY MANAGER'S DEPARTMENT**
 (David A. Wilson, City Manager)

STATEMENT ON THE SUBJECT:

The City Council will receive an update on organizational structure changes and consider approval of several position changes.

RECOMMENDATIONS:

1. Approve replacing the position of Assistant City Manager at Grade 1200e with a position of Deputy City Manager at 1320e.
2. Approve reinstating the position of Director of Economic Development at Grade 1300e.
3. Approve reinstating the position and job specification for the Business Development Manager at Grade 2131e (Attachment A).
4. Approve a new position titled Director of Community Services at Grade 1300e.
5. Approve the updated Fiscal Year 2021-22 Salary Schedule (Attachment D) reflecting all City positions and associated salaries in order to meet the California Public Employees' Retirement System requirements of Government Code § 20636(b)(1).

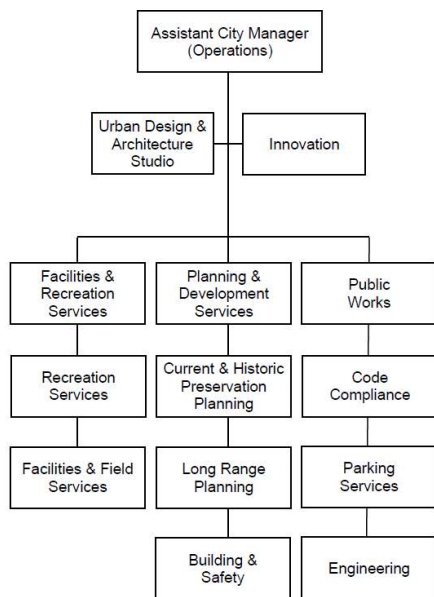
BACKGROUND / ANALYSIS:

Determining and maintaining a structure that meets current operational needs is critical to any organization's efficiency. On February 18, 2020, the City Council received an organization-wide Staffing Analysis and Optimization Plan prepared by Citygate Associates, LLC (Citygate Plan) and an Implementation Plan prepared by City staff. As with many things, that implementation plan was interrupted by the COVID-19 pandemic beginning in March of 2020. Since then, the City has experienced many changes: two new City Councilmembers, a new City Manager, a new City Attorney, and new City Council and community priorities. Based on the City's priorities and evaluation of the organization's structure, the City Manager recommends changes to the organizational structure discussed on the following pages. For reference, the current organizational structure as presented in the FY 2021-22 Budget (Attachment B) and the proposed organizational structure (Attachment C) are attached to this staff report.

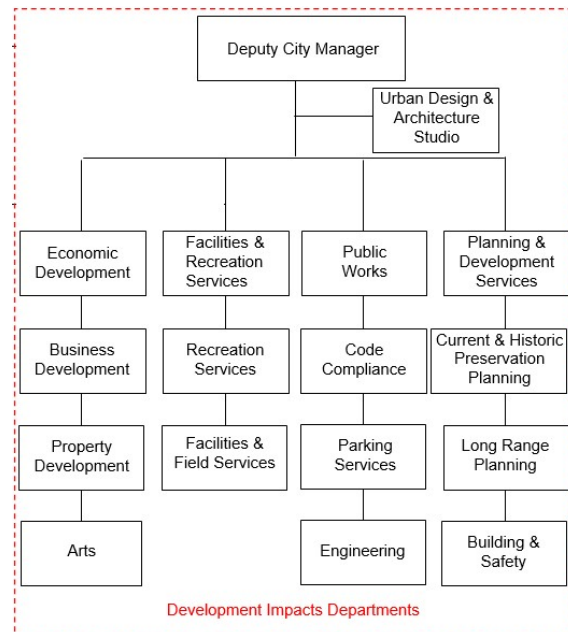
Deputy City Manager

As part of the Citygate Plan, it was recommended that the Deputy City Manager position be elevated to an Assistant City Manager position “to increase the management and supervisory capacity in both administrative and operational roles.” While having two Assistant City Managers with the same level of authority creates opportunities for shared and split responsibilities, it also creates an innate conflict by having no clear second in command and different department heads reporting to different Assistant City Managers. The proposed structure maintains an enhanced focus on the departments responsible for development impacts on the community by a Deputy City Manager, while acknowledging that the position does not require responsibility for overall operations. The proposed structure also moves the Innovation Division to the Communications Department and the Property Management Division to the Economic Development Department to provide greater focus by the Deputy City Manager on overall development impacts. A review of the other westside cities adopted FY 2022 budgets showed that Beverly Hills and Santa Monica each have one Assistant City Manager and one Deputy City Manager, while the Culver City has one Assistant City Manager and no Deputy City Manager. This structure would be consistent with the other westside cities. The following chart shows our current Assistant City Manager structure and the proposed Deputy City Manager structure:

Current Structure



Proposed Structure

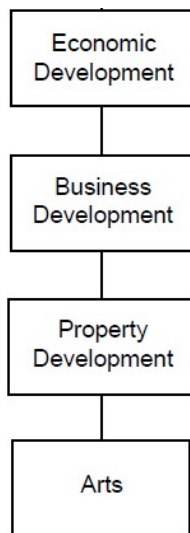


Economic Development Department

During the development of the Citygate Plan, the Economic Development Director and Business Development Manager positions were vacant. As a result of the analysis, the recommendation was made to utilize the opportunity of the vacancies, and Citygate recommended moving business development to the City Manager’s Department “provides for real-time access to the City Manager for improved decision-making” and recommended “eliminating the Economic Development Department.” As indicated in the

February 18, 2020 staff report, the City found Citygate’s recommendations to be thorough and comprehensive, but also recognized that not all of the 68 recommendations may ultimately meet the City’s operational needs. Eliminating the Economic Development Department was a recommendation that the City was willing to try, with the understanding that the department could be reactivated if needed.

Economic development is a fundamental function of any city government. Most cities, including all the other westside cities, have either a department or division with the primary responsibility of focusing on economic development. Building relationships with the business community is more important than ever as we recover from the COVID-19 pandemic. Business attraction, retention, and development will remain an important City function as we prepare for major events in the Los Angeles region such as the Super Bowl, the FIFA and the Olympic Games. In addition to business development, property development and the arts, including the Sunset Boulevard Arts and Advertising program, are important economic drivers in this community. The following is the proposed Economic Development Department structure:



Community Services Department

Community services is another important function of local governments. As the COVID-19 restrictions are being lifted and we begin to have in-person meetings and events, having a department head that is responsible for some of the City’s advisory boards along with community and major events is essential. Therefore, a Community Services Director to oversee a department that includes the Community & Legislative Affairs and Event Services divisions is recommended. This department will provide vital outreach and serve as a resource to the residential community in a way that is similar to the Economic Development Department’s relationship to the business community. This department will include the liaisons to many of the advisory boards as well as oversee both the community events and major events, so there is greater coordination and communication with residents. In the long-term, this department may include the Recreation Services Division as well, so that most of the community programming and events are in one department. The following is the proposed Community Services Department structure:



Community Safety

Community safety is a top priority for the City Council, staff, and the community. At the November 15, 2021 City Council Meeting, there will be a focused discussion about the future of community safety in the City of West Hollywood. This discussion will provide an opportunity to gather information on ways to best address the operational structure and the City’s safety priorities. Direction resulting from the discussion will impact the current Public Safety Department and Human Services & Rent Stabilization Department. There will be a gradual shift from “Public Safety” to “Community Safety”. While the Projected Organizational Structure chart (Attachment C) shows the Strategic Initiatives Division in the Community Safety Department, no structural changes will be made until after that discussion.

Long-Term Perspective

The changes to the organizational structure presented in this staff report help to address current priorities in an expeditious manner. It will require the addition of two department heads and a division manager. Over the next few years, through attrition and as employees retire, the City plans to continue to optimize the organizational structure to achieve its goals; this is most likely to include combining several departments and divisions so the overall number of department heads and managers are expected to be reduced for a net decrease from the current management team. The following chart shows the current management team compared to the short-term and long-term projected organizational structure.

Positions	Current Budget	Short-Term	Long-Term
City Manager	1	1	1
Assistant City Manager	2	1	1
Deputy City Manager	0	1	1
Department Director	8	10	8
Division Manager	25	26	24
Total Management Team	36	39	35

Financial Impact

The recommended organizational changes do not have a financial impact at this time. Staff believes the recommended changes can be incorporated into the approved FY 2021-22 Budget for wages and benefits. Staff will continue to evaluate vacant positions and present staffing adjustments to the City Council with the mid-year and annual budgets that may offset the cost of new positions. The updated Fiscal Year 2021-22 Salary Schedule (Attachment D) provides the current salary ranges for all City positions.

CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST HOLLYWOOD GENERAL PLAN:

This item is consistent with the Primary Strategic Goal(s) (PSG) and/or Ongoing Strategic Program(s) (OSP) of:

- OSP-2: Institutional Integrity.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

- G-2: Maintain transparency and integrity in West Hollywood's decision-making process.

EVALUATION PROCESSES:

The City Manager with input from the City Council, the management team, the bargaining units, and other staff monitors staffing, workplans, and priorities to ensure the City is meeting operational needs. Staff evaluation and performance reviews are conducted regularly to ensure expectations are being met.

ENVIRONMENTAL SUSTAINABILITY AND HEALTH:

To ensure that we are promoting sustainability, efforts are made to ensure best-practice sustainability efforts are observed in terms of use of electronic communication and printing on recycled papers, as applicable.

OFFICE OF PRIMARY RESPONSIBILITY:

CITY MANAGER'S DEPARTMENT / CITY MANAGER OFFICE

FISCAL IMPACT:

None at this time. The updated Fiscal Year 2021-22 Salary Schedule (Attachment D) provides the current salary ranges for all City positions.

ATTACHMENTS:

Attachment A – Business Development Manager Job Specification

Attachment B – Current Organizational Structure Chart from the FY 2021-22 Budget

Attachment C – Projected Organizational Structure Chart

Attachment D – Updated Fiscal Year 2021-22 Salary Schedule