

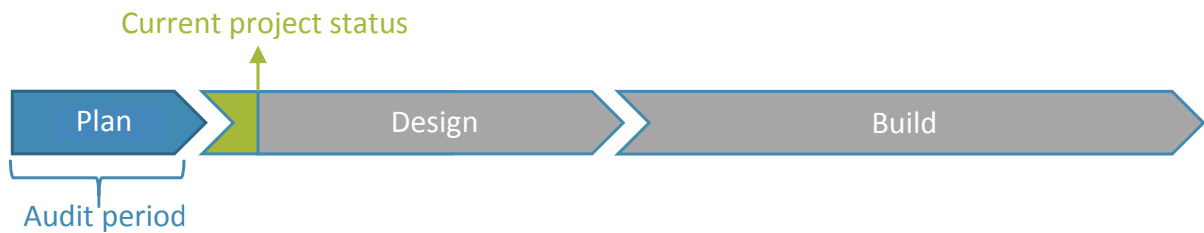
Portland Building Reconstruction: City faced with important post-planning decisions to ensure project success



Highlights - December 2016

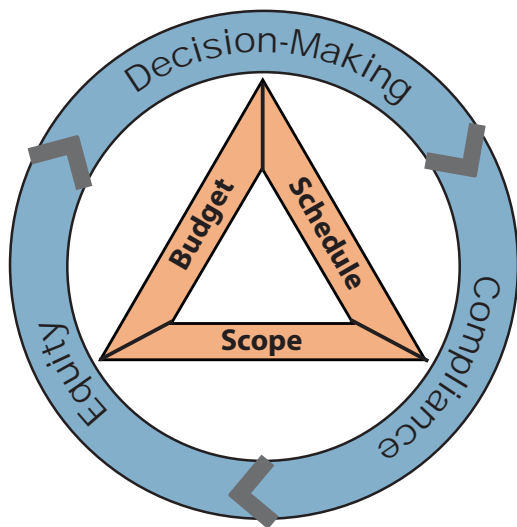
City launches a high-profile reconstruction project with many complexities

The City has begun work to reconstruct the landmark Portland Building. Built in 1981, the building has a history of water leaks, and the City has identified improvements to efficiently hold the 1,300 City employees who work there. Council set a project budget limit of \$195 million and scheduled completion by December 2020. As part of planning activities over the last year, the City deployed its resources to secure key contracts and make preparations for the project. The City is currently in the design phase, with important deadlines set between the end of 2016 and early 2018.



Areas for continued attention as project moves forward

We identified areas the City needs to closely manage for the project to be a success. The City's approach to reconstruction is both new and ambitious. At the time of our review of the planning phase, the City had the project's full organizational structure in place but it had yet to be tested. Crucial decisions remain during the critical design phase – most notably about the project's defined scope and compliance with City requirements.



Based on our review of the planning phase, we report our observations for six key areas related to **project constraints** and **public accountability challenges**. Our observations were:

- City prioritized **scope** flexibility to address project complexity;
- City presented the **budget** in a way which makes tracking difficult;
- City completed planning activities on **schedule** with one exception;
- City advanced **equity** in key areas but some stakeholder criticisms remain;
- Council expected **compliance** with City policy goals but staff anticipate trade-offs;
- City needs continued attention to be ready for crucial **decision-making**

We make recommendations to ensure effective, inclusive, and timely decisions will be made by stated milestones; greater budget transparency, and the development of an implementation plan for the additional community benefits associated with the project. We also share lessons learned from this project for future City construction projects in the Appendix.



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