

CITY COUNCIL REGULAR SESSION

Ordinance amending the Bellevue City Code to add new sections to BCC 23.11.113 related to fire inspection fees; and establishing an effective date.

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Fire Department

EXECUTIVE SUMMARY

As directed by Council on November 13, this Ordinance authorizes the creation of Fire Inspection fees. The fire inspection fee is budgeted to begin in 2020. The proposed fee is a fair price and in line with industry standards.

RECOMMENDATION

Move to adopt Ordinance No. 6443

If approved, effective date for collection: 01/01/2020

BACKGROUND/ANALYSIS

On November 13, staff presented to Council the fire inspection fee proposed in the 2019-2020 Budget.

To keep pace with rapidly increasing commercial space, ensure a favorable fire insurance rating for business and commercial enterprises, continue steps toward fiscal sustainability, and apply the successes of the business model of development services inspections, the 2019-2020 Budget includes a fee structure that would recover the cost of annual and every other year fire safety inspections of commercial and multi-family spaces.

The purpose of recurring fire safety inspections is to provide an opportunity to identify and limit potential fire and/or life-safety hazards. Inspections in Bellevue align with industry best practices and offer assurance to building occupants, building owners and managers, and insurers.

The Fire Inspection fee will provide full cost recovery for the direct costs of the fire inspection program, with an ongoing calibration of the fee presented to Council during budget discussions.

The City of Bellevue uses a cost recovery model for inspections such as transportation, utilities, building code, and the initial fire code inspection for the certificate of occupancy. However, the only inspection without cost recovery is the fire safety inspection of occupied commercial and multi-family buildings. This proposal applies the Development Services business model of a user fee beginning January 1, 2020. The financial objectives of the model are based on the following:

- Regional competitiveness
- Predictable and understandable
- Support of Citywide cost recovery objectives

- Fair price for service provided

The proposed fee calculation is comprised of a base rate (\$180), a square footage factor (0 – 6), and a building occupancy classification (1 – 3). The calculation would result in a range of no charge to \$3,240. Exempt entities are businesses less than 1,000 square feet, non-profits, and government agencies. Current inspection frequency would continue, buildings would be inspected every other year, except for multi-family buildings lacking a fire alarm or fire sprinkler system which would be inspected annually.

A key concern expressed by City Council during the November 13 presentation was that the Fire Department conduct appropriate outreach so that those impacted will not be surprised by this new fee. Those efforts began with a presentation before the Chamber of Commerce on November 15 and will continue throughout 2019 utilizing a variety of communication channels such as stakeholder meetings, association mailers, the Fire Department Internet site and social media.

To maintain a rate that is appropriate, regionally competitive, predictable and understandable to customers, and supports citywide cost recovery objectives staff will return to Council during every budget cycle.

POLICY & FISCAL IMPACTS

State Law

RCW 19.27.100 states that a city, town, or county can impose fees.

Fiscal Impacts

The 2019-2020 Preliminary Budget includes 100 percent cost recovery associated with the fire inspection fee program starting in 2020. An anticipated \$1.2 million is estimated to be collected in revenue on an annual basis. The rates and revenue anticipation will be evaluated annually and presented to Council during budget discussions. Currently, inspections are scheduled every year for multi-family buildings lacking a fire alarm or fire sprinkler system and are scheduled every other year to inspect the remainder of existing and new development.

OPTIONS

1. Adopt the Ordinance amending the Bellevue City Code to add new sections to BCC 23.11.113 related to fire inspection fees; and establishing an effective date.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

Proposed Ordinance No. 6443

AVAILABLE IN COUNCIL LIBRARY

N/A