

## City of Ann Arbor

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## Legislation Details (With Text)

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Title: Resolution to Approve Fiscal Year 2016 Fee Adjustments for Safety Services Area - Fire Department

Inspection Service Fee Schedule

Sponsors:

Indexes:

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Attachments: 1. Proposed FY2016 Fee Schedule Final 7-23-15 new.pdf

Date	Ver.	Action By	Action	Result
9/8/2015	2	City Council	Held and Closed	
9/8/2015	2	City Council	Approved	Pass

Resolution to Approve Fiscal Year 2016 Fee Adjustments for Safety Services Area - Fire Department Inspection Service Fee Schedule

Attached for your review, consideration, and approval is the resolution approving fee adjustments for the Fire Department for the 2016 fiscal year.

In conjunction with the preparation of the budget, the Safety Services Area is requested to review fee and permit processes, and generated revenue to determine if the cost of the services provided is recovered by the charges for these services. The cost recovery revenue resulting from the fee adjustments is an essential component to balancing expenditures and revenues. Collectively these provide realistic and reasonable fee assessments to the citizens.

Since the Fire Department's Fire Safety Inspection Program is relatively new (3 year), it was essential to reevaluate and adjust the Fee Schedule as needed separately from the budgetary process. Over the last two years, the Fire Department has engaged community stakeholders in constructive dialogue in restructuring the Fire Safety Inspection fees. Most recently, the Fire Department established a working group of business leaders in the community who are directly impacted by inspection fees. Consequently, with this group's help and input, a new model has been developed for Fire Safety Inspection fees to incorporate a fair and equitable approach in charging for inspection services that will address community expressed concerns regarding the current fee schedule.

The new Fire Safety Inspection Fee Schedule is based on an equitable charge by square footage, which addresses the negative community perception of excessive and unfair charges. The cost per square foot formula is based on the past few years of inspections' cost recovery funds collected.

At the urging of business owners, additional steps have been taken to restructure the Fire Department's Fee Schedule to be more aligned with the Housing Department's Fee Schedule in an effort to provide familiarity and consistency to the community, such as the following:

- Range of additional tenant charges,
- Violation fee charges,
- Citation ticket issued after third Fire Safety Inspection,
- No-show charge.

It is important to note that, as in the past, the proposed inspection fees do not provide full cost recovery for State mandated fire inspections services but are intended as a supplement to taxes paid for this service in an effort to share the overall cost burden of fire inspections with those most directly impacted by the service.

The Fire Department is recommending approval of the changes to its Fire Prevention Fee Schedule in order to maintain a working relationship with the community business owners by utilizing a more fair and equitable fee schedule for Fire Safety Inspections.

Prepared by: Tammy Jones, Management Assistant

Reviewed by: Ellen Taylor, Assistant Fire Chief

Larry Collins, Fire Chief

Approved by: Steven D. Powers

Whereas, All Service Areas of the city government review their Schedule of Fees each year as part of the budget process;

Whereas, The Fire Department has reviewed their existing Fees Schedule with community input to improve their Fee Model;

Whereas, Fire Safety Inspections Fees were perceived as inequitable to some business owners;

Whereas, Various fees have been updated to create more equitable cost recovery charges for services provided and eliminate perceptions of unbalanced fees;

Whereas, Violation fees will be utilized after a re-inspection reveals violations not fixed which will similar to the Housing Department inspection fee process, and

Whereas, Citation Tickets will be utilized to eliminate repeat inspection violations not fixed after the third inspection of the same business;

RESOLVED, That the fees in the Fire Department Fire Inspection Fee Schedule be adjusted according to the attached schedule;

RESOLVED, That the attached fee schedule becomes effective January 1, 2016; and

RESOLVED, That City Council authorizes the City Administrator to take necessary administrative actions to implement this resolution.