



# CITY COUNCIL AGENDA STATEMENT



May 7, 2019

File ID: 19-0225

## TITLE

- A. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA ACKNOWLEDGING RECEIPT OF A REPORT MADE BY THE FIRE CHIEF OF THE CHULA VISTA FIRE DEPARTMENT REGARDING SECTIONS 13146.2 AND 13146.3 OF THE CALIFORNIA HEALTH AND SAFETY CODE WHICH REQUIRES ANNUAL INSPECTIONS OF SCHOOLS, APARTMENT HOUSES AND HOTELS/MOTELS
- B. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AMENDING CERTAIN SECTIONS OF CHAPTER 15 (FIRE) OF THE CITY'S MASTER FEE SCHEDULE RELATING TO STATE-MANDATED FIRE INSPECTIONS

## RECOMMENDED ACTION

Council adopt the resolutions.

## SUMMARY

After the tragic 2016 "Ghost Ship Fire" in Oakland that killed 36 people, Senate Bill (SB) 1205, Fire Protection Service – Compliance Reporting was passed, and Section 13146.4 was added to the State's Health and Safety Code. SB 1205 created a new process that ensures fire departments communicate to their governing authority regarding compliance with state mandated safety inspections required to be conducted on schools, apartment buildings and hotels / motels. The stated intent of SB 1205 is to "ensure that fire departments are complying with their annual inspections and increase the likelihood that they are receiving the proper resources to appropriately staff and carry out state mandated inspections."

## ENVIRONMENTAL REVIEW

The proposed Project has been reviewed for compliance with the California Environmental Quality Act (CEQA) and it has been determined that the Project qualifies for a Categorical Exemption pursuant to State CEQA Guidelines Section 15309 Class 9 (Inspections) and Section 15061(b)(3), because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Thus, no further environmental review is required.

## BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

## DISCUSSION

The Health and Safety Code requires every city or county fire department to inspect all schools (HSC § 13146.3) as well as apartment buildings and hotels / motels (HSC § 13146.2 and § 17921) in its jurisdiction

annually. It should be noted that apartment buildings are inclusive of condominiums, as they're both classified as Residential, Group 2 Occupancies. Inspections ensure compliance with building standards and other regulations created by the State Fire Marshal, and focus on preventing fires, escaping fires, and containing fires. Inspections include, but are not limited to: assessing access to the complex / buildings; evaluating the water supply; presence, functionality, and maintenance of fire sprinkler, alarm and extinguishing systems; egress, electrical, and other potential hazards. Inspectors will not request access into occupied dwelling units. Like approximately half of the fire department agencies across the state, the Chula Vista Fire Department (Fire Department) is not currently completing the state mandated annual fire inspections.

With the introduction of SB 1205, and the addition of Section 13146.4 to the Health and Safety Code, there is now a statute that requires every city or county fire department or district to report annually to its respective city council or county board of supervisors on its compliance with state inspection mandates. Attachment 1 includes SB 1205 and Health and Safety Code Section 13146.4 language. Table 1 below reflects the Health and Safety Code occupancies that require an annual inspection along with the Fire Department's subsequent inspection compliance in 2018.

<b>Table 1. Calendar Year 2018 State Mandated Inspection Compliance</b>			
<b>Occupancy Type:</b>	<b>No. of Occupancies:</b>	<b>No. of Inspections:</b>	<b>Percent Completed:</b>
Education (E): Public / Private Schools	86 <sup>1</sup>	86	100%
Residential (R1): Hotel / Motel	21 <sup>1</sup>	21	100%
Residential (R2): Apartments	600 <sup>1</sup>	0 <sup>2</sup>	0%
Residential (R2): Condominiums	NK <sup>3</sup>	0	0%

1. Numbers are based upon known City data

2. All apartment complexes were surveyed, but not inspected in 2018, for the purposes of building the new residential inspection program

3. Number of condominium complexes / buildings to be confirmed

Over recent months, as part of building a new residential inspection program, the Fire Department was able to utilize existing City data to complete field surveys for all residential apartment complexes. The surveys were performed to determine the current stock of residential apartment complexes, which is used to estimate the requisite human resources needed to complete the mandated inspections. To close the current performance gap, the Fire Department recommends phasing in a new residential apartment inspection program in Fiscal Year 2020, followed by the addition of a residential condominium inspection program beginning in Fiscal Year 2021. For Fiscal Year 2020, the Fire Department will bring forward a budget proposal as part of the City Manager's budget proposal for a new Fire Inspector I position with the intent to achieve 100% completion of the residential apartment inspection program.

For Fiscal Year 2021, the Fire Department will report, as part of SB 1205 compliance, an improvement in total residential inspections of approximately 50 percent (this is an estimation only as the number of residential condominiums are yet to be verified). Further, the Fire Department will complete a survey of the total number of residential condominiums, which will be used to determine the necessary staffing to complete the final phase of the inspection program in Fiscal Year 2021. A budget proposal would be brought to Council for approval at that time. The Fire Department's goal would then be to report 100% compliance of all state inspection mandates once fully phased in.

In order to offset the personnel cost for the above phases, the Department proposes a minor revision to Chapter 15 (Fire) of the City's Master Fee Schedule, 15-100 Fire Code Inspection Fees. A redline / strikethrough of the proposed updates to the Master Fee Schedule is included as Exhibit 1 of this report.

Table 2 below reflects both the current and proposed tiered residential site permit fees (specific to the residential apartment and condominium inspection programs). Although there is currently a fee associated with performing these inspections, the fees weren't being charged as the associated service wasn't being provided. If approved, it is anticipated that the updated fee will be invoiced annually as part of the business license process. The specific changes include aligning the fee to the minimum number of residential units (i.e., three) that require an annual inspection under the Health and Safety Code. The proposed fee also bifurcates the current first tier of up to 50 units into two tiers: 3 to 25 and 26 to 50 units, respectively. Lastly, the changes more closely correlate the cost to the size and associated resource requirement, which represents the reasonable cost of providing the inspection services.

<b>Table 2. Chula Vista Residential Site Permit Fee</b>			
<b>Current:</b>		<b>Proposed:</b>	
Units:	Fees:	Units:	Fees:
10 - 50 units	\$240	3 - 25 units	\$280
		26 - 50 units	\$320
51 - 100 units	\$280	51 - 100 units	\$400
101 - 200 units	\$320	> 100, each add'l group of 100 units	\$80
> 200, each add'l group of 100 units	\$40		

To provide perspective on a sample residential complex fee, the Department has further broken down the proposed fee to a per unit cost. For a 100-unit residential complex, which would have a \$400 fee, the annual per unit cost would be \$4.00.

Staff surveyed other fire departments to compare the Fire Department's current and proposed residential inspection fees to other agencies throughout the County. A sample of the results can be found in Attachment 2. In a review of Imperial Beach, La Mesa, National City and San Diego's like fees, Imperial Beach, La Mesa, and San Diego were all higher. Table 3 reflects a comparison of fees across these agencies for a 30-unit residential complex.

<b>Table 3. Fee Comparison for 30 Units</b>				
<b>Chula Vista:</b>	<b>Imperial Beach:</b>	<b>La Mesa:</b>	<b>National City:</b>	<b>San Diego:</b>
\$320	\$585	\$434	\$155	\$420

Upon approval of the proposed fee revision, the Fire Department anticipates compliance with state regulations at the conclusion of the program's implementation.

**DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

**CURRENT-YEAR FISCAL IMPACT**

City Council adoption of these resolutions has no current fiscal year impact.

## **ONGOING FISCAL IMPACT**

Staff anticipates the new residential apartment inspection program costs of approximately \$135,000 will be offset by inspection revenues. Additionally, initial set up costs of approximately \$46,000 will be required for the program. The initial set up cost include expenses for a vehicle, uniform, personal protective equipment, and a computer. Revenues generated from the revised Fire Code Inspection fees are anticipated to mitigate personnel costs in FY 2020, and will be cost neutral beyond FY 2020. Should it be desired, expansion beyond the initial phase of the program will require additional analysis and will be brought back to the City Council for consideration at a later date.

If approved by the City Council, one Fire Inspector I and the estimated set up costs will be included in the City Manager proposed budget for FY 2020. The costs will be offset with projected revenues generated by the inspection fees resulting in net cost to the General Fund. The program will be evaluated once actual costs and revenues are realized to determine if any adjustments to the proposed fees are necessary.

## **ATTACHMENTS**

Attachment 1 – Senate Bill 1205, adding Health and Safety Code 13146.4

Attachment 2 – San Diego County Fire Agency Residential Fee Comparison and Unit Time Build-up

Exhibit 1 – Proposed Master Fee Schedule, Chapter 15 – Fire Fees, 15-100 Fire Code Inspection Fees in redline format

*Staff Contact: Jim Geering, Fire Chief and Justin Gipson, Fire Division Chief*