



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** May 14, 2019

**DEPARTMENT:** FIRE DEPARTMENT

**FROM:** SAMUEL KLEMEK, INTERIM DEPUTY FIRE CHIEF

**TITLE:** RE-IMPLEMENTATION OF COMMERCIAL FIRE INSPECTIONS

### RECOMMENDED MOTION:

No action is required. This report provides information to the Council regarding the re-implementation of the commercial fire inspection program.

### RECOMMENDATION:

No recommendation is provided since this report is presented for informational purposes only.

### EXECUTIVE SUMMARY:

The Fire Department will restart its Commercial Occupancy Inspection Program that was suspended over a decade ago due to staffing challenges. These inspections are authorized pursuant to the California Fire Code (CFC) and help to protect the safety of the community and help to assure the economic viability and growth of businesses and employment opportunities.

### BACKGROUND:

On average between 2012-2016, fires in commercial structures in this country accounted for over \$23 billion dollars in property loss alone according to the National Fire Protection Association (NFPA).

What is not calculated in this statistic is the loss of vital sales tax revenue, loss of income for the affected businesses, loss of income for the employees of the affected businesses, and the loss of important services or assets to the community. Since 2016, the Salinas Fire Department responded to over 300 commercial fires that have had significant impacts on our fragile economy.

According to the U.S. Small Business Administration, over 90% of small businesses fail within 2 years of a catastrophe. The Federal Emergency Management Agency (FEMA) reports that 40% of businesses never reopen and another 25% fail within 1 year of the event. This trend is no different in Salinas.

Fire is not the only damage suffered. Soot and odors from smoke and water damage from activated sprinklers and firefighting efforts may affect neighboring businesses as well. While insurance may help you rebuild, it may not protect you from liability to others for preventable losses.

By inspecting commercial occupancies and educating business owners and operators about fire safety specific to their businesses, we hope to better protect these investments in our community, that of other businesses, and those that depend on the goods, services, housing, and employment.

Inspections will focus on business/commercial occupancies as defined by the California Fire Code (CFC) and used for sales, services, manufacturing, and other business uses as licensed by the City of Salinas. Fire Prevention staff will use information provided in business license records to identify commercial occupancies for inspection on an annual or bi-annual basis depending on the type and size of business. Fees for these inspections have been established pursuant to Salinas City Code Sec. 11B-4 (Ord. No. 2428 (NCS), § 1.).

#### CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

#### STRATEGIC PLAN INITIATIVE:

This program supports the following City Council goals and objectives:

1. Economic Diversity and Prosperity
2. Safe, Livable Community
3. Effective, Sustainable Government
4. Quality of Life

#### DEPARTMENTAL COORDINATION:

Successful implementation of this program relies on coordination with the City of Salinas Finance Department, Community Development Department, and Public Works Department, GIS Division. Data captured during the inspection campaign will help to improve the accuracy of current city databases for use by all city departments. Accurate, detailed data is a key to improving efficiencies in government and focusing limited resources to be most effective in the community.

#### FISCAL AND SUSTAINABILITY IMPACT:

The fire department engaged with CSG Consultants to conduct a comparative analysis of fees and formulae used by similar jurisdictions for the same types of inspections. As anticipated, there were a wide variety of fees based on differing formulae for their application.

Staff recognizes and appreciates the impacts that fees have on small businesses and has designed a formula based upon square footage of the occupancy that minimizes these impacts. This program

is sustained by these fees and will offset the fire department's overall impact to the general fund. Revenue from this program is conservatively estimated to be in excess of \$250,000 annually.

ATTACHMENTS:

Fee Schedule

Letter from CSG Consultants