

WENATCHEE VALLEY FIRE DEPARTMENT

RESOLUTION NO. 2024-001

AUTHORIZATION OF BENEFIT CHARGE

A RESOLUTION OF THE GOVERNING BOARD OF THE WENATCHEE VALLEY FIRE DEPARTMENT PROVIDING FOR THE AUTHORIZATION OF A BENEFIT CHARGE; TO BE SUBMITTED TO THE QUALIFIED ELECTORS OF THE WVFD AT A SPECIAL ELECTION TO BE HELD WITHIN THE RFA ON AUGUST 6, 2024 IN CONJUNCTION WITH THE STATE PRIMARY ELECTION TO BE HELD ON THE SAME DATE, OF A PROPOSITION AUTHORIZING A SIX YEAR BENEFIT CHARGE ON PERSONAL PROPERTY AND IMPROVEMENTS TO REAL PROPERTY WITHIN THE WVFD AND, CALLING A PUBLIC HEARING.

Background: WHEREAS, the Wenatchee Valley Fire is authorized by Section 6.B.4 of the Wenatchee Valley Fire Department Plan and chapter 52.26 RCW to establish, impose and collect a benefit charge on personal property and improvements to real property located within the RFA; and

WHEREAS, the Governing Board has determined that the benefit charge, established in conjunction with a lower level of property taxes, provides the most stable, reliable and cost-effective method for financing the services the RFA provides to its citizens; and

WHEREAS, the benefit charge will be reasonably proportioned to the measurable benefits to property resulting from the services provided by the RFA and shall not exceed 60% of the operating budget of the RFA; and

WHEREAS, it is reasonable and necessary that the RFA obtain voter approval to authorize its benefit charge for an initial six year period to maintain and improve the services provided by the RFA;

RESOLVED, by the Governing Board of Wenatchee Valley Fire Department:

- 1. Initiation of Benefit Charge.** It is the declared intent of the Governing Board to impose a benefit charge on personal property and improvements to real property located within the RFA, which have or will receive benefits provided by WVFD to be paid by owners of such properties.
- 2. Method of Apportionment.** The total benefit charge authorized by this resolution shall be reasonably apportioned among the affected parcels of property initially by the general method described in **Exhibit A** in accordance with RCW 52.26.180, and 52.26.190.
- 3. Amount of Benefit Charge.** The benefit charge for each year shall be set in the year preceding imposition of the charge after a public hearing to review and establish the amount of the benefit charge pursuant RCW 52.26.230 and shall not exceed 60% of the WVFD operating budget.
- 4. Notice of the Benefit Charge.** Subsequent to the public hearing referred to in Section 3, property owners will be notified in writing each year of the benefit charge and the amounts thereof to be charged in the subsequent year.

5. **Review Board.** Subsequent to establishing the annual benefit charge and notifying the property owners, WVFD shall form a review board pursuant to RCW 52.26.250. The review board shall be convened and available for at least a two-week period to hear and decide written appeals from property owners regarding their particular benefit charge assessment.
6. **Effective Date.** If approved by the voters, the benefit charge shall be imposed on the affected properties beginning January 1, 2025.
7. **Contract For Administration.** The Chief of WVFD is authorized and directed to negotiate a contract with the Chelan County and Douglas County to provide for the administration and collection of the benefit charge. The contract shall establish the fee to be paid by WVFD to the Counties for services to be performed under the contract.
8. **Public Hearing.** The Governing Board will hold a public hearing before the Board on April 10, 2024, as part of the Governing Board's regular meeting to consider the proposal to initiate the benefit charge to support the legally authorized activities of WVFD to maintain and improve the services provided by WVFD.
9. **Election.** Pursuant to RCW 52.26.220, there shall be submitted to the qualified electors of WVFD for their ratification or rejection, at a special election on August 6, 2024, in conjunction with the state primary election to be held on the same date, the question of whether or not such benefit charge for services provided by WVFD shall be continued. The Governing Board hereby requests that the Elections Division of Chelan County call such special election, and to submit the following proposition at such election, in the form of a ballot titled substantially as follows:

PROPOSITION
Wenatchee Valley Fire Department
Authorization of Benefit Charge

Shall the Wenatchee Valley Fire Department composed of (Chelan County FPD No. 1 and Douglas County FPD No. 2) be authorized to impose benefit charges each year for six years, not to exceed an amount equal to sixty percent of its operating budget, and be prohibited from imposing an additional property tax under RCW 52.26.140(1)(c)?

Yes
No

10. **Voter Approval Requirement.** Pursuant to RCW 52.26.220(3)(a) the measure requires a sixty percent majority vote to be approved without validation requirements.
11. **Voter Pamphlet.** The Governing Board finds and declares that it is in the best interest of WVFD to have information regarding the ballot measure included in the local voters' pamphlet. Furthermore, that the appropriate costs thereof shall be paid for by WVFD. The Governing Board further authorizes and directs the Fire Chief to provide such information to the County Elections Department for inclusion and to take other actions as necessary to that end.

12. **Pro and Con Committees.** The Board hereby assigns to the Chief or designee the task of appointing members to a committee to advocate voters' approval of the proposition and to a committee to prepare arguments advocating voters' rejection of the proposition.
13. **Election Notices.** For purposes of receiving notice of any matters related to the ballot title, as provided in RCW 29A.36.080, the Board hereby designates the Chief or designee as the individual to whom the County Auditor shall provide such notice.
14. **Modifications.** The Chief or designee is authorized to implement such administrative procedures as may be necessary to carry out the directives of this resolution, including modifying the text of the ballot title and any other text, language and/or descriptions relative thereto necessary to conform such ballot title, text, language and/or descriptions to the intent of the parties, consistent with the objectives of this resolution.
15. **Filing of Ballot Measure.** The Chief, or designee, is hereby authorized and directed, no later than May 3, 2024, to provide to the County Auditors a certified copy of this resolution and the proper WVFD officials are authorized to perform such other duties or take such other actions as are necessary or required by law to the end that the proposition described in this resolution appear on the ballot before the voters at the August 6, 2024 election.
16. **Severability.** If any section, subsection, paragraph, sentence, clause or phrase of this resolution is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this resolution.
17. **Ratification.** Any act consistent with the authority and prior to the effective date of this resolution is hereby ratified and affirmed.
18. **Effective Date.** This resolution shall take effect and be in force immediately upon its passage.

ADOPTED by the Governing Board of Wenatchee Valley Fire Department in an open public meeting on the 10th day of April, 2024.



 Commissioner de Mestre




 Commissioner Evenhus




 Commissioner Johnson




 Board Secretary



 Commissioner Dormaier



 Commissioner Fennell



 Commissioner Zimmerman

WENATCHEE VALLEY FIRE DEPARTMENT
EXHIBIT A - RESOLUTION NO. 2024-001
2025 BENEFIT CHARGE APPORTIONMENT

The Fire Benefit Charge (FBC) funding method is a voter-approved, two-part funding system authorized by State Law that balances general purpose taxes with a user fee charge. Under this system, the Regional Fire Authority is funded by:

- a. A property tax of up to \$1.00 per \$1,000 assessed value of property to support day-to-day operations and capital needs of the fire department.
- b. A Fire Benefit Charge (FBC) of up to 60% of the operating budget of the RFA.
- c. Other fee and grant revenue.

The basis for the Fire Benefit Charge (FBC) assessments used or favored by most fire jurisdictions that have approved an FBC is “fire flow.” The principle is that the basic unit of public fire service is delivery of water to a fire. Fire flow increases with fire load, a determination that accounts primarily for building construction type, use-type, and size (total area).

The FBC is only imposed on improvements to real property and must be reasonably apportioned based on the services afforded to these properties. The primary factors of the formula are the amount of required “fire flow” or water needed to extinguish a fire, and the type and size of structure being assessed. As structure size or fire loading within a structure increases, the need for required fire flow and RFA resources (firefighters, equipment) also increases. The following formula is adopted for calculating the BC for the RFA. The formula is based on the Insurance Services Office (ISO) calculation of required fire flow:

The benefit charge formula is reviewed on an annual basis to ensure that it is reasonably proportioned to the measurable benefits to property within Wenatchee Valley Fire Department. The final formula will be fixed following a public hearing each Fall but will generally be based on the formula and factors as outlined below.

$$\text{FBC} = \text{Fire Flow} \times \text{Building Category Factor (CF)} \times \text{Cost per Gallon Factor (CPG)} \times \text{Balancing Factor} \times \text{Sprinkler Discount} \times \text{Exemption Factors}$$

$$\text{Fire Flow} = (\sqrt{\text{Total Square Feet} \times 18})$$

Fire Flow is calculated as the square root of the total gross square feet of the buildings/structures located on the property.

A FBC will not be applied to parcels with a total improvement square footage of less than 400 sq. ft.

The square footage for decks and porches is not included in the improvement square footage while carports and garages are included in the calculations.

This is an Insurance Services Office (ISO) formula for determining fire flow (Ref: National Fire Protection Association Handbook, 18th Ed., Ch 6, Water Flow Requirements for Fire Protection). This Plan uses a construction type factor of “1” due to the variety of construction types in the Regional Fire Authority and the inability to determine the construction type for every structure from existing database information. Therefore, since the construction type is equal to “1”, this factor is not displayed within the FBC formula.

Building Category Factor (CF)

Categories are “Use Type” groups. Use Type information is obtained from the Chelan County and Douglas County database. The Category Factor is based upon building use and size. Each Category

Factor is a weighted value and is determined by evaluating the relative “benefit” provided to the category of structures. The benefit to each category of structures is proportional to the total square feet of improvements in the Regional Fire Authority. The building categories and associated factors for 2025 are listed below.

Residential: includes residential buildings (and condominiums when unit ownership information is available from the Assessor’s database) with up to four units.

Category Weight Square Footage

Residential 0.43

Apartments: Other attached residential building structures (five residential units and more)

Category Weight Square Footage

Apartments 2.0 any square footage

The same formula is applied to this category, but first the total square feet of the complex is divided by the number of units to produce an average unit square footage. That figure is then inserted into the formula resulting in an average BC for each unit. This average is then multiplied by the number of units to get the total BC to be collected from the parcel owner.

Commercial: All other uses, including but not limited to storage facilities, warehouses, offices, and commercial businesses. Mixed use buildings (commercial plus other uses, for example, residential) are classified as Commercial.

Category Weight Square Footage

Commercial (1)	1.1	≤5,000 sq. ft.
Commercial (2)	2.2	5,001-12,000 sq. ft.
Commercial (3)	2.7	12,001-26,000 sq. ft.
Commercial (4)	3.5	26,001-44,000 sq. ft.
Commercial (5)	3.7	44,001-65,000 sq. ft.
Commercial (6)	4.2	65,001-80,000 sq. ft.
Commercial (7)	5.1	80,001-125,000 sq. ft.
Commercial (8)	5.5	125,001-175,000 sq. ft.
Commercial (9)	5.8	175,001-200,000 sq. ft.
Commercial (10)	6.2	No max.
Mall	.25	Any Square Footage

Cost Per Gallon Factor (CPG) = (Total FBC ÷ Total Fire Flow)

This factor describes the relative cost of providing the required fire flow per gallon during a fire incident.

The Cost per Gallon Factor (CPG) is determined by dividing the total (Total FBC) by the Total Fire Flow ($\sqrt{\text{Total Square Feet} \times 18}$) of the Regional Fire Authority.

Balancing Factor (BF)

RCW 52.18.010 requires the Regional Fire Authority to specify the specific revenue amount to be collected via the BC program. The Balancing Factor (BF) is used to “round” the final calculations to all parcels. This makes the total benefit charge amount assessed equal to the amount specified by the Board of Commissioners. The first year BF is .01.

Sprinkler Discount

The 2025 BC formula includes a discount for sprinkler systems. All residential, commercial and multi-family parcels with a full coverage fire sprinkler system will receive a ten percent (10%) FBC discount. Partial coverage systems will receive the discount on the parcels sprinklered square footage.

Discounts and Exemption Factors

All discounts and exemptions from the FBC provided by state law will apply. A property exempt from benefit charges by law will not pay the FBC.

Exemptions. By way of example and without limitation, RCW 52.26.180 identifies eight instances where a benefit charge does not apply:

- (1) personal property and improvements to real property owned or used by any recognized religious denomination or religious organization.
- (2) property of housing authorities that is exempt from property taxes under RCW 35.82.210.
- (3) property of nonprofit entities providing rental housing for very low-income households or providing space for the placement of a mobile home for a very low-income household that is exempt from property taxes under RCW 84.36.560.
- (4) property of nonprofit homes for the aging that is exempt from property taxes under RCW 84.36.041.
- (5) property of nonprofit organizations, corporations, or associations providing housing for eligible persons with developmental disabilities that is exempt from property taxes under RCW 84.36.042.
- (6) property of nonprofit organizations providing emergency or transitional housing for low-income homeless persons or victims of domestic violence who are homeless for personal safety reasons that is exempt from property taxes under RCW 84.36.043.
- (7) property of the state housing finance commission that is exempt from property taxes under RCW 84.36.135.
- (8) property of nonprofit corporations operating sheltered workshops for persons with disabilities that is exempt from property taxes under RCW 84.36.350.

Low Income Senior Citizens and Disabled Persons Discounts:

Low-income seniors and disabled persons are eligible for the same discount rate they receive from regular property taxes. This information is obtained from, and maintained by, the County Assessor's Office.