

Portland, Oregon  
**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT**  
**For Council Action Items**

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Carol Boucher		2. Telephone No. 3-3757	3. Bureau/Office/Dept. PF&R/FMO
4a. To be filed (hearing date):  September 4, 2013	4b. Calendar (Check One)  Regular    Consent    4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: 08/29/2013
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

**1) Legislation Title:** Amend Portland Fire Regulations to extend the protection afforded by automatic fire sprinklers to occupants of existing buildings used as nightclubs that are not protected with an automatic fire sprinkler system. (Ordinance; Amend Code Section 31.10.050)

**2) Purpose of the Proposed Legislation:** The purpose of this legislation is to increase public safety and prevent catastrophic loss of life and/or property by amending Portland Fire Regulations to require all existing nightclubs with an occupancy load of more than 100 to install automatic fire sprinklers.

**3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?**

- |  |                                    |                                    |                                |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast             | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East  |
| <input type="checkbox"/> Central City                  |                                    |                                    |                                |

**FINANCIAL IMPACT**

**4) Revenue:** Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source. There are approximately 14 nightclubs affected by this legislation. The future revenue generated by this legislation is difficult to calculate because permit fees are based on the value of the project. The Water bureau charges an average of \$800-\$1,100 annually for connection to fire lines.

**5) Expense:** What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence**.) At this time there are no known expenses related to this legislation.

**6) Staffing Requirements:**

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)* No positions will be created, eliminated or re-classified in the current year as a result of this legislation.
- **Will positions be created or eliminated in future years as a result of this legislation?** No positions will be created or eliminated in future years as a result of this legislation.

*(Complete the following section only if an amendment to the budget is proposed.)*

**7) Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)* N/A

### **PUBLIC INVOLVEMENT**

**8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:**

- YES:** Please proceed to Question #9.  
 **NO:** Please, explain why below; and proceed to Question #10.

**9) If "YES," please answer the following questions:**

**a) What impacts are anticipated in the community from this proposed Council item?** Approximately 14 existing nightclubs will be required to comply with the new fire regulations. Most of the occupancies will be required to be in compliance by December 31, 2014. A few of the smaller occupancies will have until June 30, 2015 to be in compliance.

**b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?**

- Notified Building Owners & Managers Association (BOMA) of intention to submit the fire sprinkler ordinance to City Council 7/25/13
- Discussion with the National Fire Sprinkler Association 7/26/13
- Discussion with National Fire Protection Association 7/26/13
- Oregon Editorial Board 8/26/13
- Portland Tribune Editorial Board 8/26/13
- Meeting with the Portland Business Alliance 8/27/13
- Notification letter mailed to potentially impacted property owners 8/28/13

**c) How did public involvement shape the outcome of this Council item?**

Public involvement contributed to the list of property owners impacted by the regulation.

**d) Who designed and implemented the public involvement related to this Council item?** The office of Commissioner Dan Saltzman

**e) Primary contact for more information on this public involvement process (name, title, phone, email):** Matthew Grumm, Policy Manager for Commissioner Dan Saltzman, 503-823-3027, Matt.Grumm@portlandoregon.gov

**10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.** It is expected that some of the affected businesses will be testifying at the hearing on September 4<sup>th</sup>.



APPROPRIATION UNIT HEAD Erin A. Janssens, Fire Chief



# PORTLAND FIRE & RESCUE



Dan Saltzman, Commissioner  
Erin Janssens, Chief  
55 SW Ash Street  
Portland, Oregon 97204  
(503) 823-3700  
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## Nightclub Sprinkler FAQ's

Who will be impacted by this regulation?

- All existing businesses that meet the definition of a nightclub and have an occupant load greater than 100.

What is the definition of a nightclub?

- For the purpose of Section 903.7 a nightclub means an A-2 occupancy use under the 2009 International Building Code which (a) has areas for dancing or viewing performers; and (b) serves food or drink. "Nightclub" does not include houses of worship, theaters with fixed seating, banquet halls, or lodge halls.

What is the process for permits/design/installation/inspection, and how long should this process take?

- Every project is unique, but most projects are expected to take 5 to 6 months to complete.

Who is approved to install sprinkler systems?

- Fire sprinkler companies that are certified by the Portland Fire Marshal's Office are able to do these projects from start to finish, however the Fire Marshal's Office needs to review/approve plans before installation, and complete inspections midway and for final approval. Please see this link for a list of the certified companies:

<http://www.portlandoregon.gov/fire/article/363361>

What is the average cost of a fire sprinkler system?

- The average cost for the installation of a fire sprinkler system, not including the backflow assembly and the connection to the city's water supply, is \$3-\$4 per square foot of the coverage area.
  - Information for the backflow assembly devices can be obtained by calling the Portland Water Bureau, Water Quality, at 503-823-7336.  
<http://www.portlandoregon.gov/water/29782>
  - Information on connection to the water main can be obtained by calling the Portland Water Bureau, Development Services, at 503-823-7368.  
<http://www.portlandoregon.gov/water/29333>

Is there an appeal process for this regulation?

- Yes. Any person, owner or occupant subject to the regulation may submit an appeal to the Fire Marshal for a modification pursuant to Portland Fire Code 104.8 and in the manner provided by Portland City Code 31.10.080.

How long will businesses have to comply with this regulation?

- December 31, 2014 for assembly occupancies with an occupant load of 200 or more.
- June 30th, 2015 for assembly occupancies with a minimum occupant load of 101 but not greater than 199.

What public outreach was performed on this regulation?

- Notified Building Owners & Managers Association (BOMA) of intention to submit the fire sprinkler ordinance to City Council 7/25/13
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How effective are commercial fire sprinkler systems?

- The National Fire Protection Association (NFPA) reports public assembly occupancies protected with automatic fire sprinkler systems have the following effectiveness:
  - Deaths per thousand reported fires is 100% lower
  - Property damage is 75% lower in properties having automatic fire sprinkler protection
  - There is no record of a fire killing more than two people in a building completely protected with an automatic fire sprinkler system

What is the current code requirement for automatic fire sprinkler systems?

- Newly constructed nightclubs are required by the Oregon and Portland Fire Codes to provide automatic sprinklers when any of the following conditions exist: (1) the fire area exceeds 5,000 square feet; (2) the fire area has an occupant load of 100 or more; or (3) the fire area is located on a floor other than the level of exit discharge.

Have other cities implemented fire sprinkler regulations for existing building?

- Yes - There are three states that have passed similar ordinances: Rhode Island, Massachusetts, and Washington.

Are there ongoing costs for commercial sprinkler systems?

- Yes - in addition to 24/7 monitoring (electronic supervision) of the system by an alarm company, there is a required annual inspection that includes testing of the system. The testing is done by private contractors that are certified by the Portland Fire Marshal's Office. Please see this link for a list of the certified contractors: <http://www.portlandoregon.gov/fire/article/363361>. These costs will vary depending upon the size of the system but are approximately \$500.
- Fire lines are billed a Water Bureau daily base charge based upon the size of the fire line. A 2" fire line would be billed approximately \$800.00 annually; a fire line 3" or larger would be billed approximately \$1100.00 annually.
- Fire sprinkler systems must be equipped with an approved backflow prevention assembly. The backflow assembly must be tested at least once each year by a

State certified backflow assembly tester. Approximate cost of annual testing is \$100.00 - \$150.00.

What organizations support such a regulation?

- National Institute of Standards and Technology
- National Fire Protection Association