
**Memorandum
Police Department**

TO: Mayor and Council

FROM: Brenda Buren, Assistant Police Chief (ext. 8991)

DATE: September 23, 2008

SUBJECT: Alarm Fee Changes

At the October 2, 2008 Issue Review Session, Mary Anders and I would like to present a summary of the proposed change in alarm fees and provide options for the Council's consideration. Alarm calls remain the third highest call for service to the Tempe Police Department and over 86% of the alarm calls that Tempe Officers responded to in 2007 were false alarms. As indicated in the table below, the City of Tempe has one of the more aggressive false alarm fee structures for non-permitted locations. However, Tempe still offers permitted locations 2 free false alarms and is one of the few local municipalities that do not charge a renewal fee.

In an effort to reduce false alarms, achieve greater cost recovery, and to bring the City of Tempe's alarms permit renewal process more in line with that of other local municipalities, the Tempe Police Department recommends implementing a permit renewal fee and/or a change in the false alarm fee structure. The following options are provided for the Council's consideration:

Permit Renewal FeesOption 1:

Implement a \$10.00 alarm permit renewal fee and leave the initial permit fee at \$10. This would generate approximately \$89,000 in annual revenue¹.

Option 2:

Implement a \$15.00 alarm permit renewal fee and increase the initial permit fee to \$15. This would generate approximately \$140,000 in annual revenue¹. Staff recommends this option.

False Alarm Fee StructureOption A:

Change the alarms fee structure so that all locations with alarm permits would have only 1 free false alarm a year (rather than the current 2 free false alarms). This would generate approximately \$101,502 in annual revenue².

Option B:

Change the alarms fee structure so that all business locations with alarm permits would have only 1 free false alarm a year (rather than the current 2 free false alarms). This would generate approximately \$86,472 in annual revenue². Although businesses make up only 43% of permitted locations, they account for approximately 76% of total false alarms. Staff recommends this option.

¹ Residential alarm users over the age of sixty-five are excluded from paying either an initial permit fee or renewal fee

² These numbers were estimated based on 10/01/07 through 8/31/08 data in the new alarm tracking system and on the current percentage of false alarm fees collected.

Valley Agency Alarm Comparison

Agency	False Alarm Fee Schedule	Cost of 10 false burglary alarms - permitted	Cost of 10 false burglary alarms - non permitted	Initial Permit Fee	Permit Renewal Fee
Tempe	Permitted: 1-2 Free 3rd Call and above: increasing in \$50 increments Non Permitted: 1 Free 2nd Call and above (not permitted): increasing in \$100 increments	\$1,800	\$4,500	\$10.00	\$0
Chandler	Permitted: 1-2 Free 3rd Call and above: \$85 Non Permitted: 0-1 Call Free 2nd Call and above: \$85	\$680	\$765	\$10.00	\$10
Gilbert	1-2 Free 3-9: Increasing in \$50 increments 10 and above: \$400	\$1800	\$1800	\$10.00	\$10
Mesa	Burglary: No Free 1-6: increasing in \$50 increments 7 and above: \$400 Panic/Holdup: 1 Free 2nd Call: \$100 3rd Call and above: \$200	\$2,650	\$2,650	\$10.00	\$10
Phoenix	1-2 Free 3rd Call and above: \$85 Non Permitted: No Free	\$680	\$850	\$15.00	\$15
Scottsdale	1-2 Free 3rd Call: \$50 4thCall: \$75 5-6 Call: \$100 7 and above: \$200	\$1125	\$1125	\$10.00	\$10