TO: Budget & Finance Committee

FROM: Brian Hurley, Fire Chief

DATE: September 25, 2026

SUBJECT: Fire Impact Fee Overview

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1) Recommended Action:

This is a briefing only.

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2) Background:

Fire impact fees are one-time assessments on new development to help pay for the capital facilities to serve that growth. In 2003, the city adopted a “Fire Protection Facility Impact Fee Schedule” by ordinance. The fire impact fees were designated to “accelerate payment of the General Obligation bonds issued to build the Headquarters Fire Station”. That debt was subsequently retired and fire impact fees have not been collected for many years.

To address growing service demands, the Fire Department has proposed several projects in the Capital Facilities Plan. Since these initiatives address facility needs to serve growth, the city has contracted with FCS to conduct an updated “Fire Impact Fee Rate Study”. The full study results will be available in early October. The purpose of this briefing is to give an overview of the statutory requirements and review the methodology used in calculating the proposed fees.

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3) Policy Support:

Health and Safey
Action Item: Develop initiatives to address growing emergency service demands.

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4) Alternatives:

- ❑ N/A

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5) Fiscal Notes:

In order to meet the needs of the growing community, staffing levels in the Tumwater Fire Department have increased substantially over the last few years. The City Council is considering the sale of General Obligation Bonds in order to fund a much-needed remodel of the T-2 Fire Station to accommodate that growth. The estimated annual costs of the debt for the T-2 Fire Station remodel project is $428,000. Re-instituting Fire Impacts fees is being considered as a strategy to offset the cost of debt while also preparing for other capital needs in the future. This is being considered as a component of the proposed 2027-2028 biannual budget.

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6) Attachments:

None