



May 1, 2025

Mayor McCarty and Members of the Sacramento City Council

City of Sacramento
915 I Street
Sacramento, CA 95814

Subject: Proposed Fire Prevention Fee Adjustments

Dear Mayor and Members of the City Council,

On behalf of the undersigned coalition of business and civic organizations, we respectfully urge the Council to postpone consideration of the proposed Fire Prevention Fee Adjustments advanced by the Budget and Audit Committee on March 25, 2025.

To date, there has been insufficient analysis and inadequate engagement with the business community—those most directly impacted by these changes. These fee proposals should not move forward without a transparent, comprehensive process that allows time for stakeholder input and review.

We are particularly concerned that the proposed fee adjustments are being considered in isolation, rather than as part of the broader fiscal picture. Sacramento is facing a \$62.2 million budget deficit, and several additional fee increases are expected to be introduced across various departments. We believe it is critical that all fee changes be considered together, so that their cumulative impact—particularly on small businesses—is fully understood.

The proposed adjustments are not minor. Many fees are set to more than double—despite CPI adjustments already being part of the current schedule. These drastic increases lack justification and risk placing an undue burden on businesses and property owners who already contribute significantly through sales taxes, property taxes, and other city-imposed fees.

Moreover, these changes are being rushed forward ahead of the release of a new Fire Department fee study, which has not yet been made public. We strongly urge the Council to delay action until this study is available and all stakeholders have had an opportunity to review and discuss its findings.

We understand the fiscal pressures the City faces. We are also encouraged that the Fire Department is looking at paths to reduce this burden on some. However, considerations to this point do not go nearly far enough and we believe the fees will have a detrimental impact to our local businesses and request the council take additional time and explore further options to soften the budget on our small business community.

Thank you for your consideration.

Sincerely,

Matt McDonald, California Apartment Association
Michael Ault, Downtown Sacramento Partnership
Melinda C. Michael, Fulton Avenue Association
Bill Knowlton, Mack Road Partnership
Emily Baime Michaels, Midtown Association
Tim Murphy, North State Building Industry Association
James Allison, Power Inn Alliance
Michele Smira, R Street Partnership
Erin Teague, Sacramento Association of Realtors
Cathy Rodriguez Aguirre, Sacramento Hispanic Chamber of Commerce
Robert W. Heidt, Jr., Sacramento Metro Chamber of Commerce
Frank Louie, Stockton Boulevard Partnership
Joan M. Borucki, The Tower District Sacramento