

Overview

Nationally, the alarm industry is booming. It is estimated that there are between 18 and 21 million alarm systems in the United States. The industry adds approximately 1.5 million systems each year. The Licenses and Consumer Services Division estimates that there are close to 30,000 alarm systems in the City of Minneapolis. Alarm users truly value their burglar alarm systems. Costs to maintain a monitored alarm system range from \$30/mo. to \$40/mo..

The Minneapolis Police Department currently ranks response to monitored alarmed dispatched calls as first priority. The City's Police Department responded to 17,781 alarm calls in 2005. The cost to respond to these alarms is in excess of \$800,000 annually. The Licenses and Consumer Services Division is responsible for administrating a False Alarm Program. Under this program the City recoups approximately \$300,000.00 from false alarm fees paid by the alarm user. That leaves a gap of approximately \$500,000.00 in City costs.

Objective

In an effort to fairly recuperate the cost of responding to alarms, a user fee for each monitored alarm site is recommended. Citizens with monitored alarm sites receive an enhanced service that is not enjoyed by citizens that do not have monitored alarm sites. The City's 2007 proposed budget included a cost recovery initiative to reduce the gap for Police service of responding to alarms. Requiring alarm users that utilize monitored alarm systems to pay a fee would generate an estimated \$370,000.00. We are proposing a permit (registration) fee of \$15.00 for residential alarm systems and \$40.00 for business alarm systems.

Best Practices

Of the 13 other cities surveyed we found 12 cities require registration of alarm systems. Nine of the cities surveyed charge a fee ranging from \$10.00 annually to \$45.00 for residential systems and \$ 35.00 to \$75.00 for businesses. Some of the cities that require registration and fee are St. Paul; Cincinnati and Seattle to list a few. See attached spread sheet for all cities surveyed.

Staff has met with representatives of the Minnesota Burglar and Fire Alarm Association who support the proposed ordinance amendment.

Required Action

Adopt the requested amendments to Chapter 179 to require alarm sites to pay an annual registration fee. Hire staff to support the imitative. Develop billing system using current false alarm software to notify and bill users.