

CITY OF BEAUMONT
ECONOMIC DEVELOPMENT DEPARTMENT
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BEAUMONT, CALIFORNIA 92223
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Fire Sprinkler Installation Program

PROGRAM GUIDELINES

SECTION I- OVERVIEW OF PROGRAM

A. Purpose, Goal and Objective of Program-

The City of Beaumont, in its continuing effort to support the revitalization of the Downtown Area, has created a Downtown Fire Sprinkler Installation Program (Program) for all property owners within the designated program area as defined in Section II.A of these guidelines. The purpose of the Program is to provide financial assistance to commercial property and/or business owners to make qualifying fire safety improvements on commercial buildings within the area.

The goals of the Program are to facilitate commercial revitalization; stimulate private investment and customer patronage; preserve and beautify the Downtown Area; generate shopping opportunities by creating a pleasant walking environment resulting from certain uses locating into or current uses expanding into the Downtown Area, which may help aid in eliminating blight, generating sales tax revenues and enhancing property values. In particular, the Program will bring existing buildings up to current fire safety standards and promote the safety of the public in the Downtown Area.

B. Source of Funds-

The Program is being funded by the City of Beaumont General Fund budget allocation for Fiscal Year 2022-23. Once the allocation is reserved further funding may not be available and the Program will be closed to further applicants. The City Council may extend the Program and increase funding in its discretion.

C. Financial Assistance-

Grant funds shall be available to eligible commercial property and/or business owners who meet the requirements of the Program. The maximum program grant amount per applicant is \$50,000. The applicant will be required to contribute a 1:1 leverage of private or personal funds towards the approved improvements of the building. For example, if the grant amount requested is \$10,000, the applicant will need to provide \$10,000 of improvements within the approved scope of work of a project totaling \$20,000.

SECTION II- PROGRAM REQUIREMENTS

- A. Location-** Only commercial properties located within the Downtown Incentive Area Program Boundary area eligible to apply. [CLICK HERE](#) for the map showing the program boundary or access it via the City website beaumontcabusiness.gov/businesses/incentives.
- B. Permits-** Property owner must obtain plan approval and any applicable Planning and Building permits from the City and the Applicant and property owner must comply with all city policies and ordinances including business permit requirements. All work

performed under the provisions of this Program shall meet all applicable standards contained in the City's adopted zoning ordinance, and local building and safety codes. The City's General Requirements can be viewed on the City's website at: <https://www.Beaumontca.gov/>.

- C. Improvements-** All building improvements must be to the interior of the building. The scope of work must be approved by City of Beaumont's Design Review Committee and Building Department. No work, that is seeking funding under this Program, shall be conducted prior to the written approval of the scope of work by the City. Improvements are not eligible if they are required for building an entirely new structure.
- D. Ownership-** The applicant(s) must be either the current property owner(s) or business owner(s) (tenant) of the property to be rehabilitated in order to be eligible for the Program. Business owners must obtain and submit to City written consent from current property owner in order to apply for the Program. In case of multiple ownership, the signature of each titleholder is required on all appropriate documents. The City will verify property ownership and require all persons currently on title to give written consent to all work proposed to be performed on the property prior to the Applicant initiating such work.
- E. Program Limitations and Requirements-** If a building or qualified unit is occupied by one tenant occupant, the maximum number of applications is one per suite. If a building has multiple independent units, and one unit triggers the need for fire sprinklers, the entire building shall be required to install sprinklers, unless the applicant can demonstrate compliance with building code requirements through submittal and approval of an Alternate Materials, Methods, or Modifications request (AMM) to install a fire alarm system and fire walls meeting certain requirements. The Fire Sprinkler Incentive reimbursements are limited to supply contracts for materials only (reimbursement for construction is not permitted except as otherwise provided below in Section III.B.d for prevailing wage jobs).
- F. Program Eligible Property Improvements-** The Program requirements require a 1:1 leverage of grant funds with private or personal funds from the applicant. Eligible leverage-funded building improvements are limited to fire safety improvements. Such improvements may include, but are not limited to:
- Fire Sprinkler Suppression Systems;
 - Fire Alarm systems meeting certain requirements;
 - Fire Wall(s)

SECTION III- PROGRAM PROCEDURES

A. Applicant Intake and Eligibility Determination-

- a. Application-** Applications are available at City Hall or online at www.Beaumontca.gov. Each application must be completed in its entirety, signed and submitted with all required documents as listed on the Application and this Program, and signed proof of ownership or lease agreement with written consent of the owner. Applications will be reviewed in the order in which they are received. The City will maintain a waiting list for all prospective participants.
- b. Verification and Eligibility Determination-** The City shall verify all information as it deems necessary. Applicants will be notified in writing regarding eligibility status.
- c. Rehabilitation Feasibility Determination-** Once an applicant has been determined to meet eligibility requirements, an initial inspection of the property will be made by the Departments of Economic Development, Building, and Community Compliance to determine the extent of any code violations, as well as any health and safety issues, that need to be corrected as part of the Program scope of work.
- d. Approval and Notifications-** Once the application and scope of work have been verified as eligible, the City and the applicant will enter into a Program Agreement in the form provided by the City that contains the terms and conditions required by the City in its discretion and the Program. A default of the Program Agreement may result in disqualification of an applicant and an obligation to return grant funds as well as such additional remedies as are provided in the Agreement. After execution of the Program Agreement, the City will issue a Notice to Proceed with work. **No work should be initiated, contracted for, or performed until after the Notice to Proceed has been issued.** The City shall not approve reimbursement for work completed prior to the issuance of the Notice to Proceed.
- e. Reservation of Funds-** After the applicant has been approved for the Program, a reservation of funds letter will be issued for the grant amount approved. This letter will reserve the approved grant amount for 90 days. If the applicant has not submitted all required items for reimbursement within the 90 days, the reservation of funds may be cancelled. If unforeseen conditions are delaying the project, the applicant should contact the City immediately to discuss options to preserve the reservation of program funds. One additional extension of time up to 90 days may be granted based upon a demonstrated hardship.

B. Procurement and Contractor Selection

- a. Leverage-Funded Improvements Procurement-** The applicant is required to obtain multiple proposals for the leverage-funded improvements. At least three proposals for each item approved within the program scope of work shall be submitted. If the

applicant is unable to obtain three proposals, the applicant shall provide a summary of the efforts made to obtain the minimum number of required proposals. Supply and installation proposals from vendors qualified to perform the improvements approved within the program scope of work shall be submitted for approval prior to execution of contracts with material suppliers. Proposals shall clearly state a cost for materials and a cost for installation. The City reserves the right to modify the proposal requirements upon a showing of good cause.

- b. Leverage-Funded Improvements Selection-** The City will review the scope of work and contract proposal for the leverage-funded improvements pursuant to the scope of work approved during the feasibility determination. All leverage-funded improvements will be contracted for privately by the applicant and paid for from private funds. While the City is not involved with the contracting for the leverage-funded improvements, a best practice suggestion is that the applicant obtain a minimum of three bids for the leverage-funded improvements. The final amount of program funds reimbursed will be based on the final amount of the leverage-funded improvements, but in no event shall be more than \$50,000 per Program Agreement. The City recommends the applicant select the lowest responsive bid and responsible bidder for the work to be performed for the approved scope of work. If the applicant desires to select a bid that is more expensive than the lowest bidder, the City will limit the funding amount to half of the lowest responsive bid and responsible bidder in an amount not to exceed \$50,000.
- c. Supply Only Contracts-** The Fire Sprinkler Incentive reimbursements are limited to supply contracts for materials only (reimbursement for construction is not permitted except as otherwise provided below in Section III.B.d for prevailing wage jobs). Costs for construction are not eligible for reimbursement. Notwithstanding the foregoing, construction costs are subject to reimbursement subject to the matching and other requirements set forth in these program guidelines if, and only if, the Owner/Lessee secures the services of a contractor who performs the services in accordance with the provisions of the Labor Code concerning prevailing wages, record keeping and other legal requirements as referred to in section III.B.d below.
- d. Prevailing Wage Requirements-** All improvements completed through the Program are “public work” as that term is used in Section 1720 of the California Labor Code. In accordance with Labor Code section 1720 et seq., prevailing wages shall be paid for construction of all such improvements. Use of volunteer labor is not allowed. All estimates and payments for construction and installation of improvements shall include prevailing wages, and shall otherwise comply with the provisions of Sections 1773.8, 1775, 1776, 1777.5, 1777.6 and 1813 of the California Labor Code and all other applicable laws and regulations with respect to prevailing wages. Participants in the Program are responsible for ensuring that the improvements are in compliance with the Prevailing Wage Law. Applicants shall diligently prosecute the improvements to completion. In making the improvements Applicant shall comply with all

applicable laws, including prevailing wage laws (California Labor Code Sections 1720 et seq.) and shall defend, indemnify and hold City harmless from and against any and all claim, liabilities, losses, damages, costs and expenses arising from any failure by Applicant to cause the payment of prevailing wages or otherwise comply with the provisions of the California Labor Code and all applicable laws and regulations with respect to prevailing wages.

- e. **Insurance and Licenses-** Applicant, at its sole cost and expense, commencing no later than the date Applicant is provided approval for funding shall procure, pay for and thereafter keep in full force and effect the following types of insurance, in at least the amounts and in the forms specified below:

Commercial General Liability (CGL) with limits no less than One Million Dollars (\$1,000,000.00) per occurrence basis including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than Two Million Dollars (\$2,000,000) per occurrence.

A policy or policies of Workers' Compensation insurance as required by law in the amount required by the State of California.

The applicant is solely responsible for ensuring that the contractor has customary and reasonable insurance and required licenses. In addition, the applicant shall insure that the contractor obtains all necessary permits for both the program-funded and leverage-funded improvements.

- f. "City" for the purposes of this paragraph means and include City, and its councilmembers, officers, agents and employees. To the fullest extent permitted by law, Applicants agree that by accepting funding that City shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Applicant or any other person from any cause whatsoever related to the application, granting or use of the funding by Applicant and its employees and contractors. Applicant shall pay for, defend (with an attorney reasonably approved by City), indemnify, and save City harmless against and from any real or alleged damage or injury and from all claims, judgments, liabilities, losses, costs and expenses, including reasonable attorneys' fees and costs, caused by Applicant's negligent acts or omissions related to application, granting or use of the funding granted by City. The obligations to indemnify set forth in this Article shall include all reasonable attorneys' fees, litigation costs, investigation costs and court costs and all other costs, expenses and liabilities incurred by the indemnified party from the first notice that any claim or demand is to be made or may be made. All obligations under this Article shall survive the expiration or termination of the Program.

C. Award and Reimbursement

- a. Notification-** Once the applicant has submitted all required procurement documents for both the program-funded and leverage-funded improvements, the City will issue a final Notice to Proceed. No reimbursement shall be issued for work completed or contracted for prior to the issuance of the Notice to Proceed.
- b. Inspection of Completed Work-** After the applicant notifies the City that all work has been completed an inspection of the work will be conducted. This inspection shall include a review of the permits issued and inspections of permitted work.
- c. Reimbursement-** Based upon the results of the inspection, the City will issue reimbursement from program funds to the applicant for the completion of the improvements. In order for reimbursement to be processed, receipts evidencing payment in full and unconditional mechanic's lien releases on all vendor contracts for the program-funded work and construction contracts for all leverage-funded improvements shall be provided.

D. Applicant Responsibilities

- a. Property Maintenance-** The applicant is responsible for property maintenance and safety during the construction and material installation. The property owner/business owner is responsible for ongoing maintenance of the improvements for five (5) years following the completion of leverage-funded improvements for projects under this Program.

Section IV- AMENDMENTS

Amendments to these guidelines may be made from time to time by the City Council. Authority shall be granted to the City Manager or his/her designee to grant non-substantive minor waivers or non-substantive minor amendments to these guidelines, with the exception of state, federal or local laws, guidelines and regulations.