



# City of Fort Bragg

## Downtown Improvement Grant Program

### **I. INTRODUCTION**

The City of Fort Bragg Downtown Improvement Grant Program seeks to enhance the overall economic viability and appearance of downtown Fort Bragg by supporting the funding of improvements that will lead to additional business activity. Enhancing the exterior and interior of storefronts to be attractive, safe, accessible, and code compliant for new and expanding businesses will create a more inviting atmosphere, thereby boosting foot traffic and fostering economic growth. Under this program, building or business owners are eligible for up to fifty percent (50%) of the actual improvement costs, up to a maximum amount of twenty thousand dollars (\$20,000). Applications will be accepted on an ongoing basis and grants will be awarded depending on the availability of funds.

The program aims to:

- Improve the aesthetic appeal of downtown Fort Bragg.
- Encourage reinvestment in older buildings, preserving their character and utility.
- Support place-making efforts to create vibrant, welcoming public spaces.
- Enhance property values and strengthen neighborhood characteristics.
- Attract more visitors and shoppers, stimulating the local economy.

The Director of Economic Development (Director), or his/her designee, is responsible for staff administration of the Downtown Improvement Grant Program.

### **II. FUNDING SOURCE AND TIMELINE**

This program is funded with \$80,000 of American Rescue Plan Act (ARPA) program funds allocated to the City of Fort Bragg for replacement of lost revenue of general governmental services. All ARPA funds must be expended prior to December 31, 2026. Unless the City Council dedicates additional funding to this program, the program will end upon full expenditure or December 31, 2026, whichever comes first.

### **III. APPLICATION POLICIES**

#### **A. Eligibility**

1. Applicant must be either the business or the property owner. Business owner applicants must have written consent from property owner. Projects must be located downtown.

2. Projects must have a minimum total budget of two thousand dollars (\$2,000.00).
3. Projects eligible for grants may receive reimbursement for up to 50% of the actual improvement costs to a maximum grant of \$20,000.
4. Projects must improve a commercial property occupied by an active business. Improvements to commercial buildings with residential units are allowed, but all improvements covered by the grant and considered as matching funds for the grant must benefit only the commercial area of the building. Concurrent improvements to residential spaces are allowed and will not be considered as matching funds, but will be included as part of the total project cost (this may affect prevailing wage requirements).
5. If a building or qualified unit is occupied by one tenant occupant, the maximum number of applications is one per façade. If a building has multiple independent units, each unit with a separate entrance, which has a wall that qualifies as an exterior facade, may make a separate application on the basis of one application per façade. If a portion of a building has been improved with Program funds, subsequent applications for the remaining portions of the building should be consistent with the prior grant work.
6. Grants are intended to fund projects that enhance or restore the appearance of storefronts or buildings. Eligible improvements include, but are not limited to:
  - Design services, including architectural and interior design. Design services must not exceed 25% of the total project cost and must be provided by a licensed architect or professional designer.
  - Energy conservation improvements
  - Electrical work, including service upgrades
  - Fire alarm systems
  - Fire sprinkler system installation or upgrade, including any needed water service improvements
  - Heating, ventilation and air conditioning
  - Exterior Lighting
  - Plumbing
  - Restoration of historic interior architectural features, including ceilings, light fixtures, floors and architectural detailing
  - Exterior painting

- Repair or replacement of exterior siding
- Storefront signage and branding
- Landscaping and planter boxes.
- Construction of outdoor dining or gathering spaces
- Interior renovations that enhance customer-facing areas
- Security systems
- Awnings, canopies, roofs, and storefront features
- Masonry work
- Window and door replacement
- Restoration of historical façade features
- ADA-compliant access ramps and other accessibility improvements
- Public amenities such as benches, bike racks, and seasonal flower planters
- Murals to contribute to place making and beautification. Mural projects will only be considered for funding if Alleyway Art Project funds have been depleted.
- Mobile vending units may be eligible for up to \$5,000 in improvements, including solar generator batteries and exterior improvements.
- Additional improvements that are deemed to be consistent with the intent of the program will be reviewed and approved/disapproved on a case-by-case basis by the Economic Development Director.

7. Ineligible projects and expenses include, but are not limited to:

- Building or land acquisition
- Furnishings, equipment or personal property not affixed to the real estate
- Legal fees
- Maintenance work
- Pest extermination
- Structural repairs
- Purchase of tools (tool rental is allowable)

- City or County permits or processing fees
- Any work begun prior to application approval and agreement execution or done without a required permit(s)
- Work that is transient and relocatable from the building
- Businesses, organizations, or individuals whose primary products or purpose are firearms, tobacco, liquor, adult content, or promotes practices or work that violate Federal, State, or local law and/or any of the like
- Businesses operating without the proper licenses and permits
- Exterior improvements that are not street facing, with the exception of safety-related improvements
- Interior improvements that have no significant economic impact, with the exception of safety-related improvements
- No applicant shall be eligible for grant funds if they have any current delinquencies to the City, or if they have been delinquent or past due on City accounts more than four (4) times in the last twelve (12) months

#### B. Evaluation Criteria

The City established Grant Advisory Committee (GAC) will evaluate applications based on the information submitted based on the following criteria:

1. Benefit to Downtown
  - Aesthetic appeal
  - Historic preservation
  - Place-making nexus
2. Visibility of Improvements
3. Safety and/or Accessibility Nexus
4. Permanence of Improvements
5. Cost Reasonableness
6. Completion Schedule

#### C. Contractors

Qualified Applicants may serve as their own contractor, but only the cost of materials will be considered eligible expenses to be funded by the grant.

#### **IV. APPLICATION PROCEDURES**

1. Applicants shall contact the Economic Development Department to establish potential eligibility of proposed improvements. Consultation with the Community Development Department and Public Works Department might be initiated based on the nature of the desired improvements. The preliminary meeting of up to 45 minutes is offered at no cost to applicant. Further consultation regarding the proposed project may be subject to fees as applicable per the City's current Fee Schedule.
2. A complete application form and required submittals shall be submitted to the Economic Development Department, including appropriate drawings, budget estimates, "before" photographs of the areas proposed for improvement, proof of ownership or executed lease with owner's written consent, and at least three current bids for the proposed work. Building Owners are required to be co-applicants on any grant application.
3. Grant applications may be submitted to the Economic Development Department during City Hall business hours until June 1, 2026 or until funds have been exhausted, whichever occurs first. If all funds have not been expended by the aforementioned date, the deadline to apply may be extended with Director approval. In this instance, applications received after June 1, 2026 will be considered on a case by case basis, as funding allows, with the anticipated timeliness of project completion included as evaluation criteria, to ensure that all program funds are expended before December 31, 2026. A waitlist of applicants shall be maintained should additional funds come available.
4. Applicants shall submit at least three (3) formal written bids for all work being proposed in the project. The application shall contain the names of contractors, copies of all bids and anticipated dates of construction and completion. Sole source bidding may be approved by the Director for specialized work if reasonable attempts to obtain a second bid have been unsuccessful and documentation of such attempts is provided. Contractor Applicants shall submit copies of estimates for all materials, along with anticipated dates of construction and completion, as part of the application.
5. Following completeness review by Economic Development Department, a Grant Advisory Committee (GAC) comprised of three City staff from various departments will convene and review the application for recommendation. While GAC meetings are not public, the Applicant or a designated representative is expected to attend

meetings of the GAC as requested. The GAC will not take action on an application unless the Applicant or a representative is present.

6. The GAC shall vote to recommend approval or denial the grant to Director. Approval will be contingent upon the issuance of any applicable permits within 60 days. If, after 60 days, all required permits have not been issued, the approval of the grant will dissolve and the applicant will revert to the last position on the waitlist. Any request for extension must be received in writing prior to the deadline, and applicant must provide evidence that undue burden caused the delay along with the expected issue date. Submission of an extension request does not guarantee that a request will be granted. An extension of up to 60 days may be considered by the Director on a case by case basis.
7. If approved by the Director, the Agreement shall be signed by the Applicant, Property Owner and the City of Fort Bragg as provided in section 6 of Administrative Procedures, below.
8. Applicants shall apply for and receive a building permit prior to undertaking any work requiring a permit under the Building Code.
  - Fee Exemption Applicants for this program are exempt from planning and building permit fees by the City Manager, who is authorized to waive City fees associated with this program. This fee exemption does not apply to fees mandated by the County of Mendocino or the State of California including, but not limited to, the Strong Motion Instrument program fee and the California Green Building fees.
9. Construction shall proceed according to the approved plans and inspections. Construction must be completed within 180 days of execution of the Agreement or issuance of last required permit, whichever is later. Any request for extension must be received in writing prior to the deadline, and applicant must provide evidence that undue burden caused the delay along with expected completion date. Submission of an extension request does not guarantee that a request will be granted. An extension of up to 180 days may be considered by the Director on a case by case basis.
10. Applicants shall submit final receipts and proof of payment to the Economic Development Department to request reimbursement.
11. Applicants shall maintain the property without changes or alterations to work funded by the Downtown Improvement Grant Program for a period of three (3) years from the date of completion. lien.

## **V. ADMINISTRATIVE PROCEDURES**

1. Upon submittal, the Economic Development Department will review the application for completeness to ensure that it contains all necessary information, such as drawings and specifications, preliminary cost estimates, bids and proof of ownership or executed lease with owner's written consent. Applicant will be provided written confirmation of application completeness. If the application is incomplete, a detail of all remaining items will be included.
2. After the application is deemed complete, the Applicant shall be notified of the date of the GAC meeting when the application will be discussed. The GAC may schedule a site visit to assist in their review.
3. The GAC shall review each application and provide a recommendation for approval or disapproval to the Director with appropriate findings and justification.
4. If the Director approves the grant, Economic Development Department staff shall prepare a Downtown Improvement Grant Program Agreement, Consent to Release Information Form, Photo Release Form, and Agreement to Pay Prevailing Wage.
5. All applicable forms and Agreements shall be signed by the Applicant and the City of Fort Bragg. Applicants are expected to adhere to the timeline outlined in the Agreement. Failure to complete the project within the timeline will result in a default and in that case the City may exercise the right to direct funds to other applicants. If the project extends beyond the scheduled completion date, an extension may be requested with City Manager approval required. If, after an approved extension, work is not completed in the time frame the applicant can still receive a grant only if funds are available.
6. When the project is completed, the Director or their designee shall inspect all work completed to document the Applicant has made the improvements as per the Agreement and approved plans.
7. Upon determination that the work is satisfactorily completed and all receipts, proof of payment have been received, the Director shall approve the release of a check in the amount of the approved grant to the Applicant.
8. The Director shall maintain a permanent record of each complete application.

## **VI. APPEALS**

If an application is denied and the Applicant wishes to appeal the decision, the Applicant may submit a written request to the Finance and Administration Committee. Appeals shall only be considered where a legitimate interpretation issue over the program guidelines exists, or if it is unclear whether the spirit and intent of these guidelines cover a given applicant's business circumstance. The decision made by the Finance and Administration Committee is final and no further appeals will be considered.

## **VII. PROCUREMENT AND CONTRACTOR SELECTION**

### **A. Procurement**

The applicant is required to obtain three proposals for the leverage-funded improvement included within the program scope of work. 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. 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 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 \$20,000 per Program Agreement. The City recommends the applicant select the lowest 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 responsible bid in an amount not to exceed \$20,000.

### **C. 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 all construction. Use of volunteer labor is not allowed. All estimates and payments for construction and installation of façade improvements shall include prevailing wages, and shall otherwise comply with the 6 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.

#### **D. 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, at a minimum of 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 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 ensure that the contractor obtains all necessary permits for both the program-funded and leverage-funded improvements.

"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 7 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

### **VIII. 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 nonsubstantive minor waivers or non-substantive minor amendments to these guidelines, with the exception of state, federal or local laws, guidelines and regulations.

**IX. EXHIBITS**

- A. Downtown Improvement Grant Program Agreement
- B. Consent to Release Information Form
- C. Photo Release Form
- D. Agreement to Pay Prevailing Wage