

FY2019 Municipal Planning Grant Program Description



Program Overview

For state fiscal year (FY) 2019, the Vermont Department of Housing and Community Development (DHCD) will grant approximately \$450,000 to municipalities to promote community planning, revitalization and development activities that maintain Vermont's land use goal of compact settlements separated by rural lands.

The Municipal Planning Grant (MPG) Program funds a wide range of municipal planning projects as allowed by [24 V.S.A. §4306](#) (b) and (c). Projects that promote Vermont's historic settlement pattern will be given priority.

The maximum grant amount is \$22,000 for individual municipalities and \$35,000 for consortia. All applicants are required to provide a minimum cash match of 10%. Projects with match amounts greater than 10% receive additional points in the competitive criteria.

Grant funds are regionally apportioned, based on the percentage of municipalities with confirmed planning processes within each of Vermont's [11 regional planning commission \(RPC\) regions](#). Eligible municipalities compete within their region for grant funding. Funding decisions are made by the DHCD Commissioner, based on the competitive criteria listed under [Grant Selection Process](#) on page 4. Low scoring applications will not be funded.

Grant Timeline

MPG projects must be completed within 18 months.

No time extensions are granted.

- RPC Confirmation of Municipal Planning Process: September 30, 2018
- Application Deadline: October 1, 2018 @ 6:00 p.m.
- Award Decisions: Early December 2018
- Mid-Project Report Due: August 31, 2019
- Project Completion and All Funds Spent: May 31, 2020
- Final Report and Products Submitted: June 30, 2020

Who May Apply?

Municipalities with a local planning process that has been confirmed by September 30, 2018, are eligible to apply for grants of up to \$22,000. To be confirmed, an adopted plan must be approved by a [regional planning commission](#) and the municipality must maintain efforts to provide local funds for municipal and regional planning purposes as required by [24 V.S.A. §4350](#).

Municipalities without a confirmed local planning process may apply for funding but only to create a municipal plan approvable by the RPC. They must also have voted to provide local funds for municipal and regional planning purposes. Grant proposals from

Purpose of MPGs: Carry Out Statewide Planning Goals

(b) It is also the intent of the legislature that municipalities... shall engage in a continuing planning process that will further the following goals:

(1) To establish a coordinated, comprehensive planning process and policy framework to guide decisions by municipalities, regional planning commissions, and state agencies.

(2) To encourage citizen participation at all levels of the planning process...

(3) To consider the use of resources and the consequences of growth and development...

(c) In addition, this chapter shall be used to further the following specific goals:

(1) To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside...

[24 V.S.A. § 4302](#)

municipalities that have received RPC recommendations to bring their plan into compliance with statewide requirements must address the changes identified by the RPC.

Municipal organizations other than the planning commission (such as the conservation commission) may apply for a grant, but only with prior approval of their town's planning commission and legislative body. Each municipality may submit only one application per year.

Municipalities may not receive funding if they are (a) suspended or debarred by the Federal Government; (b) delinquent in submitting their subrecipient annual reports; or (c) delinquent in submitting their Single Audit Reports (if required).

Consortium Applications

Two or more municipalities may apply jointly for a consortium application (up to \$35,000). Applications must address a shared issue and identify a lead municipality for financial administration of the project. The RPC may serve as grant administrator for consortia (see consultant selection below). All municipalities in a consortium must have a confirmed local planning process by September 30, 2018. No member of a consortium may apply for an individual MPG the same year.

Definition of Municipality

For the purposes of the Municipal Planning Grant Program a municipality is defined by [24 V.S.A §4303\(12\)](#). Under this definition an incorporated village is not considered a separate municipality unless the village adopts its own plan and one or more bylaws either before, concurrently with, or subsequent to such action by the town.

Funding

Municipalities may apply for any dollar amount between \$2,500 and \$22,000 with a minimum cash match requirement of 10%. For a maximum individual grant amount of \$22,000 and a minimum match of 10%, the total project cost will be \$24,200.

Consortia application grant awards are capped at \$35,000 with a local cash match of 10%.

Projects with match amounts greater than 10% receive additional points in the competitive criteria. Any source of cash match funds may be used: federal, other state grants, municipal, private, or non-profit. **In-kind contributions or contribution of staff or others' time cannot be offered as a match.** Documentation of match funds is required at the close-out of the grant. If a project is completed with less than the total project cost expended, the match funds required will be reduced proportionately.

Municipalities with large, multi-year projects are encouraged to separate projects into related, stand-alone phases that produce a defined product upon completion and then apply for another phase each year. However, because funds are allocated competitively each year, MPG support for subsequent phases cannot be guaranteed.

DHCD reserves the right to award less than the amount requested, based on availability of funds.

Municipalities that receive MPG funding are not eligible to apply for a [Better Connections Grant](#) for the same State fiscal year as the MPG award.

Eligible Activities

The Municipal Planning Grant Program supports a wide range of projects relating to planning and land use, and promotes cooperation, collaboration and the exchange of ideas. Eligible projects must have a clear connection to planning and implementation of the municipal plan and will be reviewed for conformance with the Regional Plan.

Funds **may** be used to:

- Underwrite expenses for public meetings and hearings, informational workshops citizen surveys, outreach, and notification costs
- Support research, data collection, capacity studies, inventories, and mapping
- Pay consultants, interns, regional planning commission staff, or legal fees associated with the project
- Purchase development rights, easements, and titles of properties for housing and conservation purposes identified in the municipal plan
- Purchase materials needed to produce a plan, bylaw, or implement or administer the project -- like writing supplies, maps and copies
- Conduct other non-prohibited activities

Funds **may not** be used to:

- Support political activities
- Support projects incompatible with the Regional Plan
- Pay regional planning commission dues
- Reimburse expenses incurred before the grant is awarded
- Subsidize tax mapping (see [Mapping Requirements](#) below)
- Pay planning commissioners, selectboard members, or municipal staff
- Capitalize a “reserve” fund for use beyond the grant period
- Purchase computer hardware, software licenses or subscriptions, or other equipment not related to a specific grant funded planning event
- Pay for the cost of administering the MPG grant such as municipal or regional staff time for documenting grant expenditures and submitting the progress report and close-out
- Support plans, bylaws and policies that violate the State or Federal Fair Housing Act. Fair Housing Training is available to all grantees and is encouraged for projects which relate to housing and/or revisions to zoning bylaws. Please contact Shaun Gilpin, Housing Policy Specialist at shaun.gilpin@vermont.gov if you are interested in participating.

Mapping Requirements

- All GIS mapping must follow applicable [VCGI data guidelines or standards](#).
- Parcel mapping projects will no longer be funded through MPGs. See the [Vermont Statewide Property Parcel Mapping Program](#) to learn about the initiative to map all parcels statewide.

Single Project

Due to the short timeline for MPG grants and limited funding available, only one project per municipality may be funded in each grant cycle. If multiple products and multiple consultants are proposed, an application may be deemed to have more than one project, resulting in a lower score, and only one of the projects will be funded if a grant is awarded.

Development of town plans and bylaws in the same application are usually considered two separate projects and typically both are not funded. However, an issue-oriented amendment of both a section/chapter of the plan and the associated bylaws to implement that section of the plan, can be proposed as one project. For example, a flood resilience element of a plan and a bylaw amendment to adopt river corridor protection may be considered one project.

Use of MPG as Part of a Larger Project

MPGs may be used as part of a larger project and may be used to match grants from other programs. If you propose to use the MPG for a larger project, assign a component of the

larger project to the MPG. Choose a component that can easily be completed within the 18-month MPG timeframe, that best meets the competitive criteria, and ensure it is an activity that will meet the grant requirements. For example, municipalities could use MPGs for the community outreach component of a major project. Include the workplan for the larger project as an attachment to the application.

Grant Selection Process (Competitive Criteria)

DHCD uses competitive criteria and statewide priorities to score and rank applications. The statewide priorities are updated annually to comply with policy initiatives or legislation. Grants are awarded based on the application score compared to other applications in the region and the amount of grant funds available. The DHCD Commissioner reserves the sole right and responsibility to allocate grant funding. Applications are scored as follows.

#	Competitive Criteria Scoring Summary	Points
1	Overall Application Quality – Is the grant application well written?	10
2	Project Readiness and Need – Does the project address a recognized need?	25
3	Community Partnership, Support & Commitment – Is there support for the project?	15
4	Project Approach – Is the project well-structured to address the need?	40
5	Statewide Priorities – Does the project address statewide concerns for 2019?	20
	TOTAL	110
6	Bonus Points for State Designated Areas – is the project in or related to a state designated area?	5 to 35

1. Overall Application Quality

- a. Project description allows readers to quickly understand what will be done, why, and how
- b. Application describes a single, clearly defined project
- c. Answers to questions are:
 - i. Complete, concise and address the specific question asked
 - ii. Offer specific issues, actions, and outcomes (not vague statements)
- d. Any past MPG projects were administered successfully. Poor administrative performance on previous MPGs will receive a lower score.

2. Project Readiness & Need

Answers clearly explain the need for the project and how it advances the Municipal Plan and other prior planning efforts or addresses an emerging community change that has engaged community attention. Scoring will be based on project type as follows:

Municipal Plan Update for Significant Shift or Change in Community

- a. Project principally addresses a shift in vision or a change in the community that has become a pressing concern.
- b. The proposed plan will also:
 - i. Emphasize the implementation element (see [Planning Manual](#) page 75).
 - ii. Cure inconsistencies between the local plan and state statute.
 - iii. Address missing plan elements required by state statute.
 - iv. Address recommendations and changes identified by the RPC in its report.
 - v. Support comprehensive and coordinated

Documenting the Need

Municipal plan projects: include a consultation report from the regional planning commission, or language from the existing plan or from other documents that indicate the plan project is needed. If the plan will address a recently emerging concern, summarize the ways that the community has expressed interest in that concern and provide links to reports and/or local media coverage.

Implementation projects: show that the ideas and actions in the municipal plan support the project by providing specific municipal plan language.

planning by integrating plans, studies, or reports completed since last update.

Implementation of the Municipal Plan

- a. Regulatory and non-regulatory implementation project is clearly linked to a recommendation in the Plan to improve the community.

3. Community Partnership, Support & Commitment

- a. Project demonstrates cooperation or coordination with relevant local and/or regional organizations and partners.
- b. Project has support from partners, local stakeholders, project champions, and others and is documented through letters of commitment or support.
- c. Municipality or partner organization provides a cash match that exceeds the minimum required.

4. Project Approach

- a. **Work Plan.** Work plan tasks are appropriate to the project type, identified community needs, and the community capacity and situational context.
- b. **Responsibility.** Personnel, officials, and partners identified for the task have authority, knowledge, skills, and abilities appropriate to the task.
- c. **Budget.** Cost estimates are realistic, well-documented, and cost-effective. *Include statements from possible consultants or professionals experienced with the work, verifying that the project is feasible.*
- d. **Timing.** Work can be accomplished within 18-month grant period and sequencing of tasks is effective.
- e. **Project Phasing & Future Activities.** For multi-phased projects, the application explains how this project clearly relates to activities before or after this project.
- f. **Public Participation.** Work plan includes well-timed and meaningful public participation – engaging the public through a variety of methods – that aligns with the project’s context within a community. *For example: an issue that has been a point of community conflict will require more public outreach than an issue that been resolved through prior planning. A plan update is likely to need outreach emphasized up-front, while a bylaw project may require more outreach after a draft has been prepared, prior to adoption.*

Work Plan for Adopting Plans and Bylaws

The timing for adopting a plan or bylaw can be unpredictable, especially if there are controversial issues involved. Applicants for plan and bylaw projects are encouraged to use the grant for activities leading up to a draft for the adoption process.

If needed, consider developing a separate, multi-phased project to support the subsequent hearing and adoption process. If expert assistance is needed, seek funding specifically for the adoption process.

5. Statewide Priorities

Projects further the following priorities:

- a. **Housing.** Bylaws or infrastructure projects that increase housing options in compact, walkable and mixed-use neighborhoods. *For example, this could be a project that prepares the community for a [Neighborhood Development Area](#) designation.*
- b. **Infrastructure.** Planning (master, capital, general) and design for public infrastructure in State designated areas.
- c. **Vibrant Centers.** Specific-area master planning in State designated downtowns and villages.

- d. **Active Transportation/Recreation.** Planning for walk/bike connections linking State designated centers to regional networks and/or local recreation amenities.
- e. **“Placemaking”.** Planning or implementation for revitalizing and programming public places in State designated centers.
- f. **Water-Related Bylaws.** Municipal bylaws that implement State basin plans, municipal plans, stormwater master plans, river corridor protection, and/or green stormwater infrastructure and promote improved water quality and flood resilience.
- g. **Planning for Village Wastewater.** Activities to support wastewater solutions in designated villages to supplement other funding programs, or if other funding is not available. *Applicants must consult with MPG staff before applying for a wastewater project.*
- h. **Potential to Serve as a Statewide Model.** The project outcomes or products are likely to benefit other municipalities and can serve as an example or template for similar communities statewide.

6. Bonus Points for State Designated Areas

Projects are in or related to the following designations:

- a. Downtowns, 15 points
- b. Village, 10 points
- c. Neighborhood Development Area/New Town Center/Growth Center, 5 points
- d. Plan and bylaw amendments to prepare for a new Downtown, New Town Center, Neighborhood Development Area, or Growth Center designation application after consultation with DHCD, 5 points

The sum of designated areas related to a consortium project cannot exceed 35 points.

Other Competitive Factors

- When application scores are tied and only one can be selected for funding, preference will be given to the municipality without a recent Municipal Planning Grant, or for the plan/bylaw that is most out-of-date. Otherwise these factors will not influence ranking of applications.

DHCD Guidance for Municipal Plan Updates

Municipal plans expire eight years after adoption (or expire in five years for plans adopted before July 1, 2015) unless they are readopted. The [Planning Manual for Vermont Municipalities](#) offers ideas on launching an effective planning process and ways to improve your town plan.

Prior to any re-adoption, the planning commission shall review and update the information on which the plan is based, and shall consider this information in evaluating the continuing applicability of the plan. 24 V.S.A. §4387(b). Once the applicability of the plan is determined, an approach to re-adoption can be decided. Options for re-adoption can range from simple to complex, including:

- 1. Readopt with minor updates.** If the existing plan is sufficient and no new issues of significance have arisen in the community since the last plan adoption, the existing municipal plan can be readopted without major changes to the document. This involves incorporating any available new data, addressing all new statutory requirements, and reporting changes in the status of implementation strategies. Any time the plan is readopted, the eight-year time period is re-set.
- 2. Major re-adoption.** When new issues of concern arise in a municipality that require a comprehensive planning approach, a major municipal plan overhaul may be necessary, requiring extensive public participation and a re-examination of the plan's goals and implementation strategies.

Amendments: A municipality may amend the plan to make technical or editorial changes, to add a new element, to incorporate separate plans by reference or to address specific issues such as energy or village revitalization. A whole plan update is not required for an amendment and adopting an amendment will not change the expiration date.

Municipal Plan Projects and the MPG Competitive Criteria: Plan updates that occur mainly because a plan is expiring will have lower scores than those that propose to address well-documented local concerns.

Grant Awards and Administration

Award notices are sent via email to successful applicants through the online [Grants Management System](#). In the event of partial funding, applicants are asked to submit a modified work plan and budget. Grant agreements and other required documents will be available online shortly thereafter. Completion and electronic submittal of these forms will be required for payment. All grants management forms and instructions will be available through the Grants Management System. Grant payments and reporting requirements are as follows:

- **First Payment** – Upon execution of the grant agreement, a requisition may be submitted for an advance payment of 40% of the award amount.
- **Second Payment** – Mid-project reports are due August 31, 2019. Requisition for 30% of the award may be submitted along with a progress report.
- **Final or Close Out Reimbursement** – Up to 30% of the award is made on a *reimbursement basis*. The reimbursement is made when the project and its deliverables, as detailed in Attachment A of the Grant Agreement, are complete, and the expenditures are properly budgeted and documented (copies of invoices and canceled checks or a detailed transaction report) showing that the funds were spent for the purposes specified in the grant agreement. Invoices must show that grantees have spent or obligated all grant funds and match funds, if applicable, no later than May 31, 2020. Funds that are unused as of that date, as well as expenditures that are ineligible or are not documented, must be returned to DHCD.

While grant activities must be completed by May 31, 2020, grantees have up to one month after that date to assemble a final report. Final reports must be submitted online no later than June 30, 2020.

Purchase of goods and services through the grant must conform with the procurement requirements defined in [Attachment D to the Grant Agreement](#). In most cases, consultants must be selected through a competitive process.

All final products and public communication must acknowledge funding from the Municipal Planning Grant Program, administered by the Vermont Department of Housing and Community Development, Agency of Commerce and Community Development.

Amendments

Minor alterations to the work plan or the approved budget may be allowed but only upon request and approval from DHCD. Substantial alterations are not allowed, and the final product must remain the same.

No time extensions are offered. Projects that cannot be completed within the grant period under the terms of the grant agreement are closed out. The grant will cover eligible work completed and documented costs, however, ineligible or undocumented costs will not be funded, and associated funds must be returned.

Consultant Selection

The rules for consultant selection are detailed in the grant agreement's procurement provisions (see [Attachment D of the MPG Grant Agreement](#)). Note the change to the selection process for rural towns and consortia this year.

Pre-Application Process

Consultants may be selected before the application is submitted. If a municipality engaged in a [competitive procurement process](#) while developing the grant application and selected a contractor at that time, there is no requirement to re-open the selection process if the grant is awarded, provided the scope of work remains substantially similar to what was in the contractor's proposal.

Simplified Bid Process

For contracts up to and including \$10,000, the grantee is required to obtain price or rate quotations from a reasonable number of sources, but no less than two, and maintain a record of the same in its files.

Competitive Bid Process

For contracts more than \$10,000, the grantee is required to use a competitive selection method, soliciting from an adequate number of sources. A Request for Proposals (RFP) or Request for Qualifications (RFQ) should be broadly publicized to permit reasonable competition. The grantee must maintain records in its files to document how the decision was made.

Regional Planning Commission as Agent

For [rural towns](#) with a population of less than 2,500 as defined in [24 V.S.A. §4303\(25\)](#), the regional planning commission may serve as an agent of the town for the Municipal Planning Grant. The agent is expected to prepare the application, support grant administration and will be exempt from competitive selection if serving as a project consultant, but the municipality must remain the financial administrator.

RPCs may also serve as agents for consortia projects.

Exceptions

If the grantee is a “[rural town](#)” or a multi-town consortium that has identified the regional planning commission as its agent, the simplified bid and competitive processes for hiring the RPC are not required.

Consultants working on an earlier phase of a multi-phase project may be re-selected for the project phase funded by the MPG, to maintain continuity between phases.