

June 25, 2024

# VISION PARTNERSHIP PROGRAM ROLLING MINI-GRANT MANUAL

## 1.0 Rolling Mini-Grant Program Overview

The Vision Partnership Program (VPP) Rolling Mini-Grant is a grant available to single Chester County municipalities seeking to quickly implement specific municipal outreach initiatives of the Chester County Planning Commission (CCPC) that implement the goals, objectives, recommendations, and map of *Landscapes*<sup>3</sup>.

This manual provides the guidelines and procedures for successfully applying for, obtaining, and completing a VPP rolling mini-grant, which has a maximum cash award value of \$10,000 and must be completed within a year. If the municipality or their consultant fail to adhere to the provisions of this manual, the County reserves the right to deny an application, rescind a grant, or deny reimbursement.

## 2.0 Program Purpose

Recognizing the benefits of grant awards to municipal planning projects, the Chester County Board of Commissioners established VPP in 1996 to promote cooperation between local governments and the County while implementing *Landscapes*, the County's Comprehensive Plan. The program was revised in 2010 to reflect *Landscapes*<sup>2</sup> and revised again in 2019 to reflect *Landscapes*<sup>3</sup>.

The purpose of the VPP rolling mini-grant is to quickly advance consistency with and implementation of the county comprehensive plan, particularly the following CCPC municipal outreach initiatives:

- Expanding the network of open space
- Guiding local solar ordinances
- Protecting natural resources
- Addressing the housing affordability crisis
- Encouraging ag-friendly communities
- Expanding mobility options
- Creating complete streets
- Preserving historic villages

## 3.0 Eligibility

Meeting eligibility requirements is not a guarantee of grant funding under the Vision Partnership Program. Receiving grant funding will be dependent on fund availability, the impact of the project on implementing *Landscapes*<sup>3</sup>, and compliance with all program requirements.

### 3.1 Eligible Applicants

The VPP rolling mini-grant program is open to all Chester County municipalities which have endorsed or acknowledged Landscapes3. This program is only open for single municipal projects, not multi-municipal projects. If a municipality currently has an active VPP project, eligibility will be considered on a case-by-case basis.

### 3.2 Project Eligibility

- A. The project must advance one or more of the *Landscapes3* goals and objectives and implement one or more of the *Landscapes3* recommendations at the municipal level.
- B. The project must implement recommendations made by CCPC in their municipal outreach initiatives related to open space, solar power, natural resources, housing affordability, ag-friendly municipalities, mobility options, complete streets, or village preservation.
- C. Projects listed below are eligible for funding under VPP. Projects not specifically listed will be considered for funding on the basis of their consistency with and implementation of *Landscapes3*.
  - Special study, action plan, or implementation plan
  - Zoning ordinance amendments
  - Subdivision and land development ordinance amendments
  - Official map and ordinance
  - Study and/or ordinance creating a new municipal implementation board or commission
- D. The following list provides examples of projects for the various categories. This list is for illustrative purposes only and is not an exhaustive list.
  1. Open Space Project Examples
    - a. Open space action, implementation, or accelerator plan.
    - b. Zoning amendments creating true agricultural zoning, cluster zoning, or transfer of development rights.
    - c. Official map showing open space preservation.
    - d. Study for the creation of an open space tax.
  2. Solar Power Project Examples
    - a. Solar power zoning ordinance standards.
    - b. Study for installation of municipal solar power.
  3. Natural Resources Project Examples
    - a. Zoning or subdivision ordinance amendments improving protection of floodplains, riparian corridors, wetlands, steep slopes, or woodlands.
    - b. Special study, action plan, or implementation plan for natural resource protection.
    - c. Study and/or ordinance creating an Environmental Action Committee or Street Tree Commission.
  4. Housing Affordability
    - a. Action or implementation plan for providing more affordable housing.

- b. Zoning amendments allowing accessory apartments, providing bonuses for affordable housing construction, allowing more diverse and missing middle housing, or creating inclusionary zoning.
- 5. Ag-Friendly Municipalities
  - a. Action or implementation plan for strengthening agriculture in a community.
  - b. Zoning amendments creating true agricultural zoning, allowing secondary farm uses, permitting and regulating agritainment uses, or creating farm-friendly standards.
- 6. Mobility Options
  - a. Action or implementation plan for developing trails, sidewalks, or public transportation facilities.
  - b. Subdivision or zoning ordinance amendments with standards requiring the provision of trails, sidewalks, bike lanes, or public transportation facilities.
  - c. Official map showing proposed sidewalks, trails, and bike lanes.
- 7. Complete Streets
  - a. Action or implementation plan identifying complete street characteristics for a community.
- 8. Village Preservation
  - a. Zoning or subdivision ordinance amendments creating or improving a village zoning district.
  - b. Village district design guide or implementation plan.
  - c. Creation of an Act 167 historic district for a village.
  - d. Study and/or ordinance establishing a municipal historic commission.
- E. Projects enabled by the Pennsylvania Municipalities Planning Code (MPC), Act 247, as amended shall demonstrate compliance with the requirements of the MPC. Projects not adopted under the provisions of the MPC are defined as “Planning Studies” for the purposes of VPP and include special studies, action plans, and implementation plans.

### 3.3 Ineligible Projects

Funding through VPP is not intended for land acquisition, equipment, projects undertaken by municipal staff, or capital expenses. The following list provides additional examples of projects that are **not** eligible:

- A. Plans, ordinances and studies that are inconsistent with the goals, objectives, recommendations, or map of *Landscapes3*;
- B. Act 537 Sewage Facilities plans and updates;
- C. Park master plans (state funding is available from the Department of Conservation and Natural Resources);
- D. Capital improvement plans;
- E. Engineering;
- F. Road maintenance plans;

- G. Building codes and similar products;
- H. Building feasibility studies/designs;
- I. Geographic Information System hardware or software purchases;
- J. Capital improvements;
- K. Land acquisitions;
- L. Those portions of otherwise eligible projects commenced prior to a VPP cash grant contract; and
- M. Projects that have received funding under another Chester County grant program (projects eligible for more than one County grant program will be directed to the most appropriate program).

#### **4.0 Grant Criteria**

- 4.1 Applications shall be reviewed by Chester County Planning Commission staff. Funding recommendations shall be made by the Chester County Planning Commission, and contracts shall be forwarded to the Board of County Commissioners for final approval.
- 4.2 Proposals that do not adequately address the criteria listed below may be denied a grant. Municipalities not receiving an award may contact the VPP Grant Administrator at the Chester County Planning Commission for feedback as to how their grant application was scored and how future applications could be improved.
- 4.3 Applications shall be reviewed on the basis of the following criteria:
  - Consistency with and advancement of Landscapes3.
  - Implementation of recommendations made by CCPC in their municipal outreach initiatives related to open space, solar power, natural resources, housing affordability, ag-friendly municipalities, mobility options, complete streets, or village preservation.
  - Achievements and positive impacts.
  - Ability to complete project in a timely manner.
  - Cost effectiveness.

#### **5.0 Funding**

##### **5.1 Funding and Match Requirements**

- A. The Board of County Commissioners shall determine funding availability each year for the overall Vision Partnership Program.
- B. The maximum county funding level is a \$10,000 cash grant. (Projects requiring more county funds or projects with a total project cost over \$25,000 should apply to the competitive Vision Partnership Program.)

- C. Ordinance amendments and official maps must be formally adopted by the municipality to receive reimbursement. Studies and plans must be formally adopted or accepted by the municipality to receive reimbursement.
- D. Matching Funds
  - 1. The minimum required local match shall be forty (40) percent of the total eligible project cost.
  - 2. Non-municipal funds are permitted to be part of the overall local match.
  - 3. The municipality may use one hundred (100) percent of a VPP grant as a match for any federal, state, regional or private funds if the proposed project meets the requirements listed under Section 3.0 of this Grant Manual.
  - 4. The municipal match requirement may not be met through in-kind municipal services.
  - 5. Matching funds shall be secured at the time of application.
- E. Financing
  - 1. The municipality shall be responsible for payment of project invoices during the course of project development and completion.
  - 2. Reimbursement for the portion of the project funded by the VPP grant occurs after the project has been adopted or accepted, as applicable, and a reimbursement application with required documentation has been submitted.

## **5.2 Eligible Costs**

The following costs are considered eligible for reimbursement if they are included in and directly related to the project scope of work attached to the executed grant contract:

- A. Professional planning consultant fees;
- B. Data collection and analysis;
- C. Mapping and graphics;
- D. Monthly duplicating costs of deliverables;
- E. Mailing costs, such as for mailings to municipal residents, not to exceed five (5) percent of the total eligible costs for the project;
- E. Review of draft materials by non-planning professionals, such as attorneys or engineers, not to exceed ten (10) percent of the total eligible costs for the project (note: this must be described specifically in the project scope of work);
- F. Travel costs, such as mileage for required meetings, not to exceed two (2) percent of the total eligible costs for the project; and

- G. Publication of the adopted document, up to thirty (30) copies.

### 5.3 Ineligible Costs

The following costs shall not be eligible for reimbursement:

- A. Costs associated with the preparation and submittal of the grant application;
- B. Rental of meeting facilities;
- C. Advertising costs;
- D. Land acquisition;
- E. Food or refreshments;
- F. Equipment and other capital costs;
- G. Expenses incurred prior to the contract start date or after the contract end date; and
- H. Other costs deemed ineligible by the Chester County Planning Commission.

## 6.0 Grant Application

### 6.1 Application Requirements

Municipalities shall comply with the following requirements when preparing an application:

- A. The municipality shall complete and submit an application through the Chester County Planning Commission’s website: [www.chescoplanning.org](http://www.chescoplanning.org)
- B. A municipality may select a qualified project consultant prior to applying for VPP funding or receiving a VPP award. However, the municipality **shall not** enter into a formal agreement with a consulting firm for planning services directly tied to the grant application project prior to or during the application process. If a grant is awarded, the County will prepare a contract for all parties to review and sign.
- C. Applications may be submitted at any time.

### 6.2 Application Contents

The online application process consists of four primary components:

- Applicant Contact Information, Project Type, Category, and Description, and Funding
- Letters of Commitment
- Consultant Qualifications (if applicable)
- Designated Official

**All applications must be submitted through the online application portal**, available at [www.chescoplanning.org](http://www.chescoplanning.org).

- A. Applicant Contact Information, Project Type, Category, and Description, and Funding: This portion of the application is completed online, identifying the applicant name, municipal contact, consultant contact (if applicable), project type (study, plan, ordinance, or official map), project category (open space, solar power, natural resources, housing affordability, ag-friendly municipality, mobility options, complete streets, or village preservation), brief project description, and funding breakdown (request for county funding and proposed municipal match in dollars and percent of overall project cost). Projects that will be adopted under the MPC require the applicant to verify that the project will comply with the MPC.
- B. Letters of Commitment:

Letters of commitment shall be uploaded as part of the application process. Applications submitted without letters of commitment shall be considered incomplete.

  - 1. Municipal letters shall be signed by a member of the governing body. Municipal letters of commitment shall include:
    - a. A commitment to the funding details of the project, to include identification of the proposed municipal share of the cost and notation of the understanding that the grant program reimburses after adoption or acceptance (as applicable) of the project; and
    - b. Identification of the individual officially designated to submit the application.
  - 2. Other Funding Sources: Should non-municipal funds be proposed as part of the local match, documentation of the financial commitment from the entity providing the funds shall be provided.
- C. Consultant Qualifications:

If a consultant has been selected prior to the application, information in accordance with Section 7.2.D shall be uploaded as part of the application. Applicants that intend to select a consultant after receipt of an award are exempt from this requirement, and should refer to Section 7.2.E for requirements.
- D. Designated Official Submission:

An individual designated by the municipality (and identified on the municipal letter of commitment) shall date and submit the application to complete the application process.

## **7.0 Consultant Selection and Qualifications**

### **7.1 Consultant Selection**

- A. A qualified professional consulting firm shall be retained to complete projects eligible under the rolling mini-grant program.

- B. Municipalities may wish to obtain multiple proposals. While not required, the request for proposal (RFP) process provides the municipality an opportunity to select the best consultant, scope, and cost.
- C. The municipality may select a qualified consulting firm prior to the submission of an application or after a grant is awarded.
- D. In all cases, whether chosen prior to or after the grant award, the municipality shall not enter into a formal agreement with the consultant until the consultant is approved by the Grant Administrator.
- E. A grant award shall be denied or rescinded if the selected consulting firm(s) is not qualified to undertake the proposed project. The Grant Administrator should be contacted for a determination on qualifications prior to final consultant selection.
- F. Failure to adhere to requirements regarding consultant selection may result in the loss of the grant award.

## 7.2 Consultant Qualifications

- A. Consultant qualification requirements are intended to ensure that the final product will be comprehensive; accurate; consistent with the MPC where applicable; consistent with the goals, objectives, recommendations, and map of *Landscapes3*; and tailored to the municipality's needs and character.
- B. The County will review qualifications to determine if the consultant(s) is qualified for the proposed project. The County will make the final determination of consulting firm and lead planner eligibility.
- C. Consultants shall qualify on a project-by-project basis.
- D. Consultant Selection Prior to Application: If the consultant has been chosen by the applicant in advance of the grant award, the following information shall be provided with the application.
  - 1. Project Profiles: A summary of the consulting firm's experience on projects of similar scope and size and with municipalities of similar character, size and structure. The consulting firm may also submit a summary of projects not directly related to the proposed project, but which demonstrate successful project management including product delivery and municipal client satisfaction.
  - 2. References: A minimum of two (2) and a maximum of four (4) references and contact numbers.
  - 3. Project Organizational Chart and Staff Resumes: A description of staff resources, including brief resumes, identification of the lead planner, and primary team members to be assigned to the proposed project. Not to exceed six (6) pages.
  - 4. Lead Planner Qualifications: A resume and other relevant description of the lead planner shall be included, not to exceed three (3) pages. The lead planner shall be



primarily responsible for the execution of the scope of work, act as the principle contact with the various stakeholders, and attend the majority of work sessions, public meetings, and public hearings as outlined in the scope of work. The minimum qualifications of the lead planner are as follows.

- a. Bachelor's or Master's Degree in Planning, Landscape Architecture, or related field, from an accredited college or university. Membership in the American Institute of Certified Planners (AICP) is preferred.
- b. A minimum of three (3) years of professional planning experience, at least one (1) of which has been in Pennsylvania. This experience shall include primary responsibility for planning projects, experience in municipalities of similar size and character, and proficiency in the primary tasks of the proposed project.
- c. Proven experience in:
  - i. Project management;
  - ii. Working with municipal officials to establish public policies and programs;
  - iii. Analyzing the consequences of recommended actions; and
  - iv. Applying elements of the planning process, including problem identification, goal setting, identifying alternatives, implementation, and evaluation.
- E. Consultant Selection after Award: If the consultant will be chosen after the grant award has been made, information in accordance with Section 7.2.D shall be provided to the Grant Administrator during the municipality's consultant selection process, and prior to final selection and entering a formal agreement with the consultant.

## **8.0 Awarded Projects – Contractual Requirements**

### **8.1 Contract Development**

- A. Following review and action of the Chester County Planning Commission Board, all applicants will be notified of the status of their application.
- B. Grant recipients will coordinate with the Grant Administrator to select a consultant, if necessary, and develop a full scope of work for attachment to a contract.
- C. The scope of work may be revised during contract development. The Grant Administrator shall have final approval of the scope of work. The scope of work shall include the following:
  1. Project Tasks:  
Project tasks shall include a detailed description of the specific services to be performed and the various section, articles, or chapters of the document. Deliverables by task should be noted.
  2. Public Participation, Meetings, and Hearings:

This section shall indicate the number, purpose, and expected outcomes of:

- Work sessions;
- MPC mandated public meetings and hearings; and
- Plan for involvement of municipal officials, the public, and partners/stakeholders.

Involvement of municipal officials (including elected, appointed, and staff), the public, partners, and other stakeholders should be accomplished through a combination of methods that facilitates input and feedback throughout the project, including opportunities early in the process and diverse options that are accessible to the various audiences.

3. Products:

Summary of task deliverables and final products.

4. Schedule:

A schedule depicting the completion of each major task, deliverables, and other key project components is required, and shall include the adoption or acceptance process. All projects must be completed within a year of contract execution.

5. Cost Summary

An itemized budget, including work products and all deliverables, is required. The timing of invoice submittal to the municipality (monthly, quarterly, etc.) should be noted. Should the project cost be proposed to include review by municipal consultants such as attorneys or engineers, it shall be noted within the cost summary of the scope of work.

- D. After a full scope of work is provided to the Grant Administrator and approved, a contract will be developed by the Grant Administrator and forwarded to the grant recipient for signature by the municipality and consultant.
- E. Following signature of the contracts by the municipality and their consultant, all copies shall be returned to the County Planning Commission for placement on the next available Board of County Commissioners' agenda for final approval.
- F. The Grant Administrator reserves the right to change the Contract Term (start and end dates of the project) if necessary before the contract is executed by the Chester County Board of Commissioners. Changing the Contract Term may be done administratively and does not require approval from the municipality and their consultant.
- G. Upon final execution of the contract, the Grant Administrator shall send an executed contract to the municipality and to the Consultant.
- H. The County Planning Commission reserves the right to use and share the products prepared under VPP with other municipalities, planning agencies, and the public.

## 8.2 Project Management

- A. **County Monitoring:** The County Planning Commission shall assign a County Planning Commission staff member as a Grant Monitor. Grant monitors provide review and oversight to facilitate compliance with the VPP contract, scope of work, and grant manual provision and shall provide feedback to the municipality regarding any issues as they arise.

**B. Invoice Review and Approval**

1. The consultant shall submit a copy of each invoice to the Grant Monitor at the same time they are submitted to the municipality.
2. Consultant invoices shall identify the billing cycle and the specific work products completed during the billing cycle. The invoice shall include a listing of project tasks, percentage of work completed per task, fee per task to date, fee for that billing cycle, and outstanding fee per task. This detail allows the County to review the invoice against work product delivered to date. Approval of invoices will not be provided until full invoice information is provided.
3. Invoices shall not be paid out until the County has approved the invoice for payment. If full invoice information has been provided, the County has ten (10) days from the date of electronic receipt to review and approve payment, otherwise the municipality may proceed with payment. When invoices are submitted via United States Postal Service, the County shall have fifteen (15) days from the postmarked date to review the invoice.

**8.3 Amendments to an Executed Grant Contract**

- A. Amendments to executed grant contracts may be permitted to accommodate time extensions or revisions to the scope of work or consultant. Amendments shall only be considered when the municipality has demonstrated good faith in completing the approved scope of work and the work to date has demonstrated consistency with *Landscapes3*.
1. Time Extension: The municipality may request an extension of time to the grant contract with no change to the scope of work as follows:
    - a. The municipality shall submit a letter to the Grant Administrator requesting the contract extension, detailing the reasons why the contract extension is needed, and detailing the revised schedule;
    - b. Requests for an extension shall be filed with the Planning Commission no less than sixty (60) days prior to the contract end date; and
    - c. The time extension shall not exceed six (6) months.
    - d. If the funded project cannot be completed and adopted or accepted within the time frame described in Section 8.3.A.1.c, the contract shall be terminated and the grant funds shall be forfeited.
  2. Revision to Scope of Work or Consultant: The municipality or lead municipality may request a revision to the scope of work or change to the consultant as follows.

- a. The municipality shall submit a letter to the Grant Administrator requesting the contract revision. Requests shall be filed with the Planning Commission no less than sixty (60) days prior to the contract end date.
  - b. The request shall provide the following:
    - i. A specific and detailed scope of work with any revisions from the original scope of work identified, including detail on the associated costs and an explanation of how the revisions relate to *Landscapes3*;
    - ii. An updated project schedule; and
    - iii. New consultant name and contact information, if applicable. (Note: A new lead planner change from the same consultant will not require a contract amendment but does require the approval of the contract administrator.)
- B. All parties shall sign the grant contract amendment in accordance with the following.
1. Should the amendment include a change of consultant, the county, municipality, and new consultant shall sign the amendment.

#### 8.4 Termination of Grant Contract

Upon written thirty (30) day notice, any party shall have the right to terminate the grant contract. The County shall not be responsible for any grant reimbursement in such an event.

#### 8.5 Review of Completed Project

Upon completion of the project but prior to adoption or acceptance, all projects shall be submitted by the municipality to the County Planning Commission for a **Final VPP Review**, and shall subsequently appropriately address any deficiencies to advance to adoption or acceptance and to be eligible to request reimbursement. The Grant Administrator makes the final determination of whether a project has appropriately responded to identified deficiencies.

- A. The **Final VPP Review** shall differentiate between deficiencies that are required to be addressed to qualify for reimbursement and other comments that are recommended to be addressed to improve the quality or usability of the product. The final VPP review shall consider two primary issues:
  1. Consistency with *Landscapes3*; and
  2. Compliance with the VPP contract and scope of work (including MPC compliance).
- B. Projects Requiring Municipal Adoption under the MPC: Following submission of the project to the County Planning Commission with an Act 247 referral form, a simultaneous MPC review and Final VPP Review shall be completed by the Grant Monitor and Grant Administrator. The County Planning Commission shall provide the MPC Review/Final VPP Review letter to the municipality or municipalities within the timeframe required by the applicable section of the MPC. If deficiencies are identified in the Final VPP Review, the

project shall be required to undergo a second MPC review prior to adoption. The municipality shall appropriately address identified deficiencies prior to adoption and request for reimbursement.

- C. Projects Requiring Municipal Acceptance (Planning Studies): Following submission of the planning study and a written request for review by the municipality to the County Planning Commission, the Grant Monitor and Grant Administrator shall complete a Final VPP Review. The County Planning Commission shall provide the Final VPP Review letter to the municipality within thirty (30) days of receipt of the study and request for review. If deficiencies are identified in the Final VPP Review, the municipality shall appropriately address identified deficiencies prior to project acceptance and request for reimbursement

## 8.6 Project Adoption and Acceptance

- A. Following issuance of a **Final VPP Review** letter that finds the project to be consistent with *Landscapes*3 and to have fulfilled the VPP contract (including compliance with the MPC), or a determination from the Grant Administrator that any deficiencies identified in the **Final VPP Review** have been appropriately addressed, the municipality can move to adoption or acceptance.
- B. Projects Requiring Municipal Adoption under the MPC: The municipality shall adopt the final plan or ordinance by resolution.
- C. Projects Requiring Municipal Acceptance (Planning Studies): The municipality shall adopt or accept the study as having fulfilled the contract and scope of work by action of the governing body. Such action shall be by motion at a public meeting or by resolution.

## 8.7 Grant Reimbursement

- A. Timing of Reimbursement Requests: A municipality shall file for reimbursement within one hundred twenty (120) days of adoption or acceptance of the project or risk loss of reimbursement.
- B. Request for Reimbursement: The municipality shall provide the following information to the County Planning Commission prior to the reimbursement of funds:
  - 1. Completed Request for Reimbursement Form: Reimbursement forms may be obtained through the County Planning Commission office or website at: [www.chescoplanning.org](http://www.chescoplanning.org)
  - 2. Proof of Adoption or Acceptance: A copy of the signed and certified municipal resolution adopting the project, or a letter signed by a member of the governing body or municipal manager or secretary with supporting documentation of the acceptance of the planning study by the governing body (such as a resolution or meeting minutes).
  - 3. Completed Project:

- a. Plans or Ordinances: Two (2) paper copies and one (1) digital format of final plans or ordinances adopted under the MPC shall be forwarded to the Grant Administrator.
  - b. Planning Studies: One (1) paper copy and one (1) digital format of final planning studies shall be forwarded to the Grant Administrator.
4. Consultant Invoicing: A copy of all consultant invoices pertaining to the project. If the invoices contain items not related to the project, they shall not be reimbursed. In such cases, the project-related items eligible for reimbursement shall be specifically identified on the invoices.
  5. Municipal Payment: A copy of municipal canceled check(s) in payment of eligible project expenses shall be provided. In-lieu of canceled checks, bank statements or other documentation which clearly indicate proof of payment related to the project may be submitted.
  6. Additional Information: The County reserves the right to request additional documentation prior to processing the municipal reimbursement request.

C. Grant Reimbursement

The following shall govern the reimbursement of funds:

1. Issuance of a Final VPP Review that finds the project to be consistent with *Landscapes3* and to have fulfilled the VPP contract;
2. Only eligible costs incurred within the contract term shall be eligible for reimbursement;
3. The County shall review the final reimbursement request package, and upon verifying its completeness, send the qualifying funds to the municipality; and
4. Maximum reimbursement shall be the lesser of the percent of total costs eligible per the VPP Grant Contract or the grant dollars awarded per the VPP Grant Contract. Maximum reimbursement for projects that are completed under budget shall be based on the percent of total costs eligible per the VPP Grant Contract.

D. Noncompliance

When a municipality has not complied with the terms of the VPP grant contract, scope of work, or the provisions of this manual, the County shall have the right to terminate the contract and deny grant reimbursement. Such determination shall be made in writing to the municipality.