

TOWN OF ST. JOHNSBURY

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ST. JOHNSBURY RENTAL HOUSING IMPROVEMENT GRANT PROGRAM

Definitions & Frequently Asked Questions (FAQ's)

February 17, 2023

Definitions:

Capital Improvements-

In order to be eligible for the 2023-24 St. Johnsbury Rental Housing Improvement Program (RHIGP), improvements must be considered *capital improvements* and not *general repair & maintenance*. Please refer to Table 1 to determine whether your rental housing improvement project qualifies. If you are unsure, or have questions about the program, please contact Code Compliance Officer Kresten Sterling at ksterling@stjvt.com or (802) 748- 3926 ext. 9.

Table 1:

Capital Improvements	Repair & Maintenance
Improvements that "put" property in a better operating condition	Actions that maintain compliance with minimum standards
Restores the property to a "like new" condition	Protects the underlying property through routine maintenance
Addition of new or replacement components or material sub-components to property	Cosmetic repair that is considered non-functional
Addition of upgrades or modifications to property	Any EMP/IRC required maintenance
Enhances the value of the property in the nature of a betterment	
Extends the useful life of the property	
Improves the efficiency of the property	
Improves the quality of the property	
Increases the strength of the property	
Increases the capacity of the property	
Ameliorates a material condition or defect	
Adapts the property to a new use	
Plan of Rehabilitation Doctrine	
Projects that meet RRPM standards	

Rental-Ready Unit- a rental housing unit that is available for rent on, or before, June 1 of the RHIGP grant period.

RHIGP Grant Period- July 1 through June 1 of the following year.

Real Property- Real property is a parcel of land and everything that is permanently attached to the land. The owner of real property has all of the rights of ownership, including the right to possess, sell, lease, and enjoy the land.

Universal Design- Universal design is the design of buildings, products or environments to make them accessible to all people, regardless of age, disability or other factors.

Refer to https://www.huduser.gov/portal//Publications/PDF/remodel.pdf

Routine Maintenance & Turn-over Costs:

- Actions that maintain compliance with minimum standards
- Protects the underlying property through routine maintenance
- Cosmetic repair that is considered non-functional
- Any EMP/IRC required maintenance

Owner-occupied Multi-Unit Building- a two, three, or <u>four unit four-unit</u> rental housing property where the owner of the multi-unit building resides.

New Rental Unit – construction/rehabilitation that results in a new rental housing unit.

Common Space- anything that is not within the walls of the residential unit. Several examples include, basements, hallways, attics, storage rooms, shared living spaces, porches, sidewalks, driveways, and steps. The RHIGP allows for one common area application per building.

FAQs:

Who is eligible to apply for RHIGP grants?

The property owner is the only person or entity that may apply for a RHIGP grant.

What is the difference between a repair and a capital improvement?

Refer to Table 1 above

Can I apply for a RHIGP grant if the work has already been completed?

Yes, but the work must not have been started prior to January 1 of the grant year.

If I am a contractor, can I be reimbursed by the RHIGP for work I have done in the rental housing unit that I own? Yes, for materials only. The RHIGP does not reimburse property owners for labor that they perform in their own rental units.

I own a multi-unit building and live in one of the units, can the RHIGP be used for improvements to the unit I live in? No, the owner-occupied housing unit is not eligible to receive RHIGP funds for improvements in the owner-occupied housing unit. If a building owner applies for a RHGIP grant for a common space in an owner-occupied building the town will adjust any award to proportionally exclude the owner-occupied unit from benefiting from the grant award.

Can RHIGP funds be used to improve common spaces?

Yes, if a building owner applies for a RHGIP grant for a common space in an owner-occupied building the town will adjust any award to proportionally exclude the owner-occupied unit from benefiting from the grant award. There is a limit to one application for a common space per building.

Can RHIGP funds be used for environmental cleanup projects (lead paint, asbestos, radon, mold, PCBs, ++)?

Yes, providing that the owner of the property has exhausted other remediation sources first. RHGIP funds will be considered last-gap funding for remediation and all work must be completed by a certified contractor and meet all state and federal requirements. Remediation of hazardous materials will be considered a common space no matter where the remediation occurs within the building.

Can RHIGP funds be used to repair or replace my roof?

Yes, a roof would be considered a common space.

Can RHIGP funds be used to paint the exterior of my house?

Yes, if the project falls under the RRPM standards. Painting the exterior of a building would be considered a common space.

Can RHIGP funds be used improvements to water/sewer infrastructure?

Yes, they are considered common spaces.

Can RHIGP funds be used to improve pedestrian access or parking (sidewalks, driveways)?

Yes, they are considered common spaces.

I received funds from multiple funding sources (examples include; Downtown Tax Credits, RHIGP, VERAP, Efficiency VT, NETO) to improve my rental units, can I submit the same invoices to multiple funding sources for reimbursement? No, on your application you certified that the use of the RHIGP funds are for work performed and materials purchased, and no other funding source can pay for the same materials or services.

Can I use other grant/program funds as my match for the RHIGP?

Yes, you may use other funding sources as matching funds.

Can I use RHIGP funds to pay for code improvements identified in a recent rental unit inspection by the Town Code Compliance Officer, Town Health Officer, or State Fire Marshall?

Yes, provided that the required improvements meet the criteria outlined in the RHIGP.