

TOWN OF ST. JOHNSBURY

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MEMORANDUM

TO: Senate Committee on Economic Development, Housing, and General Affairs and

the House Committee on General and Housing

FROM: Chad Whitehead, Town Manager

Kresten Sterling, Code Compliance Officer

CC:

Date: February 15, 2023

RE: State of Housing in Vermont

Dear Senators and Representatives,

St Johnsbury's Downtown revitalizations efforts have been very successful, although the sustainability appears to be fragile. Like many rural towns in Vermont, St Johnsbury is experiencing an aging and declining population with declining household income. The cost of providing emergency services continues to rise which is compounded by staffing shortages and difficulty in recruitment of personnel. Recruitment can only be successful if adequate housing for all income levels is available.

We need housing to support a work force, we need a work force to fill vacancies in all job sectors, and we need population growth to continue to afford the services that makes us a safe, healthy, and attractive place to live and raise our families. To solve our housing crisis, we need the private sector to bring their expertise and resources. For that to happen, we must minimize risk and remove barriers for development such as zoning, permitting, environmental assessments, remediation and lack of staffing. We also need to be comfortable with providing resources to for-profit business to meet demand.

In 2017 the Town of St Johnsbury adopted bylaw changes that created a Code Compliance Officer and a requirement that all rental units in St Johnsbury be registered and inspected by the Town based on the State Fire Safety Code and the Rental Housing Health Code. This was a large effort that was done in collaboration with landlords and the Town. The intent of the program was to move from reactionary response with the Health Officer to a proactive approach with Code Compliance. It was also necessary as we have one of the oldest housing stocks in the Country and we needed to act before our existing housing stock was beyond repair.

We currently have approximately 1,200 registered units and have inspected 804 to date. On Tuesday February 14 of this year an electrical short in a sewing machine caused a fire in a first-floor apartment of a 5-unit wooden structure. The smoke detectors went off and the tenant grabbed the fire extinguisher and was able to put the fire out before the fire was able to spread beyond this one

room. This building had been inspected by our Code Compliance officer in September of 2022. Included in the violations that were corrected through the inspection process was the installation of code compliant smoke detectors and fire extinguishers.

A portion of the fees collected through the unit registration is used to fund St Johnsbury's Rental Housing Improvement Grant Program (RHIGP). This program provides for 50/50 matching funds up to \$3,000 per unit for landlords to make improvements to their units to address universal design or improve energy efficiency. We have administered approximately \$60,000 in grants to date which has resulted in \$200,000 in improvements. This program is unique because it does not have income restrictions, meaning it can be available to incentivize improvements in all types of rental housing. The St Johnsbury Select Board approved the use of \$200,000 of General Fund unallocated reserves the town has as result of our ARPA award to bolster this program.

Kresten Sterling has been St Johnsbury's Code Compliance Officer and Deputy Health Officer since November of 2021 and has had his boots on the ground with both landlords and tenants. Most of the violations that are commonly seen include tangible and resolvable items such as smoke detectors, lack of fire extinguishers, and inadequate egress, lack of maintenance, GFCI outlets etc. These can be costly to address but are generally resolved rather quickly by the building owner.

Other time consuming and much more difficult issues to resolve stem from mental health issues. Hording and basic cleanliness often draw resources from the Town as well as building owners. These issues can have devastating impacts not only on the individual suffering from mental illness, but on other tenants in the building and the building owner. Without the assistance of properly trained mental health workers these issues can result in an eviction and when this happens, the building owner is faced with the decision to reinvest in the unit, bring it back up to code and place back on the market, or to mothball the unit. Providing mental health funding can help avoid this problem, but also making funds such as the RHIGP available without income restrictions will help ensure landlords choose to reinvest in this scenario.

Thank you for taking on this challenging topic and for your consideration of the concerns from the Town of St Johnsbury.

Respectfully,

Chad L. Whitehead Town Manager Kresten Sterling Code Compliance Officer