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 Item No.: 8

# RSO RENT ADJUSTMENT PROGRAMS

## Applicable to Seismic Retrofit

*Communication from the Housing + Community Department*

| TYPE                      | FOR   | %  | CAP   | AMORTIZATION  | DURATION            |
|---------------------------|---|--|---|---|---------------------|
| <b>Primary Renovation</b> | Permitted work on major building systems & lead & asbestos abatement. Requires THP. Allowed once every 5 years.               | 100% (Phase in 50% Year 1 & 100% Year 2.)<br><br>Allows Interest | 10% of rent for unit. May only be used once for low-income tenants. | 180 months (15 years)   | Permanent           |
| <b>Rehabilitation</b>     | (Mandated) Work required by a change in the building code or to comply with an order as a result of fire or natural disaster. | 100%<br><br>No Interest  | \$75 month or 10% of rent, whichever is lower                       | 60 months – May be extended beyond 60 months if necessary for full cost recovery. Amortization extended for term of loan, if any. | Temporary Surcharge |