

**San Francisco Residential Rent Stabilization and Arbitration Board
City and County of San Francisco**

**TENANT ELECTION OF 100% PASSTHROUGH
OF CAPITAL IMPROVEMENT COSTS**
(FOR PROPERTIES WITH 6 OR MORE RESIDENTIAL UNITS)

After a hearing, a written decision will be issued by an Administrative Law Judge on the landlord's petition for a capital improvement rent increase. Pursuant to Rent Ordinance Section 37.7(c)(5)(B), the Administrative Law Judge will certify only 50% of the allowed capital improvement costs for passthrough to the tenants in properties with six or more residential units. Where only 50% of the costs are passed through to the tenants, the capital improvement rent increases are limited annually to 10% of the tenant's base rent at the time the petition was filed, or \$30.00, whichever is greater. **In the alternative**, the tenants in any unit may elect to have 100% of the allowed costs passed through. Under the 100% passthrough alternative, capital improvement rent increases are limited annually to 5% of the tenant's base rent at the time the petition was filed, and the total increase for capital improvements shall never exceed 15% of the tenant's base rent. Tenants have fifteen (15) calendar days from the date of mailing of the decision to file an election of the 100% passthrough alternative.

Election of the 100% passthrough alternative may be advantageous for tenants in certain situations, depending on such factors as when the tenant intends to vacate the unit, the amount of the certified costs of the capital improvements, the amount of the tenant's base rent, the tenant's current financial situation, and how concerned the tenant is about capital improvement petitions that may be filed by the landlord in the future. Information concerning rent increases under the 100% passthrough alternative can be obtained at the Rent Board, or tenants can consult private counsel and/or a tenants' rights organization.

An election of the 100% passthrough alternative is made by filing the election form on the reverse side of this memorandum. The election form must be filed with the Rent Board within fifteen (15) calendar days from the date of mailing of the decision. Where more than one tenant occupies a rental unit, a majority of the tenants must sign the election form. After a timely election is filed, the Board will issue an addendum to the decision reflecting the election of the 100% passthrough alternative. Please note that the filing of an election form does not extend the time to file an appeal of the decision. Moreover, the addendum issued after an election is not subject to appeal.

After a tenant files an election form, the tenant cannot rescind the election unless either party files an appeal and the amount certified for passthrough to the tenant is changed on appeal. In that case, the tenant will have fifteen (15) calendar days after the new

decision is mailed to the tenant to rescind the previous election or to make a new election if one had not been made previously.

(OVER)

**San Francisco Residential Rent Stabilization and Arbitration Board
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**TENANT ELECTION FORM
FOR 100% CAPITAL IMPROVEMENT PASSTHROUGH ALTERNATIVE
(FOR PROPERTIES WITH SIX OR MORE RESIDENTIAL UNITS)**

Property Address: _____

Rent Board Case No.: _____ Date of Decision: _____

Name of Administrative Law Judge: _____

The tenant(s) at _____, unit _____, elect to have 100% of the certified capital improvement costs passed through, limited annually to 5% of the base rent at the time the petition was filed. The total increase for capital improvements under this 100% passthrough alternative shall never exceed 15% of the base rent. **I/We understand that once this election form is filed with the Rent Board, it cannot be rescinded unless the amount of the passthrough to the tenant in the decision is changed in a subsequent decision following an appeal.** This election is signed by a majority of the tenants occupying the unit.

Print Name

Signature

Print Name

Signature

Print Name

Signature

Print Name

Signature

DATED FILED: _____