

Average Benefits under Option 1: Fully Verified Option					
	Rent Subsidy	Moving Costs	First/Last & Deposit	MH Purchase	Total
MH/RV Owners	\$ 29,671	\$ 841	\$ 6,514	\$ 36,315	<b>\$ 73,340</b>
Park Tenants (3 HH)	\$ 22,576	\$ 900	\$ 5,859	N/A	<b>\$ 29,335</b>
<b>All Households</b>	<b>\$ 28,962</b>	<b>\$ 847</b>	<b>\$ 6,514</b>	<b>\$ 36,315</b>	<b>\$ 72,637</b>

Average Benefits under Option 2: Lump-Sum Option*					
	Rent Subsidy	Moving Costs	First/Last & Deposit	MH Purchase	Total
MH/RV Owners	\$ 19,339	\$ 841	\$ 5,247	\$ 36,315	<b>\$ 61,741</b>
Park Tenants (3 HH)	\$ 12,640	\$ 900	\$ 4,965	N/A	<b>\$ 18,505</b>
<b>All Households</b>	<b>\$ 18,669</b>	<b>\$ 847</b>	<b>\$ 5,219</b>	<b>\$ 36,315</b>	<b>\$ 57,417</b>

\* Does not include early move-out bonus

	Low	High
Range of MH/RV Appraisals:	\$14,000	\$69,000

### Optional Bonus offered by Park Owner (not required by SMC 19.72):

Early Move Payment for tenants willing to move out within 2 months of CIR approval by Council and who select Rent Subsidy Option 2:

Bonus Payment by Size of Tenant's Current Unit in Park:

Studio:	\$4,272
1-BR:	\$4,968
2-BR:	\$5,568
3-BR:	\$7,464

### Conceptual Differences between Option 1 and Option 2:

*Full details provided within the CIR and Appendices*

The two options are based generally on standard practices often used in public sector residential relocation projects.

Option 1, the "Fully Verified Option" requires the tenant to verify two primary factors: a) that it qualifies for the rent subsidy as a lower-income household or as a senior or disabled household; and b) what its actual new housing costs are (new rent, security deposit, etc.). To verify the new housing cost, the tenant needs to show its signed lease agreement for the replacement rental unit (or mobile home park space) they have chosen to rent, in order for the relocation specialist

to calculate the applicable rent subsidy, security deposit, and related items to be paid. Under Option 1, the tenant can opt to have these items paid out in a lump sum for the 2-year period, or paid directly to the landlord monthly when due if preferred, or in quarterly installments, etc., although most opt for a lump sum payment around the time of lease execution. Also, under Option 1, the tenant can choose to rent a larger or smaller unit than their unit in the park, and the rent subsidy will be based on the actual new unit rent minus their old rent at the park. This option can help the tenant address any overcrowding issues, if needed, by renting a larger unit than what they may have had at the park.

Option 2, the “Lump Sum Option”, is discounted slightly compared to Option 1, because no verification of factors a) and b) from above is required. The tenant does not need to prove that they are eligible for the rent subsidy (this is the policy of the park owner for this particular project), only that they lawfully occupy a unit or space at the park. Also, the tenant does not need to indicate what new housing they wish to rent or purchase, the entire rent subsidy and associated payment items are calculated based on certain assumptions of their future rental costs as described in detail in the CIR, and it is also assumed that they will rent a unit of the same size as their current unit in the park. The advantage of this option is that the tenant can opt to use their rent subsidy and/or the entire lump sum payment to purchase any property of any kind (land, mobile home, condominium, etc.) if they wish, rather than renting a new unit at all. If they have other housing options, such as a home in another state, or moving in with family, or various other options, they could use the funds for other needs, such as college tuition, starting a business, or retirement savings.

Both options have advantages and disadvantages, depending on the characteristics and preferences of the particular household, so it is good practice and provides more flexibility to the tenants if both options are offered. With either option, the payment for the appraised value of the tenant’s mobile home (if they are a home owner) is exactly the same, as a component of the total relocation assistance, so that amount does not change regardless of which option is selected.