

Stepped Rent?



Stepped Rent Fact Sheet

What is Stepped Rent?

The Stepped Rent policy uses a household’s income to determine the monthly rent payment for the first year. After that, the monthly rent payment “steps” up—increases a little bit each year.

Stepped rent monthly payments are set based on household income for the first year.



Prior income: The income used to determine a household’s monthly rent payment for the first year is the household’s income from the prior 12 months (unless the household is newly receiving housing assistance).

Percent of adjusted income: The household’s monthly rent payment is set at 30% of the household’s adjusted income (income minus allowable deductions such as for childcare costs).



Income reexaminations take place every three years, and don’t affect your monthly payment.

Income reexaminations: Only take place once every three years and does NOT affect the household’s monthly rent payment.

Between the 3-year reexaminations: Households do NOT need to report income changes.

→ Households must report if someone leaves or joins the household, but those changes do not affect the monthly rent payment unless the household moves to a different unit size. If the household moves to a different unit size, the next annual step increase will be based on the new unit size.

Annual step rent increases are not based on household income. If household income goes up, it will not affect the monthly rent payments.

Annual step increase: Every year, a household’s monthly rent payment is automatically increased by a small amount based on the household’s unit size and the local housing market.

→ For example, everyone in a 2-bedroom unit will have the same increase to their monthly payments.

Unit Size	0	1	2	3	4	5	6	7	8
2023 Annual Step Increase	\$19	\$23	\$27	\$37	\$42	\$48	\$48	\$48	\$48



Temporary reductions in monthly rent payments if the household experiences a financial hardship

Financial hardship: If, at any point, a household is experiencing a financial hardship, they can request a temporary reduction in their monthly payment by completing a hardship request form.

Reduced rent: If the household qualifies, their monthly payment can be lowered temporarily.