



Rent Reform

Research supports progress in Rent Reform

AHFC launched rent reform in 2014 in an effort to open up more affordable housing, be more efficient with federal funds and create a path to financial independence for more families and individuals.

Elderly Alaskans and those with disabilities benefit from stability in the program with long-term rent in a program called *Classic*.

The Step program is geared toward families with at least one adult in the household who is able to work, and it promotes independence by offering several layers of incentives and targeted support for families. The Step program offers up to five years of subsidized housing.

An evaluation of the Step program was performed in FY17 to explore the program's implementation. The study showed that families were earning more, working more, and having less of their monthly income go toward rent.

Here are some specifics:

- Step households realized a 37.2 percent increase in gross income, and 56.18 percent increase in earned income.
- The program motivates families to become more self-sufficient:
 - Eighty-five percent of clients surveyed reported that participating in the program inspired them to set goals.
 - Sixty seven percent of clients started using household budgets to track spending.
 - Sixty two percent of clients engaged in job searches as a result of the program.
- The average monthly rental assistance payment has decreased by \$100 since the start of the program November 1, 2014.
 - Operational savings have been redirected to add more than 50 vouchers for vulnerable families and individuals.
- Step was designed as a five-year program that encourages families to earn more money and become less reliant on housing subsidies through gradually increasing the family's portion of monthly rent. The program is working as intended:
 - End of fiscal year 920 families had entered their third year of the program and successfully paying the third year higher rent portion.



Gena's Road to Success

Gena's path leads to happiness and a new life

AHFC's Step program supports families who wish to increase their employment and financial opportunities. AHFC's role is to provide stability and security while subsidizing a portion of their rent for up to five years at a gradually reduced amount so the family can focus on becoming financially secure and work toward financial independence.

Gena Marks first learned of AHFC when she and her kids were living in a shelter. Soon after, she decided she wanted to pursue a nursing degree. As a full-time mom and student Gena struggled financially. Looking for extra support she enrolled in AHFC's Step program.

"When I entered into Step I knew I had a certain amount of years to become established so I set a goal for myself to graduate from nursing school and pass my boards."

Through the Step program, which had 2,282 participating families in 15 communities statewide end of FY17, Gena was able to get the financial guidance she needed. She graduated with her nursing degree and became a registered nurse.

"I finally felt in control of my financial future. Step provided me a path to be successful in achieving my dream of becoming a nurse. I can let go of that phase of my life and start living."