

Housing 2040 Plan

Affordable Housing Preservation

February 28, 2026



OFFICE OF
HOUSING

Alexandriava.gov/housingplan

Agenda

Meeting Purpose

Housing 2040 Timeline, Projects, and Goals

What is Affordable Housing Preservation?

What we are already doing

Recommendations and Strategies

Let's Discuss!

Next Steps/Feedback Platform

Timeline



Public engagement and outreach

Projects: research, consultations, and recommendations

Phase 1 Projects

2024 Housing Needs Assessment

Housing 2040 Principles and Goals

**Affordable Housing
Preservation**

Common Interest (Condo)
Communities

Accessibility and Housing

Landlord-Tenant Rights and
Resources

Senior Housing + Care

Sustainability and Housing

Financial Tools for Affordable
Housing

Health and Housing

Legislative Priorities and
Housing

**+ Other housing topics include
economic mobility, wealth building,
and housing diversity and supply**

Homeowner Resources

Draft Goals

- Goal 1:** **EXPAND** the supply and diversity of housing options to enhance affordability and accessibility at all income levels, life stages, and abilities to meet the City's current and future needs.
- Goal 2:** **PRESERVE the affordability, livability, and long-term financial viability of existing committed and naturally occurring affordable housing to minimize displacement.**
- Goal 3:** **STRENGTHEN** tenant protections and **ENHANCE** resources to support tenants and landlords.
- Goal 4:** **CREATE** affordable rental housing prioritizing affordability up to 60% of the area median income to expand opportunities for renters and workers with the fewest housing options.
- Goal 5:** **EXPAND** affordable homeownership opportunities to enable more residents and workers to become first-time homebuyers and **ENHANCE** resources to support existing homeowners.
- Goal 6:** **STRENGTHEN** existing common interest/condominium communities to improve governance and build capacity to address deferred maintenance, capital needs, and other challenges common to such communities.
- Goal 7:** **EXPAND** resources and options for seniors and persons with disabilities to live and age safely within the city.
- Goal 8:** **ENHANCE** housing quality, safety, and livability to support resident health, security, and wellbeing.
- Goal 9:** **EMPOWER** residents to attain housing stability and economic mobility and **FOSTER** pathways to help them build and sustain wealth.
- Goal 10:** **SUPPORT** efficiency improvements and weatherization and **ADVANCE** green building practices to lower energy costs, make homes healthier, and build resilience to extreme temperatures and weather.

Draft Principles and Goals:

alexandriava.gov/HousingPlan#Housing2040PrinciplesandGoals



01

What is affordable housing preservation?

Preservation

The act of investing in housing to protect its long-term **affordability**, **livability**, and **financial viability**.

Affordability Challenges



From 2010 to 2025, the number of market affordable units affordable decreased from ~**9,800** to ~**6,900** units. This number was about **18,000** units in 2000.

Loss of Market Affordable Housing

Rent prices have outpaced income growth. Housing that was previously affordable has become increasingly unaffordable.



Over **2,100** committed affordable units are at risk of expiration by 2040 if their affordability is not extended

Expiration of affordability restrictions

Affordability commitments (ex. LIHTC, HAP contracts) have expiration dates. When these commitments expire, properties can lose affordability.

Livability Challenges

Aging Buildings and Deteriorating Conditions

Older buildings face challenges that affect the health, safety, and livability of residents. Aging materials and appliances, deteriorating infrastructure, and outdated systems pose challenges for properties.

Plumbing leaks that can lead to mold and health problems

Outdated HVAC systems that can lead to poor indoor air quality and heating and cooling problems.

Aging building materials and appliances can cause health risks and increased utility costs

1966

The median year multifamily market-rate rental buildings in Alexandria were built*

20,750

The number of multifamily market-rate rental units built before 1984 in Alexandria*

**does not include committed affordable properties*

Financial Viability Challenges

Affordable Housing Operates with Less Revenue

Both committed and market affordable housing bring in less revenue compared to market-rate properties. As a result, remaining financially viable is particularly challenging, especially as operating costs have risen.

Non-profit housing partner

\$8,300

Illustrative per unit
operating cost in
2020



\$10,300

Illustrative per unit
operating cost in
2024



Deferred maintenance
projects like HVAC,
elevators, and plumbing



Insurance costs have
increased 25-35% per
year



Staffing shortages and
personnel costs have
increased since 2020



Utility, water, and trash
rates and fees go up
every year



02

What we are already doing

What we are already doing for preservation



Acquiring market affordable housing to preserve and deepen affordability through non-profit partners

660 units acquired and preserved since 2013



Extending affordability of existing Committed Affordable Units (CAUs) whose affordability restrictions are at risk of expiring

152 units extended affordability since 2013



Replacing existing affordable housing and creating new affordable housing through **redevelopment**

249 units + 10 rooms replaced since 2013; + 413 net new units



Rehabilitating the physical condition of existing market affordable and committed affordable housing, including capital repairs and maintenance

888 affordable units rehabilitated since 2013

Note: Some projects fall under multiple categories



03

Recommendations and Strategies

Review of Recommendations

- 1** Work with owners to **extend affordability commitments** for housing at risk of losing affordability.
- 2** **Support acquisition of existing rental housing** by affordable housing partners consistent with the City's Strategic Preservation Priorities.
- 3** Partner with owners to **rehabilitate existing committed and market affordable rental housing** to improve livability, health, sustainability, and safety.
- 4** With the goal of maintaining the City's affordable housing stock on a 1-for-1 basis, **maximize replacement of units affordable up to 60% of the area median income, at the time of redevelopment**, to minimize loss of housing opportunity and permanent displacement of residents.
- 5** **Enhance tenant relocation protections** for low-income tenants displaced due to redevelopment or substantial rehabilitation.
- 6** **Strengthen collaboration** among property owners, funders, non-profit partners, and tenants on preservation policy formation and implementation

1

Work with owners to **extend affordability commitments** for housing at risk of losing affordability.

Recommendation 1: Extending Affordability

1. Strengthen relationships with affordable property owners

Already doing strategic outreach and meeting with owners of affordable housing

2. Maintain inventory of committed affordable properties and their affordability expiration

As part of our annual rental housing analysis

3. Provide financial and technical assistance for affordability extensions

Affordability extensions can seek LIHTC resyndication, HAP contract extensions, or seek City incentives to keep affordability

4. Explore tax relief as a financial tool

Under Housing 2040, we are looking at parameters and guidance for any tax relief

5. Support state legislative authority for Right of First Refusal in existing publicly-assisted properties

Has strong support from Governor

6. Explore options to extend expiring rental set-aside units

Current affordability term for set-asides is 40 years

2

Support acquisition of existing rental housing by affordable housing partners consistent with the City's Strategic Preservation Priorities.

Recommendation 2: Support Acquisition

1. Guide City investments and policies using the Strategic Preservation Priorities and Considerations.

See next slide

2. Continue to collaborate with partners, including non-profits and ARHA, to acquire and preserve properties

Working with partners who share our commitment to preserving affordability

3. Seek new partners with hospitals, churches, schools, and businesses

As possible parties who could help to preserve affordable housing

4. Explore preservation fund using state and regional funds, philanthropies

Seeking additional funding sources outside of City to financially support acquisition

5. Use Right of First Refusal (ROFR) when using City money

Already being done as part of loan conditions, protects City investments

Strategic Preservation Priorities

The City should prioritize preserving properties that:

- ❖ Have units at 30%, 40%, and 50% AMI at risk of expiration or can deepen existing affordability to include 30%, 40%, and 50% AMI
- ❖ Have documented conditions that impact the health and well-being of residents
- ❖ Constitute a significant portion of rental stock or identified as a priority in the small area plan

The City will also consider preserving properties with:

- ❖ A large percentage of family-sized units
- ❖ Location in high vulnerability areas in the City's displacement risk index
- ❖ Proximity to planned redevelopment areas, transit, and/or other amenities
- ❖ Redevelopment potential for additional affordable units
- ❖ Amenities such as larger community spaces, child or health care services, or strong resident services

3

Partner with owners to rehabilitate existing committed and market affordable rental housing to improve livability, health, sustainability, and safety.

Recommendation 3: Rehabilitation

1. Provide technical assistance to affordable properties exploring preservation

To be proactive in reaching owners who are interested in rehabilitation and preservation

2. Solicit requests for a rehabilitation pipeline

Would leverage City funds or tax relief as possible tools

3. Explore tax relief as financial incentive

Have authority under City ordinance to provide up to 15-year tax relief for rehab

4. Support energy efficiency, accessibility, and sustainability improvements in rehab

Using Office of Climate Action as a partner with possible assistance and funding opportunities at the state or federal level

5. Evaluate small buildings program for 2-49 units properties

DC established a similar program that DC for small affordable properties

6. Explore State and Federal Historic Rehabilitation Tax Credits as a tool

Have specific requirements and limitations but covers up to 45% of rehab costs

4

With the goal of maintaining the City's affordable housing stock on a 1-for-1 basis, maximize replacement of units affordable up to 60% of the area median income, at the time of redevelopment, to minimize loss of housing opportunity and permanent displacement of residents.

Recommendation 4: Redevelopment

1. Strategize with applicants on development programs and tools that would make 1-for-1 replacement feasible

Intended as proactive meetings before developments come in

1a. Use existing regulatory tools, including bonus density and height

Level of replacement varies depending on wide range of factors

2. For priority projects, explore partnerships and financial tools like tax relief and abatement to support 1-for-1 replacement or greater

Possible tools include developer fee relief, tax abatement, and Housing Trust Fund monies. There are multiple projects that have built additional affordable housing beyond replacement units using federal subsidy and support

5

Enhance tenant relocation protections for low-income tenants displaced due to redevelopment or substantial rehabilitation.

Recommendation 5: Relocation

- 1. Evaluate and update the City's Housing Relocation Assistance Policies**

To be explored in Phase 2

6

Strengthen collaboration among property owners, funders, non-profit partners, and tenants on preservation policy formation and implementation

Recommendation 6: Strengthen Collaboration

1. Facilitate regular meetings with market affordable property owners

To share resources and discuss challenges together

2. Foster relationships among small landlords to promote collaboration

There are opportunities to share management, operations, and maintenance functions that can reduce costs due to scale



04

Let's Discuss!

What do you think?

Provide feedback on the draft recommendations and strategies in 3 ways:

- Share your thoughts, questions, and feedback during the Q&A
- Share your thoughts, questions and ideas with us **today** at our boards
- Use our new **Comment Form** through **March 22**



For more information:

alexandriava.gov/HousingPlan

- Sign up for [eNews](#) and select *Affordable Housing to received updates on affordable and accessible housing and the Housing 2040 process*
- Facebook: HousingAlexandriaVA
#AlexHousing2040
X: @HousingAlexVA



Scan our QR Code!

Area Median Income (AMI)

Area Median Income (AMI)

Income levels that are established annually by the Department of Housing and Urban Development for households of different sizes, **where half of the households in the region earn more and half earn less.** [2025 AMIs by household size](#), along with associated maximum rents, are available online.

%AMI	1 Person	2 People	3 People	4 People	5 People	6 People
30%	\$ 34,450	\$ 39,350	\$ 44,250	\$ 49,150	\$ 53,100	\$ 57,050
40%	\$ 45,920	\$ 52,480	\$ 59,040	\$ 65,560	\$ 70,840	\$ 76,080
50%	\$ 57,400	\$ 65,600	\$ 73,800	\$ 81,950	\$ 88,550	\$ 95,100
60%	\$ 68,880	\$ 78,720	\$ 88,560	\$ 98,340	\$ 106,260	\$ 114,120
80%	\$ 91,840	\$ 104,960	\$ 118,080	\$ 131,120	\$ 141,680	\$ 152,160
100%	\$ 114,800	\$ 131,200	\$ 147,600	\$ 163,900	\$ 177,100	\$ 190,200