

City of Alexandria, Virginia
FY 2024 Proposed Operating Budget & CIP
Budget Questions & Answers

April 5, 2023

Question: Alexandria has approximately 25% single family housing zoning. With that being the case, and generational wealth being established in that zone already, what is the estimate of generational wealth lost if zoning changes occur? How would those in this zoning that have established/ generational wealth in their homes be reimbursed/subsidized/remedied for losing this wealth in their homes if needed zoning laws are approved?

Response:

The potential changes to single family housing (SFH) zoning could enhance the value of current owners by providing flexibility for more redevelopment options in the future/when they sell. Future owners could then accumulate wealth based on appreciation of the typology they acquire. Staff has not found studies showing that construction of two, four or six-unit buildings next door to a single-family house has a negative impact on the value of the single-family home. In 2022, the Urban Institute studied the relationship between affordable housing developments in Alexandria and sales prices of nearby single-family homes, duplexes, cooperatives, and residential condominiums between 2000 and 2020. They found that affordable units are associated with a small but statistically significant increase in property values (0.09 percent) within 1/16 of a mile of a development, on average—a distance comparable to a typical urban block.