



The Faces and Challenges of Meeting Alexandria's Affordable and Workforce Housing Needs

February 6, 2025

AHHAC Meeting

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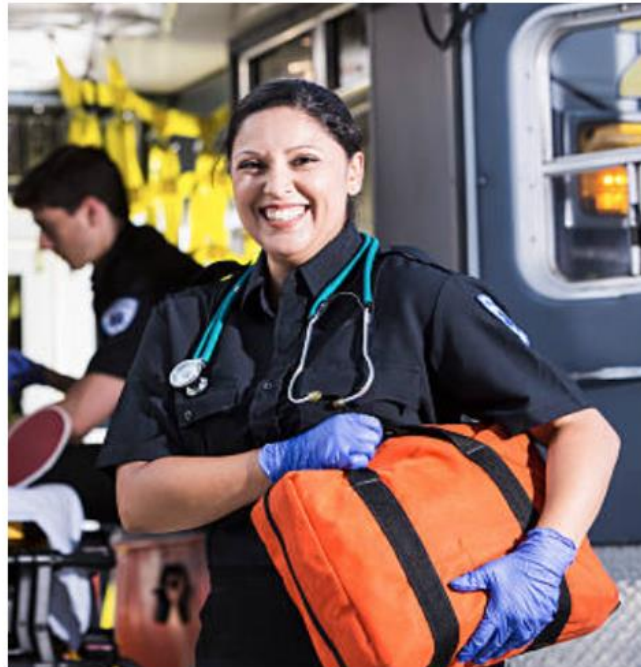
Presentation Topics

- Who are we here to help? The unseen faces of our affordability problem
- Who and what is ARHA?
- Why is the development of affordable housing so hard?
- Common Language – a brief refresher in affordable housing language and speak
- Alexandria housing and affordability facts
- Ideas to support the development and preservation of affordable and workforce housing in Alexandria

Who are we trying to help?

The Faces of our Affordability Problem







Open Positions in Alexandria

Property Manager

Nurse

Teacher

Housing Specialist

Lab Technical

Military Personal

Childcare Provider

Worker

Firefighter Barista

Flight Attendant

Retail Worker

Data Analyst

Construction Worker

Marketing Manager

HR Specialist

Sous Chef

Hairdresser

Mechanic

EMT

Bookkeeper

Policy Analyst

Uber Driver

Salesperson

Claims Specialist

All jobs represented have salaries that are 60% AMI and under

What is ARHA?

Alexandria Redevelopment and Housing Authority



Erik C. Johnson
Chief Executive Officer

For over 80 years, the Alexandria Redevelopment and Housing Authority has managed Alexandria's public housing units and provided affordable housing, economic opportunities and a living environment free from discrimination for low income and moderate-income citizens of Alexandria. Our mission is to become an industry leader in the development and management of model mixed income communities, while simultaneously increasing ARHA residents' self-sufficiency and quality of life.

ARHA

- The Alexandria Redevelopment and Housing Authority (ARHA) was established by state charter in 1939
- **Resolution 2876** (former Resolution 830), adopted in 2019, reflects the continued joint commitment of the City and ARHA to maintain 1,150 committed affordable housing units responsive to the housing needs of ARHA residents and the local market and to provide tenant protections to any tenant displaced during future redevelopment activities

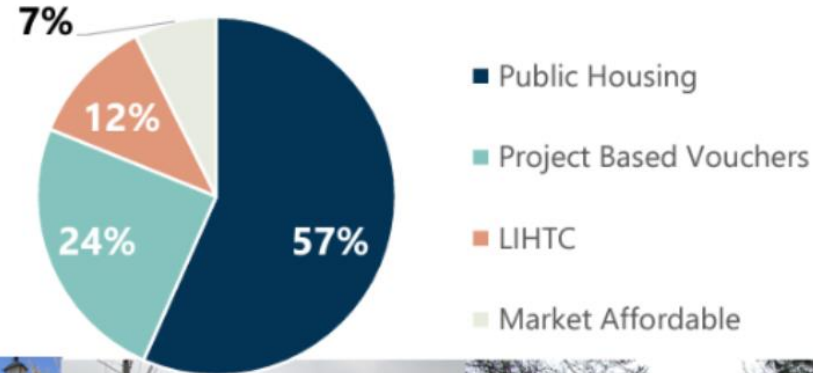
1,137

units owned by ARHA as public or affordable housing, including units that serve the city's lowest income residents

+360

Net new units in the development pipeline for the Ladrey and Samuel Madden communities

ARHA Units by Source of Affordability





ARHA

ARHA administers the Housing Choice (former Section 8) Voucher program to provide expanded access to housing on the private market.

In 2020, Virginia passed a law that prevents rental properties with more than four units from discriminating based on **source of income**. This means properties cannot refuse to rent to a potential tenant simply for being a Housing Choice Voucher holder and must treat them as they would any other prospective tenant.

~1,660

housing choice vouchers leased out of 1,996 allocated; the remainder of the vouchers are unfunded due to the high cost of housing in Alexandria

8,787

Public Housing waitlist

10,600

Housing Choice Voucher waitlist

BRADDOCK ROAD



COMPLETED IN 2005

1706 WEST BRADDOCK ROAD

ALEXANDRIA, VA

JAMES BLAND APARTMENTS



AWARD WINNING



COMPLETED 2010-2014

700-900 BLOCKS ALFRED STREET

ALEXANDRIA, VA

SOUTH REYNOLDS STREET



COMPLETED IN 2005

423 SOUTH REYNOLDS STREET

ALEXANDRIA, VA

SOUTH WHITING STREET



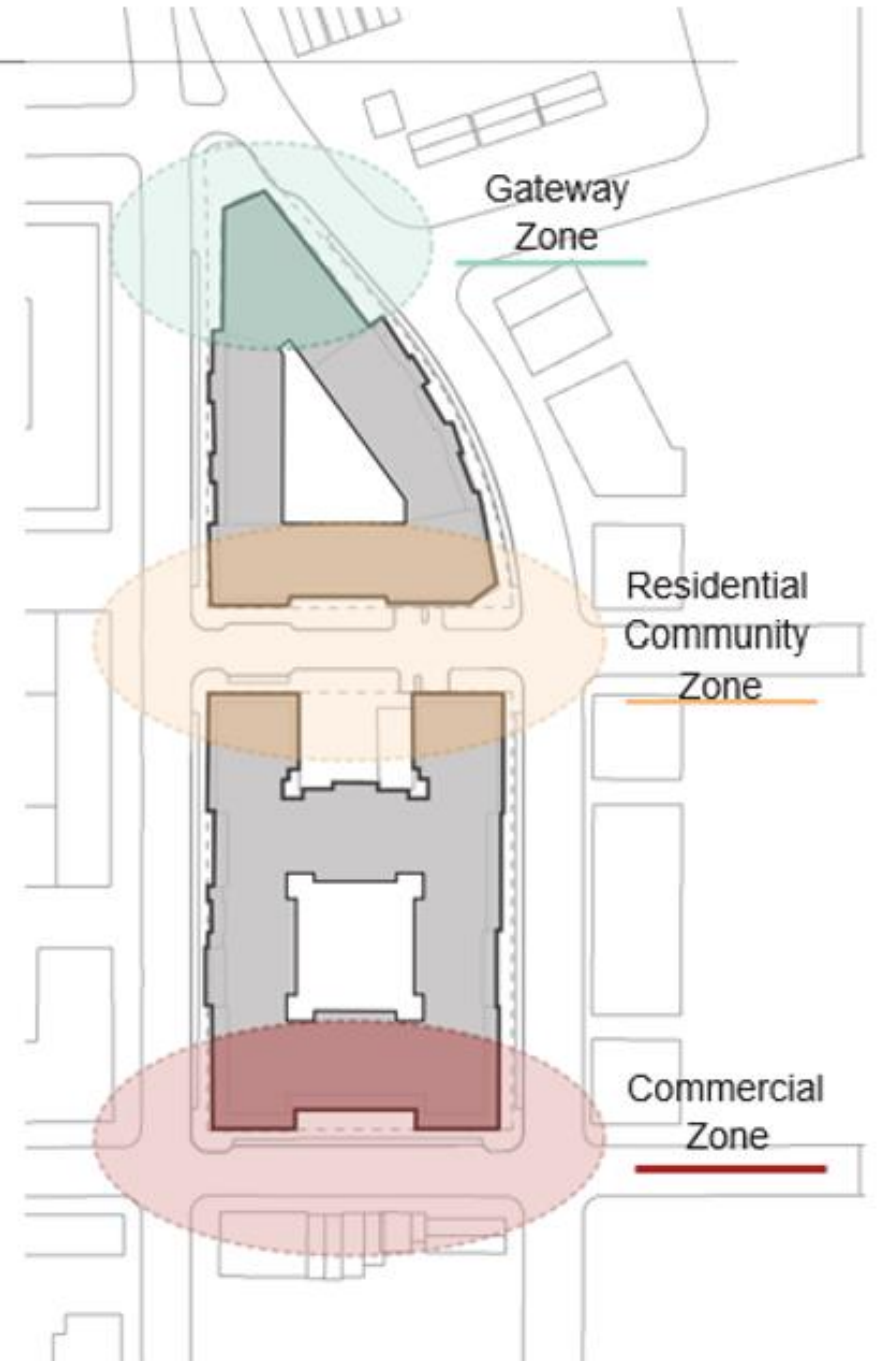
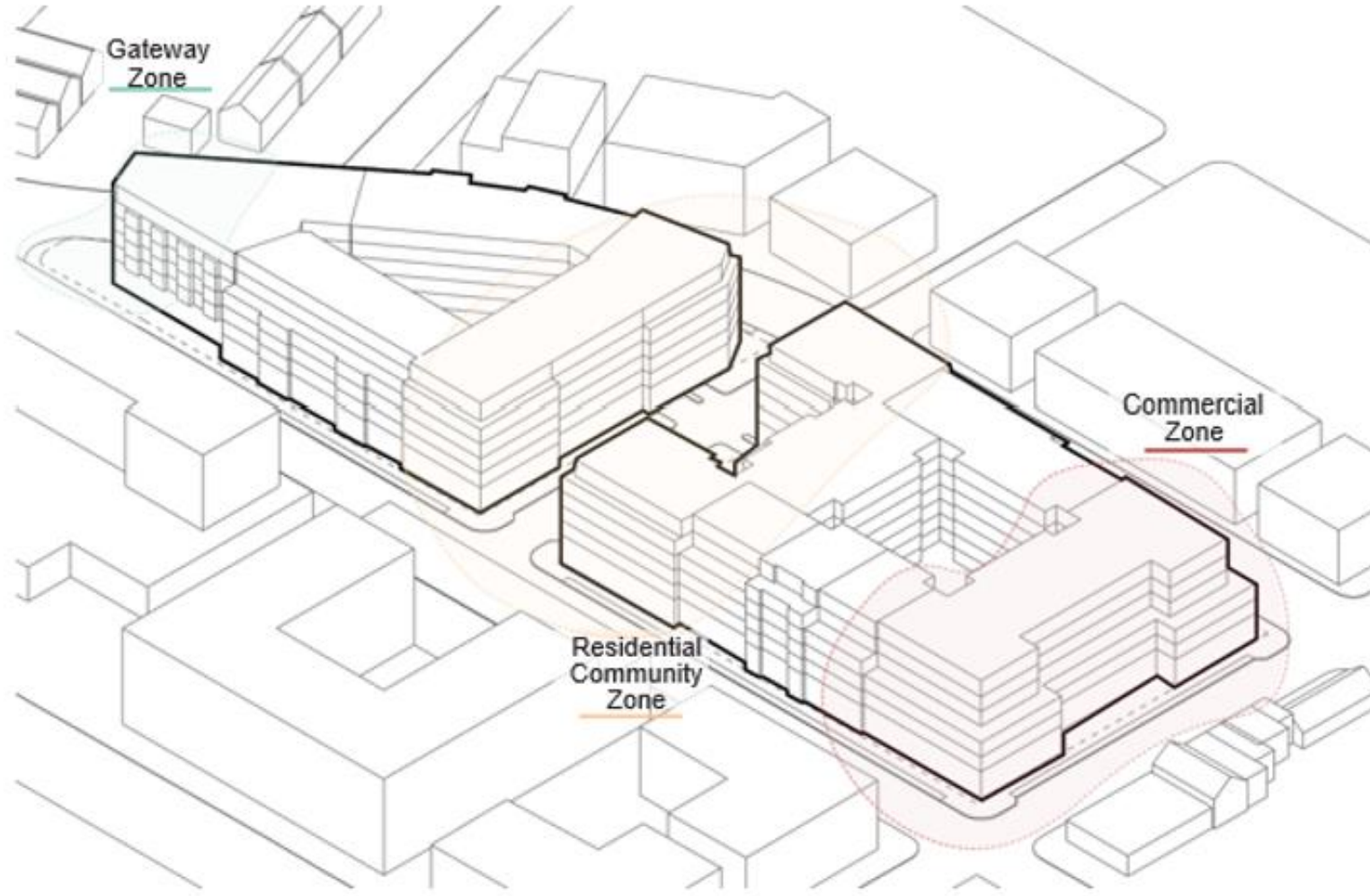
COMPLETED IN 2005

325 SOUTH WHITING STREET

ALEXANDRIA, VA



URBAN CONTEXT



ARHA 2025 Goals

- Begin construction on 1st Phase of Madden Redevelopment
- Identify preferred development partners for Adkins and Cameron Valley Redevelopment Projects
- Launch AVA-MADE, a non-profit established to support ARHA's youth and senior program activities
- Initiate capital improvement campaign to “refresh” existing ARHA portfolio properties
- Improve customer service and service delivery for existing ARHA residents
- Re-engage ARHA Resident Council
- Finalize new Memorandum of Understanding between ARHA and the City of Alexandria that will outline partnership, resource and policy goals

Why is the Development of Affordable Housing so hard?

- Projects compete with market rate development projects with reduced financial benefits (TAXES)
- The Cost of affordable housing units are the same and sometimes more than market developments project, which make financing difficult and dependent on public support
- No clear understanding of who benefits from it. Or better why efforts are not benefitting some other groups
- Affordable housing developers and policymakers use language that most people don't understand or use
- People think they should be living in market rate housing. Even when they can't afford it
- Fear, perception that affordable housing developments reduce market values and generate negative activities

Common Language :

Brief Refresher on Affordable Housing Speak and Terms

Affordable Housing

The U.S. Department of Housing and Urban Development (HUD) defines affordable housing as housing that costs no more than 30% of a household's gross income, including utilities. This definition is intended to ensure that households have enough money for other expenses.

Rent Burden:

Households are considered cost-burdened when they spend more than 30% of their income on rent, mortgage payments, and other housing costs, according to the U.S. Department of Housing and Urban Development (HUD). Households spending more than 50% of their income on housing costs are considered severely cost-burdened.

Area Median Income:

"Area Median Income" (AMI) refers to the midpoint of a specific geographic area's income distribution, essentially meaning half of the families in that area earn more than the median income and half earn less.

Workforce Housing:

Workforce housing is housing that's affordable to households with incomes between 60% and 120% of the area median income (AMI)

Low Income Housing Tax Credits:

The **Low-Income Housing Tax Credit** (LIHTC) is a federal program in the [United States](#) that awards [tax credits](#) to housing developers in exchange for agreeing to reserve a certain fraction of rent-restricted units for lower-income households LIHTC developers must abide by affordability requirements [laid out](#) in the so-called 20-50 test, in which at least 20% of units must be occupied by tenants earning no more than 50% of area median income (AMI), or the 40-60 test, in which at least 40% of the units must be occupied by residents earning no more than 60% of AMI. As of 2018, [new income averaging provisions](#) allow LIHTC owners to serve households earning as much as 80% of AMI as long as the average income limit in the property does not exceed 60% of AMI

Section 8 - Housing Choice Vouchers

The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments. Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

Housing Assistance Payment HAP

The Housing Assistance Payment (HAP) contract is the contractual agreement between the PHA and the owner of a unit occupied by a Housing Choice Voucher (HCV) program participant. Under the HAP contract, the Public Housing Agency (PHA) agrees to make housing assistance payments to the owner on behalf of a specific family leasing a specific unit.

Tax Abatements:

Is a reduction the amount of local real estate property taxes that a development pays to a local jurisdiction. The receipt of a tax abatement, typically requires that approve of the local legislative body to be enacted. Tax abatement are typically tied to the provision of affordable housing units, housing units in general or other services to a community. Tax abatement are tools that state and local governments use to support development projects when the costs associated when the project (including tax payments) would make the project infeasible. There are different types of tax abatement. Examples include:

- ***Income Based Approach:*** Taxes based on actual income generated by property, instead of market value of property. *Premise-* Affordable housing projects that have less income, pay taxes that they can absorb.
- ***Per Unit Payment Approach:*** Property taxes are set a specific value per unit for a defined period of time. *Premise-* This approach gives the project predictability, which is an advantage when seeking financing.
- ***Tax Assessment Deferral:*** Property only pays a percentage of the property that would be due. Over time the full amounts would be phased in until the property pays the full market taxes due to the jurisdiction. *Premise –* The tax assessment deferral approach gives projects time to stabilize and generate enough income to pay market taxes.

City of Alexandria Housing Facts

What is the average rent in Alexandria, VA?

\$2,023/month

Average Rent

731 Sq Ft

Average Apartment Size

+2.4%

Increase in the Last Year

As of February 2025, the average rent in Alexandria, VA is \$2,023 per month. This is 30% higher than the national average rent price of \$1,555/month, making Alexandria one of the most expensive cities in the US. When you rent an apartment in Alexandria, you can expect to pay about \$1,685 per month for a studio, \$2,023 for a one-bedroom apartment, and around \$2,487 for a two-bedroom apartment. If you opt for a three-bedroom rental, you could pay \$2,627 or more.

Data obtained from www.apartments.com

Average 2025 Multifamily Rent
Costs in Alexandria

Floor Plan Type	Average Rent	Average Sq Ft
Studio	\$1,685/month	493 Sq Ft
One Bedroom	\$2,023/month	731 Sq Ft
Two Bedroom	\$2,487/month	1,037 Sq Ft
Three Bedroom	\$2,627/month	1,267 Sq Ft

Average 2025 Townhouse Rent
Costs in Alexandria

Floor Plan Type	Average Rent	Average Sq Ft
One Bedroom	\$1,437/month	280 Sq Ft
Two Bedroom	\$2,990/month	673 Sq Ft
Three Bedroom	\$3,641/month	1,239 Sq Ft
Four Bedroom	\$4,458/month	2,371 Sq Ft

Data obtained from www.apartments.com

City of Alexandria and Select Fairfax County Rents by Neighborhood

Neighborhood	Average Rent	Average Sq Ft
Arlandria	\$1,586/month	625 Sq Ft
Brookville/Seminary Valley	\$1,907/month	637 Sq Ft
Belle Haven	\$1,925/month	705 Sq Ft
Seminary Hill	\$2,002/month	733 Sq Ft
Hybla Valley	\$2,026/month	695 Sq Ft
Del Ray	\$2,033/month	662 Sq Ft
Landmark/Van Dorn	\$2,153/month	742 Sq Ft
Groveton	\$2,159/month	729 Sq Ft
Huntington	\$2,203/month	729 Sq Ft
Alexandria West	\$2,354/month	753 Sq Ft

Data obtained from www.apartments.com

Ideas to support Housing Development + Preservation Efforts

Ideas to support development + preservation efforts

1. Standardize Tax Abatement for affordable housing projects

- Policy would accelerate development projects, create certainty, and reduce development timetables

2. Create policy that supports infill development opportunities

- Predevelopment funding

3. Allocate resources to support projects, post construction completion.

- Production is important but can't wait until there is a problem to invest in preservation efforts

4. Focus efforts to expand and align development priorities with Opportunity Zone areas.

- HUD likely to expand OZ program under Trump administration, OZ provide tax enhanced development opportunities

THANK YOU!

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