

Housing 2040
Master Plan

Affordable Housing Preservation

AHAAC

April 3, 2025

What is preservation?

Preservation

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

What does preservation look like in Alexandria?



Acquiring market affordable housing to preserve and deepen affordability



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



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



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

What does preservation look like in Alexandria?

Acquisition

Parkstone

Acquisition (\$110 million)

326 units: 130 at 60%, 114 at 80% AMI, balance market rate

City Investment: \$8 million

Other tools: JBG Smith Impact Pool, VH Loan, VH Grant



Extending Affordability

Bellefonte Apartments

Extension + Rehabilitation

12 supportive housing units

City Investment: \$450,000

Other tools: PBVs, partnership between SHA and Housing Alexandria



Square at 511

Acquisition + Rehabilitation

196 units at 60% AMI, allow some 80% AMI households

City Investment: \$5 million

Other tools: Amazon Equity Fund



The Heritage

Extension + Redevelopment

750 units: 140 replacement CAUs at 40% AMI, 55 new CAUs, balance market rate

City Investment: \$0

Other tools: PBVs, RMF Zone, ARHA bonds, bonus density



What does preservation look like in Alexandria?

Redevelopment

The Lineage

Redevelopment

52 units: 15 replacement units at 30% AMI, 37 at 50%-60% AMI

City Investment: \$5 million
Other tools: RAD conversion, LIHTC, Resolution 2876



Rehabilitation

Landmark Towers

Rehabilitation

154 units preserved and subject to rent increase policy
City Investment: \$2.5 million
Other tools: Right of first refusal



Elbert Avenue

Redevelopment

91 units (28 replacement): 9 at 30%, 15 at 40%, 22 at 50% and 45 at 60% AMI

City Investment: \$3.8 million
Other tools: LIHTC, HOTC, RMF zone



Lynhaven Apartments

Rehabilitation

28 units at 50% and 60% AMI
City Investment: \$1.078 million
Other tools: Tax-exempt bonds, 4% LIHTC



What does preservation look like in Alexandria?

ParcView (pipeline)

Acquisition of 146-unit project in 2006 with \$9 million City loan and general obligation bonds

Extension of Affordability using Section 236 Rental Assistance Program

Rehabilitation completed in 2006 upon acquisition, received \$700,000 for elevator modernization in 2022

Redevelopment in pipeline to add 227 net new affordable units and underground parking in phases with childcare center planned

City Investment: about \$45 million needed
Other tools: RMF Zone, LIHTC



Wesley Housing

Why is preservation important?



Loss of Market Affordable Housing

From 2010 to 2024, the number of units affordable up to 60% AMI decreased from ~9,800 to ~3,500 units



Expiration of affordability restrictions

About 900 committed affordable units will cease to be affordable between 2026 and 2040 as affordability commitments expire



Livability of aging housing

Older housing is often naturally more affordable but can involve costly maintenance and habitability issues



Cost of preservation vs new construction

New construction can cost up to \$700,000 per unit compared to \$50,000 to \$200,000 per unit to rehabilitate existing multifamily units

Housing 2040

Guiding Questions

- How can we be strategic about what we are preserving?
- How can we be more proactive in our approach to preservation?

- What have we learned through prior preservation deals?
- What are best practices and policies that we can adopt from other jurisdictions?
- What do we prioritize and why?

Next Steps

Housing Preservation Panel

April 29, hybrid

Open house + Dinner: 6:30-7:00 p.m.
Panel + Q&A: 7:00-8:30 p.m.

Join us at our Housing 2040 Housing Preservation kickoff event! Our panel discussion will feature local and regional partners from ACT, National Housing Trust, Housing Alexandria, Landmark Towers, and Virginia Housing. We will discuss affordable housing preservation challenges and potential solutions.



In-person registration
Charles Houston Rec Center



Virtual registration

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