

Housing 2040 Master Plan

**Housing Master Plan Progress Report and Approaches to
Setting Housing 2040 Affordability and Opportunity Targets**

June 5, 2025



[Alexandriava.gov/housingplan](https://alexandriava.gov/housingplan)

Agenda

- Housing 2040 Timeline
- Where We Are Today
- Looking Towards 2040
- Discussion

Housing 2040 Timeline



Where We Are Today

Housing Master Plan (HMP) Goal

2013 HMP established goal of 2,000 units with new affordability

What counts towards the 2,000-unit goal?

- + Construction of new committed affordable rental units up to 60% AMI
- + Construction of new committed affordable homeownership units
- + Preservation of existing committed affordable units
- + Conversion of market-rate to committed affordable units
- + Homebuyer loans
- + Home rehabilitation loans/grants
- + Rental accessibility grants

Regional Housing Initiative (RHI)

- In 2020 [City Council endorsed Resolution R27-2019](#), a [RHI](#) adopted by the Metropolitan Washington Council of Governments (COG) Board to establish aspirational housing production targets for member jurisdictions to address regional housing needs
- City's allocation: 3,000 units above development projections by 2030; **2,250 units** recommended to be affordable to low- and moderate-income households

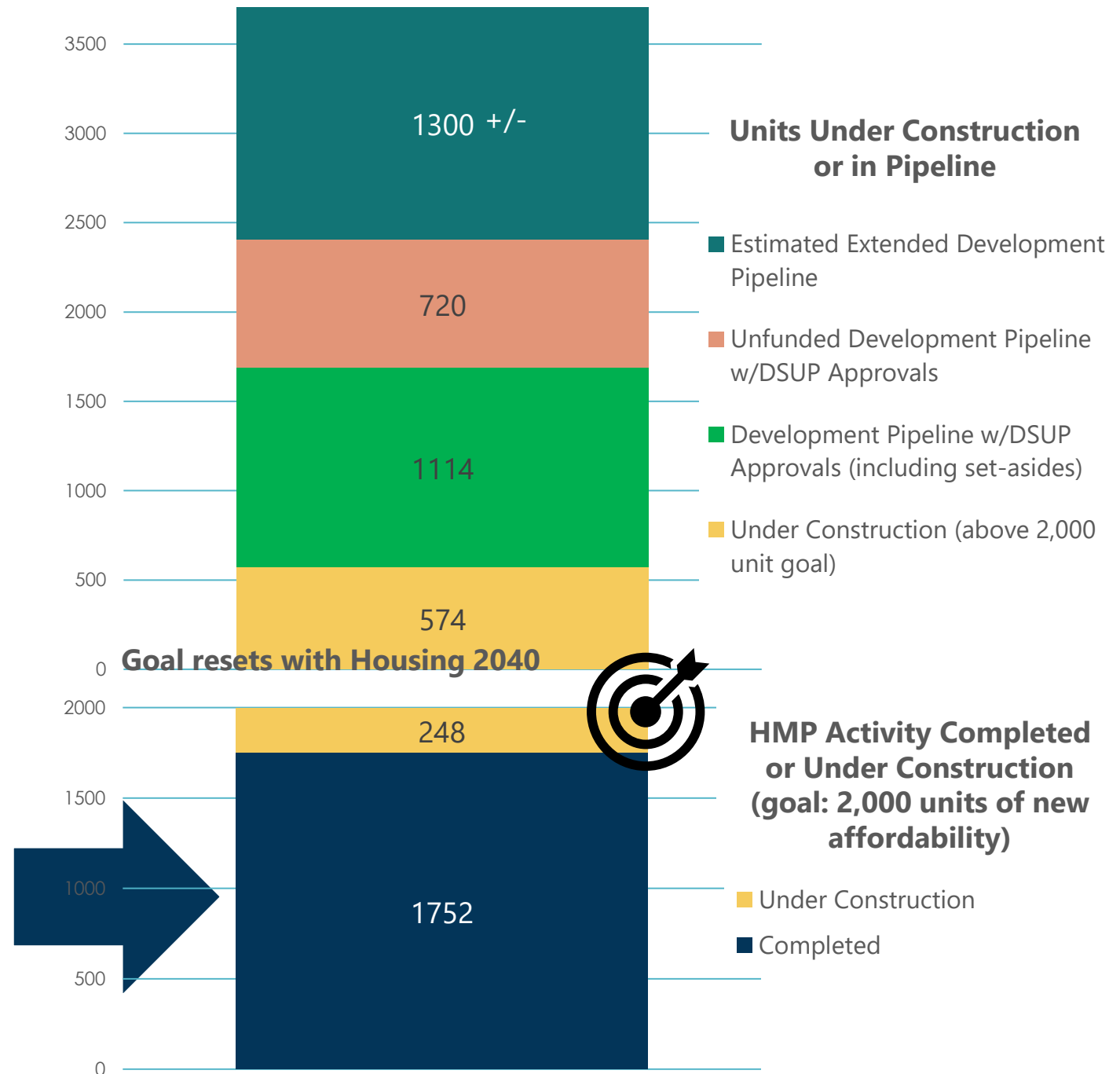
What counts towards the 2,250-unit goal?

- + Construction of new committed affordable rental units at 61-80% AMI (not counted towards HMP goal)
- + Construction of committed affordable rental and homeownership units that exceed HMP goal of 2,000 units

Progress

through March 2025 (Q3FY25)

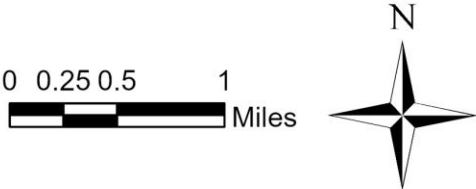
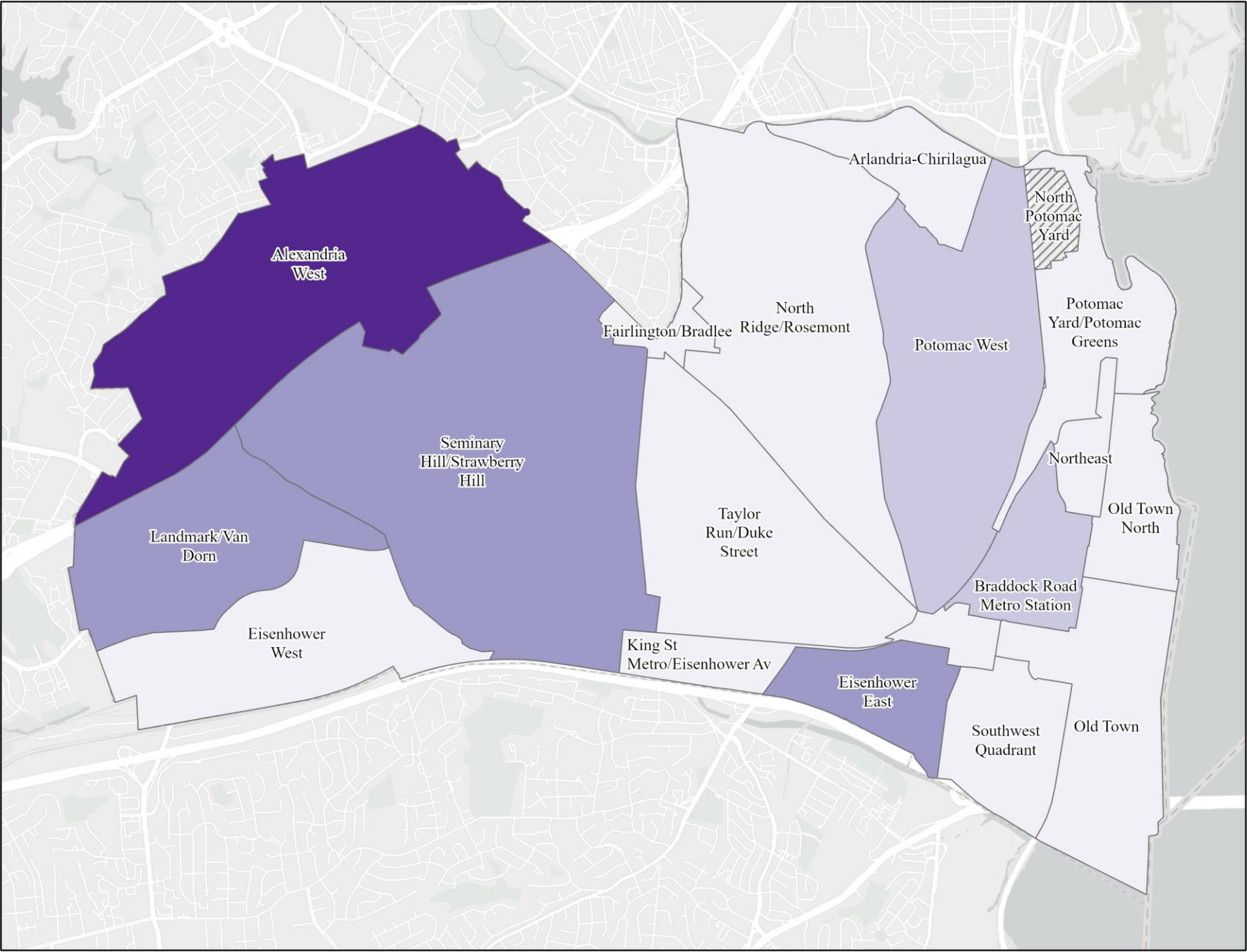
HMP Activity	Completions
Affordable Units Created through PPPs	334
Affordable Units Preserved through PPPs	172
Market-Rate Units Converted to Affordable through PPPs	349
Set-Aside Units Created through Development	247
Beauregard Units Created	206
Beauregard Market-Rate Units Converted to Affordable	105
ARHA Units Created	37
ARHA Units Preserved	15
Rental Accessibility Grants	23
Homebuyer Loans	121
Home Rehab Loans/Grants	143



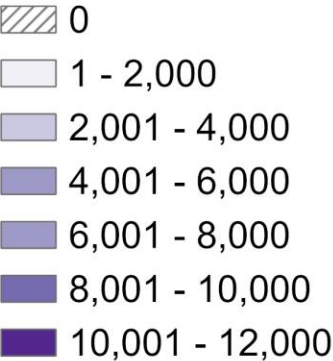
City of Alexandria

Rental Housing
Distribution
by Small Area Plan

Source: CoStar; City of Alexandria
Apartment Survey, 2024



Number of Rental Units



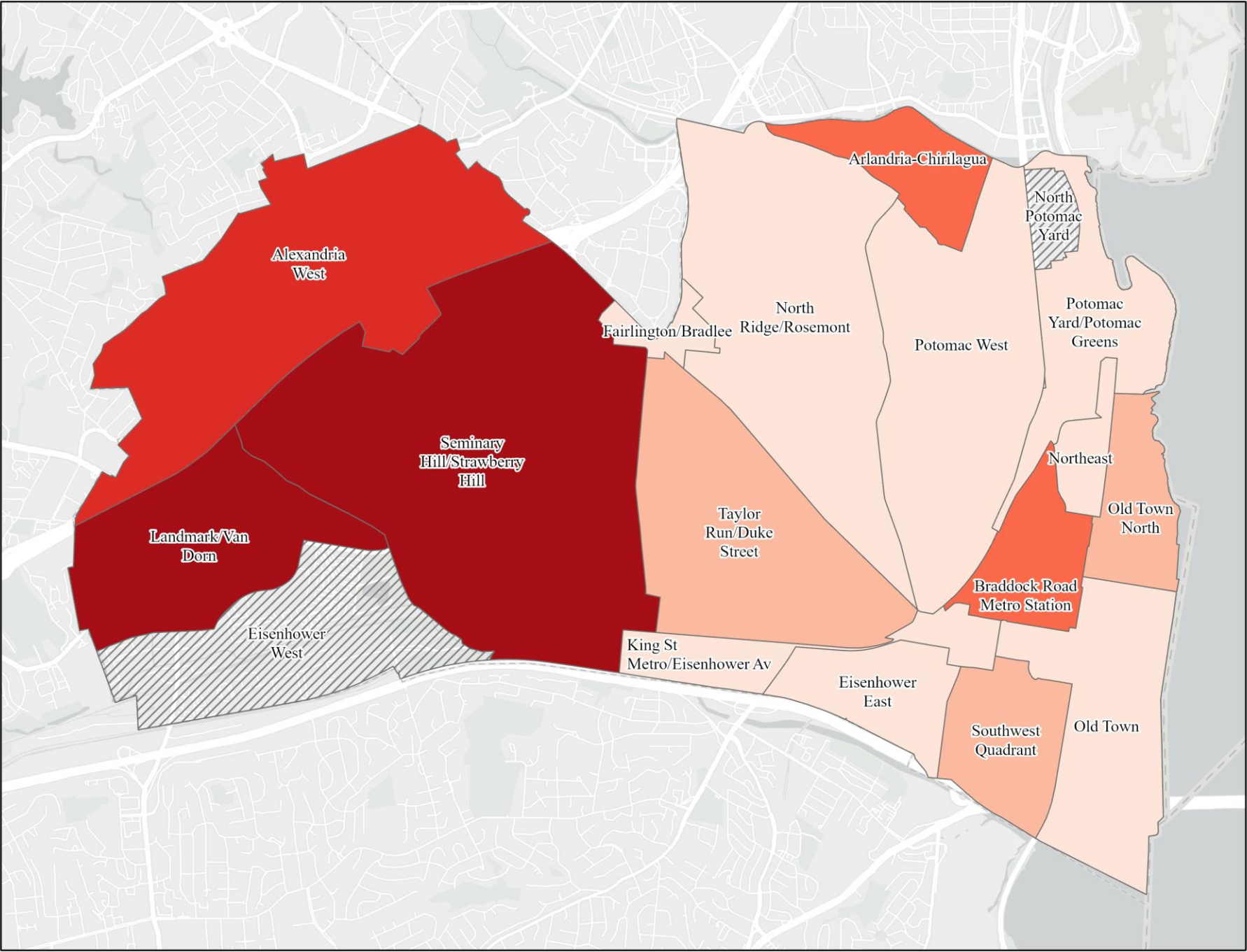
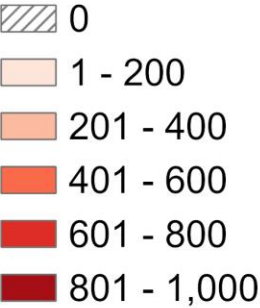
City of Alexandria

CAU Rental
Housing
Distribution
by Small Area Plan

Source: CoStar; City of Alexandria
Apartment Survey, 2024



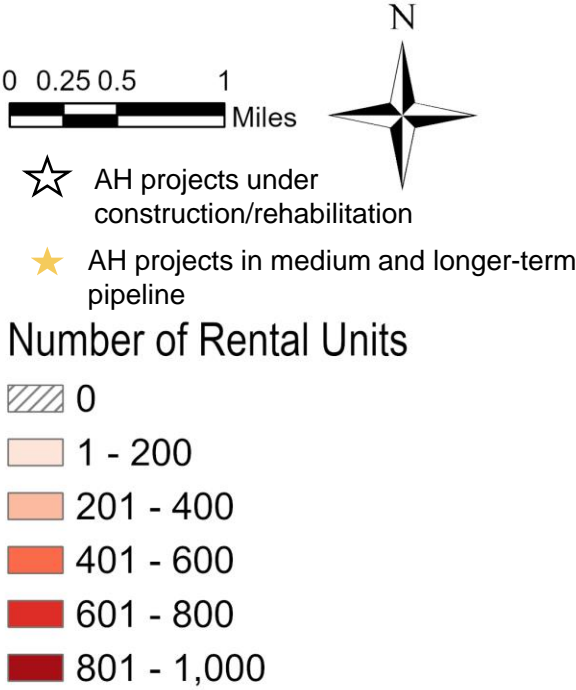
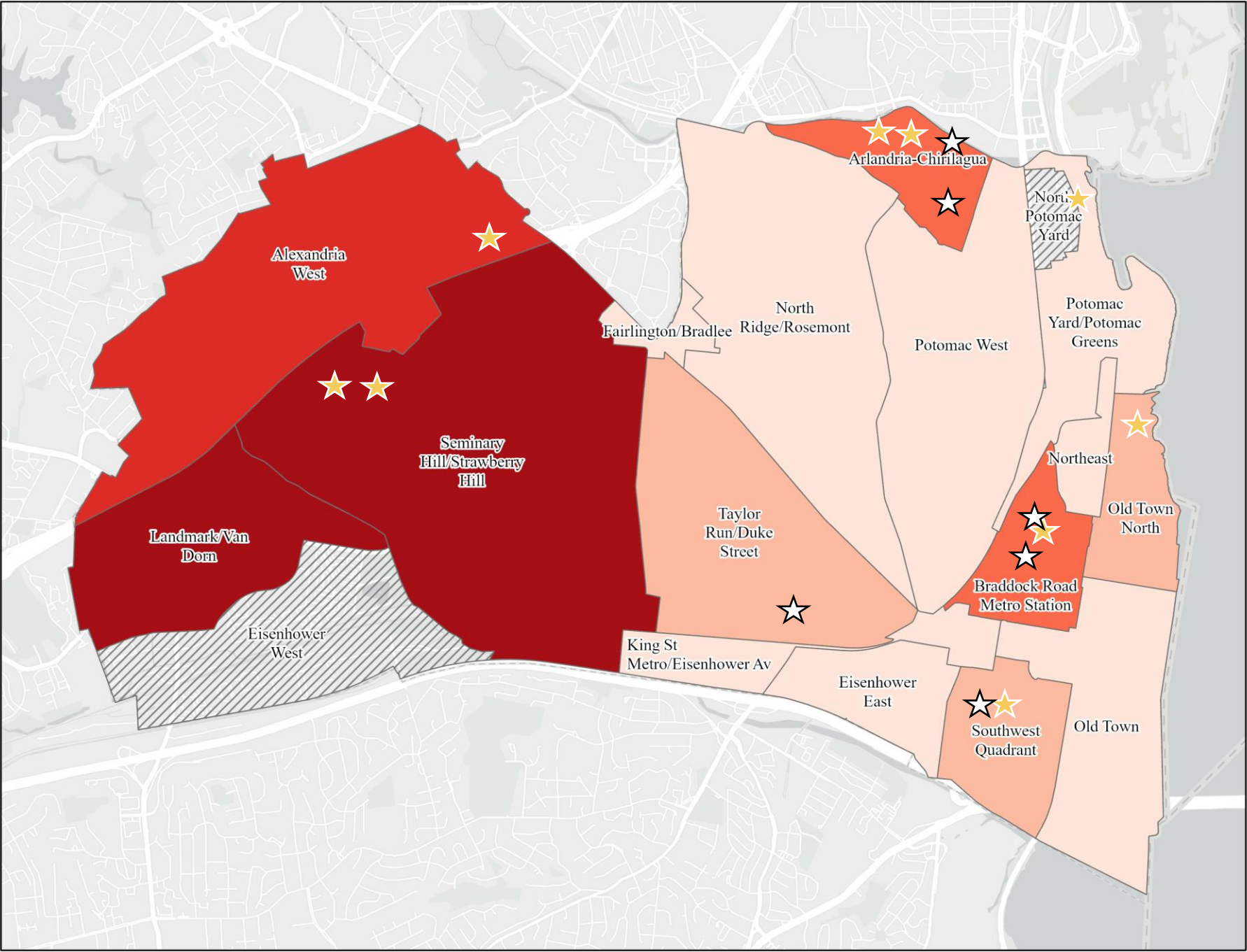
Number of Rental Units



City of Alexandria

CAU Rental
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Source: CoStar; City of Alexandria
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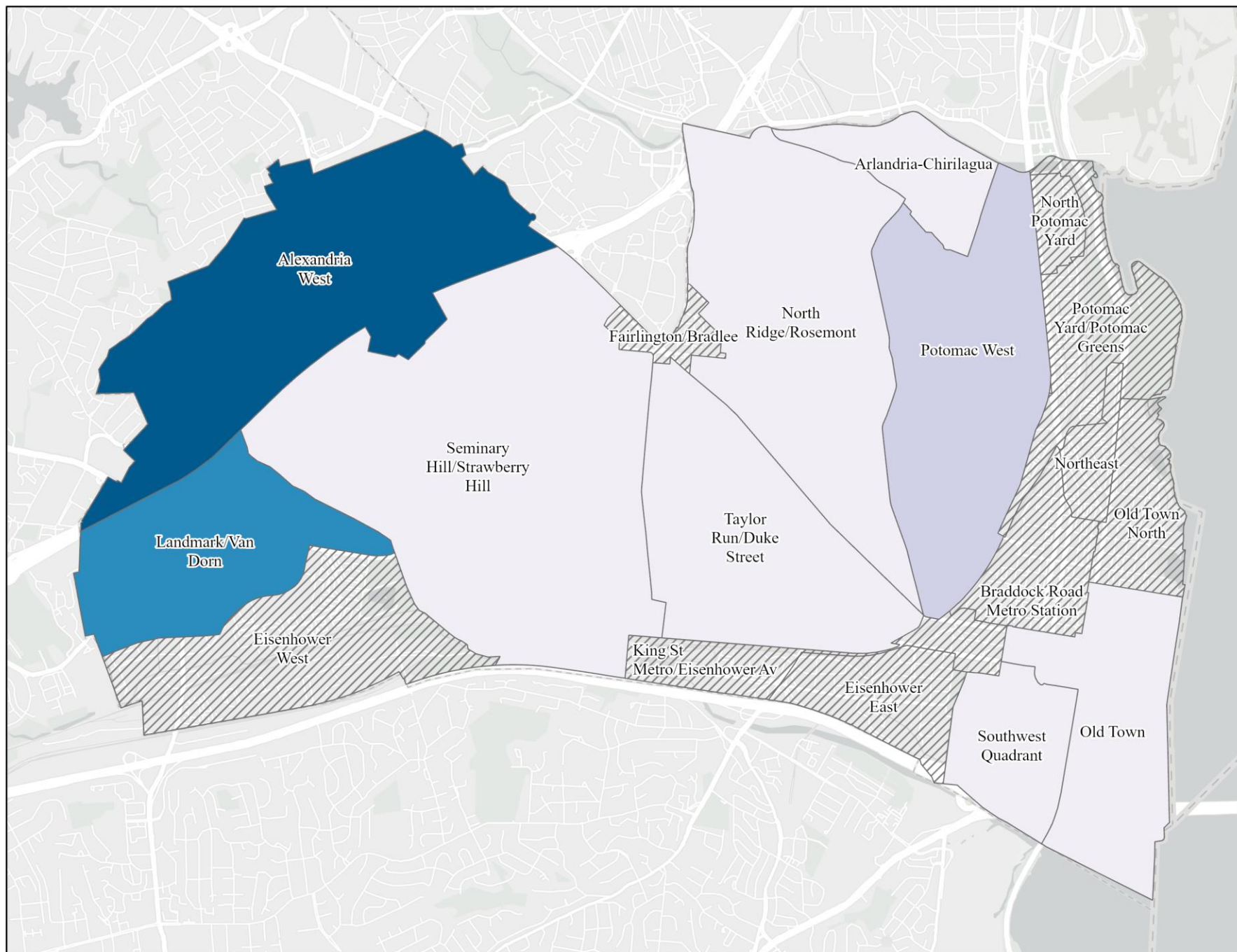
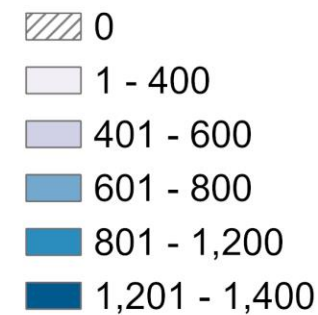
City of Alexandria

Share of Market Affordable by Small Area Plan (60% AMI)

Source: CoStar; City of Alexandria
Apartment Survey, 2024



Number of Rental Units



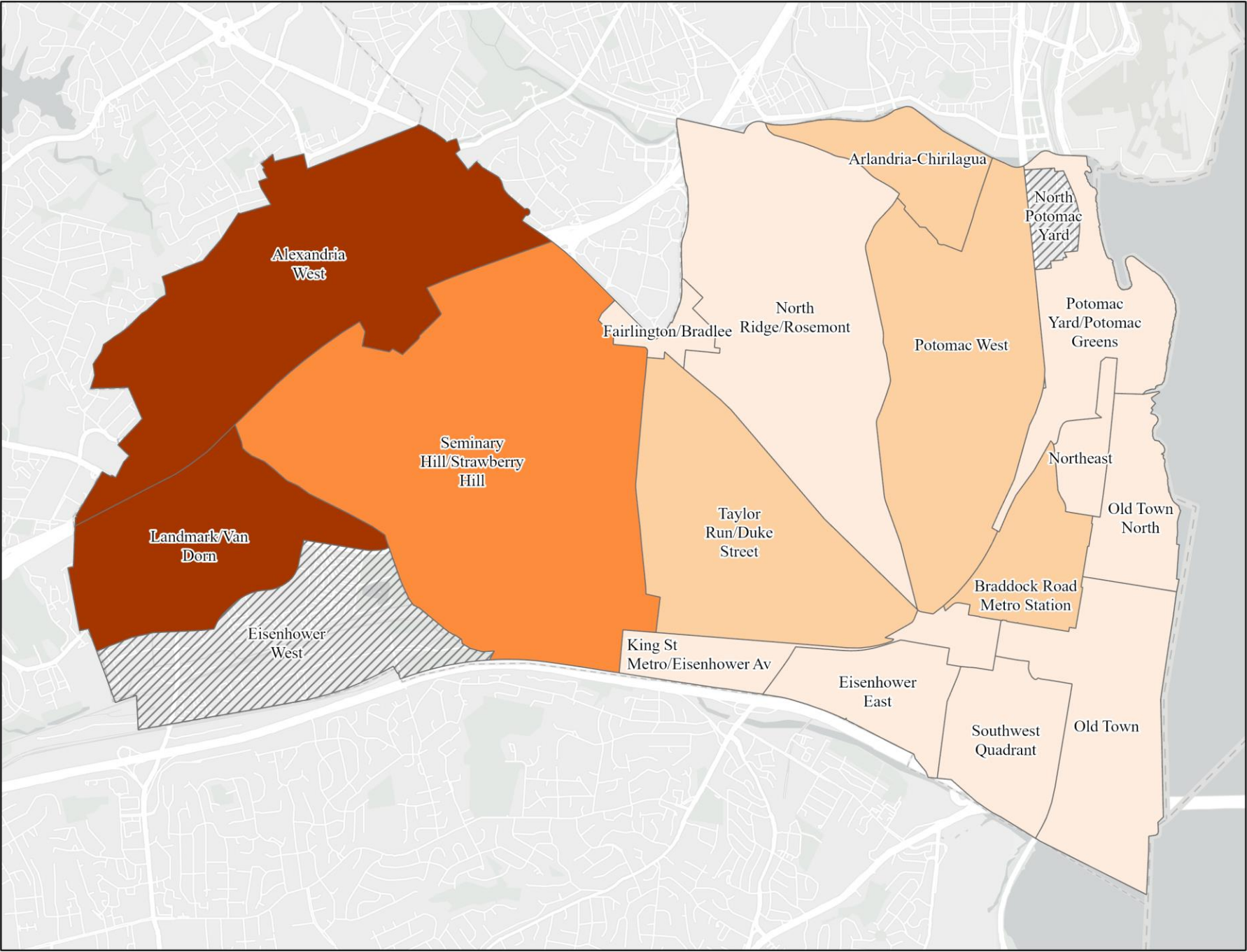
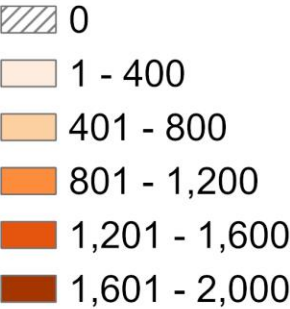
City of Alexandria

Affordable Housing Distribution by Small Area Plan (CAUs & Market-Rate Affordable)

Source: CoStar; City of Alexandria Apartment Survey, 2024



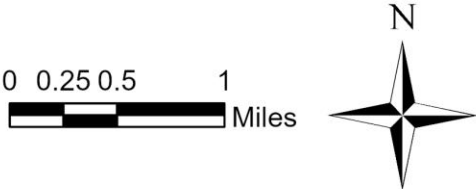
Number of Rental Units



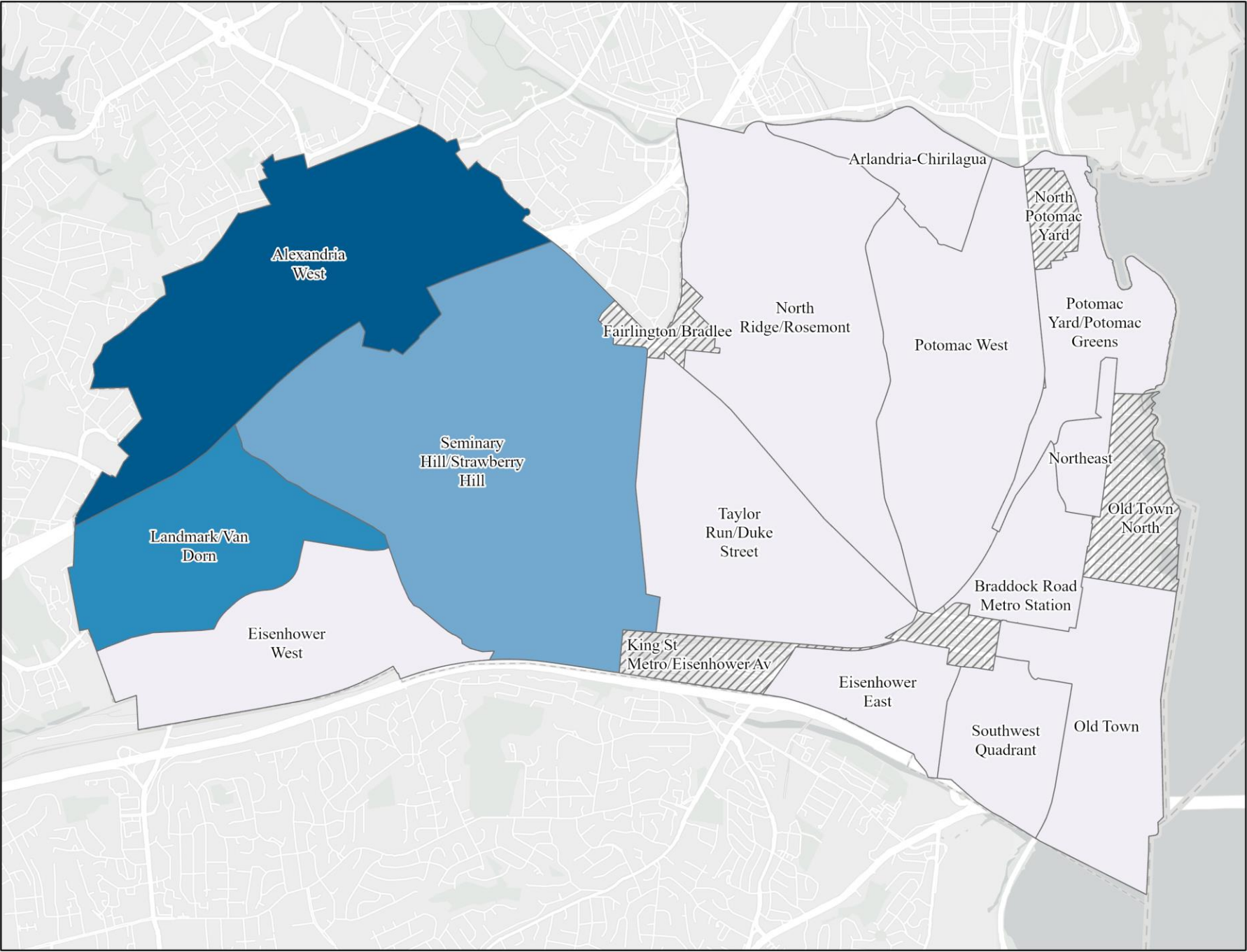
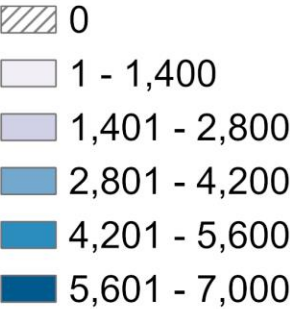
City of Alexandria

Share of Workforce Affordable by Small Area Plan (61-80% AMI)

Source: CoStar; City of Alexandria Apartment Survey, 2024



Number of Rental Units



Looking Towards 2040

Housing 2040 Topics of Concern

Lack of housing options across income groups, tenures, abilities, and life stages

Fear that residents and their grown children will not be able to afford to remain in Alexandria due to cost of housing

Building and unit conditions

More equitable distribution of affordable housing across Alexandria

Cost of rental housing

Attainability and cost of homeownership

Ensure adequacy of infrastructure to support density

Potential impact of density on quality of life, parking and open space

Senior housing + care—lack of options and cost

Fear of displacement

Rent and fee increases

Lack of deeply affordable housing for low-income workers, seniors, persons with disabilities and individuals & families transitioning out of homelessness

Lack of single-family housing

Lack of renter protections

Condo/HOA increases

Housing 2040 Survey

Top Concerns

% of responders who indicated “very concerned” or “concerned” on survey

80%

Cost of buying a home

77%

Cost of rent

74%

Availability of moderately priced housing options for families and moderately priced homebuyer opportunities

72%

Housing options for low-income residents

71%

Annual rent increases

71%

Fear of displacement

~1,200

responses received mid
November to late January

- Broad range of housing issues
- Concerns regarding housing cost and options experienced more acutely by renters, younger Alexandrians and seniors

Housing 2040 Survey

Broad Range of Comments

"Ability for first responders, teachers, and other public servants to live in Alexandria while working in Alexandria"

"I am concerned that you have to have two incomes to afford housing"

Availability of "assisted living for frail seniors with little to no income"

"...be more creative about housing layouts... Why not do things targeted to younger people..."

"Lack of robust state-level tenant protections..."

"Unnecessary fees on top of rent"

"Over-densification"

"Healthy housing – air quality"

"Housing for incomes in the 25-50% AMI" range

"First generation homebuyer assistance for people of color who do not have intergenerational wealth"

"Loss of natural habitat" "Threats to greenspace and quality of life"

Need for "downsizing options"

"Energy efficiency of housing"

"Insufficient housing supply"

"Housing availability for young families"

How and What We've Been Learning

- Collaboration & Synergies
 - **Quantitative Housing Needs Analysis**
- Lower and moderate-paying jobs serve as the backbone of the local economy. How do we ensure our workers can afford to live here?
 - How do we help mitigate increasing levels of housing cost burden among lower-income renter families and among middle-income earners who aspire to homeownership?
 - How do we address racial inequities in homeownership and wealth acquisition?
 - How do we support aging condominium and common-interest communities, the entry point for first time buyers?
 - What housing models and tools help meet the needs of a growing senior population?
 - 20-34 year olds represent a shrinking proportion of our population. What housing typologies and price points are needed, and how do we produce them?

How and What We've Been Learning

- Collaboration & Synergies
- Quantitative Housing Needs Analysis
- **Continuing Challenges**
 - City resource constraints
 - High cost of creating deeper levels of affordability
 - Market is not producing family-sized rental housing or options for first time lower- and moderate-income homebuyers
 - Loss of market-affordable housing and committed affordable housing
 - Age and conditions of rental housing and condominiums
 - Limited legislative authority
 - Declining and uncertain federal funding for housing

Targets—Proposed Housekeeping

- Shifting terminology from numerical “goals” to “targets” to reduce confusion with HMP principles and goals
- Rental housing:
 - All committed affordable rental housing counted towards targets
 - Priority rental units defined as those affordable up to 50% AMI (\$57k-\$82k for a household of 1-4 in 2025)
 - Term “workforce rental” proposed to be replaced with “rental units affordable at 61-80% AMI” since units at deeper levels of affordability also serve the workforce

Considerations When Setting New Targets

Threshold question: Do targets align with Housing 2040 principles and advance Housing 2040 goals?

- What targets can reasonably be reached with anticipated projected funding?
- What targets can be achieved within the 2040 timeframe?
What resources, legislative authority, tools, policies, and programs are necessary to accomplish them?

Note: Inclusionary Zoning could impact distribution of affordability and approaches

Considerations When Setting New Targets

continued

How do we prioritize Housing 2040 targets?

- There are budget and other constraints

How do we evaluate tradeoffs?

- How do we weigh rental vs homeownership needs?
- How do we weigh new affordable housing construction vs affordable housing preservation?
- How do we weigh affordable housing yields (maximizing the number of affordable units) vs levels of affordability (fewer units at deeper levels of affordability, e.g. 40-50% AMI vs 60% AMI)?

Note: Inclusionary Zoning could impact distribution of affordability and approaches

Considerations When Setting New Targets

continued

Should citywide targets be developed or should targets be established by small area plan?

- Some parts of the city will naturally continue to experience more change and development based on their proximity to transit/job centers, zoning, and amount of developable land
- Should targets focus on expanded housing opportunity (housing choice) in addition to affordability

What other considerations should inform the Housing 2040 approach to affordability targets?

Note: Inclusionary Zoning could impact distribution of affordability and approaches

Discussion

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