



City of Alexandria

Zoning Text Amendment #2025-00004 RMF Zone

Planning Commission
May 6, 2025



Agenda



- 1. Background**
- 2. Proposal**
- 3. Planning Commission Guidance**



Background Information

- Virginia Housing (VH) new lending requirements limit level of affordability to remain if VH assumes ownership and operation of a property as senior lender
- Six (6) projects of potential impact in the City, zoned RMF
- Worst-case scenario:
 - ▶ 20% of units remain at 60% AMI affordability
 - ▶ Remainder convert to market-rate



Proposal

Amend RMF Zone:

- To address projects where VH financing is used
- Mitigates loss of affordability in unlikely event of default
- Aligns with VH underwriting requirements

(4) If the Virginia Housing Development Authority or successor is the first lienholder of the permanent loan and if there is a foreclosure by the Virginia Housing Development Authority and it is the successful bidder and becomes the successor in interest, then the committed affordable housing units required may be reduced to no less than 20 percent of the originally approved units at 60 percent of the area median income for the Washington D.C. Metropolitan Statistical Area. Under no other circumstances will a reduction in the committed affordable units be allowed or considered.



CITY OF ALEXANDRIA

Staff recommends approval

