

MEMORANDUM

TO: Mr. James Parajon, City Manager, and Alexandria City Council
FROM: Alexandria Landlord-Tenant Relations Board
DATE: December 7, 2022
RE: Priorities for FY 2024 Budget

Dear Mr. Parajon and City Council Members,

The Alexandria Landlord-Tenant Relations Board (LTRB) is responsible for advising the Office of Housing and City Council on landlord-tenant relations, including reviewing relocation plans when new developments will displace tenants. As Council considers the FY2024 budget, our Board is writing in support of the Nov. 4, 2022, memo from the Alexandria Housing Affordability Advisory Committee (AHAAC) on the continued need for affordable housing.

Our board is starkly aware of the costs of creating and executing a relocation plan when replacing public housing with affordable and mix-income housing. Relocating even a small group of 30 households can cost up to \$1 million. Additionally, relocation stipends are required by law to be provided to residents of condo conversions or market-rate rentals. These stipends do not cover the increased cost of the new housing, as there is very little market-rate housing at affordable prices.

As the costs to build affordable housing rise, the City will be able to support fewer new units with the current budget and tax structure. In addition to the FY24 budget recommendations from AHAAC, we support rezoning efforts and the new equity housing plans that will increase the total number of housing units. Market prices will only get lower if there are more units, thus decreasing demand for each unit.

Thank you for considering our input. We look forward to working with City Council and the City staff to encourage more housing development, more affordable housing, and better relations and communications between tenants and landlords.

Sincerely,

Bonnie Naugle, Chair
Alexandria Landlord-Tenant Relations Board (LTRB)

References

Mast, Evan. 2019. "The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market," Upjohn Institute Working Papers; 19-307.

https://research.upjohn.org/up_workingpapers/307/

Kuo, Shaun. 2021. "New Round of Studies Underscore Benefits of Building More Housing," *The Urbanist*, June 2, 2021. <https://www.theurbanist.org/2021/06/02/new-round-of-studies-underscore-benefits-of-building-more-housing/>