



**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Deputy Mayor for Planning and Economic Development**  
**DC DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**  
1800 MARTIN LUTHER KING JR. AVENUE SE | WASHINGTON, DC 20020  
202-442-7200 | WWW.DHCD.DC.GOV



## **INCLUSIONARY ZONING**

### **2020 MAXIMUM INCOME, RENT AND PURCHASE PRICE SCHEDULE**

Effective July 17, 2020

This 2020 Maximum Income, Rent and Purchase Price Schedule is published pursuant to the Inclusionary Zoning Implementation Amendment Act of 2006, effective March 14, 2007 (D.C. Law 16-275; D.C. Official Code § 6-1041.01 *et seq.*, as amended) and the Inclusionary Zoning Regulations codified in Chapter 10 of Title 11-C and Chapter 22 of Title 14 of the DCMR. This schedule is effective upon publication in the D.C. Register.

Maximum Annual Income<sup>1</sup> limits, Minimum Annual Income limits<sup>2</sup>, rents and purchase prices are based on the Washington Metropolitan Statistical Area Median Family Income (MFI), previously referred to as Area Median Income (AMI). The MFI for a household of 4, as published by the U.S. Department of Housing and Urban Development (HUD) on April 1, 2020, is \$126,000. The limits are adjusted for household size in this schedule.

Inclusionary Zoning (IZ) units currently exist only at the 50%, 60%, and 80% MFI levels. However, this schedule also includes the 30%, 100%, and 120% MFI maximum and minimum income levels and maximum rent and purchase price amounts, which are often used in residential developments that include Affordable Dwelling Units (ADUs). For ADUs that are subject to Affordable Housing Covenants that include specific formulas for calculating income limits, rents, and purchase prices, all figures provided here are for guidance only. Individuals must consult the particular affordability requirements imposed by the terms of the applicable Affordable Housing Covenants to determine the requirements applicable to the subject ADU.

For the first time, this schedule includes minimum income levels and maximum rent amounts for co-living rental units, priced slightly lower than studio rental units. In conjunction with the Office of Planning, the Department of Consumer and Regulatory Affairs, and the Deputy Mayor for Planning and Economic Development, the Department of Housing and Community Development (DHCD) has determined that co-living rental units will be subject to IZ and/or ADU, as applicable, set-aside requirements with rental amounts determined based on 75% of the rental amounts of studio units at the appropriate affordability level.

For further information, please contact the IZ Program Office, DHCD, 1800 Martin Luther King Jr. Avenue, SE, Washington, DC 20020 at (202) 442-7221 or [iz.adu@dc.gov](mailto:iz.adu@dc.gov).

<sup>1</sup> The term “Maximum Annual Income” is used throughout this schedule to include both the Maximum Annual Household Income for ADU and maximum Household Annual Income for IZ purposes.

<sup>2</sup> The term “Minimum Annual Income” is used throughout this schedule to include both the Minimum Annual Household Income for ADU and minimum Household Annual Income for IZ purposes.

### Yellow Highlight Explanation:

Currently IZ units are being produced at 50%, 60% and 80% MFI, while Affordable Dwelling Units (ADUs) may be available at the other income levels.

Household Size	Maximum Annual Income					
	30% of MFI	50% of MFI	60% of MFI	80% of MFI	100% of MFI	120% of MFI
1	\$26,450	\$44,100	\$52,900	\$70,550	\$88,200	\$105,850
2	\$30,250	\$50,400	\$60,500	\$80,650	\$100,800	\$120,950
3	\$34,000	\$56,700	\$68,050	\$90,700	\$113,400	\$136,100
4	\$37,800	\$63,000	\$75,600	\$100,800	\$126,000	\$151,200
5	\$41,600	\$69,300	\$83,150	\$110,900	\$138,600	\$166,300
6	\$45,350	\$75,600	\$90,700	\$120,950	\$151,200	\$181,450
7	\$49,150	\$81,900	\$98,300	\$131,050	\$163,800	\$196,550
8	\$52,900	\$88,200	\$105,850	\$141,100	\$176,400	\$211,700

Unit Size	Minimum Annual Income Based on Housing Costs not exceeding 50% of the Household's Annual Income					
	30% of MFI	50% of MFI	60% of MFI	80% of MFI	100% of MFI	120% of MFI
Co-Living	\$11,500	\$18,950	\$22,800	\$30,500	\$37,900	\$45,600
Studio	\$15,350	\$25,200	\$30,500	\$40,550	\$50,650	\$60,700
1 bedroom	\$16,300	\$27,100	\$32,650	\$43,200	\$54,250	\$65,300
2 bedroom	\$19,450	\$32,650	\$39,100	\$51,850	\$65,300	\$78,000
3 bedroom	\$22,800	\$37,900	\$45,600	\$60,700	\$75,850	\$91,200
4 bedroom	\$25,900	\$43,200	\$51,850	\$69,350	\$86,900	\$104,150

Note: Minimum Annual Incomes are only applicable for rental Inclusionary Units and ADUs and are not applicable if a Household has rental assistance, such as a rent voucher or subsidy.

Note: DHCD recommends that Households should not expend more than (a) 38% of their Annual Income on housing costs for rental Inclusionary Units and ADUs and (b) 41% of their Annual Income on housing costs for for-sale Inclusionary Units and ADUs.

### Yellow Highlight Explanation:

Currently IZ units are being produced at 50%, 60% and 80% MFI, while Affordable Dwelling Units (ADUs) may be available at the other income levels.

## Multi-Family Developments

Number of Bedrooms	30% of MFI Units		50% of MFI Units		60% of MFI Units	
	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price
Co-Living	\$480	-	\$790	-	\$950	-
Studio	\$640	\$57,900	\$1,050	\$130,800	\$1,270	\$167,200
1	\$680	\$54,100	\$1,130	\$132,200	\$1,360	\$171,300
2	\$810	\$42,800	\$1,360	\$136,500	\$1,630	\$183,400
3	\$950	\$51,700	\$1,580	\$161,100	\$1,900	\$215,800
4	\$1,080	\$69,400	\$1,800	\$194,400	\$2,160	\$256,900

Number of Bedrooms	80% of MFI Units		100% of MFI Units		120% of MFI Units	
	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price
Co-Living	\$1,270	-	\$1,580	-	\$1,900	-
Studio	\$1,690	\$240,200	\$2,110	\$313,100	\$2,530	\$386,000
1	\$1,800	\$249,400	\$2,260	\$327,500	\$2,720	\$405,700
2	\$2,160	\$277,200	\$2,720	\$370,900	\$3,250	\$464,700
3	\$2,530	\$325,200	\$3,160	\$434,600	\$3,800	\$544,000
4	\$2,890	\$381,900	\$3,620	\$506,900	\$4,340	\$631,900

**Yellow Highlight Explanation:**

Currently IZ units are being produced at 50%, 60% and 80% MFI, while Affordable Dwelling Units (ADUs) may be available at the other income levels.

## Single-Family Developments

Number of Bedrooms	30% of MFI Units		50% of MFI Units		60% of MFI Units	
	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price
2	\$810	\$104,400	\$1,360	\$198,200	\$1,630	\$245,100
3	\$950	\$121,700	\$1,580	\$231,000	\$1,900	\$285,700
4	\$1,080	\$130,200	\$1,800	\$255,200	\$2,160	\$317,700

Number of Bedrooms	80% of MFI Units		100% of MFI Units		120% of MFI Units	
	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price	Maximum Rent	Maximum Purchase Price
2	\$2,160	\$338,800	\$2,720	\$432,600	\$3,250	\$526,400
3	\$2,530	\$395,100	\$3,160	\$504,500	\$3,800	\$613,900
4	\$2,890	\$442,800	\$3,620	\$567,800	\$4,340	\$692,800

The Maximum Purchase Price or Maximum Allowable Rent is calculated based on a Household at the benchmark income spending no more than 30% of its income toward housing costs.

The 2020 MFI represents a 3.9% increase over the prior year MFI for the region (\$121,300). Historically, however, for statistical and economic reasons the HUD MFI has often varied significantly from year to year, declining as well as increasing. To facilitate the operation of the program and the planning of housing providers and residents alike, rents and monthly housing costs for purchase prices in this schedule are based on a 3% increase over the prior year. Any decreases that occur in future years will also be limited by 3% of the previous year's MFI.

Maximum Allowable Rent is equal to the rent published in the above tables minus any utility expenses paid by the tenant for water, sewer, electricity, natural gas, (see Schedule 1, last page of this document) trash, and any other fees required in order to occupy the unit, including, but not limited to, mandatory amenity fees or administrative fees. An owner of an IZ unit or ADU may lower the rents or prices below the maximum rates identified in the tables to achieve a larger marketing band of incomes for marketing purposes to assure occupancy.

Maximum Purchase Prices are calculated using the following assumptions:

1. A conventional 30 year, fixed-rate, fully amortizing mortgage at the national average mortgage rate as published by the Federal Housing Finance Agency at [www.fhfa.gov](http://www.fhfa.gov) (3.46% as of April 2020) plus a 1.5% cushion to protect for future interest rate increases and a 5% down payment.
2. Real estate property taxes are assessed based on the control price at the current real estate tax rate of \$0.85 per \$100 of valuation and a homestead deduction of \$75,700.
3. Condominium fees are estimated at \$0.67 per square foot per month applied to the assumed unit square footages. Single-Family homeowner association fees are estimated at \$0.13 per square foot per month applied to the assumed unit square footages. Estimated unit sizes are:

	Multi-Family Development				Single-Family Development		
Unit Type	Studio	1 Bedroom	2 Bedroom	3 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Unit Size	525	625	925	1,050	1,100	1,300	1,500
Hazard Insurance	Included in Condominium Fee				\$120	\$130	\$190

NOTE 1. If the actual homeowner association/condominium fee for a specific unit is more than 10% higher than the fees assumed in this Schedule, then DHCD may use the actual fees to determine the Maximum Purchase Price.

NOTE 2. If the condominium fees for any given unit do not include hazard insurance, then DHCD may add the actual or estimated insurance costs to determine the Maximum Purchase Price.

NOTE 3. For unit types or target MFI not listed above, contact DHCD's IZ Program.

NOTE 4. Maximum Annual Incomes and Minimum Annual Incomes are rounded to the nearest 50, Maximum Allowable Rents are rounded to the nearest 10 and Maximum Purchase Prices are rounded to the nearest 100. Incomes within 1% of the Maximum Annual Incomes and Minimum Annual Incomes will be considered by DHCD.

NOTE 5. More information on IZ and ADUs is available at [www.dhcd.dc.gov](http://www.dhcd.dc.gov)

## Schedule 1: Estimated Utilities by Unit Type

The following utility estimates are produced by the District of Columbia Housing Authority. The estimates shall be deducted from the Maximum Allowable Rent if the tenant pays all or a portion of the required utilities. Only those utilities for which the tenant is responsible shall be deducted from the rental rate. For example, an 80% of MFI one-bedroom apartment for which the tenant pays electricity, but not water and sewer charges, will have a maximum rent of \$1,620 (\$1,800 Maximum Allowable Rent minus \$180 estimated electricity cost).

Required fees are also deducted from the Maximum Allowable Rent. If this same property also charges a \$500/year amenity fee, the pro-rated amount of \$42/month would also be deducted from the rent, yielding a maximum allowable rent of \$1,578.

### Multi-family Developments

Unit type	Electricity	Gas	Water	Sewer	Total
Electric heat, hot water, and cooking					
Studio	\$130	N/A	\$13	\$17	\$160
1-bedroom	\$180	N/A	\$26	\$35	\$241
2-bedroom	\$231	N/A	\$39	\$52	\$322
3-bedroom	\$282	N/A	\$52	\$70	\$404
4-bedroom	\$332	N/A	\$65	\$87	\$484
Gas heat, hot water, and cooking					
Studio	\$36	\$45	\$13	\$17	\$111
1-bedroom	\$48	\$60	\$26	\$35	\$169
2-bedroom	\$60	\$76	\$39	\$52	\$226
3-bedroom	\$72	\$91	\$52	\$70	\$285
4-bedroom	\$84	\$106	\$65	\$87	\$342

### Single-family Developments

Unit type	Electricity	Gas	Water	Sewer	Total
Electric heat, hot water, and cooking					
2-bedroom	\$335	N/A	\$39	\$52	\$426
3-bedroom	\$407	N/A	\$52	\$70	\$529
4-bedroom	\$477	N/A	\$65	\$87	\$629
Gas heat, hot water, and cooking					
2-bedroom	\$72	\$106	\$39	\$52	\$269
3-bedroom	\$86	\$128	\$52	\$70	\$336
4-bedroom	\$101	\$149	\$65	\$87	\$401