



GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



INCLUSIONARY ZONING STEPS FOR DEVELOPERS

This document outlines the Inclusionary Zoning (IZ) development steps involving both the DC Department of Housing and Community Development (DHCD) and the DC Department of Consumer and Regulatory Affairs (DCRA).

A. Pre-Construction

1. **File an application** for a Certificate of Inclusionary Zoning Compliance (CIZC) with DCRA before applying for above-grade building permits for the Inclusionary Development. Send a copy of the CIZC application to DHCD to iz.adu@dc.gov.
2. **DHCD will respond** with an introductory letter and assign a DHCD specialist.
3. **Execute an Inclusionary Development Covenant** and send to your DHCD specialist for approval (in both electronic and hard copy formats). Provide both the legal description and latest recorded deed(s) for the project.
4. **Once the DHCD specialist receives the original hard copy of the approved executed covenant** (including the legal description and latest recorded deed(s) for the project), the DHCD specialist will email DCRA to proceed with the CIZC review and approval.
5. **Once DCRA approves the CIZC, email a copy to your DHCD specialist** for recordation with the IZ covenant through the [DC Recorder of Deeds](#).
6. **Finalize the project's building permit through DCRA.**

B. During Construction

1. **IZ households must have their income and household size certified** by a DHCD-approved Certifying Entity.
 - a. For sale IZ units, DHCD-contracted Community Based Organizations (CBOs) serve as Certifying Entities.
 - b. For rental IZ units, the leasing team may apply to serve as the Certifying Entity, or the owner/developer may contract with one of the CBOs to provide that service and notify DHCD when the agreement is in place.
 - c. To become a Certifying Entity, there must be at least one individual regularly present at the project who has attended and passed the exam for the IZ/ADU Certified Training, provided by the National Center for Housing Management (<http://www.nchm.org/dhcd-iz-training>) or has received other, DHCD-approved certification.
2. **All marketing and advertising of Inclusionary Developments** must contain the following statement:

“Pursuant to the District of Columbia Inclusionary Zoning program, income restricted units are available at this development. Please contact the Department of Housing and Community Development at www.dhcd.dc.gov regarding the availability of such units and requirements for registration in the Inclusionary Zoning program.”

Ensure that this language appears on the website for the property in a reasonably-sized and legible font as well as all print and electronic marketing materials. Forward links and/or copies to DHCD for our records.

3. **DHCD staff will conduct a site visit of the completed units** as soon as the units are substantially complete. Please note this is separate from the DCRA inspections.
4. **The IZ development owner/developer must file a Notice of Availability (NOA) with DHCD** approximately 60 days before filing a Certificate of Occupancy application with DCRA.
5. **DHCD will respond to the NOA within 7 days with a post-NOA letter** verifying the maximum rents/purchase prices of the units, the income limits and estimated lottery dates.
6. **The sales or leasing agent must properly post the units** on the DC Housing Locator (www.dchousingsearch.org) within 7 days of the post-NOA letter. You must inform your DHCD specialist by email once the units are listed.
 - a. DHCD cannot start the lottery process until verifying that the units have been properly listed.
 - b. In the event the sales or leasing agent cannot post on dchousingsearch.org within 7 days, a new NOA will need to be submitted to restart the IZ lottery process.
7. **The IZ development owner/developer files a Certificate of Occupancy application with DCRA.** The owner shall provide to DCRA a copy of the recorded Inclusionary Development Covenant. If the information in the CIZC application has changed substantively since the application was filed, the owner must provide an update of all that information.
8. **DCRA inspects the IZ Development** to ensure it is in compliance with the CIZC and issues a Certificate of Occupancy.

C. The Lottery Process

1. **Once DHCD has verified that all steps have been followed, the IZ lottery process begins to identify potential applicants for the available IZ units.**
 - a. The IZ development owner/developer or agent will receive a list of selectees (approximately 10 ranked households for each unit) within 3 weeks of DHCD's receipt of the NOA.
 - b. The households then have 60 days to confirm interest in the unit, provide necessary documentation and obtain a certification of income, affordability and housing size (COIAHS) and sign a lease or contract for the selected IZ unit (unless the IZ development owner/developer or agent extends a deadline in writing).
2. **DHCD must conduct the first lottery for all IZ units.**
3. **If IZ units are not filled in the first lottery and an IZ Development Owner intends to fill units using an alternate process, prior written approval from DHCD is required.**
 - a. To seek written approval, submit an Affirmative Fair Housing Marketing Plan (AFHMP) and Household Selection Plan (HSP) to iz.adu@dc.gov.
 - b. Allow up to 90 days for revisions and approval.
 - c. If the IZ development owner/developer intends for DHCD to continue conducting lotteries (both for new IZ units and re-leases of existing IZ units), the AFHMP and HSP documents are not required.