



# INCLUSIONARY ZONING

## A PROGRAM FROM THE DC DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

The Inclusionary Zoning program, administered by DHCD, helps ensure that most new housing developments include a certain amount of affordable units.

### What Is Inclusionary Zoning?

Inclusionary Zoning (IZ) is one of many tools used in the District of Columbia to help address the affordable housing crisis. IZ was enacted in 2006. Regulations became effective in 2009 and the first IZ unit became available in 2011. DHCD was delegated the administration of the IZ program by the Mayor.

### How Does IZ Work?

IZ allows developers of new residential projects containing 10 or more units to get up to 20 percent additional density and requires them to set aside 8 percent to 10 percent of the square footage as affordable.

### Does IZ Apply to All New Construction?

IZ only applies to new residential projects: (1) containing 10 units or more; or (2) adding 10 or more units in most zoning districts.

### What Is Meant by Affordable?

Generally, affordable housing is a term defined by the U.S. Department of Housing and Urban Department (HUD), based upon the Median Family Income (MFI), previously referred to as Area Median Income (AMI) in a metropolitan area.

For IZ purposes, the units designated as affordable are set aside for families earning either 50 percent or 80 percent MFI. See <https://dhcd.dc.gov/service/rent-and-income-program-limits> for current affordable housing limits.

Initially, depending on the zoning district where the project was located, a developer had to—regardless of whether units were for sale or rent—set aside all the affordable units as: (1) 80 percent MFI; or (2) 1/2 as 80 percent MFI and 1/2 as 50 percent MFI.

In 2016 the Zoning Commission re-evaluated the IZ program and determined that to better serve District residents, the program should be adjusted. Therefore, IZ units in projects receiving their building permits on or after June 5, 2017, are to be set aside as 60 percent MFI for rental units and 80 percent MFI for sale units.

### How Are the Prices for IZ Units Determined?

DHCD calculates and publishes maximum income, rent and purchase price schedules in conjunction with the Office of Planning (OP) and the Department of Consumer and Regulatory Affairs (DCRA).



## Effective Date of Price Schedules

The maximum income, rent and purchase price schedules are in effect from the date published in the *D.C. Register* until new schedules are published. The current schedule can be found at <https://dhcd.dc.gov/publication/potential-iz-tenants-and-owners-documentation>.

Continued on back page

## How Can I Qualify for an IZ Unit?

Anyone interested in the IZ program must follow these steps:

1. **Attend an IZ Orientation class** conducted by a Community Based Organization (CBO), on behalf of DHCD. A list of the CBOs is available at <https://dhcd.dc.gov/publication/potential-iz-tenants-and-owners-documentation>.
2. **Register for the IZ program** at <https://dhcd.dc.gov/service/inclusionary-zoning-affordable-housing-program>.

## How Do I Know When IZ Units Become Available?

Once IZ units are available, DHCD conducts random lotteries /selections of registered households that qualify for the unit based on income level and household size. You will receive notices via email at the email address you provide when you register for the IZ program.

Certain households are given priority based on living or working in the District and are ranked by how long they have been on the registration list.

## Can I Use a Voucher or Subsidy with IZ?

IZ is not a voucher or subsidy program, so you would be responsible for paying the entire rent or purchase price if selected and qualified for a unit; however, you may use a rental voucher or subsidy or down payment assistance in conjunction with the IZ program.

## What if my Income Increases After I Buy or Rent an IZ Unit?

If you buy an IZ unit, you must certify each year that it remains your principal residence, but there is no restriction on your Income after the purchase. If you rent an IZ unit, you will sign a one-year lease and each year must re-certify that it is your primary residence and your household remains income qualified.

## May I Have Roommates in an IZ Unit?

IZ units are based on households; there are no restrictions on who makes up a household, but the entire household must be income qualified and all household members over the age of 18 must sign the lease.

If buying an IZ unit you have the option on who takes title and signs the mortgage, but the household member registering for IZ must take title. *IZ registrations are not assignable or transferable.*

Also, once you buy or rent an IZ unit, you may not rent all or a portion of it to another party without the prior written consent of DHCD, which is only given in certain circumstances, such as temporary relocation for military service or job relocation.

IZ units may not be rented temporarily with services such as AirBnB.



## How Can I Find IZ or Other Affordable Units?

All IZ units and Affordable Dwelling Units are required to be listed on D.C.'s Housing Locator, [www.dchousingsearch.org](http://www.dchousingsearch.org) and income-restricted units should be distinguished by a red "R."

Sign Up for Our Newsletter:  
<https://public.govdelivery.com/accounts/DCWASH/subscriber/new>  
Follow us on Twitter: [@DCDHCD](https://twitter.com/DCDHCD)  
Friend us on Facebook: <https://www.facebook.com/Dcdhcd>  
Follow us on Instagram: <https://www.instagram.com/dcdhcd/>