Inclusionary Zoning Orientation (IZO)

Renting or buying an IZ home in DC

May 6, 2026

dhcd
Department of Housing and Community Development

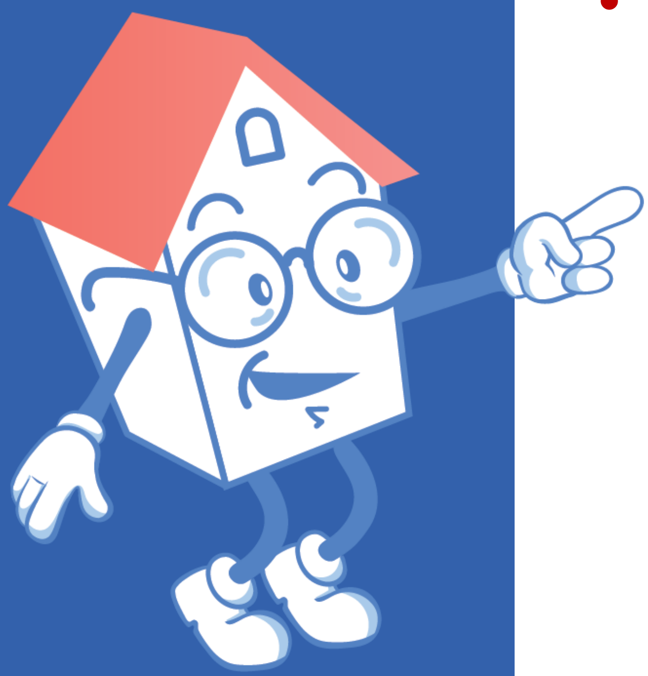
WE ARE WASHINGTON DC
GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

WHAT YOU'LL LEARN TODAY

Goals for today

You'll learn:

- About the Inclusionary Zoning Program (also called IZ)
- Who qualifies
- Other affordable housing options
- How to use the IZ portal (to apply for units)



ABOUT THE IZ PROGRAM

What is Inclusionary Zoning (IZ)?

- A DC law creating affordable housing in regular, market rate (no government money involved) developments
- Applies to most new developments with 10 or more homes
- Started in 2009
- Includes rentals (apartments) and sales (condos, townhomes)
- Found in all 8 wards
- Specific homes within a development must be rented/sold at lower prices (to qualifying households)
- Program administered by the DC Department of Housing and Community Development (DHCD)

What IZ is NOT

The IZ program is:

- **NOT a voucher** (your IZ class certificate does not pay for anything and you <u>cannot</u> use it to "make" a unit become IZ)
- **NOT emergency housing** (timing could be next month, never, or anywhere in between)
- **NOT a set-aside for certain populations** (there is no priority given for special people or situations)
- **NOT where you pay a third of your income** (the rent you see is the rent you pay)
- **NOT rental assistance** (you are on your own to pay the full rent)
- **NOT a single waiting list** (most units are by random lottery only; a few are by a property-specific DHCD-created waitlist)
- **NOT case management or housing counseling**

WHO QUALIFIES TO LIVE IN IZ HOMES?

Can anyone live in an IZ home?

To qualify for an IZ home, you must:

- Earn no more than 80% of the median family income (MFI)
- Meet the minimum income for a unit (or have a voucher/subsidy)
- Not own other housing
- Not be (not now and not in the next 12 months) a full time college/university student (of any level, in-person or online)
- Meet any property-specific criteria (such as credit, rental history, criminal background)

Note: You have a much better chance if you (or someone that will live with you) <u>physically lives or works inside DC</u>. (The airports and the Pentagon don't count - all Virginia.) *If no one in your IZ household lives or works in DC, you are considered "miscellaneous" and would only be considered if less than 4 DC residents or DC workers apply for a unit. This pretty much never happens for rentals but sometimes happens for sales.*

What you can't do

If you rent or buy an IZ unit...

- **You can’t rent it out** (not all or part of it)
- **You can't use it as an Airbnb/Vrbo** or any similar service
- **It must be your full-time home**
- **You must submit annual residency paperwork**
- **You can't stop paying your rent/mortgage** (eviction/ foreclosure laws apply)
- **Rentals only: your household must be income certified and income qualify every year** (some increase in income is allowed - up to 1.4 times the current unit limit for the same people in the same unit)

Who can apply? - Minimum (lowest) incomes

- Renters
  - **Must make $29,750 or more per year** (that is for the smallest, lowest rent apartment: 50% MFI studio and goes up from there)
  - If you don't make enough, you can still take this class and register, but you won't be able to apply for homes until your income goes up
  - If a property has a minimum income requirement for all units (like making 3 times the rent) the minimum income may be higher than the posted IZ minimum income amounts
  - Minimum is waived if you have a voucher or rental assistance you can bring with you
  - The IZ program does not help with vouchers or rental assistance; you would need to find your own
- Buyers
  - **Must show how you can pay the purchase price** (through mortgage, savings)
  - **Must not pay more than 50% of gross income for ongoing housing costs** (monthly mortgage, taxes, utilities, condo fees, etc.)

Who can apply? - Maximum (highest) incomes

Number of People	50% MFI Limit	60% MFI Limit	80% MFI Limit
1	$57,350	$68,850	$91,800
2	$65,550	$78,650	$104,900
3	$73,750	$88,500	$118,000
4	$81,950	$98,340	$131,000
5	$88,550	$106,260	$141,600

- IZ units are only made at the 50%, 60% and 80% MFI income levels.
- You may see other income limits (30%, 100%, 120%) on the DHCD website. Those are for Affordable Dwelling Units (ADUs). There are not many of those but if any are available they will be available via the IZ process.
- The numbers in this table are gross incomes (before taxes and deductions are taken out).
- Numbers come from the HUD MFI (median family income) of $163,900 for a household of 4 people in the DMV area (4/1/25; still in effect for IZ as of now).

HOW DOES THE IZ PROGRAM WORK?

Lottery!

- Available IZ units or ADUs appear in the portal at https://izhousingdc.org/login
- Participants must log-in every week to see what is there and apply
- You will see mostly lotteries, but some waitlists (unit name will include "waitlist")
- For lotteries, names get picked in a random computer drawing
- For waitlists, all eligible names are ranked.
- After the drawing or waitlist closes, names are ranked by:
  - Living in DC (in order of how long they have been registered in the program) then
  - Working in DC (in order of how long they have been registered in the program)
- **If your name is picked, you MAY be able to rent or buy the unit** (BUT only if you meet all IZ criteria AND property criteria

Don’t get too excited…

If you participate, it doesn’t mean you’ll get an IZ home.

- Remember, the program is mostly by lottery (a random, computerized drawing)
- The lottery typically selects 4 – 10 names and ranks them
- Even if your ranking is low, you should still try in case the higher-ranked names aren’t interested or don’t qualify for the unit (which definitely happens)
- If you sign up for a waitlist in the portal, you will likely be one of hundreds of households; you will be emailed & called by the property if/when they get to you (keep an eye on your junk/spam emails & check your voicemails)

Some DOs and DON'Ts to help your chances

DO:

- Log into the IZ portal **at least once a week** to view available lotteries and waitlists: **izhousingdc.org**
- **Click the "apply" button** for addresses/prices you like
- Apply for a lottery/waitlist **only if you income qualify now** and you're ready to rent or buy today
- Find out your **credit score** and make improvements if you need to
- **Read** everything carefully
- Watch **deadlines**

Some DOs and DON'Ts to help your chances

DON'T:

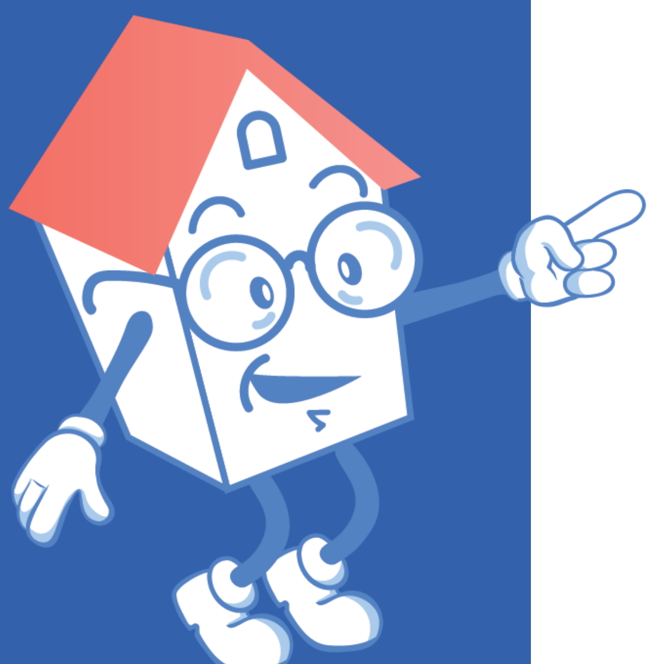
- **Do not forget** to keep your information updated in the IZ portal.
- **Do not forget** to re-take this IZ class and update your registration (within 2 years of today) to keep your registration active.
- **Do not start using a different email** for the program or class registration without contacting iz.adu@dc.gov (you may lose your original registration date)
- **Do not contact DHCD or properties** about specific lotteries or waitlists. If/when something is open, it will be in the portal at **izhousingdc.org** and only open for about 7 days.

What if no one wants to rent or buy an IZ unit?

- All IZ homes must go through at least 1 lottery.
- If no one from the first lottery rents or buys the unit, the owner can ask DHCD to hold another lottery. Or they can ask DHCD to create a waitlist for them.
- Either way, DHCD lottery or DHCD waitlist, the option will be in the portal at izhousingdc.org if/when it is ready
- Do not ask DHCD or the property when a particular lottery or waitlist will open. We do not pre-release dates and we do not take names by any other method. Just the portal.

PROGRAM DETAILS

A deeper dive



Now that you know the basics of how IZ works, let's talk more about:

- Household size
- Maximum and minimum incomes
- Income verification
- Timelines
- Rules for renters
- Rules and financial help for buyers
- Applying directly to some properties

Household size

The number of people who will be living in your IZ home is your household size.

- It includes children and adults
- People don’t need to be related
- There must be at least 1 person in each IZ unit bedroom (that means 1 person households can only rent or buy studio or 1 bedroom units)

Household size & home size

Number of People	Unit options
1	Studio or 1 Bedroom
2	Studio, 1 or 2 Bedroom
3	1, 2, or 3 Bedroom
4	2, 3, or 4 Bedroom
5	2, 3, or 4 Bedroom
6	3 or 4 Bedroom
7	3 or 4 Bedroom
8	3 or 4 Bedroom

- There are very few 3 & 4 bedroom IZ units (and these are usually sale townhomes only, so take the 8-hour homebuyer class if you are interested in larger units)

Income verification

Who verifies your income information?

- DHCD-designated Community based organizations (CBOs) check income and household size information when you apply for specific units

What type of income gets checked?

- All pre-tax income for everyone living in the IZ unit, including wages, disability, unemployment, child support, etc.

What proof do I need? At a minimum,

- 2 most recent tax returns
- Last 60 days of pay stubs
- 6 months of bank statements for all accounts
- Other income and asset documents (list would be given to you if you are selected for a unit)

Timelines

If your name is chosen in the lottery, here's what happens and when:

- **Day 1**: You (and other chosen households) get an email about next steps and the portal will say you've been selected
- **Day 10**: Your deadline for letting the DHCD-designated CBO know that you're interested
- **Day 30**: Your deadline for submitting all required documents to the CBO (but don't wait until the last day!)
- **Day 60**: Your deadline to sign a contract/lease
- **Need an extension?** Ask the property via email. Only they can decide.

Rent or buy?

- IZ units match the other units in the development (so a sale development has IZ sale units and a rental development has IZ rental units).
- You can try for both types of units, but you can only rent (or buy) one IZ unit at a time.
- You can rent an IZ unit now and then buy an IZ unit later (leaving the IZ rental behind).
- You can buy an IZ unit then sell it and move into an IZ rental.
- There is no "rent-to-buy" option in the IZ program.

Rules for renters

- The IZ unit must be your main residence
- You can't sublease or rent out any room or portion of your unit (including Airbnb)
- You must sign both a lease and a DHCD lease rider
- You must pay any property application fees
- You must pass the property owner's requirements like credit, reference and background checks
- Your household's income and place of residency must be verified each year

Minimum income – renters

Unit Size	50% MFI Renter Minimum Income	60% MFI Renter Minimum Income	80% MFI Renter Minimum Income
Studio	$29,750	$36,500	$48,250
1 Bedroom	$32,400	$38,650	$51,600
2 Bedrooms	$38,650	$46,550	$61,700
3 Bedrooms	$45,350	$54,500	$72,500
4 Bedrooms	$51,600	$61,700	$82,550

- To qualify for IZ homes, you can't pay more than 50% of your gross income on housing costs (rent, utilities and other mandatory fees)
- BUT DHCD recommends not spending more than 38% of your income on housing
- If you make less than what's shown here, you can still take this orientation and register so you'll be ready when your income increases
- NOTE: properties are allowed to require a different, and higher minimum income requirement as long as they do this for all of their units (many properties require incomes of 2.85 or 3 times the rent)

Maximum Housing Costs

Unit Size	50% MFI Max. Housing Costs (if utilities included)	60% MFI Max. Housing Costs (if utilities included)	80% MFI Max. Housing Costs (if utilities included)	Sample Utility Estimate Deductions (if not included in rent)
Studio	$1,240	$1,520	$2,010	$111-$160
1 Bedroom	$1,350	$1,610	$2,150	$169-$241
2 Bedrooms	$1,610	$1,940	$2,570	$226-$322
3 Bedrooms	$1,890	$2,270	$3,020	$285-$404
4 Bedrooms	$2,150	$2,570	$3,440	$342-$484

- Maximum Housing Costs include basic utilities (electric, gas, water, sewer) and mandatory building fees (if any, such as trash, renter's insurance, amenity fee, etc.)
- The amounts you see above are only the rents for IZ properties where all units in the building are all utilities included and there are no required fees.
- IZ units must follow the same policies as the market rate units (so a building can't do "all utilities included" just for the IZ units; they would have to do that for all units in the building.
- Any IZ rents you see have already taken out utility estimates & mandatory fee amounts. So the rent you see is the full rent you will pay (no further deductions).
- Optional fees (parking, pets, etc.) are **not included** in maximum IZ housing costs.

Important information for renters

About IZ rental leases

- You must be a good tenant like in any other unit - paying the rent in full, on-time, and following all other lease rules. The IZ program doesn't offer you any protection there.
- You can stay in your unit for the length of your lease – even if your income goes up or down – as long as you don't violate your lease.
- Each year, you must do the IZ income certification process. Your property will ask the CBO to work with you on this.
- If the same people are staying in the same unit, the annual income limits go up to **1.4 times** the then-current limits.
- If your income still qualifies and you've met all other lease requirements, you can stay in the unit for one more year (either renewing your lease or going "month-to-month").
- At annual certification, if your income is too high, you would need to either leave your unit, or see if your property is willing to work with DHCD to make your unit a market rate unit (and they would give a different unit to the IZ program).
- Your rent will usually go up every year. There is no limit on how much it can go up. It depending on how much the MFI goes up each year. Rent could go up around 3-10% per year.

Staying one more year...

90 days before your move-in date anniversary:

- Let your building know (by email) that you want to stay one more year and ask them to start the income certification process with the CBO.
- Your building will ask the DHCD-designated CBO to email you about the income certification process.
- **Important:** your building must contact the CBO first, then the CBO must email you to start the yearly income certification process.
- Do not contact DHCD or the CBO directly about your yearly income certification.
- If you don't see any CBO emails from a ".org" email address, ask the building what date they emailed the CBO and follow-up with your building until you hear from the CBO.

Issues?

Special situations

- DHCD involvement in the IZ units is limited to pricing and tenant/purchaser selection.
- Maintenance issues (such as rodents, water leaks, other issues) should be rare in new buildings, but if they do occur, it is up to the tenant to work on a solution with the landlord. For additional help, see the resources below.

Help with housing issues:

- Office of the Tenant Advocate (OTA): https://ota.dc.gov/
- Department of Buildings (DOB): https://dob.dc.gov/page/tenant-resources
- Office of the Attorney General (OAG): https://oag.dc.gov/housing-justice
- Office of Human Rights (OHR): https://ohr.dc.gov/fairhousing

Important information for buyers

If you're looking **to buy** an IZ home, you also must take a DHCD-approved 8-hour homebuyer class given by one of DHCD's partner CBOs. Only work with these: https://dhcd.dc.gov/page/homeownership-cbos

You'll:

- Get step-by-step instructions on how to buy a home
- Learn about loans and grants to help you afford a home in DC
- Need to repeat the 8-hour homebuyer class (and IZ Orientation class) every 2 years to stay eligible for IZ sales

Rules for buyers

- The IZ home must be your main residence
- You can’t spend more than 50% of your household’s gross monthly income on housing costs
- DHCD recommends just 41% of your gross monthly household income on:
  - Mortgage payments (principal, interest, taxes, insurance)
  - Utilities (heat, electricity, internet)
  - Condo fees (not regulated, they can go up each year and there are no limits on condo fees)

More rules for buyers

- You own the home! (DHCD does not)
- You can’t rent any room or portion of your home (including Airbnb or similar services)
- Your household must prove it still lives in the unit each year
- You must notify DHCD if you plan to sell or refinance
- DHCD sets the maximum resale price to make sure the home stays affordable
- The price does grow, but you need to stay in the unit several years to make a resale really worth it
- When you sell, you keep any equity you put into the unit (unlike renting where you don't get any money back)
- The home is re-sold via the lottery process

Maximum home prices

	Multi-Family Developments (Condominiums)			Single – Family Developments (townhomes) and Flats (2-story units over 2-story units)		
Unit Size	**50% MFI**	**60% MFI**	**80% MFI**	**50% MFI**	**60% MFI**	**80% MFI**
Studio	$124,100	$164,400	$234,800	-	-	-
1 Bedroom	$127,800	$165,200	$242,900	-	-	-
2 Bedrooms	$129,000	$176,400	$267,100	$201,300	$248,800	$336,500
3 Bedrooms	$154,100	$208,800	$316,700	$236,100	$290,800	$394,300
4 Bedrooms	$185,500	$245,900	$371,100	$260,900	$321,300	$439,200

- These are the maximums for brand new units now.
- Actual sale prices may be higher if it is a resale unit (has grown in value) or it received permits under an earlier (and higher) price schedule.

Financial help for buyers

Homebuyer programs

- DHCD's *Home Purchase Assistance Program (HPAP)* offers interest-free loans to qualified applicants for down payments and closing costs. Ask your housing counselor how to apply.
- *Open Doors* offers loans and down payment assistance. Visit dchfa.org to learn more.
- ***Front Door*** links to other buying and home maintenance resources: https://www.frontdoor.dc.gov/

More financial help for buyers

Tax benefits

- Lower Income Home Ownership Tax Abatement. Up to a 5-year real estate tax abatement and exemption from recording/transfer taxes. To learn more, call the **DC Recorder of Deeds (ROD), (202) 727-5374**
- A lower assessment. To learn more, call the **DC Office of Tax & Revenue (OTR)** Customer Service Center, (202) 727-4829
- Other tax benefits may be available. See the **Office of Tax and Revenue (OTR)** webpage at [otr.cfo.dc.gov](otr.cfo.dc.gov), hover over “Real Property” and click on “Tax Relief”

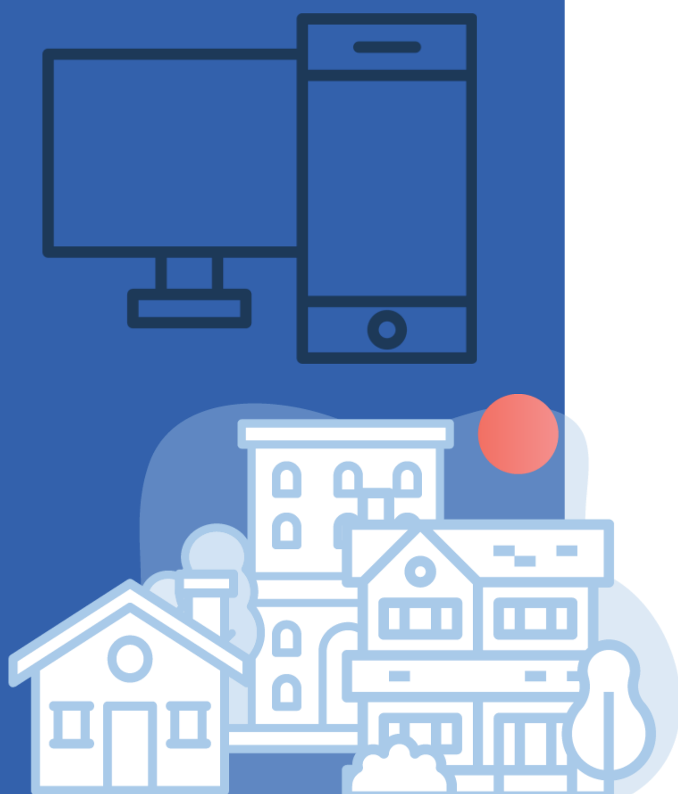
FINDING AFFORDABLE HOMES IN DC

Affordable Dwelling Units (ADUs)

DHCD also manages an Affordable Dwelling Unit (ADU) program. It also offers affordable homes at reduced rates for qualified households to rent or buy.

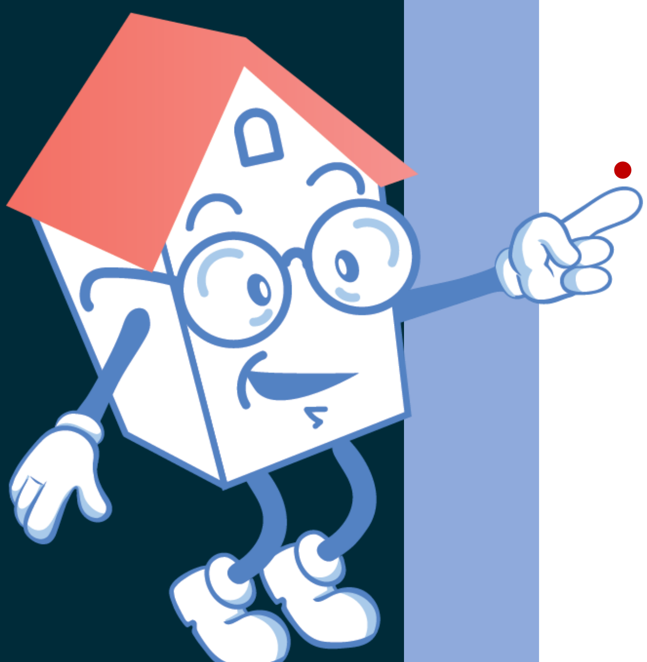
- Like IZ, those living in DC have first priority, followed by those working in DC
- Some ADUs have wider affordability levels – 30% MFI to 120% MFI
- Many ADUs are treated the same as IZ units, meaning they follow the IZ price schedule and lottery process
- Most ADU lotteries and waitlists will only be available in the IZ portal (just like IZ units at https://izhousingdc.org/login

Other affordable housing listings



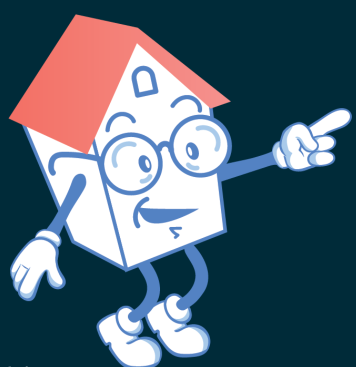
- dchfa.org DC homebuyer information and apartments to rent
- resources.hud.gov/ low-rent apartment search for any state or DC
- www.dchousingsearch.org listings by private landlords
- https://www.dchousing.org/wordpress/public-housing/list-of-properties/ DC Housing Authority properties

Helpful tips (all units)



- Get your paperwork in order – hang onto tax returns, pay stubs, bank statements and other financial documents
- Know (and improve) your credit score – ask a housing counselor how

Helpful tips (for buying)



Want to buy a unit? Be ready!

- Take a DHCD-approved 8-hour homebuyer course and get a certificate
- Make sure your latest 8-hour certificate is listed in the portal at https://izhousingdc.org/login. (If it's not showing, contact the organization that did your training.)
- Update your registration form preference from “rent” to either “rent or sale” or “purchase” only.
- Get a pre-qualification or pre-approval letter from a bank or other lender
- Find out if you qualify for a DHCD Home Purchase Assistance Program (HPAP) loan and if you do, apply and get a Notice of Eligibility (NOE)

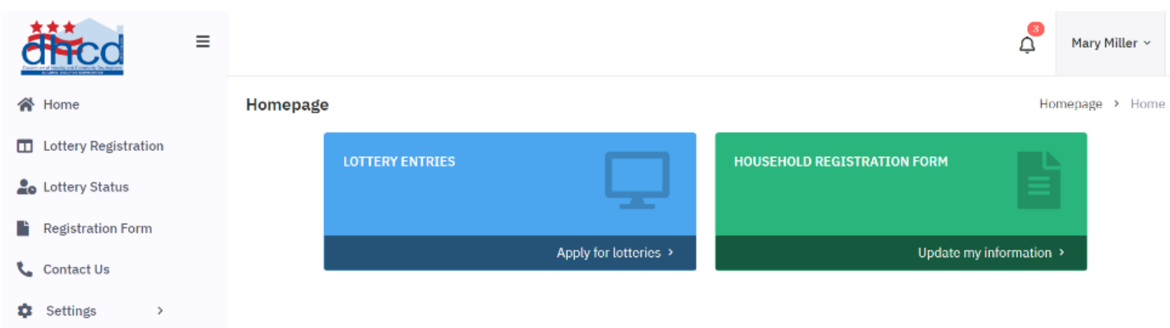
NEXT STEPS

Getting Started in the Portal

1. Sometime in the next 7-14 days, the organization doing your training will create your household in the IZ portal.
2. Look for your activation code via email (check junk/spam too – this will come from housinglottery@myhousingsearch-notice.com
3. If you can't find the email after 7 days, first try this link: https://izhousingdc.org/resend-verification
4. If you still can't access the system, check with the organization that did your training to make sure you spelled your email address correctly when you registered and to make sure they created your account and certificate.

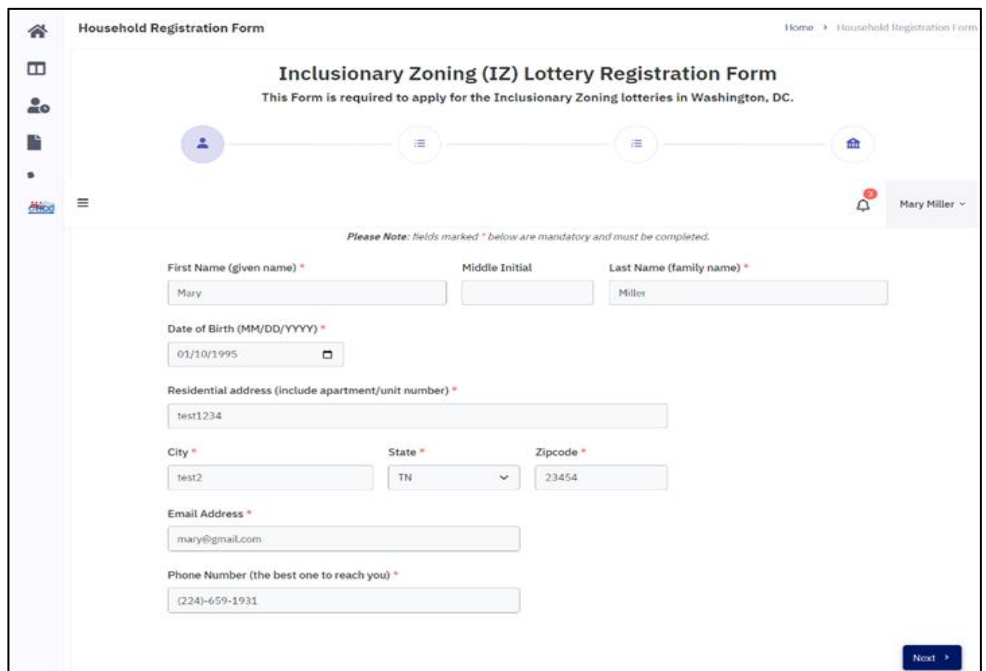
How to Setup the Portal

- Follow the email directions to login using your verification code (first time only).
- Make your own password and keep it safe.
- Accept the terms and conditions (first time only).
- Then you should see the page below.
- Keep the “household registration form” part up-to-date.

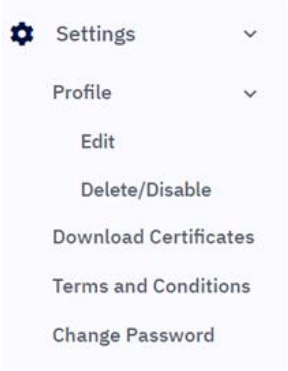


Lottery Portal Registration Instructions

- The registration form allows you to update your information.
  - This form is initially completed by you when you first log in. The form is designed to collect information to display the lotteries that you are eligible for.
  - You can update your profile as many times as needed.
  - Be sure to complete all 4 screens.



Lottery Portal Registration Instructions (continued)



- In the settings tab, the following tasks can be completed:
  - Download certificates
  - View the terms and conditions
  - Change your password.
  - Edit or disable or delete account

How to stay registered

You need to renew your registration for the program every 2 years to keep getting IZ emails. Here's how:

- Re-take this orientation before your certificate expires
- Update your household registration form in the portal
- ALWAYS USE THE SAME EMAIL ADDRESS FROM YOUR CURRENT IZ PORTAL ACCOUNT TO REGISTER FOR NEW IZ or 8-HOUR HOMEBUYER CLASSES (this helps you keep full credit for how long you have been in the program)
- If you need to update your email, contact iz.adu@dc.gov with your old and new email addresses.

Every week!

- Click on "Lottery/Waitlist Entries" to look for what's available.
- Note: there will be a 2nd tab for sales if you have taken the homebuyer class
- Lottery & waitlist opportunities are typically only available in the portal
- It's up to you to check the portal every week; we don't send regular emails anymore.
- We will only send emails on very rare occasions.

Recap

Step 1: Login at least every 7 days
Visit: https://izhousingdc.org/login

Step 2: Registration Form
If anything has changed (income, address, household members, student status, etc.) be sure to update your registration form in the portal right away.

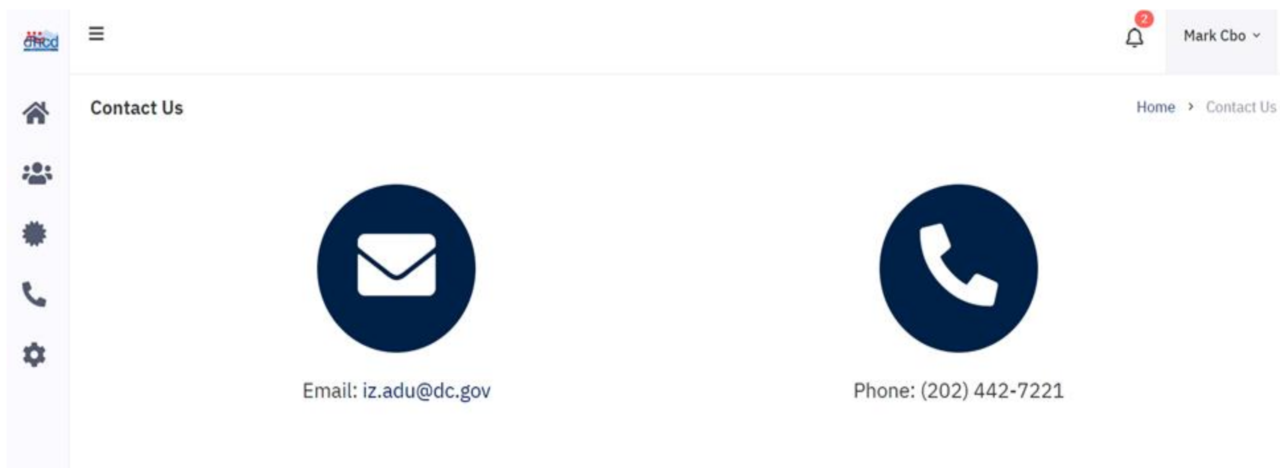
Step 3: Click on the "Register for lotteries/waitlists" tab
If you see a unit you are interested in, click "Apply" to enter the lottery/waitlist. (Note: there will be a 2nd tab for sales, if you have taken the 8-hour homebuyer class AND if you selected sales units or rental and sales units on your registration form.

Step 4: Selection
If you are selected in a lottery, you'll receive 3 emails (one from the portal, one from the Certifying Entity ending in .org and another from the property). If you are next on a waitlist, you will only get an email and call from the property, not anyone else.

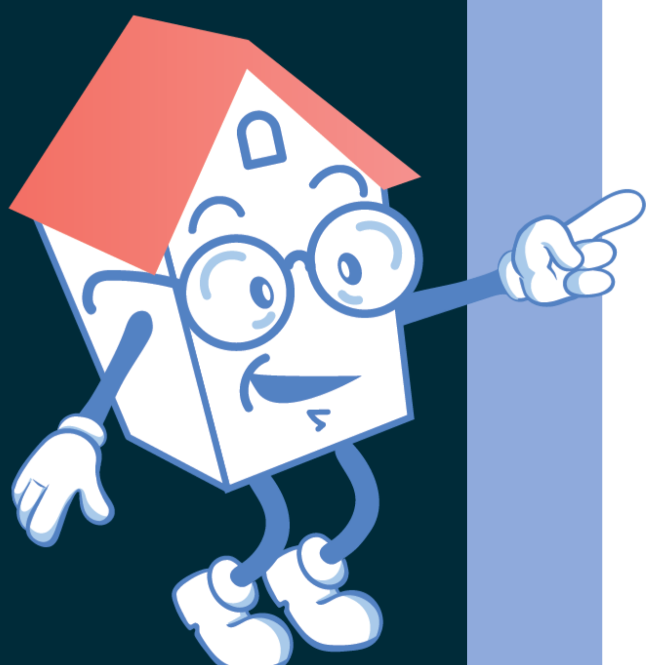
Step 5: Keep Trying!
Don't rely on one entry. Reminder, you can continue to enter any available lotteries and waitlists in the portal.

Lottery Portal Registration Instructions (continued)

- If you experience any inconsistencies within the portal, or need further assistance, please do not hesitate to contact us.



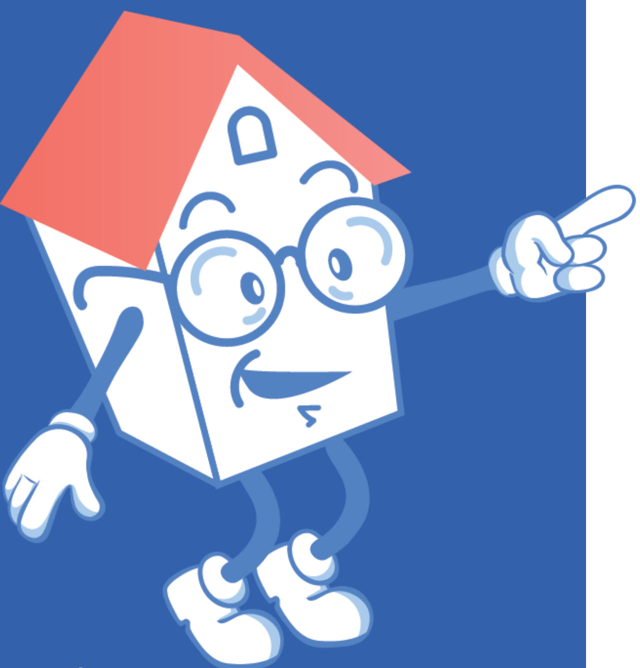
Final tips and advice



Also ask me or another housing counselor about:

- Fair housing laws
- Predatory lending

What you need to do

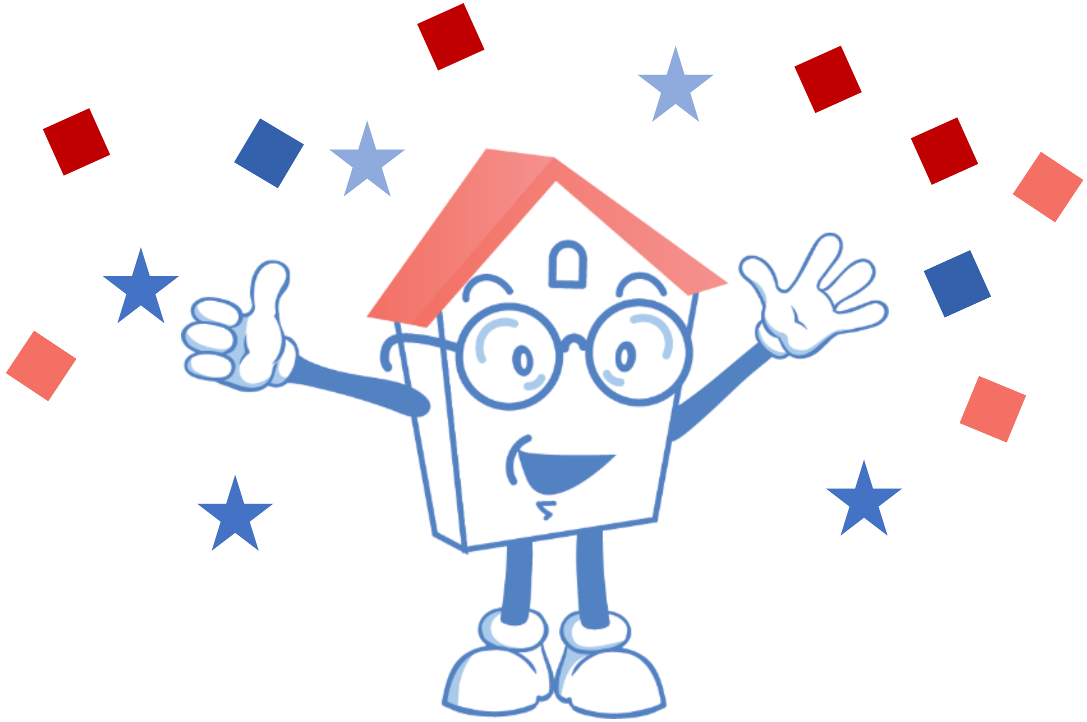


Congratulations!

You've taken the first step by attending this orientation.

But you're not done yet!

You must **complete your registration form in the IZ portal at** https://izhousingdc.org/login **and check there weekly to** enter lotteries and waitlists…



Thank you

WE ARE WASHINGTON DC
GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

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Housing and Community Development
BUILDING ENDURING COMMUNITIES