

**Exception Request Form**  
**2021 Multifamily Funding Programs**

Updated April 1, 2021

The Office of Multifamily Housing, Development Division establishes and administers policies for the development of affordable multifamily housing for the benefit of the public. Any request for an exception to program requirements must be submitted in advance of the relevant program application deadline and will be considered only for those items specifically noted on this form. Exceptions will not be considered for competitive criteria.

Instructions:

1. **Send a separate form and email for each individual Exception Request**
2. Send this form and all supporting documentation by email to: [ExceptionsPPD@ohiohome.org](mailto:ExceptionsPPD@ohiohome.org)
3. Name the file and title the email as follows: ProjectName – ExceptionType.pdf
4. The total size of all attachments may not exceed 20MB (you may send zip files if needed)

Date	
Project Name	
Project Address	
Developer	
Developer Contact Name	
Developer Contact Email	
Developer Contact Address	
Developer Contact Phone	
Architect/Architectural Firm	
Construction Type (Check All)	<input type="checkbox"/> New Construction <input type="checkbox"/> Rehabilitation <input type="checkbox"/> Historic <input type="checkbox"/> Adaptive Reuse
Population Served (Check All)	<input type="checkbox"/> Family <input type="checkbox"/> Senior <input type="checkbox"/> Service Enriched
Preserved or New Affordability	<input type="checkbox"/> New <input type="checkbox"/> Preserved (if checked, subsidy source): <hr/> <hr/> <hr/>
Other Important Information	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>

## Section 1: Programmatic Exceptions

Programmatic exceptions are **due prior to submitting your application** by the deadline listed in the respective program guidelines. For each category below be as specific as possible and describe what actions you will take to best further the intent of the requirement. Provide supporting documentation as necessary to justify your request.

Check	Section	Page	Exception
<b>Qualified Allocation Plan</b>			
<input type="checkbox"/>	Market Study	17	Preserved Affordability projects being bundled
<input type="checkbox"/>	Zoning	25	Extreme unforeseeable event
<input type="checkbox"/>	Competitive Application Limitations	26	Allocated Ohio HTC, 8609(s) not yet issued
<input type="checkbox"/>	Cost Containment	29	Scattered site Service Enriched Housing developments
<input type="checkbox"/>	Cost Containment	29	Adaptive Reuse utilizing Historic Tax Credits
<input type="checkbox"/>	Cost Containment	29	Preserved Affordability- demo/new construction
<input type="checkbox"/>	Resyndication	32	Extended use period not yet expired
<input type="checkbox"/>	Limits on Housing Credit Gap Financing Funds	35, 103	Prior HDAP award, seeking another award
<input type="checkbox"/>	FHAct50 Building Opportunity Fund	44	Credits/Unit- Preserved Affordability, demo/new construction
<input type="checkbox"/>	FHAct50 Building Opportunity Fund	45	Aging in Place/Universal Design requirements
<input type="checkbox"/>	Competitive Criteria- Market Integration	50	UW market rents to 100% for Very High Opportunity sites
<input type="checkbox"/>	Experience and Capacity Characteristics- Minimum Eligibility Requirements – 9% HTC	115	Minimum eligibility requirements for developers to submit a 9% HTC application
<input type="checkbox"/>	Experience and Capacity Characteristics- Uncured 8823	117	Uncured 8823 not fault of owner, management company
<input type="checkbox"/>	Competitive Criteria- Universal Design Components	119	Mandatory components, rehabilitation projects only
<b>Underwriting Guidelines</b>			
<input type="checkbox"/>	Acquisition and Land Costs	4	Appraisal exception to use as-is market valuation if currently rent-restricted (only developments with project-based rental assistance requesting 4% HTC)
<input type="checkbox"/>	Related Party Acquisitions	4	Exception to permit cash settlements in HDAP project
<b>Additional Exceptions for BGF Applicants (see BGF Guidelines for detail)</b>			
<input type="checkbox"/>	Award Amounts (funding sources)	4	Applicant is unable to accept one of the available funding sources
<input type="checkbox"/>	Application Limits	4-5	Request by experienced developer to submit a third application
<input type="checkbox"/>	Developer Fee	7	Request to use 25% developer fee ( <i>see below for requirements</i> )
<input type="checkbox"/>	Eligible Applicants	8	BGF award from PY2019 or earlier, not yet closed with OHFA's Legal Office
<input type="checkbox"/>	Ineligible Developments	9	Project has not yet completed at least 20 years of the compliance period as of the application deadline

## Programmatic Exception Guidance

For each of these exceptions, please refer to the [QAP](#), [Multifamily Underwriting Guidelines](#), [BGF Guidelines](#), or [Frequently Asked Questions](#).

### Zoning

Developers shall plan for reasonably foreseeable contingencies and hindrances to obtaining zoning. Local zoning meeting cancellations due to inclement weather may not be considered as an extreme, unforeseeable event.

### Competitive Applications Limitations (9% HTC only)

**Inexperienced partners** who have received one HTC award but not yet received Form 8609(s) for the project may seek an exception to the competitive application limits if they obtain an experienced development partner. OHFA retains full discretion in evaluating these exceptions; applicants are strongly encouraged to consult with OHFA and submit these requests early in the development process. OHFA reserves the right to establish benchmarks which must be met under these exceptions. Acceptable documentation may include references and contact information from other Housing Finance Agencies regarding Housing Credit Projects completed in other states.

### Resyndication

Developers must provide a narrative detailing why an allocation of competitive credits is necessary to adequately address the needs of the project, and why an allocation on non-competitive credits would not be adequate. If the need is related to current physical condition of the property, supporting documentation must be provided. This documentation can include photographs, existing floor plans, or other third-party documentation evidencing need. A Physical Capital Needs Assessment alone will not meet this requirement. Development will consult with OHFA's Compliance Division regarding inspection history.

### Limits on HCGF Funds

Developers must provide a narrative detailing why the project cannot be successful without an additional award of HDAP funding. Simply having a gap in the financing or a large scope of work is not sufficient justification.

### Related Party Acquisitions – HDAP

Exceptions may be granted if the applicant recently purchased the property with the expectation of seeking OHFA resources to conduct rehabilitation; OHFA will consider any improvements made to the property between the time the property was purchased and the submission of the application, if adequate documentation is provided to support the cost of those improvements. Acquisition costs may be considered on a case-by-case basis.

### Developer Fee – BGF

BGF Applicants must request an Exception Request and receive approval to use a developer fee of 25 percent. The additional fee amount above 20 percent must be put back into the development as GP capital contribution or deferred developer fee. The additional fee is not permitted to be put back into the development in the form of a seller note. If the additional fee is put back in as deferred developer fee, it must be repaid within the 15-year timeframe.

Justification for the increased developer fee must be included with the request, both in the narrative section below and with supporting documentation. OHFA reserves the right to request additional information, as well as to deny the request based on the justification provided.

### Justification

- For each category selected on page 2, describe your justification for requesting the exception. Be as specific as possible and describe what actions you will take to best further the intent of the requirement.
- Provide supporting documentation as necessary to justify your request.

## Section 2: Design Exceptions

All requests for design exceptions are due prior to the applicable application deadline, *with the exception of the following which may be submitted with the application*:

- Developments utilizing federal or state historic tax credits; or
- Developments applying for 4% tax credits only (non-BGF); or
- Existing multifamily rental rehabilitation developments seeking an exception to minimum unit size and/or minimum bedroom size requirements.

In the above cases, the Exception Request form for these items must still be completed but shall be submitted with the application instead of in advance, physically attached to the preliminary plans.

For each category below, select all items you are seeking an exception for and use the narrative space below to describe the reason for the request and the actions you will take to best further the intent of the requirement.

Provide supporting documentation as necessary to justify your request including plans, elevations, site grading, or any other drawings that give context to the request. Refer to the [Design and Architectural Standards](#) for further requirements and details.

The OHFA staff architect will review requests and make a recommendation to the management team to accept, deny, or modify the exception. A final determination will be made by OHFA by the date indicated in the applicable program calendar.

Project Information	
<b>Total number of units in development:</b>	
<b>Total number of units needing exception:</b>	
<b>Utilizing federal or state historic tax credits?</b>	

### New Construction

Check	Design Standards Section	Exception
<input type="checkbox"/>	Special Consideration (App. A)	Item is subject to conflicting, non-OHFA requirement
<input type="checkbox"/>	Special Consideration (App. A)	Unable to comply for compelling reason

### Rehabilitation or Adaptive Reuse

Check	Design Standards Section	Exception
<input type="checkbox"/>	Universal Design	If seeking competitive points, unable to implement all mandatory components
<input type="checkbox"/>	Accessibility	Compliance is technically infeasible
<input type="checkbox"/>	Items with 75+ EUL remaining	Replacement of item is required for green certification
<input type="checkbox"/>	Durable Materials - Exterior	Unable to meet one or more of the standards
<input type="checkbox"/>	Main Entry	Unable to meet one or more of the standards
<input type="checkbox"/>	Sidewalks	Unable to meet one or more of the standards
<input type="checkbox"/>	Outdoor Recreational Features	Unable to meet one or more of the standards
<input type="checkbox"/>	Durable Materials - Interior	Unable to meet one or more of the standards
<input type="checkbox"/>	Major Building Components	Unable to meet one or more of the standards
<input type="checkbox"/>	Common Areas	Unable to meet one or more of the standards
<input type="checkbox"/>	Elevators	Unable to meet one or more of the standards
<input type="checkbox"/>	Interior Doors	Unable to meet one or more of the standards
<input type="checkbox"/>	Floor Coverings	Unable to meet one or more of the standards
<input type="checkbox"/>	Unit Sizes	Unable to meet one or more of the standards
<input type="checkbox"/>	Bedroom Sizes	Unable to meet one or more of the standards
<input type="checkbox"/>	Bathrooms	Unable to meet one or more of the standards
<input type="checkbox"/>	Kitchen & Appliances	Unable to meet one or more of the standards
<input type="checkbox"/>	Laundry Facilities	Unable to meet one or more of the standards

## Justification

- For each category selected on page 5, describe your justification for the request and the actions you will take to best further the intent of the requirement.
- Provide supporting documentation as necessary to justify your request including plans, elevations, site grading, or any other drawings that give context to the request. Refer to the Design and Architectural Standards for further requirements and details.

### Section 3: Underwriting Exceptions

Underwriting exceptions are **due with the proposal application**. For each category below be as specific as possible and describe what actions you will take to best further the intent of the requirement. Provide supporting documentation as necessary to justify your request. Refer to the [Multifamily Underwriting Guidelines](#) for further requirements and details on each of the below.

Check	UW Guidelines Section	Page	Exception
<input type="checkbox"/>	Development Budget: Construction Interest	5	Construction interest exception for long construction periods
<input type="checkbox"/>	Development Budget: Construction Contingencies	5	Construction contingency exception if required by other funding sources
<input type="checkbox"/>	Development Budget: Reserves	8	Minimum replacement reserve exception if required by other funding sources
<input type="checkbox"/>	Income & Expense: Vacancy	11	Vacancy rate exception for preservation properties with strong occupancy rate history
<input type="checkbox"/>	Income & Expense: Income/Expense Escalation	11	Escalation exception for HUD/RD/PHA properties with break-even operation subsidy
<input type="checkbox"/>	Income & Expense: Expenses	12	Service coordination expense exception for Service Enriched, senior, or if required by other funding sources
<input type="checkbox"/>	Income & Expense: Debt Coverage Ratio	12	First year stabilized DCR exception if upward trends in DCR are sustained over 15 years
<input type="checkbox"/>	Income & Expense: Debt Coverage Ratio	12	DCR exceptions for RD properties or developments with little hard debt and demonstrated, legitimate need
<input type="checkbox"/>	PCNA Standards: Qualifications	19	Third party qualified professional exception for small projects and adaptive reuse projects
<input type="checkbox"/>	PCNA Standards: Scope	20	Exception to use PCNA produced for USDA or RAD project
<input type="checkbox"/>	Assisted Living Policy: Design	27	Exception to include two-bedroom HTC units

#### Justification

- For each category selected above, describe your justification for the request and the actions you will take to best further the intent of the requirement.
- Provide supporting documentation as necessary to justify your request.

