



1

Contact Information

Mailing Address: TDHCA PO Box 13941 Austin, TX 78711-3941	Physical Address: TDHCA 221 East 11 th Street Austin, TX 78701
---	---

Website: <https://www.tdhca.texas.gov>

Division Phone Number: (512) 305-8869
or (800) 525-0657 (toll free in Texas only)

2

2

Announcements

Schedule:

- The webinar and open forum will run from 9:00 am until approximately 11:30 am
- We will take a break mid-morning to shift from the webinar to the open forum
- Staff will be present to answer any questions

Housekeeping:

- Certificates **will not** be emailed but you will receive an email confirming your attendance, usually within 24-hours in an email from the GoTo Platform, please check your “junk” folders as we cannot reissue these emails
 - If you did not use your emailed link for the training from your registration you will not receive a follow-up email or show as having attended the webinar
- We suggest you silence your phones and put an “out of office” email response to help avoid distractions during the training
- Please pose questions and comments to the “Questions Box”

3

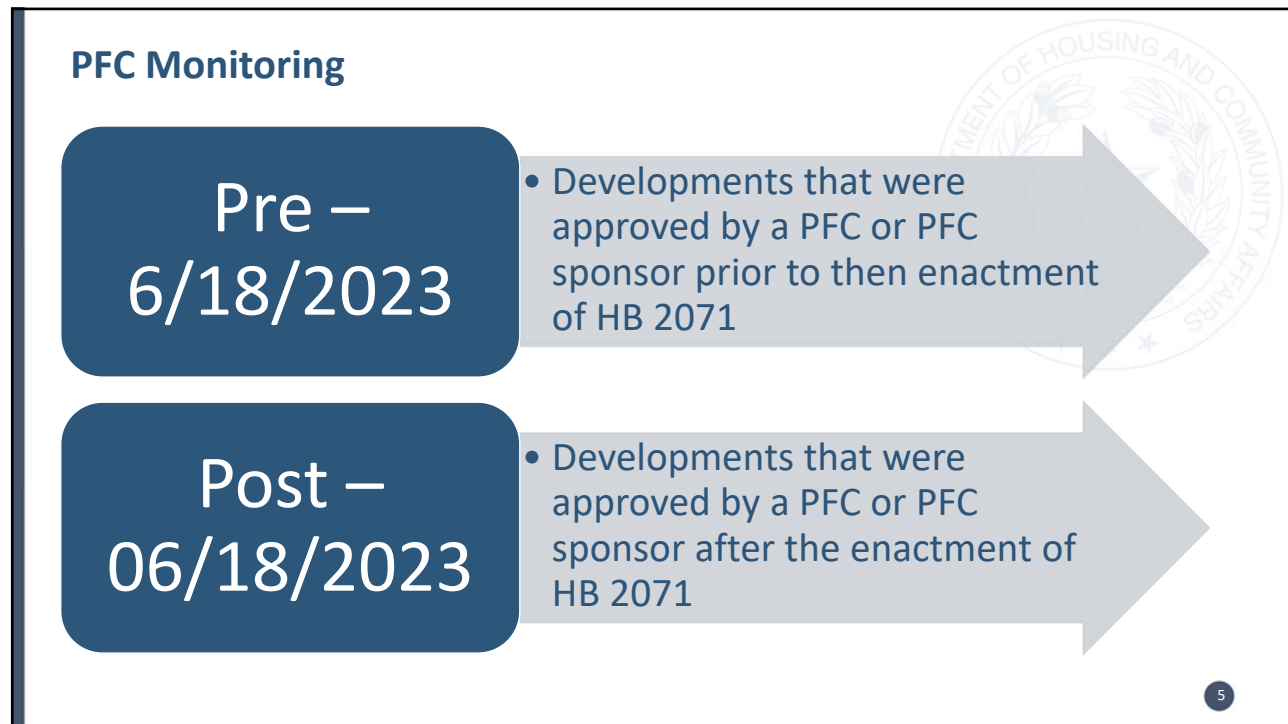
3

Department Resources

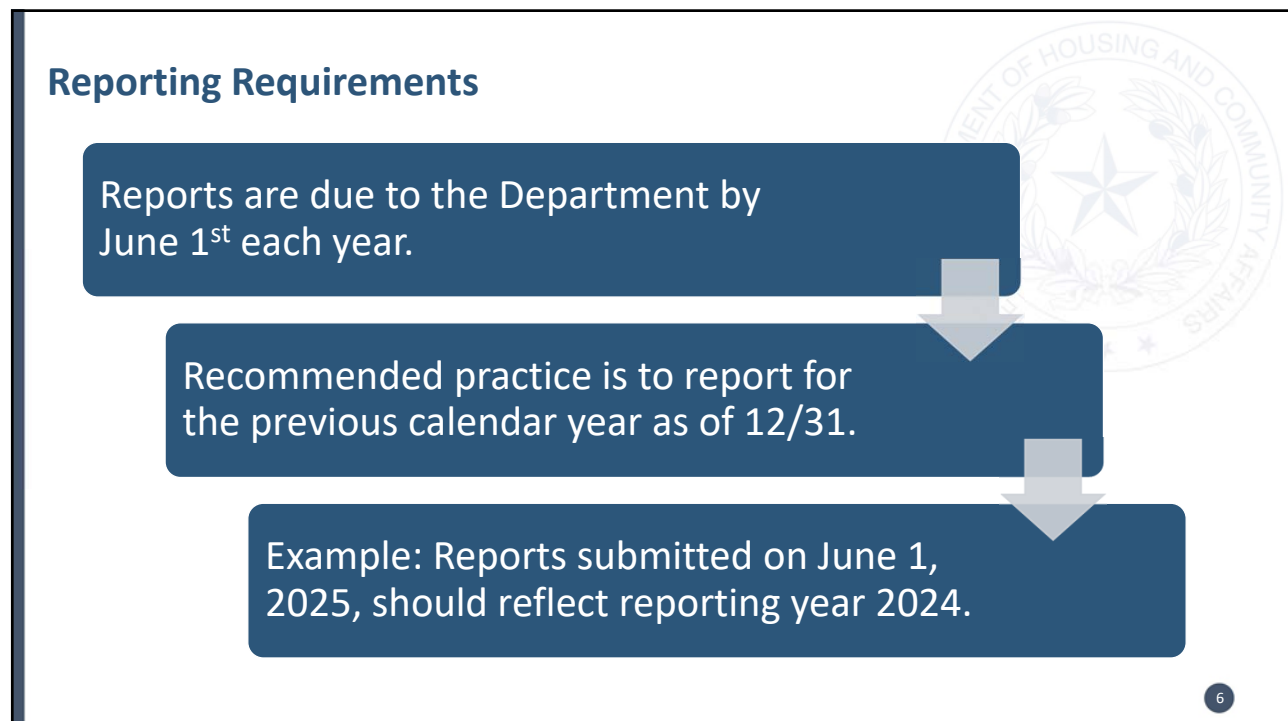
- **Compliance Forms**
 - <https://www.tdhca.texas.gov/compliance-forms>
- **Manuals and Rules**
 - <https://www.tdhca.texas.gov/compliance-manuals-and-rules>
- **Utility Allowance Information**
 - <https://www.tdhca.texas.gov/compliance-utility-allowance-information>
- **Income and Rent Limits**
 - <https://www.tdhca.texas.gov/income-and-rent-limits>
- **Compliance Presentations**
 - <https://www.tdhca.texas.gov/compliance-program-training-presentations>
- **Contact List**
 - <https://www.tdhca.texas.gov/compliance-division-staff>

4

4



5



6

Reporting Requirements

PFC User

Must engage a qualified Auditor to conduct the Audit Report

Must provide Auditor all relevant documents and access to tenant files

Auditor

Must hold a Certified Occupancy Specialist (COS) or equivalent designation

Cannot be a current or previous Management Agent that has or had oversight of the Development or is/was responsible for reviewing and approving tenant files



7

7

Reporting Requirements



8

8

Reporting Requirements

First Report Due June 1st the year following:

The date of the PFC acquisition

The date a newly constructed PFC first becomes occupied by one or more tenants

9

Reporting Requirements

Example of PFC Acquisition first Audit Report Due:

PFC Development acquired on August 1, 2024 First

Audit Report due the TDHCA on June 1, 2026

10

10

Reporting Requirements

Example of New Construction PFC first Audit Report Due:

First Tenant occupies the unit on November 5, 2024 First

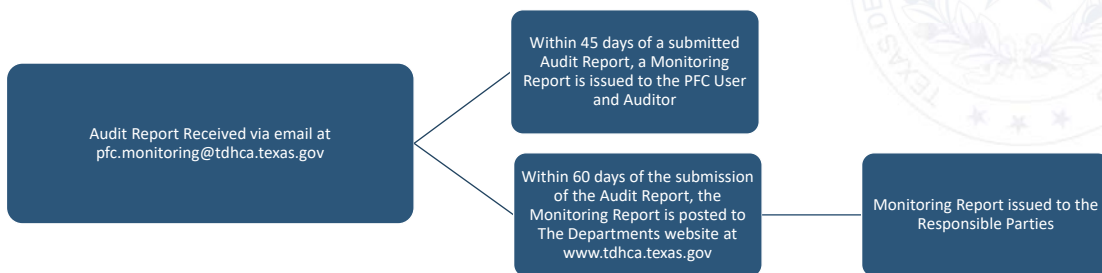
Audit Report due the TDHCA on June 1, 2026



11

11

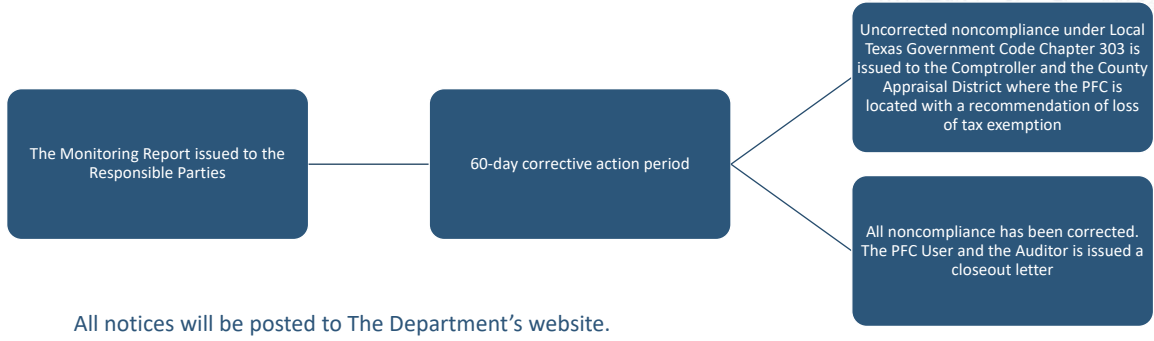
Reporting Requirements



12

12

Reporting Requirements



13

13

Audit Requirements

14

14

Audit Requirements

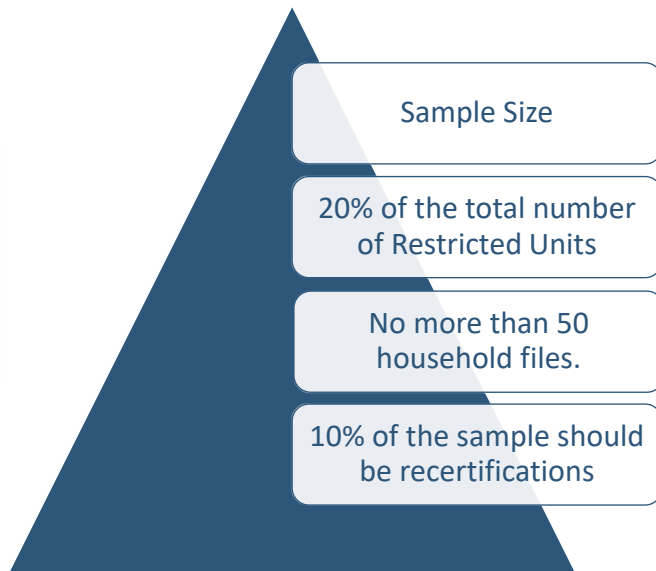
Auditor must use
the Department's
Audit Workbook

Original Records
must be available
to the Auditor

15

15

Audit Requirements



Development has a total of 240 Units

162 Units are Restricted under a Regulatory
Agreement

$20\% \text{ of } 162 = 32.4$ (Round up to 33)

33 is under 50, sample size should be 33
Restricted Units

$10\% \text{ of } 33 = 3.3$ (Round up to 4)

4 of the 33 units in the sample size should be
recertifications.

16

16

Audit Requirements

Regulatory Agreement	New Construction	Acquisition
<ul style="list-style-type: none"> Recorded Minimum 10-year term 	<ul style="list-style-type: none"> 10% of units are reserved for or occupied by households at or below 60% AMI 40% of units are reserved for, or occupied by households at or below 80% AMI 	<ul style="list-style-type: none"> 25% of units reserved for or occupied by households at or below 60% AMI 40% of units reserved for or occupied by households at or below 80% AMI

17

17

Audit Requirements

The percentage of Restricted Units in each Unit Type in the Development, must be the same or greater percentage as the Unrestricted Unit percentage of each Unit Type.

Acquired Developments must calculate the annual savings to households living in Restricted Units when compared to the annual rental income that would have been collected on those Restricted Units if they were charged market rate.

Total savings for rent-restricted households must be no less than sixty percent (60%) of the estimated amount of the annual ad-valorem taxes that would be imposed on the Development

18

18

Audit Requirements

Each residential lease agreement for a Restricted Unit must provide the following:

The landlord may not retaliate against the tenant or the tenant's guests by taking action because the tenant established, attempted to establish, or participated in a tenant organization

The landlord may only choose to not renew the lease if the tenant is in material noncompliance with the lease

To non-renew a lease, the landlord must provide, at minimum, a thirty (30)-day written notice of non-renewal to the tenant

Tenants may not waive these protections in a lease or lease addendum

19

19

Audit Requirements

The PFC's website must include information about the Development and its compliance with Section 303.0425, Texas Local Government Code, along with its policies on the acceptance of Housing Choice Voucher holders

The Development must affirmatively market to households participating in the Housing Choice Voucher program and local housing authorities

Public Facility User cannot refuse to rent to an individual or family solely because the individual or family participates in a Housing Choice Voucher program.

Public Facility User cannot require a minimum income standard for families participating in a Housing Choice Voucher program that exceeds two hundred and fifty percent (250%) of the tenant portion of rent

20

20

Audit Requirements

Occupants of Restricted Units are required to recertify at the time of the renewal of a lease agreement, the income of the household using a Department-approved Income Certification form. If a household exceeds the income limit at an annual income recertification, the Operator should follow the Available Unit Rule as outlined in Section 42(g)(2)(D) of the Internal Revenue Code.

21

21

Income and Rent Requirements

22

22

Income and Rent

Monthly rent for Restricted Units may not exceed thirty percent (30%) of the imputed household income limitation for the unit, adjusted for an imputed family size of one person per bedroom plus one person, as determined by HUD. Notwithstanding the foregoing, if a Restricted Unit is occupied by a household with a Housing Choice Voucher, and the payment standard for that voucher is less than the monthly rent for the Restricted Unit established pursuant to the immediately preceding sentence, the household may be required to pay the difference between the payment standard and the monthly rent.

23

23

Income and Rent

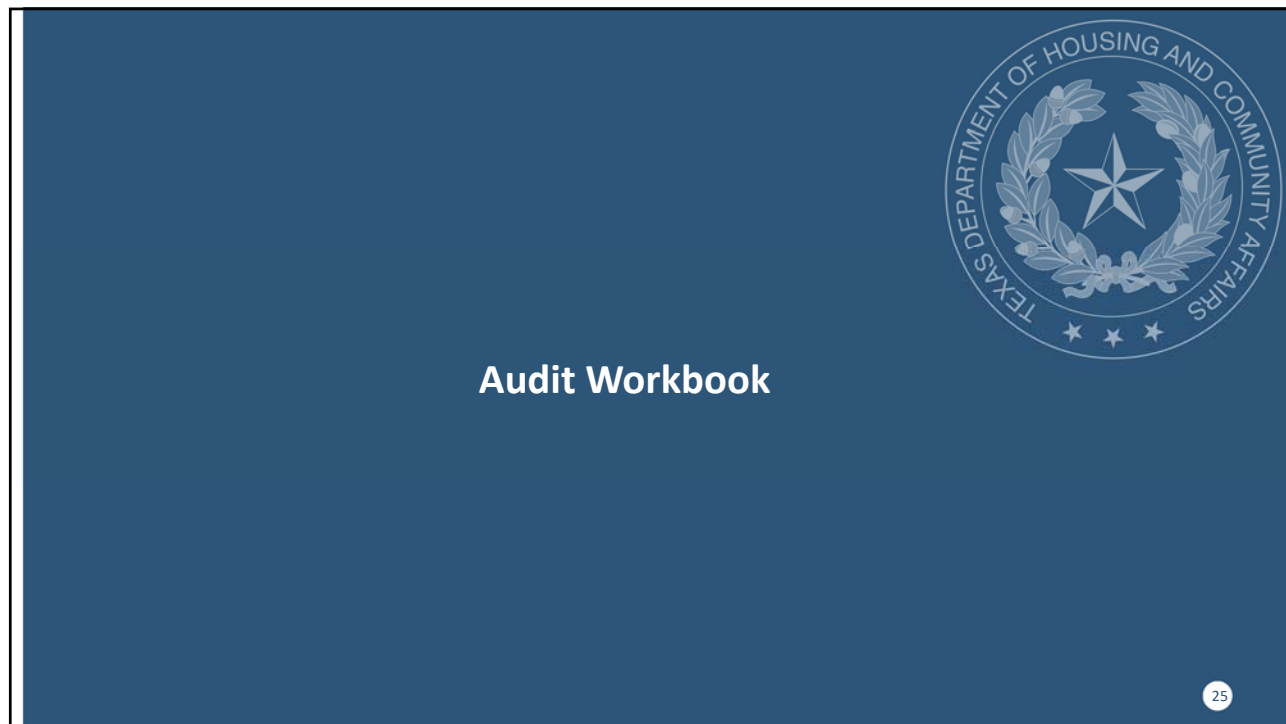
Annual Income shall be determined consistent with the Section 8 Program

Income and Rent Limits will be derived from HUD

Income and Rent limits within the Regulatory Agreement will be used

24

24



25

 A white slide with a faint Texas Department of Housing and Community Affairs seal in the background. The title "Audit Workbook" is in the top left. Below it is the URL "https://www.tdhca.texas.gov/public-facilities-corporation-compliance-monitoring". The main heading is "Public Facilities Corporation Compliance Monitoring". Below this is a box containing two sections: "PFC Monitoring Regulations" with links to "House Bill 2071" and "TDHCA Public Facility Corporation Compliance Monitoring rule", and "Forms" with links to "Income Certification", "Audit Workbook pre June 18, 2023", "Audit Workbook" (circled in red), and "Latitude/longitude instructions" (with a note "A copy of the instructions"). A small circle with the number "26" is in the bottom right corner.

Audit Workbook

<https://www.tdhca.texas.gov/public-facilities-corporation-compliance-monitoring>

Public Facilities Corporation Compliance Monitoring

PFC Monitoring Regulations

- [House Bill 2071](#)
- [TDHCA Public Facility Corporation Compliance Monitoring rule](#)

Forms

- [Income Certification](#)
- [Audit Workbook pre June 18, 2023](#)
- [Audit Workbook](#)
- [Latitude/longitude instructions](#) – A copy of the instructions

26

Audit Workbook

Property Information	
Development Name:	
Development Address:	
Development County:	
Development Phone Number:	
Development Email:	
Development Website Address (if applicable):	
Development Longitude and Latitude Coordinates (Instructions will be provided):	
	Latitude: <input type="text"/>
	Longitude: <input type="text"/>
Operator Information	
Operator's Name:	
Operator's Address:	
Operator's Phone Number:	
Operator's Email Address:	
	EMAILS ARE REQUIRED
Management Company Information	
Management Company Name:	
Management Company Address:	

Emails are required!!

Tab 1

Development Information

Property Information = All the information pertaining to the actual property.

Operator Information = All the information should be the actual information for the owner/user of the property.

Management Company = All the information for the company managing the day-to-day operations at the property.

27

27

Audit Workbook

PFC Sponsor's Name:	
PFC Sponsor's Address:	
PFC Sponsor's Phone Number:	
PFC Sponsor's Email:	
PFC Sponsor's Website (if applicable):	
	EMAILS ARE REQUIRED
The Governing Body of the PFC Sponsor (Provide information on each individual)	
1. Name:	
Address:	
Phone Number:	
Email:	
	EMAILS ARE REQUIRED
2. Name:	
Address:	
Phone Number:	
Email:	
	EMAILS ARE REQUIRED
3. Name:	
Address:	
Phone Number:	
Email:	
	EMAILS ARE REQUIRED

Emails are required!!

Tab 2

Responsible Parties

PFC Sponsor = The entity that created the PFC. This will be a Municipality, County, or Housing Authority.

Responsible Parties = All members of the abovementioned Sponsor. Examples are Board Members or Counsel Members. Please include all email addresses.

28

28

Audit Workbook

Emails are required!!

Auditor's Company Name:	
Auditor's Name:	
Auditor's Address:	
Auditor's Phone Number:	
Auditor's Email:	
Auditor's Website Address (if applicable):	
Submit Auditor's resume and current COS or equivalent certification.	
Is the Auditor affiliated with or related to any PFC Responsible Parties?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the Auditor a current or previous Management Agent of the Development?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Tab 3 Auditor Information

All information for the Auditor or Firm conducting the Audit Report.

29

29

Audit Workbook

Regulatory Agreement effective date from first page:		
New Construction	<input type="checkbox"/>	Acquisition <input type="checkbox"/>
Acquisition/Rehabilitation	<input type="checkbox"/>	Reconstruction <input type="checkbox"/>
New Construction:		
The date the development was first occupied by one or more tenants:		
For Acquisition:		
When was the development originally built?		
What is the date of acquisition by the PFC?		
Type: General/Family	<input type="checkbox"/>	Elderly <input type="checkbox"/>
Other	<input checked="" type="checkbox"/>	explain:
Does the development also participate in any other affordable housing programs?		
<input type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, complete the following:		
Program:		Funding Source:
Program:		Funding Source:
Program:		Funding Source:
Program:		Funding Source:
Program:		Funding Source:

Tab 4 Development Information

Information about the Development:

New Construction
Acquisition
Acquisition/Rehabilitation
Reconstruction
General/Family
Elderly
Other Housing Programs

30

30

Audit Workbook

What utilities are residents responsible for? (check each box that is applicable):

☐ Electric

☐ Gas

☐ Water

☐ Sewer

☐ Trash

What utilities does the Operator pay? (check each box that is applicable):

☐ Electric

☐ Gas

☐ Water

☐ Sewer

☐ Trash

Tab 5 Utilities

Informational only

What utilities do the residents pay for and what utilities does the operator pay.

31

31

Audit Workbook

Does the development charge an application fee? ☐ Yes ☐ No If yes, how much?

Does the development require a security deposit? ☐ Yes ☐ No If yes, how much? List by unit size:

Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:
Bedroom Size:	Deposit Amount:

Does the development charge additional/other deposits for application, pet, key fobs, etc.? ☐ Yes ☐ No

Name of Deposit:	Amount:
Name of Deposit:	Amount:
Name of Deposit:	Amount:
Name of Deposit:	Amount:
Name of Deposit:	Amount:

Are any fees required as a condition of occupancy, i.e. pest control, administrative, valet trash, cable, etc.? ☐ Yes ☐ No

Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:

Are any optional fees charged, i.e. rental of washer/dryer, month-to-month fee, renter's insurance, pet rent, internet, fitness center? ☐ Yes ☐ No

Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:
Name of Fee:	Amount:

Tab 6 Fees

Informational only

- Application Fees
- Security Deposits
- Additional Deposits (pet/key fobs/application)
- Conditions of Occupancy (pest control/trash/cable)
- Optional Fees (washer/dryer/month-to-month)

32

32



Thank you!

Public Facility Corporations (PFC)
Post June 18, 2023

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
(TDHCA OR THE DEPARTMENT)
221 EAST 11TH STREET, AUSTIN, TX 78701
PO Box 13941, AUSTIN, TX 78711

MAIN NUMBER (512) 475-3800

WWW.TDHCA.TEXAS.GOV

