



## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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May 8, 2025

Writer's direct phone # (512) 475 -3907  
Email: [Christina.Thompson@tdhca.texas.gov](mailto:Christina.Thompson@tdhca.texas.gov)

Karla Hill  
Bridge Partners  
Walnut Creek, California  
[hill@bridgepartners.com](mailto:hill@bridgepartners.com)

RE: The Dawson

Dear Karla Hill:

The Texas Department of Housing and Community Affairs (Department) received documentation on March 19, 2025 addressing the noncompliance identified during the review of the Audit Report submitted by Auxano Development LLC on December 16, 2024. Corrective action was due on March 22, 2025.

The documentation submitted was sufficient to correct the noncompliance related to **Failure to comply with the Public Facility Corporation Regulatory Agreement** for the lease provision for Low-Income units, and **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting unit 1036. Please see attached Finding Report for details.

The documents submitted do not correct the following findings:

- **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting unit 3025: The previous household moved out of the unit. The Development submitted the current tenant file for review. The file includes an employment offer letter dated seventy-three (73) days prior to the income certification date and move-in date. Per Section 3(c) of the Regulatory Agreement, employment offer letters are not an approved form of income verification. The lease lists an additional occupant not disclosed in the tenant application. The Department is unable to determine if the household is income eligible. Finding remains uncorrected.
- **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting units 2036: The household moved out of the unit. The Development submitted the current tenant file for review. Household income is below the applicable 60% AMI limit. Though the household is



income eligible, the monthly base rent amount reflected on the Lease Contract of \$1,120, exceeds the 60% AMI rent limit of \$1,119. Finding remains uncorrected.

Please note, in accordance with the Department's PFC rule and the Texas Local Government Code Chapter 303, the Department will not accept or review any additional corrective action documentation resulting from this audit submission.

The next Audit report is due June 1, 2025, for reporting year ending December 31, 2024.

If you have any questions, please contact Christina Thompson toll free in Texas at (800) 643-8204, directly at (512) 475-3907, or email: [first.last@tdhca.texas.gov](mailto:first.last@tdhca.texas.gov).

Sincerely,

A handwritten signature in black ink, appearing to be 'CT' followed by a long horizontal flourish.

Christina Thompson  
PFC Monitor

CC: [darren.smith@auxanodevelopment.com](mailto:darren.smith@auxanodevelopment.com)

### **Corrective Action Report**

The Dawson

The Texas Department of Housing and Community Affairs provides the following Technical Assistance:

- Section 3(c) of the Regulatory Agreement requires paystubs to reflect the most recent four-week period. The paystubs submitted for Unit 1036 do not meet this requirement. To maintain compliance, future submissions must include paystubs within the required timeframe. To maintain compliance with Section 3(c) of the Regulatory Agreement, please ensure paystubs are within the most recent four-week period.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION  
PFC PROGRAM

PFC User: Bridge-Dawson, LP  
Property Name: The Dawson  
Address: 3805 West Alabama Street, Houston, Texas 77027  
RA Date: March 11, 2022

Audit Report Date: 12/16/2024  
Program: PFC

Corrective Action Due Date: 3/22/2025

Audit Report Review Date: 1/21/2025

PROGRAM: PFC

PROPERTY FINDINGS

Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	12/1/2023	Correction Date: 3/19/2025
Reason	Section 2(f) of the Development's Regulatory Agreement states, each lease or rental agreement pertaining to a Low Income Unit shall contain a provision to the effect that the Development has relied on the Income Certification and supporting information supplied by the Low Income Household in determining qualification for occupancy of the Low Income Unit and that any material misstatement in such certification (whether or not intentional) may be cause for immediate termination of such lease or rental agreement. Each lease or rental agreement shall also disclose that the tenant's income is subject to annual certification.	
Corrective Action	Submit to the Department for review an owner's statement of compliance with the Regulatory Agreement moving forward, along with a blank template of the Lease or Lease Addenda that includes the required language.	
Unit # 2036		
Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	9/16/2021	Correction Date: Uncorrected
Reason	In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the most recent four-week period; (2) income tax returns for the most recent two tax years; (3) an income verification from the applicant's current employer; (4) an income verification from the Social Security Administration; or (5) if applicant is unemployed, does not have tax returns or is otherwise unable to provide other forms of verification as required, another form of independent verification as would be satisfactory.	
	Department unable to establish eligibility. The tenant file for unit 2036 does not contain application and any forms of income verification documentation.	

Corrective Action	Submit for Department review the income from the time of initial occupancy, and an updated Income Certification, if needed. If unable to verify income from the time of initial occupancy, the household may be certified under current circumstances using current income limits. If verifying under current circumstances, please provide the following for Department review: application, verification of income/assets, and executed Income Certification. If the household remains ineligible, when the unit becomes available lease to a qualified household and submit the following for Department review: application, verification of income/assets and, executed Income Certification and the lease contract.	
Unit # 1036		
Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	8/11/2023	Correction Date: 3/19/2025
Reason	In accordance with Section 3(c) of the Regulatory Agreement, the following items are acceptable to determine income eligibility: (1) pay stubs for the most recent four-week period; (2) income tax returns for the most recent two tax years; (3) an income verification from the applicant's current employer; (4) an income verification from the Social Security Administration; or (5) if applicant is unemployed, does not have tax returns or is otherwise unable to provide other forms of verification as required, another form of independent verification as would be satisfactory.	
	Department unable to establish eligibility. The tenant file for unit 1036 does not contain sufficient amount of paystubs to determine eligibility.	
Corrective Action	Submit for Department review the income from the time of initial occupancy, and an updated Income Certification, if needed. If unable to verify income from the time of initial occupancy, the household may be certified under current circumstances using current income limits. If verifying under current circumstances, please provide the following for Department review: application, verification of income/assets, and executed Income Certification. If the household remains ineligible, when the unit becomes available lease to a qualified household and submit the following for Department review: application, verification of income/assets and, executed Income Certification and the lease contract.	
Unit # 3025		
Finding	Household above the income limit at the time of renewal	
Noncompliance Date	8/4/2023	Correction Date: Uncorrected
Reason	Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$52,000 which exceeds the applicable 60% AMI income limit of \$48,660.	
Corrective Action	When the unit becomes available occupy with an eligible household and submit the following documentation to the Department for review: application, verification of income and assets, executed Income Certification. If the households circumstances have changed they may be qualified using current income limits. If qualifying the household under current circumstances please submit the following for Department review: application, verification of income and assets, and executed Income Certification.	