



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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December 9, 2025

Writer's direct phone # (512) 475-4065
Email: shay.erickson@tdhca.texas.gov

PFC Operator
Melia Apartments, LLC
Operator City/State:

bianca@belveronpartners.com

RE: Melia Medical Center

Dear PFC Operator:

The Texas Department of Housing and Community Affairs (Department) received documentation on April 29, 2025, addressing the noncompliance identified during the review of the Audit Report submitted by Novogradac & Company, LLP on January 8, 2025. Corrective action was due on April 28, 2025.

The documentation submitted was sufficient to correct the noncompliance related to **Failure to comply with §10.1103(1), Failure to comply with the Public Facility Corporation Regulatory Agreement, Households above the income limit** affecting units 121, 801, and 901, and **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting units 818 and 834. Please see the attached Finding Report for details.

If you have any questions, please contact Shay Erickson toll free in Texas at (800) 643-8204, directly at (512) 475-4065, or email: shay.erickson@tdhca.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Shay Erickson".

Shay Erickson
PFC Compliance Monitor

CC:stephanie.naquin@novoco.com; warren.sebra@novoco.com; jproler@housingforhouston.com; brendan.flaherty@sandalwoodmgt.com; finn@belveronpartners.com; jproler@housingforhouston.com; president@housingforhouston.com; asmith@housingforhouston.com; kli@housingforhouston.com; caceves-lewis@housingforhouston.com; sballard@housingforhouston.com; mayor@houstontx.gov; ecarter@housingforhouston.com; kkirkendoll6@housingforhouston.com



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM
Corrective Action Response

PFC User: Melia Apartments, LLC
Property Name: Melia Medical Center
Address: 8383 El Mundo St, Houston, TX 77054
RA Date: 11/5/2020

Audit Report Date: 1/8/2025
Program: PFC

Corrective Action Due Date: 4/28/2025

PROGRAM: PFC

PROPERTY FINDINGS

Finding	Failure to comply with §10.1103(1)	
Noncompliance Date	1/14/2025	Correction Date: 4/29/2025
Reason	An Audit Report from an Auditor must be submitted to the Department annually. This submission will satisfy the requirements by demonstrating eligibility to continue under the former law, but must fully address the requirements of identifying the difference in rent charged for income-restricted residential units and the estimated maximum market rents that could be charged for those units without the rent and income restrictions.	
	The Audit Report submitted to the Department did not contain the comparison of the restricted rent to the estimated market rent on Tab 7 of the Audit Report.	
Corrective Action	Submit the comparison of the restricted rent to the estimated market rent for each unit identified in Tab 7.	
Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	1/14/2025	Correction Date: 4/29/2025
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 # 121

Finding

Household above the income limit upon initial occupancy

Noncompliance Date

11/1/2023

Correction Date: 4/29/2025

Reason

The tenant provided offer of employment letter reflecting hourly pay rate. Annualizing the hourly pay rate for full-time work week resulted in the household's annual gross income of \$59,831.89 which exceeds the applicable 80% AMI income limit of \$59,680.

Corrective Action

Redesignate this household to market. Lease the next available unit to an income eligible household. Submit a copy of the new household's application(s), income/asset verifications and new Income Certification form, lease contract and applicable lease addendum.

Unit # 801

Finding

Household above the income limit upon initial occupancy

Noncompliance Date

8/24/2023

Correction Date: 4/29/2025

Reason

Annualizing the average of the most recent full paystubs for the household resulted in the household's annual gross income of \$61,105.64 which exceeds the applicable 80% AMI income limit of \$59,680.

Corrective Action

Redesignate this household to market. Lease the next available unit to an income eligible household. Submit a copy of the new household's application(s), income/asset verifications and new Income Certification form, lease contract and applicable lease addendum.

Unit # 901

Finding

Household above the income limit upon initial occupancy

Noncompliance Date

8/12/2023

Correction Date: 4/29/2025

Reason

Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$69,780.36 which exceeds the applicable 80% AMI income limit of \$59,680.

Corrective Action

Redesignate this household to market. Lease the next available unit to an income eligible household. Submit a copy of the new household's application(s), income/asset verifications and new Income Certification form, lease contract and applicable lease addendum.

Unit # 818

Finding

Failure to comply with the Public Facility Corporation Regulatory Agreement

Noncompliance Date

5/22/2023

Correction Date:

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 818 does not contain any acceptable forms of income verification documentation. The Auditor reported the income could not be verified.

Corrective Action	To correct, 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 # 834			
Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement		
Noncompliance Date	9/15/2023	Correction Date:	4/29/2025
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 834 does not contain any acceptable forms of income verification documentation. The Auditor reported the income could not be verified.		
Corrective Action	To correct, 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.		