



## TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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January 30, 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: Echo Baytown

Dear Ms. Hill:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Auxano Development LLC on December 16, 2024. This review was performed as required by Section 303.042 (c) of Chapter 303, the Texas Administrative Code Chapter 10, Subchapter I, and the Regulatory Agreement/Deed Restriction for Baytown Apartments.

Events of noncompliance have been identified and corrective action is required. The attached Findings Report details the event(s) of noncompliance and the required corrective action. This notice begins the corrective action period. Please supply all requested documentation no later than **March 31, 2025**, the last day of the corrective action period.

If clarification is necessary to complete the corrective action, contact us as soon as possible. If it is not possible to provide the requested documentation by the corrective action period, correct as much as you can and submit a corrective action plan detailing how and when the remaining issue(s) of noncompliance will be corrected.

The Department recommends submitting a cover letter explaining the documentation submitted to address each event of noncompliance. Submit corrective action to [pfc.monitoring@tdhca.texas.gov](mailto:pfc.monitoring@tdhca.texas.gov).



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

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION  
PFC PROGRAM

PFC User: Bridge-Baytown L.P  
Property Name: Echo Baytown  
Address: 1600 Santavy Street Baytown, Texas 77521  
RA Date: June 30, 2022

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

Corrective Action Due Date: 3/31/2025

Audit Report Review Date: 1/28/2025

PROGRAM: PFC

PROPERTY FINDINGS

Unit # 2107

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement  
Noncompliance Date 12/2/2023 Correction Date:  
Reason In accordance with the Regulatory Agreement, Section 3(c), annual Income Certification with verification of income must be obtained by the household's anniversary date (occupancy date of the unit) and no less than once in a 12-month period. Unit number 2107 moved in 12/2/2022, and a new Income Certification with verifications has not been completed as required.

Corrective Action To correct, complete annual Income Certification with verifications and submit to the Department for review. Submit the following documentation for review: application, verification of income/assets and an executed Income Certification form.

Unit # 12305

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement  
Noncompliance Date 10/1/2023 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. Auditor reports the tenant file for unit 12305 did not contain verification of income documents.

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.

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement  
Noncompliance Date 12/16/2024 Correction Date:  
Reason The Regulatory Agreement states units should be reserved for low income households. In addition, the Continuing Program Compliance Certificate indicates that, no unit reserved for Low-Income Households shall be rented to a market rate renter, unless another unit has been reserved in its place.  
The Audit Report submitted indicated that four (4) of the reserved units are occupied by market households and have move-in dates that are post the acquisition date.

Corrective Action Submit the following documentation for four (4) low-income units to meet the requirements in the Regulatory Agreement: application, verification of income and assets, executed Income Certification or Exhibit D, Lease Contract and any required Lease Addenda. If a vacant unit has been reserved for a low income tenant, but not yet occupied please submit documentation that the unit is vacant and a statement that it will not be occupied by a non low-income household. If the vacant unit is occupied for with a non-program unit, please submit documentation to evidence which new vacant unit has been reserved in it's place.

Unit # 2203  
Finding Household above the income limit upon initial occupancy.  
Noncompliance Date 12/13/2023 Correction Date:  
Reason Household's annual gross income of \$50,234.38 which exceeds the applicable 60% AMI income limit of \$44,760.  
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.

Unit # 4103  
Finding Household above the income limit upon initial occupancy.  
Noncompliance Date 12/13/2023 Correction Date:  
Reason Household's annual gross income of \$68,055.78 which exceeds the applicable 80% AMI income limit of \$52,160.

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.

Unit # 4116

Finding Household above the income limit upon annual renewal income certification  
 Noncompliance Date 1/26/2023 Correction Date:  
 Reason Household's annual gross income of \$44,675.92 which exceeds the applicable 60% AMI income limit of \$43,260.

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.

Unit # 6104

Finding Household above the income limit upon annual renewal income certification  
 Noncompliance Date 3/23/2023 Correction Date:  
 Reason Household's annual gross income of \$53,937.87 which exceeds the applicable 60% AMI income limit of \$37,860.

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.

Unit # 6108

Finding Household above the income limit upon annual renewal income certification  
 Noncompliance Date 3/8/2023 Correction Date:  
 Reason Household's annual gross income of \$79,502.28 which exceeds the applicable 80% AMI income limit of \$57,680.

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.

Unit # 9112

Finding Household above the income limit upon initial occupancy.  
 Noncompliance Date 2/3/2023 Correction Date:

Reason	Household's annual gross income of \$79,090.83 which exceeds the applicable 80% AMI income limit of \$64,880.	
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.	
Unit # 9211		
Finding	Household above the income limit upon initial occupancy.	
Noncompliance Date	7/5/2023	Correction Date:
Reason	Household's annual gross income of \$40,240.72 which exceeds the applicable 60% AMI income limit of \$39,120.	
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.	
Unit # 9312		
Finding	Household above the income limit upon initial occupancy.	
Noncompliance Date	9/12/2023	Correction Date:
Reason	Household's annual gross income of \$40,360.32 which exceeds the applicable 60% AMI income limit of \$39,120.	
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.	
Finding	Failure to comply with the Public Facility Corporation Regulatory Agreement	
Noncompliance Date	12/16/2024	Correction Date:
Reason	Section 3(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.	