



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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January 21, 2025

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

Richmond Uptown Owner, LP
Houston, Texas
assetmanagement@morgangroup.com

RE: Richmond Uptown

Dear Richmond Uptown Owner:

The Texas Department of Housing and Community Affairs (Department) has reviewed the Public Facility Corporation (PFC) Audit Report submitted by Novogradac & Company LLP on December 13, 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 Avenue R.

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 22, 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.



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.

Sincerely,

A handwritten signature in black ink, appearing to be 'CT' with a long horizontal flourish extending to the right.

Christina Thompson
PFC Monitor

CC: Stephanie.Naquin@novoco.com

Audit Report
Richmond Uptown

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

- Development is required to obtain, complete and maintain on file Income Certifications from each Low-Income Household, including (i) the Income Certification provided as Exhibit D, attached hereto and incorporated herein, dated prior to the initial occupancy of such Low Income Household in the Project that occupied the unit.

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DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: Richmond Uptown Owner, LP
Property Name: Richmond Uptown
Address: 5455 Richmond Ave., Houston, TX 77056
RA Date: May 26, 2022

Audit Report Date: 12/6/2024
Program: PFC

Corrective Action Due Date: 3/22/2025

Audit Report Review Date: 1/21/2025

PROGRAM: PFC

PROPERTY FINDINGS

Unit # 4021

Finding Household above the income limit upon initial occupancy.
Noncompliance Date 10/1/2023 Correction Date:
Reason Annualizing the average of the most recent paystubs for the household resulted in the household's annual gross income of \$63,438.72, which exceeds the applicable 80% AMI income limit of \$59,680.

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 # 3079

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement
Noncompliance Date 12/7/2023 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 3079 moved in 12/7/2022, 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.

Finding	Failure to comply with §10.1103(1)	
Noncompliance Date	12/6/2024	Correction Date:
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 §10.1104(a)	
Noncompliance Date	12/6/2024	Correction Date:
Reason	Audit requirements under §10.1104(a) require the file sample size of Restricted Units primarily be new move-ins but also contain/include at least ten percent (10%) sample of all household files that have recertified.	
	The sample size submitted to the Department did not contain at least ten percent (10%) sample of recertified household files.	
Corrective Action	Submit the complete file for four (4) additional restricted units for Department review. The submission should include the initial and renewal application, verification of income and assets and an executed Income Certification.	