



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*

Karla Hill
Bridge Partners
Walnut Creek, California
hill@bridgepartners.com

RE: The Dawson

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 The Dawson 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 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' followed by a long horizontal flourish.

Christina Thompson
PFC Monitor

CC: darren.smith@auxanodevelopment.com

Audit Report
The Dawson

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

- Annual Income Certifications as described in Section 3(c) of the Development's Regulatory Agreement, must be obtained on the anniversary of such Low-Income Household's occupancy of the unit, and in no event less than once in every 12-month period following each Low-Income Household's occupancy of a unit.

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

<p>Finding Noncompliance Date Reason</p>	<p>Failure to comply with the Public Facility Corporation Regulatory Agreement 12/1/2023 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.</p>	<p>Correction Date:</p>
<p>Corrective Action</p>	<p>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.</p>	

<p>Unit # 2036 Finding Noncompliance Date Reason</p>	<p>Failure to comply with the Public Facility Corporation Regulatory Agreement 9/16/2021 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.</p>	<p>Correction Date:</p>
	<p>Department unable to establish eligibility. The tenant file for unit 2036 does not contain application and any forms of income verification documentation.</p>	

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

Noncompliance Date

Failure to comply with the Public Facility Corporation Regulatory Agreement

8/11/2023

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 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

Noncompliance Date

Household above the income limit at the time of renewal

8/4/2023

Correction Date:

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.