



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

www.tdhca.state.tx.us

Greg Abbott
GOVERNOR

BOARD MEMBERS

J. Paul Oser, *Chair*
Juan S. Muñoz, PhD, *Vice Chair*
Leslie Bingham-Escareño
T. Tolbert Chisum
Tom H. Gann
J.B. Goodwin

February 27, 2017

Writer's direct phone # (512) 305-8860
Email: wendy.quackenbush@tdhca.state.tx.us

Melissa Neelley
North Vista Apartments LP
Houston, TX
mneelley@tcresidential.com

RE: Park at North Vista

CMTS ID: 3333

Dear Ms. Neelley:

The Texas Department of Housing and Community Affairs (“Department”) has completed a monitoring review of Park at North Vista. This review was performed to determine if the development is in compliance with the requirements of the Housing Tax Credit and Bond programs.

Deadline: This notice begins the corrective action period. You must supply all requested documentation no later than **May 28, 2017**, the last day of the corrective action period. The attached Monitoring and Findings Reports have been prepared to explain the Department’s finding of noncompliance and to detail required corrective action. A response to this letter and these reports must be provided to and received by the Department prior to **May 28, 2017**.

How you must respond: If you have already submitted documentation for review, that documentation has not been reviewed or assessed prior to this letter and report. Please review this report against any and all submissions by you to ensure that all issues in this letter were appropriately and fully addressed and that the documentation you have submitted substantiates this, then either upload confirmation that you are satisfied with your response or submit a revised and updated response and supporting materials prior to **May 28, 2017**.

If you do not understand how to complete the corrective action, please contact us as soon as possible so that you can correct matters before the deadline; staff can refer you to resources for additional training and technical assistance. If it is not possible to provide the requested documentation by the corrective action deadline, correct as much as you can and submit a corrective action plan detailing how and when the remaining issues will be resolved.

Upload your corrective action to the Electronic Document Attachment system using the development’s Compliance Monitoring and Tracking System (“CMTS”) account. For instructions on how to use the attachment system, please see *Attaching Documents to CMTS* found on the Department’s website. To



access, on the home page, select "Support and Services" tab; then select "Compliance". From the submenu, select "Online Reporting". Unless specifically directed by the Compliance Monitor indicated below, TDHCA will not accept submissions via email, fax, or mail.

How TDHCA will review: It is critical that you understand that this process requires each party, you and the Department, to perform its role timely and independently. The Department provides its monitoring results, you respond prior to the end of the corrective action date and include in your response documentation to support the appropriateness and completeness of the corrective actions taken, and then, *after the corrective action date*, the Department's Compliance staff reviews your response and supportive materials. We do not provide interim reviews or feedback because it is an important part of your responsibility to ensure that the response and supporting materials are timely and sufficient.

Your submission will be reviewed one time, after the end of the corrective action period, at which time the Department will determine whether or not the submitted materials sufficiently document that you have corrected the cited instances of noncompliance. Noncompliance not corrected and documented as such during the corrective action period will be taken into consideration prior to any future funding or awards from the Department. To be considered corrected within the corrective action period, documentation evidencing the correction must be received by **May 28, 2017**, the end of the corrective action period.

If your response is incomplete: Failure to submit complete and satisfactory corrections on or before the corrective action deadline will result in a referral to the Department's Enforcement Committee. Please see 10TAC §2.302 for a listing of specific penalty amounts.

Section 42 of the Internal Revenue Code requires the Department to report all noncompliance under the HTC program to the Internal Revenue Service (IRS), even if the noncompliance is corrected. Form(s) 8823 (Notice of Noncompliance) will be mailed to the IRS, with a copy to the owner, after the corrective action deadline.

Please extend our thanks to your onsite staff for their hospitality and cooperation extended during our monitoring visit. If you have any questions about this monitoring report, please contact wendy quackenbush toll free in Texas at (800) 643-8204, directly at (512) 305-8860, or email: wendy.quackenbush@tdhca.state.tx.us.

Sincerely,



Wendy Quackenbush
c=US, cn=Wendy
Quackenbush,
email=wendy.quackenbush@
tdhca.state.tx.us
2017.02.27 10:40:11 -06'00'

Wendy Quackenbush
Manager, Compliance Monitoring

Monitoring Report

Park at North Vista

HTC File: 02463

BOND File: MF065

CMTS ID: 3333

The Texas Department of Housing and Community Affairs completed an on-site monitoring review of Park at North Vista on February 24, 2017. Wendy Quackenbush and Katherine Cole represented the Department. LaLisa Lucas, Tricia Fair and Ashlee Smith represented the development.

The review resulted in one finding of noncompliance:

- **Household income above income limit upon initial occupancy / Program Unit not leased to Low-Income household** affecting unit 1703

During the exit interview, the following Technical Assistance was provided:

- The Affirmative Marketing plan was signed but not dated. Moving forward, ensure the plan is dated to confirm compliance with update requirements in accordance with §10.616(g)(2).

To determine if the development is in compliance, the following steps were completed:

- A review of the Land Use Restriction Agreements,
- Analysis of the Unit Status Report (USR) dated January 25, 2017,
- A review of the entrance interview and other documents submitted,
- An exit interview,
- An in depth review of 63 resident files listed below:

- ***Files reviewed:***

103	104	109	202	206
211	302	308	309	401
402	408	505	511	512
601	602	609	704	705
710	801	804	812	904
907	909	1005	1006	1008
1106	1109	1110	1201	1206
1209	1302	1303	1305	1406
1409	1411	1501	1502	1507
1603	106	1610	1703	1710
1712	1802	1804	1810	1901
1904	1908	2003	2004	2005
2102	2104	2105		

Additional tips and links for future reference:

- *Join Our Email List:* The Department recommends signing up for the Email list to receive updates regarding important compliance rule and form changes. Sign up at the “Join our Email List” link in the left column of the TDHCA homepage at <http://www.tdhca.state.tx.us/>.
- *Compliance Monitoring Rules:* These rules change periodically and you are responsible for staying apprised of any and all updates. The rules are published on the Secretary of State website at: [http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=10&sch=F&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=10&pt=1&ch=10&sch=F&rl=Y).
- *Compliance Forms are available at:* <http://www.tdhca.state.tx.us/pmcomp/forms.htm>
- *Income and Rent Limits are published at least annually at:* <http://www.tdhca.state.tx.us/pmcomp/irl/index.htm>
- *Frequently asked questions and answers are available at:* <http://www.tdhca.state.tx.us/pmcomp/compFaqs.htm>
- *Ownership transfer:* If you are contemplating a sale, transfer, or exchange of the Development or the structure of the owning entity, you are required to receive pre-approval from TDHCA. Procedures are outlined in the Ownership Transfer section of the Post Award Activities Manual at: <http://www.tdhca.state.tx.us/asset-management/pca-manual.htm>.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
COMPLIANCE REVIEW
DETAIL FINDINGS AND CORRECTIVE ACTION
By program

Property ID # 3333
Property Park at North Vista
Address 311 N Vista Dr, Houston, TX-77073

Last Desk Review Date: 04/14/11
Last Onsite Review Date: 02/24/17
Program(s): BOND File # MF065
LIHTC File # 02463
Occupancy as of 01/25/17

PROGRAM: ALL FILE#

UNIT FINDINGS

Unit #	Finding	Noncompliance Date	Reason	Corrective Action	Potential Administrative Penalty
1703	Household income above income limit upon initial occupancy / Program Unit not leased to Low-Income household	06/10/2015	The head of household owns real estate, which the value of the home was properly verified. However, the home is being rented by a family member to pay the mortgage and income from this asset was not verified. Additionally, the household's annual income is approximately \$100 below the applicable limit and the Department questions if this household is qualified. To correct, 1) verify the amount of the rental income (the mortgage being paid) for 12 months from the time of move-in. 2) Determine and document if there are any expenses in renting the real-estate, such as taxes, insurance, mortgage interest and maintenance. 3) Subtract any deductions from the annual rental income to determine the value of asset income for the home. 4) Update the Income Certification to reflect (annual income from asset) and have all parties initial the updates. If the household is not eligible, when the unit becomes available, lease it to a qualified household. Submit copies of the new household's application(s), verification of income/assets, student status as applicable, executed Income Certification, lease contract/lease addendums and the acknowledgment page of the Tenant Rights and Resources Guide.		\$1000 per violation

PROGRAM: BOND FILE# MF065

PROGRAM: LIHTC FILE# 02463