

Texas State Affordable Housing Corporation Compliance Review Observation Report

Willow Green Apartments

8301 Willow Place Drive, Houston, TX 77070

Owner: Dalcor Affordable Housing I, LLC

Date Built: 1995

Management Company: Dalcor Management, LLC

Property Manager: Gayle Harris

Inspection Date & Time: April 5, 2019 at 8:30 a.m. **Inspector's Name:** James Matias

Number of Units:	336	Number of required affordable units:	336	
COMPLIANCE AUDIT		YES	NO	N/A
1)	Are procedures that ensure compliance with the set aside requirements and rent requirements effective?	X		
2)	Is the property accepting Section 8 households?	X		
3)	Is the income to rent ratio for Section 8 households less than 2.5?	X		
4)	Are the rent increases smaller than 5%?	X		
5)	Does the Application for Tenancy or Occupancy Qualifications exclude language that may appear to be discriminatory?	X		
6)	Does the lease or rental agreement inform the resident of Very Low Income/Low Income Recertification requirements?	X		
7)	Is additional monitoring by TSAHC recommended?		X	
COMMENTS:				

SET-ASIDES		YES	NO	N/A
1)	Is the property meeting all occupancy restrictions required by the property's Regulatory Agreement and Asset Oversight and Compliance Agreement?	X		
2)	Are the set-aside units evenly distributed?			
	a) No more than 60% of the set-aside requirements consist of one unit type?			X
	b) No less than 20% of the set aside requirements consist of any particular unit type?			X
3)	If either of the set asides have not been met, are any units:			
	a) Rented for less than 30 days, not including month-to-month?		X	
	b) Utilized as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, nursing home, hospital, sanitarium, rest home, or trailer court or park?		X	
	c) Leased to a corporation, business or university?		X	
	d) Owned by a cooperative housing corporation?		X	
	e) Not available for rental on a continuous basis to members of the general public?		X	
COMMENTS:				

UNITS WALKED		
Unit #	USR Designation	Comments
112	60%	
214	60%	
1109	60%	
2606	60%	
2701	60%	
COMMENTS:		

RESIDENT SERVICES		YES	NO	N/A
1)	Do the resident services appear to cater to the resident profile of the property?	X		

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2) Is the property meeting the Resident Service requirements as required by the Regulatory Agreement and Asset Oversight and Compliance Agreement?	X		
3) Is management monitoring the following:			
a) Resident attendance	X		
b) Frequency of service provided	X		
c) Notification to residents of services	X		
d) Number or type of services	X		
e) Survey of residents		X	
4) Did TSAHC provide any assistance regarding Resident Services based on the review conducted during the onsite visit?		X	
5) Is management properly submitting monthly Resident Service reports through the Compliance System?	X		
6) In the last 12 months, has TSAHC provided any assistance regarding the monthly Resident Service reports submitted through the Compliance System? If so, comment below.		X	

COMMENTS:

OFFICE	YES	NO	N/A
1) Is the office neat, the desk uncluttered?	X		
2) Are accurate office hours posted?	X		
3) Are the following displayed in full view:			
a) Occupancy Qualifications?	X		
b) Fair Housing Poster?	X		

COMMENTS:

RESIDENT FILE REVIEW	YES	NO	N/A
1) Does the owner maintain all records relating to initial resident income certifications, together with supporting documentation?	X		
2) Does the Owner/Agent make an effort to determine that the income certification provided by the resident is accurate?	X		
3) Does the file audit establish that residents are being recertified on an annual basis?	X		
4) For mixed (low-income and market units) developments, are there any Next Available Unit Rule Violations?			X
5) Does the file audit indicate that staff needs additional training?		X	

COMMENTS: The reviewer noted discrepancies between the information listed on the Unit Stats Report (USR) and the most recent certification. Units 1108 and 1213 had the incorrect rent listed on the USR. Units 403, 513, and 608 had the incorrect number of bedrooms listed on the USR. Prior to the issuance of the report, management provided documentation to support that the tenant data is accurately reflected on the USR.

Observation:

- In addition, the full-time student exemption verification was incomplete or blank for units 403, 1213, and 2113. Management provided the corrected documentation for these units prior to the completion of this report. In order to maintain program and household eligibility, it is imperative that the Student Status Verification be completed properly prior to the household occupying the unit. If it is determined that the households is ineligible, the unit loses the low-income designation which may cause overall program non-compliance for the property.

If a new household moves in to any of the units with Findings (listed below), instead of submitting the required Corrective Action documents, submit with your response: the application for tenancy, all income and asset verifications, the executed Income Certification, and the 1st page of the lease for the new household occupying the unit.

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Unit	Finding/Observation	Corrective Action Requirement
513	OBSERVATION: The name on the initial Tenant Income Certification (TIC) does not match the current Annual Eligibility Certification (AEC).	Management provided a clarification that explained the discrepancy. The clarification will be kept in the file. Management is encouraged to complete and add clarifications on items such as this as soon as they occur. No further action required.
1107	FINDING: Management did not handle this unit transfer correctly regarding file compliance. The way this project is setup directs that a transfer will not be treated as move out and new move in.	Prior to the completion of this report, management provided the reviewer with documentation that the transfer was adjusted and the original move in date was kept with the TIC and USR. No further action required.
1804	FINDING: The income in the file had child support that was disclosed as being received and another document that was disclosed that it was not being received.	Management provided a clarification that explained the discrepancy. The clarification will be kept in the file. Management is encouraged to complete and add clarifications on items such as this as soon as they occur. No further action required.
2704	FINDING: The resident disclosed an asset (401K) that was left off the TIC. Management properly calculated the asset, but forgot to add it to the TIC.	Prior to the completion of this report, management added the asset to the TIC. No further action required.

COMMENTS:

SUMMARY OF FINDINGS AND OBSERVATIONS

Observations:

- In addition, the full-time student exemption verification was incomplete or blank for units 403, 1213, and 2113. Management provided the corrected documentation for these units prior to the completion of this report. In order to maintain program and household eligibility, it is imperative that the Student Status Verification be completed properly prior to the household occupying the unit. If it is determined that the households is ineligible, the unit loses the low-income designation which may cause overall program non-compliance for the property.
- See above for additional observation for unit 513.

Findings:

- See findings above for units 1107, 1804, and 2704.