

Texas State Affordable Housing Corporation

Compliance Review Observation Report

The Willows Apartments	
1332 Lamar Square Dr., Austin, Texas 78704	
Owner: Mary Lee Foundation	Date Built: 2010
Management Company: Mary Lee Foundation	Property Manager: William Whitley
Inspection Date & Time: December 17, 2020 at 10:00 a.m.	Inspector's Name: James Matias

Number of Units: 64	Number of required LI units: 51	Number of required VLI units: 13
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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
114	50%	
315	50%	

COMMENTS:

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

Texas State Affordable Housing Corporation

Compliance Review Observation Report

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 (see comments)		
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 (see comments)	

COMMENTS: The reviewer selected 13 tenant files to review on the day of the onsite visit. When compared to last year's site visit, the manager and assistant manager appear to be doing a much better job at maintaining well-kept and organized tenant files. The reviewer found a few discrepancies between the Unit Status Report (USR) and the Tenant Income Certification (TIC). The discrepancies include rent amounts that needed to be updated for unit 307 and income amounts that needed to be revised for units 113 and 404. Management was informed that tenant income needs to be updated at the time of recertification and rent needs to be updated each time there is a change. Management provided supporting documentation to correct the items identified shortly after they were requested (see observation below).

Observation:

- The reviewer had to make numerous attempts to obtain all the documents needed to properly determine tenant eligibility. Moving forward, management is encouraged to read the annual site visit notification letter thoroughly and submit complete tenant files (i.e., initial income certification and all supporting documentation, as well as the most current recertification and all supporting documents (when applicable)).

Finding:

- The Supplement to the Income Certification (page 3 of the TIC) must be completed by the head of household. The instructions state the head of household can initial the form to indicate that they do not wish to disclose the household demographics, or they can complete the demographic questionnaire. However, the forms were often not completed properly by tenants. For the files that were reviewed, neither option noted above is being completed and page 3 is left blank. In order to close this Finding, the owner/agent must provide TSHAC with written certification, on company letterhead stating management will ensure page 3 of the TIC is completed thoroughly moving forward. The certification is due to TSAHC no later than 2/13/2021 (30 days from the date of this report).

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Unit	Finding	Corrective Action Requirement

COMMENTS:

SUMMARY OF FINDINGS AND OBSERVATIONS

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