

Texas State Affordable Housing Corporation Compliance Review Observation Report

Marshall Apartments
1157 Salinas Street, Austin, TX 78702

Owner: EC Marshall, LLC **Date Built:** 1968
Management Company: Envolve Communities **Property Manager:** Shawanna Hubert
Inspection Date & Time: May 17, 2023, at 9:00 am **Inspector's Name:** Mercedes Dunmore

Number of Units: 100	Number of required LI units: 40	Number of required VLI units:	N/A
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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) 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
208E	60%	3x1 (15 days vacant)
106S	60%	2x1 (16 days vacant)
237s	60%	1x1 (Occupied)

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		
b) Frequency of service provided	X		

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c) Notification to residents of services	X		
d) Number or type of services	X		
e) Survey of residents		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 comment		
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: Based on the 8 tenant files reviewed, the files were maintained in a consistent and organized manner. Although there were no eligibility infractions, the reviewer did identify the following findings mentioned and listed in the chart below.

Findings:

- The Unit Status Report (USR) indicates 51 households have not been recertified by the due date of 4/29/23. During the review management confirmed 50 households have been recertified, although the online compliance website had not been updated to reflect the correct renewal status. Due to this issue being mentioned in last year's report, TSAHC is requiring management to provide a signed certification stating, TSAHC online compliance system will be updated accurately on a monthly basis beginning 06/10/2023. It is imperative management provides accurate reporting in order for ensure monthly program compliance at Marshall Apartments.
- The TSAHC Health and Safety form is not being utilized as required. At the time of move in, all adult household members must sign the form and the form must be maintained in the resident's file. Management must provide TSAHC with a written certification stating they will incorporate the form in the move-in lease signing process and confirm that all current tenants have signed the form no later than 07/13/2023. Upon completing this review, management supplied the reviewer with a signed copy of the Health and Safety form was received for the following households 102S, 111E, 112E, and 214S.

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	Corrective Action Requirement
102S	Reviewer unable to determine how income verification was received. Page 2 of the Tenant Income Certification (TIC) is incomplete. Set aside on TIC and USR do not reflect the same information.	-Management must complete a clarification explaining how the handwritten recurring gift was received. -Management must update page 2 section 6 of the TIC to reflect yes and mark the source of federal assistance received. -Management must update the USR to match TIC Set aside to 60%
111E	Page 2 of the TIC is incomplete. Set aside and HAP do not match the rent roll.	-Management must update the HAP amount of \$1951 on the USR to match the rent roll. -Management must update page 2 section 6 of the TIC to reflect yes and mark the source of federal assistance received. - Management must update the USR to match TIC Set aside to 60%.
112E	Page 2 of the TIC is incomplete. Set aside on TIC and USR do not match.	-Management must update page 2 section 6 of the TIC to reflect yes and mark the source of federal assistance received. - Management must update the USR to match TIC Set aside to 60%.
123S	Page 2 of the TIC is incomplete. Set aside and HAP do not match the rent roll.	-Management must update the HAP amount of \$1951 on the USR to match the rent roll. -Management must update page 2 section 6 of the TIC to reflect yes and mark the source of federal assistance received. -Management must update the USR to match TIC Set aside to 60%.
134S	Page 2 of the TIC is incomplete. Set aside on TIC and USR do not reflect the same information.	-Management must update page 2 section 6 of the TIC to reflect yes and mark the source of federal assistance received. -Management must update the USR to match TIC Set aside to 60%
214S	Reviewer unable to determine how income verification was received. Page 2 of the TIC is incomplete. HAP amount does not match the rent roll.	-Management must complete a clarification explaining how the handwritten recurring gift was received. -Management must update page 2 section 6 of the TIC to reflect yes and mark the source of federal assistance received. -Management must update the HAP amount of \$1810 on the USR to match the rent roll.
215S	Set aside, tenant rent and, HAP amounts do not match the rent roll.	- Management must update the USR to match TIC Set aside to 60%. - Management must update the tenant rent to \$1607 and HAP amount to \$228 on the USR to match the rent roll.

COMMENTS: Corrective action for the tenant files listed above are due to TSAHC no later than 07/13/2023.

SUMMARY OF FINDINGS AND OBSERVATIONS

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