

Texas State Affordable Housing Corporation Compliance Review Observation Report

Gateway Northwest Apartments

1617 Northwest Blvd., Georgetown, Texas 78628

Owner: THF Georgetown Gateway, Ltd	Date Built: 2015
Management Company: THF Housing Management Corp.	Property Manager: Lucia Rodriguez
Inspection Date & Time: July 24, 2024, at 9:00 AM	Inspector's Name: Mercedes Dunmore

Number of Units:	180	Number of required LI units:	72	Number of required VLI units:	N/A	
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
123	60%	
218	60%	
623	Market	Down Unit
811	60%	
COMMENTS: Unit 623 is considered a down unit. Refer to the Vacant/Make Ready Units section of the Asset Oversight report for the Finding.		

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

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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		
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: Management is reminded to submit monthly resident services via TSAHC's online compliance system by the 10th day of each month. The reviewer confirmed the February 2024 report was not submitted, however management included them in the March 2024 report.

Observation:

- **Per the Asset Oversight and Compliance Agreement, 6 resident services per calendar quarter are required. Although management is currently meeting this requirement, TSAHC strongly encourages management to revisit the services offered to make sure the residents are being offered services to assist their needs. During Q1 and Q2 management has only provided a book club and food pantry services.**

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 and TSAHC required forms?	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 tenant files were well organized. It is apparent management has a clear understanding of the HOTMA changes and has implemented the new rules successfully. The findings identified are listed in the chart below.

Observation:

- **Unit Status Report (USR):** Management is reminded to update all household changes to include income, tenant rent, and housing assistance payments. Management must also make sure to submit the USR on or before the 10th of each month. It is imperative the report is accurate and submitted timely because the system is used as a tool to monitor properties compliance requirements as outlined in the Asset Oversight and Compliance agreement.

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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.

Unit	Finding	Corrective Action Requirement
225	The Tenant Income Certification (TIC) reflects inaccurate information.	-Management must remove the checking account from the TIC. The resident did not disclose a checking account.
423	The household is over income.	-Management must provide TSAHC with a report tracking the Next Available Unit Rule (NAUR).
917	The TIC is incomplete.	-Management must include all verified checking and savings accounts that are listed on the Supplement Application form.
Property-wide	The USR is not properly being updated. Units 211, 215, 225, 312, 313, 323, 423, 525 and 728 were inaccurate.	-Management must complete a thorough review of the USR before submitting the August report due to TSAHC by 9/10/2024. More specifically, tenant incomes, rents, and the re-certification box should be thoroughly reviewed. Management must submit signed, written certification that the August 2024 USR report will be submitted with accurate information.

COMMENTS: Corrective action for the Findings identified in the chart above are due to TSAHC no later than 9/25/2024.

SUMMARY OF FINDINGS AND OBSERVATIONS

Observations:

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