



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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December 9, 2024

Writer's direct phone # (512) 475 -3907
Email: christina.thompson@tdhca.texas.gov

CCPAF Garden Oaks, LLC
Nick Gonzales
Houston, Texas
ng@civicap.com

RE: Smart Living at Garden Oaks

Dear Mr. Gonzales:

The Texas Department of Housing and Community Affairs (Department) received documentation on October 23, 2024 addressing the noncompliance identified during the review of the Audit Report submitted by Novogradac & Co LLP on August 8, 2024. Corrective action was due on November 6, 2024.

The documentation submitted was sufficient to correct the noncompliance related to **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting unit 1202, **Failure to comply with the Public Facility Corporation Regulatory Agreement** affecting unit 4307, and **Household above the income limit upon initial occupancy** affecting unit 3208. Please see attached Finding Report for details.

The noncompliance related to **Gross rent exceeds the highest rent allowed under the Regulatory Agreement** affecting unit 2208 has been dropped.

Please note, the noncompliance outlined above is considered corrected during the corrective action period.

The Department considers this review closed. The next annual Audit Report is due June 1, 2025.



If you have any questions, please contact Christina Thompson toll free in Texas at (800) 643-8204, directly at (512) 475-3907, or email: christina.thompson@tdhca.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to be 'CT' with a long horizontal flourish extending to the right.

Christina Thompson
PFC Compliance Monitor

Cc: Darlene Sidebottom <darlenes@aogliving.com>

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

DETAIL FINDINGS AND CORRECTIVE ACTION
PFC PROGRAM

PFC User: CCPAF Garden Oaks, LLC
 Property Name: Smart Living at Garden Oaks
 Address: 450 E. Roger Street Houston, TX 77002

Audit Report Date: 7/11/2024
 Program: PFC

Corrective Action Due Date: 11/6/2024

Occupancy as of: 12/31/2023

Audit Report Review Date: 9/6/2024

PROGRAM: PFC

PROPERTY FINDINGS

Unit # 1202

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement.
 Noncompliance Date 12/15/2023

Correction Date: 9/16/2024

Reason In accordance with the Regulatory Agreement, Section 3(c), annual Income Certification with verification of income must be obtained by the household's anniversary date (occupancy date of the unit) and no less than once in a 12-month period. Unit number 1202 moved in December 14, 2022, and a new Income Certification with verifications has not been completed as required.

Corrective Action To correct, complete annual Income Certification with verifications and submit to the Department for review. Submit the following documentation for review: application, verification of income/assets and an execute Income Certification form.

Unit # 4307

Finding Failure to comply with the Public Facility Corporation Regulatory Agreement.
 Noncompliance Date 11/30/2023

Correction Date: 6/14/2024

Reason In accordance with the Regulatory Agreement, Section 3(c), annual Income Certification with verification of income must be obtained by the household's anniversary date (occupancy date of the unit) and no less than once in a 12-month period. Unit number 4307 moved in November 30 2022, and a new Income Certification with verifications has not been completed as required.

Corrective Action To correct, complete annual Income Certification with verifications and submit to the Department for review. Submit the following documentation for review: application, verification of income/assets and an execute Income Certification form.

Unit # 2208

Finding

Gross rent exceeds the highest rent allowed under the Regulatory Agreement

Noncompliance Date

11/2/2023

Correction Date: Dropped

Reason

Unit number 2208 is designated as 50%AMI . The household's rent of \$1,048 exceeds the 50% rent limit of \$932 for a 1 bedroom unit.

Corrective Action

To correct, reduce the household's rent to \$932 per month. Calculate the rent overage from the time of move-in, and either refund or credit the household the overpaid rent. Submit the follow documentation for review: the rent overage calculation, an amended lease contract reflecting the new rent amount, the household's rent ledger of the new rent amount reflected and the rent credit (if applicable) or a copy of the cancelled check (if a refund is issued).

Unit # 3208

Finding

Household above the income limit upon initial occupancy.

Noncompliance Date

10/6/2023

Correction Date: 10/22/2024

Reason

The household indicated additional income was being received from the employer on their application. This income was not verified. The inclusion of the additional income results in the household's income exceeding the applicable 80% limit at move-in.

Corrective Action

When the unit becomes available, occupy with an eligible household and submit the following documentation to the Department for review: application, verification of income and, executed Income Certification.

If the household's circumstances have changed they may be qualified using current income limits. If qualifying the household under current circumstances, please submit the following for Department review: application, verification of income, and executed Income Certification.