

June 6, 2025

VIA ELECTRONIC MAIL

TDHCA Governing Board
Attention: Ysella Kaseman
221 East 11th Street
Austin, Texas 78701

RE: Supplement to the Appeal of Notice of Debarment Determination
for Melissa Fisher

Dear Board Members:

Let me begin by stating that I did not alter any documents, nor was I aware that any alterations had occurred in the reports I submitted.

As part of our regular reporting process, I upload a quarterly construction status report that includes a cover page, G702, site photos, the third-party inspection report, and a minority business report. Aside from the cover page and any additional photo pages, all other materials are existing documents previously reviewed and distributed—often to banks and investor partners—prior to submission.

Every month, the third-party reports are authored and distributed by CA Partners directly to IBC Bank (their client), who then forwards the report to us. We save these to our ProCore construction management system shared folder and to our “draw” folder on our computer network. The construction management team reviews the inspection reports in the ProCore folder for accuracy and issues that may need addressing. They add notes or comments to the report as needed. At no point is it standard practice for me or others on our team to make nonobvious, inline alterations to the reports.

I. October 2024 Quarterly Reporting Triggering Debarment Proceedings

Bill Fisher submitted the report marked up by the construction team to TDHCA staff in my absence by email. The report was due that day by 5 pm and he tried to help me while I was attending a TDHCA Board meeting, knowing I wouldn’t be available to file it by 5 pm. He copied me on his email. Late that night I uploaded the complete quarterly reporting package and attached the CA Partners report from his email. I had no intention of submitting any falsified report.

The edits contained in what Bill filed and I later filed were obvious to anyone who read it because they were in varying fonts with some in red font. There were grammatical errors, too. This was clearly not a report that would deceive anyone regarding the fact that edits had clearly been made. In fact, TDHCA staff later emailed Bill asking for the original report because of the obvious markups that they could readily see.

Our working assumption is that these edits made without my knowledge and consent were for our internal review only and were not distributed externally. In fact, our construction management team members do not know that we submit the inspection reports with the quarterly TDHCA reporting. Thus, the situation described above wherein Bill filed the edited report was a clear

deviation from our typical and proper protocol, which would have been to use handwritten notes or comments or Adobe comments solely for our internal use and not to be distributed externally if the team disagreed with any details in the report, neither of which occurred here.

II. Additional Reports Subsequently Discovered to Have Edits

Now we have learned recently on May 30, 2025, when TDHCA notified us that they were looking at other reports, that one *former* internal staff member made nonobvious alterations to two prior inspection reports in the “draw” folder and the ProCore folder that were erroneously filed with TDHCA. When confronted about how his having made the changes without my knowledge and consent, he acknowledged making the changes without disclosing the changes to me because he believed the inspection report was wrong and it reflected negatively on his work which could ultimately hurt his bonus compensation. His intention in making the hidden alterations to the report was to prevent me from seeing it. He did not know these reports in the “draw” folder were sent to TDHCA.

When compiling all quarterly submissions, I assume—reasonably—that all included documents are in their original form in the “draw” folder because they are not used for review by the construction team. I do not audit third-party content that has already been distributed to stakeholders, nor would I have any reason to because I had no prior knowledge that anyone was making any changes to the reports. There is no financial incentive for us to manipulate or make misrepresentations in a report, and doing so would provide no benefit to us. In doing what I did in filing the reports without thinking any alterations had been made to any of them, I exercised the standard level of diligence expected for this role and had no cause to doubt the integrity of the documents.

In hindsight, I do not know that I could have done anything differently because there was nothing to suggest that the Q1 and Q2 reports I accessed had been changed. There was no alternate version in our records to compare it against. Typically, if there is disagreement with a third-party observation, our site team makes handwritten notes in the field or flags the issue for discussion in our project management meetings. If necessary, we address it directly with the bank during our regular calls.

There was no reasonable basis for me to suspect that a document, which originated from a reputable third party and was shared by the lender, had been changed internally. I exercised the standard level of diligence expected for this role and had no cause to doubt the integrity of the materials.

Let me be clear: I support and respect the Department’s commitment to integrity and transparency. I strongly believe it is important to distinguish between dishonesty and the inability to detect another person’s concealed misconduct. In this case, I was unaware of the alteration and had no reason to suspect it.

To further investigate the issue, I personally reviewed similar reports from another property in our portfolio, Lakeway TDHCA #19427, for Q1 and Q2 of 2024. I compared them to the original reports that I obtained and found no discrepancies. This project is similarly behind schedule and over budget due to unrelated issues, which leads me to believe that any tampering was isolated to

the Riverside project and potentially driven by someone trying to suppress negative feedback to protect their performance assessment.

Finally, I want to emphasize that very little on a construction site can be hidden. Anyone is welcome to visit our projects unannounced at any time. Progress in this field is plainly visible; it either exists or it doesn't.

For debarment to apply, there must be intentional or negligent misrepresentation that is material, or significant enough to affect a regulatory decision. In this case, I neither knew about the change nor had a duty or reason to suspect it, and the change had no impact on outcomes. Therefore, my actions do not meet the threshold for debarment under the cited provision.

Further, debarment is a very serious punishment for someone who has merely made a clerical error. The effect is not limited to applying for awards through TDHCA. It negatively affects my applications with government agencies across the United States for any and all purposes. This directly hurts my ability to continue working to provide affordable housing. It may negatively impact my licensure as a Certified Public Accountant. Since there is no end date for reporting a debarment. It is a lifetime sentence against me as a professional and as a person.

I believe a better course of action is to submit a Corrective Action Plan for the board's review. These changes are designed to strengthen internal controls, provide better checks and balances, and demonstrate our full commitment to regulatory compliance and transparency with TDHCA.

1. Compliance Dept Submission: Rise's VP of compliance will submit the compliant package via CMTS
2. Direct Submission: The third-party inspector will email the inspection report directly to the asset manager before the submission deadline.

We have already changed the internal controls regarding access to the "draw" folder where a clean copy of the report is saved for quarterly reporting packages.

We believe that this will ensure full transparency and prevent any future issues.

Thank you for your time and consideration.

Melissa Fisher

A handwritten signature in black ink, appearing to read 'Melissa Fisher', with a stylized, cursive script.