

# Texas State Affordable Housing Corporation

## Compliance Review Observation Report

<b>El Nido Apartments</b>	
204 Alicia Drive, El Paso, Texas 79905	
<b>Owner:</b> RHAC – El Nido, LLC	<b>Date Built:</b> 1951
<b>Management Company:</b> J. Allen Management Company	<b>Property Manager:</b> Juana Pineda
<b>Inspection Date &amp; Time:</b> October 24, 2019 at 8:30 a.m.	<b>Inspector's Name:</b> Celina Mizcles Stubbs

<b>Number of Units:</b> 104	<b>Number of required LI units:</b> 104	<b>Number of required VLI units:</b> NA
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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
200AA	60%	
5100D	60%	
5107A	60%	
5301A	60%	

**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		

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3) Is management monitoring the following:			
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		
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	
<b>COMMENTS:</b>			

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		
<b>COMMENTS:</b>			

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		
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 files were in overall good order and properly maintained. There were a few deficiencies identified during the review, see below. Based on conversation with Management, two of the issues noted below (assets and Health and Safety forms) appear to be due to miscommunication during a third-party management change. The two items were clarified prior to the end of the onsite visit.

- Income: Unit 5100D needs to be calculated per employment verification form to capture the higher income amount per company practice. The corrected amount did not affect the household's eligibility. Management is advised to update the income on the Initial Income Certification form. The corrected form was submitted to TSAHC prior to issuance of this report.
- Assets: Unit 200AA had a bank account statement in the tenant file that listed cash deposits. Asset clarifications were submitted to TSAHC prior to the issuance of this report. The clarification sheet explained that the tenant was cashing her paychecks and submitting them as cash deposits to her count.
- Health and Safety Forms: The required form was missing in the tenant file for units 218DB, 225AB, 5100D, 5100D, and 5200C. The missing forms were submitted to TSAHC prior to the issuance of this report.

**Observation:**

- **Management must review and follow the policy and procedures specific to reviewing and recording assets. In addition, management is advised to ensure all tenants have signed the required Health and Safety forms and ensure that it is in the tenant file.**

***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***

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*verifications, the executed Income Certification, and the 1<sup>st</sup> page of the lease for the new household occupying the unit.*

Unit	Finding	Corrective Action Requirement
N/A		
COMMENTS:		

## SUMMARY OF FINDINGS AND OBSERVATIONS

No Findings.

Observation:

- Management must review and follow the policy and procedures specific to reviewing and recording assets. In addition, management is advised to ensure all tenants have signed the required Health and Safety forms and ensure that it is in the tenant file.