

Texas State Affordable Housing Corporation Compliance Review Observation Report

High Plain Apartments
1607 Iola Avenue, Lubbock, Texas 79419

Owner: RHAC – High Plans, LLC **Date Built: 1981**
Management Company: J. Allen Management Co., Inc. **Property Manager: Larry Mendez**
Inspection Date & Time: March 11, 2019 at 1:30 p.m. **Inspector's Name: Celina Mizcles Stubbs**

Number of Units:	50	Number of required LI units:	50	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)	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
21	60%	
38	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		
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		
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	
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		
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, including the required tenant documentation were well maintained and organized. The reviewer noticed there were 9 pay stubs in the tenant file for unit 12. Management is advised to request the same number of pay check stubs for each applicant. The reviewer used the most current paystubs to calculate the annual income, and determined there were no issues of non-compliance. In addition, for unit 15, the reviewer noticed that a new applicant was added to an existing household that was not documented properly. See Finding.

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
15	A new household member was not properly added to an existing household. The original household moved in on March 29, 2017. In July 2018, a new household member was added to the existing household, however, the file was not properly documented for the Bond program (i.e., the file did not contain the new household member's application, screening documents, and was not added to the existing Income Certification form). Note: The property is layered with HUD funding so the applicant was screened and income and assets were verified, however, it was not added properly for the Bond program requirements.	Management must add the applicant packet (i.e., application and all screening documentation) to the Bond program file. The new household member's information must be added to the existing Income Certification. For High Plains, this means the initial Income Certification dated March 29, 2017 will be updated to include the new household member's information in parts II, III, and IV. The Income Certification will be signed by the new household member. Note: The new household member was eligible to stay in the unit when the original household members moved out. Submit corrections to TSAHC no later than May 2, 2019.
COMMENTS:		

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SUMMARY OF FINDINGS AND OBSERVATIONS

Finding:

- **Unit 15:** A new household member was not properly added to an existing household. The original household moved in on March 29, 2017. In July 2018, a new household member was added to the existing household, however, the file was not properly documented for the Bond program (i.e., the file did not contain the new household member's application, screening documents, and was not added to the existing Income Certification form). Note: The property is layered with HUD funding so the applicant was screened and income and assets were verified, however, it was not added properly for the Bond program requirements. Management must add the applicant packet (i.e., application and all screening documentation) to the Bond program file. The new household member's information must be added to the existing Income Certification. For High Plains, this means the initial Income Certification dated March 29, 2017 will be updated to include the new household member's information in parts II, III, and IV. The Income Certification will be signed by the new household member. Note: The new household member was eligible to stay in the unit when the original household members moved out. Submit corrections to TSAHC no later than May 2, 2019.

No Observations.