

Texas State Affordable Housing Corporation

Villa Rodriguez Apartments

3270 Nacogdoches, San Antonio, Texas, 78217

Owner: San Antonio Low Income Housing, LLC

Date Built: 1982

Management Company: Cesar Chavez Foundation

Property Manager: Lorraine Plata

Inspection Date & Time: February 28, 2023 @ 9:30 A.M.

Inspector's Name: Mercedes Dunmore

Occupancy at Time of Report:	91.59%	Average Occupancy Over Last 12 Months:	92.36%
Number of Units: 346			
Number of One Bedrooms:	278	Number of Two Bedrooms:	68
Number of Three Bedrooms:	N/A	Number of Four Bedrooms:	N/A

PHYSICAL INSPECTION	YES	NO	N/A
1) Are the access gates in operable condition?			X
2) Is the community monument sign in acceptable condition?	X		
3) Is the perimeter fence surrounding the property in acceptable condition?	X		
4) Are the grounds and landscaping in acceptable condition?		X – see comment	
5) Are trees and shrubs properly trimmed?	X		
6) Are the grounds free of erosion, foot paths and tree root elevation?	X		
7) Are sidewalks clean and in good repair?	X		
8) Are parking lots clean, in good repair with handicap parking spaces clearly marked?	X		
9) Are all recreational, common areas and amenity areas clean, maintained, and accessible?		X – see comment	
10) Is facility equipment operable and in acceptable condition?	X		
11) Is the area around the waste receptacles clean and are the enclosures in good repair?	X		
12) Is the exterior of the buildings in acceptable condition?	X		
14) Are hallways/breezeways clean and maintained?	X		
15) Are storage/maintenance areas clean, maintained and organized?	X		
16) Are building foundations in good repair?	X		
17) Are the gutters, downspouts, and fascia boards on the buildings in good repair?	X		
18) Do the building roofs appear to be in good condition?	X		
19) Do balconies and upper-level walkways appear to be in good condition?	X		
20) Do windows, blinds, doors, and trim appear to be in good condition?	X		
21) Is Management addressing all health, fire, or safety concerns on the property?	X		
22) Have repairs or corrections recommended or required from the last physical inspection been satisfactorily completed?		X – see comment	

COMMENTS: In preparation for this virtual review, management submitted property photos. The property did not display any major structural damages and the overall condition of the property is good, with the exception of the following items:

- **Landscaping:** The landscaping throughout the property has been depleted. Management has confirmed the property does not have an irrigation system and the watering for the landscaping is complete via hand watering by the maintenance staff. The reviewer would like to note, the review took place a few weeks after a server winter storm, which did not help with the current landscaping issues. Management confirmed the landscaping vendor will frequent the property one additional time throughout the month with the start of the Spring season.
- **Common Areas:** Overall, the condition of the common areas is good. However, while reviewing the photos of the laundry room, the reviewer noted one of the washing machines had an out-of-order sign. Management stated the machine has been repaired. The reviewer also noted the laundry room floors are in need of a thorough cleaning due to the dirt and debris buildup. Management is encouraged to increase the weekly cleaning schedule to a bi-weekly schedule to maintain the cleanliness of the laundry room.

Texas State Affordable Housing Corporation

Observations:

- **Exterior Housekeeping:** Blinds and window covering in several units are in poor condition and negatively affect curb appeal. A grill was in a photo behind building 4 of phase 2 appearing to belong to a tenant. Management mentioned they walk the property to check for health and safety and exterior housekeeping violations, like damages blinds. TSAHC encourages management to follow their policy consistently and walk the property to issue violations when needed and in a timely manner.
- **Building exteriors:** Last year's review noted the deterioration of the paint on the building's exterior siding, handrails, and landings. Based on the review of the photos submitted for this year's review, the building exteriors appear to be the same condition. Management confirms they have obtained bids to repaint and complete repairs, however the repairs have not been approved by ownership. Management is encouraged to complete these repairs. Additionally, management should obtain bids for the restriping of phase 2's parking spaces, wheelchair-accessible ramps, and parking stalls.
- **Phase 2 window replacement:** Management confirmed proposals for window replacements have been obtained. TSAHC will review this next year.

SECURITY PROGRAM Part I

1) After review of the prior 3 months of police reports, the following incidents were noted and includes the number of times incidents occurred:

Incident Type	# of Occurrences	Comments:
Burglary	4	
Theft	2	Theft in Progress (1) and Theft of Vehicle (1)
Criminal Mischief	1	
Personal Assault	2	Assault in Progress
Drug Related Activity	3	Overdose in Progress
Gun Related Activity	4	Shots Fired
Domestic Violence		
Disturbance	38	Disturbance (19), Disturbance Family (6), Disturbance Neighbor (8), Disturbance Fireworks (2), Disturbance Loud Music (2), Disturbance Mental Health (1)
Other	9	Suspicious Person (7) Suspicious Vehicle (2)

	YES	NO	N/A
2) Does the property utilize a crime prevention agreement?	X		
3) Does the property take pro-active measures to address crime on property? If so, add comment	X		
4) Are light checks conducted by management staff on a weekly basis? If not, add comment.	X		

COMMENTS: The San Antonio Police Department provided Open Records call logs dated 11/1/2022 – 1/31/2023. The call log indicates there were 101 calls, 63 of the calls are noted above. Management utilizes a Safe Officer (a Local Police Officer) who is assigned to the community as a resource/contact for management staff and the tenants. Management confirmed the Safe Officer helps pass out notices to the tenants, responds to calls, and interacts with the tenants to make their presences at the property known which helps maintain the crime activity at the property.

SECURITY PROGRAM Part II

	YES	NO	N/A
1) Is the Staff trained to address crime on the property?	X		
2) Is the property free of graffiti and/or vandalism?	X		
3) Are criminal background checks being conducted on all residents over 18 years of age?	X		
4) Are criminal background checks being conducted on residents as they age to be 18 while living in the unit	X		
5) Has a risk assessment been conducted to determine risk liabilities at the property? If yes, when?	X		

COMMENTS: Management confirmed risk assessments are conducted annually by the regional management staff.

OFFICE

	YES	NO	N/A
1) Is the office neat, the desk uncluttered?	X		
2) Are accurate office hours posted?	X		
3) Are emergency phone numbers posted?	X		
4) Are the EHO logos clearly posted?	X		
5) Are the following displayed in full view in the leasing office?			
➤ Fair Housing Poster	X		
➤ Occupancy Qualifications	X		
6) Is there a compliance department that ensures the set aside and eligibility requirements are being maintained?	X		
7) Does the property require licenses or permits?	X		
➤ Pool and Fire Alarm.			

Texas State Affordable Housing Corporation

8) Are property licenses and permits renewed as required?	X		
9) Are vendor insurance records/binders properly maintained?	X		
10) Are vendors properly screened to ensure proper insurance documents are being maintained?	X		
11) Which of the following community amenities are provided for resident use?			
➤ Playground			X
➤ Community Room	X		
➤ BBQ/Picnic Area	X		
➤ Laundry Facility	X		
➤ Business Center			X
➤ Pool: Two Pools	X		
➤ Other: Learning Center	X		

COMMENTS:

KEY CONTROL	YES	NO	N/A
1) Does the property use an electronic key tracking system? If not, answer questions 2-5.		X	
2) Are all property keys properly coded?	X		
3) Is key box locked and secured?	X		
4) Is the key code list kept separate from the key box?	X		
5) Are locks being changed during unit turnovers?	X		

COMMENTS:

MAINTENANCE PROGRAM	YES	NO	N/A
1) Does the property have a preventative maintenance program that is being followed?	X		
2) Is the maintenance shop clean and organized?	X		
3) Does the maintenance area have properly documented MSDS material and chemicals labeled properly?	X		
4) How often are Pest Control services provided?			
➤ Pest Control services are provided weekly to 15 units, 1 building exterior, and any callbacks.			
5) What is the policy for following up on completed service requests?			
➤ Once a service request is completed by the maintenance staff, the office staff contacts the tenant to confirm completion.			
6) What is the property's after-hours emergency policy?			
➤ The after-hours emergency call center routes any emergency calls to the maintenance cell phone after 5:00pm.			
7) What capital improvements have been scheduled or completed for this budget year?			
➤ There were no capital improvements scheduled or completed this budget year.			

Detail of Ongoing Repairs and Replacements Completed in Last Budget Year

8) Unit Interior and Appliance upgrades			
➤ During unit turns management replaces appliances and flooring.			
9) Building Exterior and Curb Appeal repairs			
➤ During the last budget year there were no building exterior and curb appeal repairs.			
10) Amenity upgrades			
➤ There are no current ongoing amenity repairs and replacements from the previous budget year.			
11) Other repairs or replacements			
➤ N/A			
Number of service requests received:	168		
Number of requests open from prior periods:	27		
Number of service requests completed:	152		
Number of service requests completed within 24 hours:	90		
Number of outstanding service requests:	43		
12) On average, how many days does it take to complete a work order?			
➤ Per the Work Order Period Overview dated 2/21/2023, the average days to complete service request is 1 day.			

COMMENTS:

Due to the stabilization of the maintenance staff, the response time for completing service request has decreased by a day and a half.

Texas State Affordable Housing Corporation

MARKETING			
1) Complete the table below with the most recent information available.			
SOURCE	COST	# of Prospects	# of Leases
Drive-By/Word of Mouth: (Curb Appeal, Family/Friends, and Outdoor Signage)	\$750	78	37
Resident Referral:			
Locator Service: 50% of rent per qualified move-in when applicable	\$1,000	22	13
Printed/Internet Advertising: (ApartmentList.com, Craigslist, Zillow, Google, Gosection8.com)	\$313	460	35
Other Source – Local Housing Authority	\$730	59	21
TOTAL	\$3,043	619	106
The rental activity reflected in the above table was for the months of: February 2022 – February 2023.			
	YES	NO	N/A
2) Is the property doing bilingual advertising?		X	
3) Does the property have any competitors nearby?	X		
4) Does the property "shop" their competitors?	X		
5) Does the property complete a market survey at least monthly?	X		
COMMENTS: Management provided TSAHC with a Conversion Ratio report dated 02/01/22 – 02/27/2023. The cost analysis was determined by the Current Year's operating budget and reflects monthly cost for each marketing source.			

LEASE RENEWAL	YES	NO	N/A
1) Does it appear that an effective lease renewal program is in place? If no, please comment below.	X		
2) What percentage of residents renewed last month, past 6 months, and past 12 months?	Current: 80.77%	6 months: 70.48%	12 months: 72.39%
3) What percentage of move-outs in the last 12 months were due to eviction for non-payment of rent or "skip"?			27.1%
4) Are lease renewal notices sent to residents at the 120-day, 90-day, 60-day and 30-day timeframes prior the end of the lease contract? If not, comment below.	X		
5) Are rent increase notices sent to residents at least 30-days prior to the rent increase implementation?	X		
6) Are individual files being reviewed to determine renewal/non-renewal status?	X		
7) Are renewals and re-certifications tracked and monitored with property management software? I.e., Yardi, Onesite, or Owner/Agent created software?	X		
8) When was the last rent increase implemented? What was the average rent increase? ➢ The last increase was implemented in March 2022, the increase was \$40 for both the two and three bedrooms.			
9) How many households are currently on month-to-month leases? ➢ Month-to-month leases are not offered.			
10) What is the charge for month-to-month leases? ➢ N/A			
COMMENTS:			
Observation:			
<ul style="list-style-type: none"> Resident Retentions have decreased by 23% within the last year. Management is encouraged to revise the current resident retention plan to help retain residents at renewal. 			

VACANT/MAKE READY UNITS	
1) Number of vacant units at time of activity report:	28
2) Number of completed made ready units at time of activity report:	23
3) Number of completed one-bedroom units at time of activity report:	22
4) Number of completed two-bedroom units at time of activity report:	1
5) Number of completed three-bedroom units at time of activity report:	N/A
6) Number of uncompleted made ready units at time of activity report:	5
7) Number of uncompleted one-bedroom units at time of activity report:	3
8) Number of uncompleted two-bedroom units at time of activity report:	2
9) Number of uncompleted three-bedroom units at time of activity report:	N/A
Units Walked	

Texas State Affordable Housing Corporation

Unit #	Brief Description
10613	Ready
10607	Ready
11108	Ready
20301	Ready
20318	Ready
20322	Ready
20904	Ready

Down Units Walked (units vacant and unready for extended period and all down units)

Unit #	Brief Description
Building 8 - Phase 2 (8 units)	Ninety-five percent (95%) of the construction is complete. Management is expecting to receive building by March 10, 2023, if no issues arise. Per the most recent update dated February 2, 2023, they are working with local energy provider to install an increased sized transformer. Exterior punchwork ongoing. Estimated date of completion is Q1 of 2023.
Building 8 - Phase 1 (24 units)	Thirty percent (30%) of the construction is complete. Per Management, the building is expected to be turned over to management between August and December 2023. The last update received on March 2, 2023 which stated building dry wall and roofing complete. Framing ongoing per architecture drawings. Siding, windows and doors installed. HVAC and Plumbing ongoing. Estimated date of completion is Q4 of 2023.

	YES	NO	N/A
1) Does the Unit Availability Report match the make ready board?	X		
2) Are units being turned in a timely manner?	X		
3) Are there any down units?	X		
4) Are there vacant units that have been vacant for an extended period? If so, please comment below.	X- see comment		
5) Is management utilizing property software (i.e., Yardi, Onesite, or an owner/agent created) to monitor the timely preparation of units? If not, comment.	X		
6) How often are occupied units inspected? ➤ Occupied units are inspected quarterly by a team of two staff members.			
7) How often are vacant units inspected? ➤ Vacant units are inspected at least once a week, to check for any new issues.			
8) How many vacant units are in progress of being made ready? ➤ Five units were in the process of being made ready per the report sent. On the day of the review management advised all five vacant units have since been made ready.			
9) What is the company policy on the number of days to turn vacant units? ➤ Management has a policy of 3 – 5 days to turn a vacant unit.			
COMMENTS: Based on the photos submitted of the vacant units, the units are made-ready. Management has done an excellent job of following TSAHC's recommendation in last year's report by ensuring vacancies with extended vacancy lengths are made-ready within a reasonable time. It is apparent that management is also walking the units to ensure they are ready for rent on a continuous basis as advised. There are currently 32 down units due to building fires as noted in the "Down Units" chart above. Management continues to provide timely monthly construction summaries as required to TSAHC to track the construction progress.			

BUDGET MANAGEMENT					YES	NO	N/A
1)	Are three bids solicited to obtain materials, supplies, and services?				X		
2)	Have there been any large, unexpected repairs or purchases that have negatively affected the current budget? If so, comment below.					X	
3)	Explain YTD variances of 10% or greater in the chart below.						
<u>Expense Items that Varied by 10% or Greater from the Budget for Year-to-Date Operations Ending</u>							
(Please note that a positive variance is under budget and a negative variance is over budget.)							
EXPENSE ITEM	ACTUAL	BUDGET	VARIANCE	%	EXPLANATION		
Advertising and Marketing	\$673.63	\$2,680	\$2,006.37	74.86	Signage and Referral Fees		

Texas State Affordable Housing Corporation

Administrative Expense	\$97,869.53	\$70,671.80	\$-27,197.78	-38.48	Equipment Lease, Legal Expenses, Conventions/Meeting Training, Bad Debt, Payroll Taxes

COMMENTS:

Per management, the variance in advertising expenses variances is due to the start of the year. Additionally, the negative variance for the Administrative Expense can be attributed to management purchasing a new copier and IT visiting the property to update every computer onsite. The Conventions/Meeting and Training variance is due to the turnover in office staff over the past year. The new hires have been scheduled to attend Fair Housing Training and Leasing 101 Training with the Apartment Association. Lastly, management confirms the legal expense is over budget due to having more evictions processed than expected.

REVENUE			
FOR THE MONTH ENDING:		YEAR TO DATE AS OF:	
Gross Potential	\$250,789	Gross Potential	\$250,789
Budgeted Rental Income	\$273,279	Budgeted Rental Income	\$273,279
Actual Rental Income Collected	\$249,583	Actual Rental Income Collected	\$249,583
Variance + (-)	\$-23,696	Variance + (-)	\$-23,696
Other Revenue	\$16,554	Other Revenue	\$16,554
Total Budgeted	\$261,692	Total Budgeted	\$261,692
Total Collected	\$271,034	Total Collected	\$271,034
Variance + (-)	\$-9,342	Variance + (-)	\$-9,342

COMMENTS: Management confirms the negative variance is due to building 13 which was expected to be leased by Quarter 4 of 2022. Management confirmed 5 of the remaining 9 units in building# 13 have been preleased.

ACCOUNTS PAYABLE	YES	NO	N/A
1) Is the payable report up to date?	X		
2) Is the property in good standing with all vendors?	X		
3) Are invoices processed weekly?	X		
COMMENTS: The Payables Aging Report dated 2/21/2023 provides a breakdown of the high outstanding balance. The report indicates more than 88% of the balance is due is for The Cesar Chavez Foundation management fees which management will continue to pay down annually. Additionally, the 60-day balance can be attributed to a delivery issue caused by the Postal Service causing five vendors to not receive the payments as expected. Accounting was able to issue a stop payment once aware of the delivery issue and the five vendor payments were reissued. Management has done a great job of correcting the payment issue and reissuing payments to remain in good standing with the vendors.	0-30 Days:		\$0
	30-60 Days:		\$49,174
	60 Days and Over:		\$273,580
	TOTAL		\$322,755

DELINQUENCIES	YES	NO	N/A
1) Is the delinquency report up to date?	X		
2) What is the rent collection policy?			
➤ Rent is due on the 1st of each month followed by a three-day grace period. On the 4 th of each month, rent is considered late and an initial late fee of \$35 is assessed and notice to vacates are sent to delinquent tenants. There are no additional late fee charges.			
3) When is legal action taken against delinquent accounts?			
➤ Per Management, legal actions are taken 30 days from issuing the Notice to Vacate for nonpayment of rent.			
4) Does the property currently have any resident(s) under eviction?	X		
5) Does Housing have any outstanding balances?		X	
COMMENTS: The Affordable Receivable Aging Summary report dated 2/21/23 was reviewed. Per management, the 60-day balances can be attributed to the extended wait times for court hearings over the past year. Management states they have noticed a decrease from a sixty-day to a three-week wait time and expect to have the legal process more accelerated for the foreseeable future.	0-30 Days:		\$28,626.82
	30-60 Days:		\$8,344.22
	60 Days and Over:		\$11,669
	TOTAL		\$48,640.04

RETURNED CHECKS	YES	NO	N/A
1) Total number of returned checks in the past 3 months:		1	
2) Has the manager collected and deposited all returned checks?	X		

Texas State Affordable Housing Corporation

3) Is the manager following company policy on returned checks?	X		
COMMENTS: Management provided the NSF Receipt Register dated 11/2022 – 01/2023.			

PERSONNEL	YES	NO	N/A
1) Does owner/agent have a system/procedure for providing field supervision of on-site personnel?	X		
2) Does the property appear to be adequately staffed?	X		
3) Is overtime being controlled?	X		
4) Were requested pre-audit reports submitted on time?	X		
5) Does it appear that personnel are team oriented?	X		
6) Was management staff prepared for the site visit?	X		
7) Has staff turnover occurred since the last site review?	X		
8) Are weekly staff meetings held?	X		
9) Have personnel been trained in Fair Housing?	X		
10) List training staff has received in the past year. ➤ The leasing staff has attended the Housing Tax Credit Training presented by TAA and TDHCA. The maintenance staff has attended the Certified Pool Operator training course.			
COMMENTS: The Assistant Manager position has been vacant from February 2023 and is scheduled to be filled on March 6, 2023.			

OWNER PARTICIPATION	YES	NO	N/A
1) Does the owner have access to the software system utilized to manage the property?	X		
2) How often are reports submitted to the owner? Reports are sent to ownership weekly on Mondays.			
3) Are the funds for needed capital improvement items, turning of units, and marketing campaigns released by the owner according to what has been budgeted?	X		
4) What is the dollar amount of an unbudgeted or over budget expense that requires owner approval for the release of funds? • Expenses over \$500 must be approved by the Regional Manager and any amount over \$3000 must be approved by Ownership.			
COMMENTS:			

SUMMARY OF OBSERVATIONS AND FINDINGS
Observations: <ul style="list-style-type: none"> • Exterior Housekeeping: Blinds and window covering in several units are in poor condition and negatively affect curb appeal. A grill was in a photo behind building 4 of phase 2 appearing to belong to a tenant. Management mentioned they walk the property to check for health and safety and exterior housekeeping violations, like damages blinds. TSAHC encourages management to follow their policy consistently and walk the property to issue violations when needed and in a timely manner. • Building exteriors: Last year's review noted the deterioration of the paint on the building's exterior siding, handrails, and landings. Based on the review of the photos submitted for this year's review, the building exteriors appear to be the same condition. Management confirms they have obtained bids to repaint and complete repairs, however the repairs have not been approved by ownership. Management is encouraged to complete these repairs. Additionally, management should obtain bids for the restriping of phase 2' sparking spaces, wheelchair-accessible ramps, and parking stalls. • Phase 2 window replacement: Management confirmed proposals for window replacements have been obtained. TSAHC will review this next year.

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