

Texas State Affordable Housing Corporation Compliance Review Observation Report

Cove Village Apartments	
1102 Golf Course Rd., Copperas Cove, Texas 76522	
Owner: RHAC – Cove Village, LLC	Date Built: 1983
Management Company: J. Allen Management Co.	Property Manager: Jeff Burton
Inspection Date & Time: March 22, 2023 @ 9:30 am	Inspector's Name: Mercedes Dunmore

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) 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		
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Unit #	USR Designation	Comments
23	60%	56 days vacant

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:						
a) Resident attendance				X		
b) Frequency of service provided				X		

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c) Notification to residents of services	X		
d) Number or type of services	X		
e) Survey of residents	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 and TSAHC required forms?	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: Overall, the tenant files are maintained in a neat and organized manner. There were a few issues noted in the chart below.

Observation:

- During the tenant file review, the reviewer noted the tenant rent (tenant paid amount and the housing assistance payment amount) are not reflected on the Unit Status Report (USR). Management is advised to update the tenant rent amounts on the USR home screen prior to the March USR submission due to TSAHC on or before April 10, 2023.
- Unit 43: Management included an arrears amount of \$10 for child support in the income calculations which was outlined in the child support court order. According to the court order, the arrears payments have been sufficed. The payment history also confirms evidence of the tenant no longer receiving arrears payment. The reviewer determines based on the files reviewed, it is management practice to utilize the child support payments to calculate the child support income. Management should remain consistent in applying this method to calculate child support income.

The finding can be found in the chart below:

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
31	The tenant file calculation sheet reflects an amount different from the tenant income certification (TIC).	Management needs to update the calculation page for the child support payments to match the income on the TIC. The TIC reflects the correct income totals.

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COMMENTS:

SUMMARY OF FINDINGS AND OBSERVATIONS

Observation:

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The finding in the chart above is due to TSAHC no later than May 11, 2023.