

ENFORCEMENT ACTION AGAINST	§	BEFORE THE
ROSEMONT MEADOW LANE	§	TEXAS DEPARTMENT OF
APARTMENTS, LLC WITH RESPECT TO	§	HOUSING AND COMMUNITY
ROSEMONT AT MEADOW LANE	§	AFFAIRS
(HTC FILE # 03433 / CMTS # 3421)	§	

### **AGREED FINAL ORDER**

#### **General Remarks and official action taken:**

On this 7<sup>th</sup> day of November, 2024, the Governing Board ("Board") of the Texas Department of Housing and Community Affairs ("TDHCA" or "Department") considered the matter of whether enforcement action should be taken against **ROSEMONT MEADOW LANE APARTMENTS, LLC**, a Texas limited liability company ("Respondent").

This Agreed Order is executed pursuant to the authority of the Administrative Procedure Act ("APA"), Tex. Gov't Code §2001.056, which authorizes the informal disposition of contested cases. In a desire to conclude this matter without further delay and expense, the Board and Respondent agree to resolve this matter by this Agreed Final Order. The Respondent agrees to this Order for the purpose of resolving this proceeding only and without admitting or denying the findings of fact and conclusions of law set out in this Order.

Upon recommendation of the Enforcement Committee, the Board makes the following findings of fact and conclusions of law and enters this Order:

### **WAIVER**

Respondent acknowledges the existence of their right to request a hearing as provided by Tex. Gov't Code §2306.044, and to seek judicial review, in the District Court of Travis County, Texas, of any order as provided by Tex. Gov't Code §2306.047. Pursuant to this compromise and settlement, the Respondent waives those rights and acknowledges the jurisdiction of the Board over Respondent.

### **FINDINGS OF FACT (FOF)**

#### **Jurisdiction:**

1. In 2004, Parmer Villas Housing, L.P. (Prior Owner) was awarded an allocation of Low Income Housing Tax Credits by the Board to build and operate Rosemont at Meadow Lane (HTC # 03433 / CMTS # 3421).

2. Prior Owner signed a Land Use Restriction Agreement (LURA) regarding the Property. The LURA was effective October 4, 2004, and filed of record on December 13, 2004, at Document Number 200403166760 in Volume 2004239, Page 50 of the Official Public Records of Real Property of Dallas County, Texas (Records). In accordance with Section 2 of the LURA, the LURA is a restrictive covenant/deed restriction encumbering the property and binding on all successors and assigns for the full term of the LURA.
3. Respondent purchased the Property on January 29, 2021. The restrictions remained in place in accordance with Section 2 of the LURA, thereby binding Respondent to the terms of the agreement.
4. Respondent is subject to the regulatory authority of TDHCA.

Compliance Violations<sup>1</sup>:

1. The Department conducted a Uniform Physical Condition Standards ("UPCS") inspection on September 26, 2023. This inspection scored 47 out of 100, and the inspection report showed numerous property condition violations, a violation of 10 TAC § 10.621 (Property Condition Standards). The Department issued a notification of noncompliance setting a corrective action deadline of December 27, 2023, and granted an extension until March 26, 2024, the maximum allowed. Respondent uploaded a certification for correction of exigent fire and safety hazards on October 1, 2024, but did not submit any work orders or invoices to document correction of any of the cited deficiencies listed at Exhibit 1. TDHCA's Compliance Division referred Respondent for an administrative penalty. Respondent submitted partial corrections on April 11, 2024 and April 12, 2024, in response, and then submitted additional corrective documentation on May 15, 2024, and July 26, 2024. The status of the noncompliance as of the July 30, 2024 informal conference is at Exhibit 1. The Compliance Division confirmed resolution of the final deficiencies during its September 26, 2024 National Standards for the Physical Inspection of Real Estate ("NSPIRE") inspection at the Property<sup>2</sup>.
2. All violations listed above are considered resolved at the time of this Order.

CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter pursuant to Tex. Gov't Code §§2306.041-.0503 and 10 TAC Chapter 2.

<sup>1</sup> Within this Agreed Final Order, all references to violations of TDHCA Compliance Monitoring rules at 10 TAC Chapter 10 refers to the versions of the code in effect at the time of the compliance monitoring reviews and/or inspections that resulted in recording each violation. All past violations remain violations under the current code and all interim amendments.

<sup>2</sup> New noncompliance was identified during the September 26, 2024 NSPIRE inspection, however, that new noncompliance is within a 90-day corrective action period, which will expire December 26, 2024. The 2024 NSPIRE inspection is not part of this Agreed Final Order, except to the extent that the inspection verified resolution of the lines marked in red at Exhibit 1.

2. Respondent is a "housing sponsor" as that term is defined in Tex. Gov't Code §2306.004(14).
3. Pursuant to IRC §42(m)(1)(B)(iii), housing credit agencies are required to monitor for noncompliance with all provisions of the IRC and to notify the Internal Revenue Service of such noncompliance.
4. Pursuant to Tex. Gov't Code Chapter 2306, Subchapter DD and Tex. Gov't Code §2306.185, TDHCA is authorized to make Housing Tax Credit Allocations for the State of Texas and is required to monitor to ensure compliance.
5. Respondent violated 10 TAC §10.621 in 2023 and I.R.C. §42, as amended, by failing to comply with HUD's Uniform Physical Condition Standards when major violations were discovered and not timely corrected.<sup>3</sup>
6. Because Respondent is a housing sponsor with respect to the Property, and has violated TDHCA rules, the Board has personal and subject matter jurisdiction over Respondent pursuant to Tex. Gov't Code §2306.041 and Tex. Gov't Code §2306.267.
7. Because Respondent is a housing sponsor, TDHCA may order Respondent to perform or refrain from performing certain acts in order to comply with the law, TDHCA rules, or the terms of a contract or agreement to which Respondent and TDHCA are parties, pursuant to Tex. Gov't Code §2306.267.
8. Because Respondent has violated rules promulgated pursuant to Tex. Gov't Code §2306.053 and has violated agreements with the Agency to which Respondent is a party, the Agency may impose an administrative penalty pursuant to Tex. Gov't Code §2306.041.
9. An administrative penalty of \$15,000.00 is an appropriate penalty in accordance with 10 TAC Chapter 2.

Based upon the foregoing findings of fact and conclusions of law, and an assessment of the factors set forth in Tex. Gov't Code §2306.042 to be considered in assessing such penalties as applied specifically to the facts and circumstances present in this case, the Governing Board of the Texas Department of Housing and Community Affairs orders the following:

**IT IS HEREBY ORDERED** that Respondent is assessed an administrative penalty in the amount of \$15,000.00 as further ordered below.

**IT IS FURTHER ORDERED** that Respondent shall pay and is hereby directed to pay a \$15,000.00 portion of the assessed administrative penalty by check payable to the "Texas Department of

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<sup>3</sup> HUD's UPCS was the inspection protocol adopted by TDHCA pursuant to 10 TAC 10.621(a) at the time of the inspection that was conducted on September 26, 2023. That rule was amended to adopt the HUD NSPIRE protocol on February 26, 2024.

Housing and Community Affairs" to the following address within thirty days of the date this Agreed Final Order is approved by the Board:

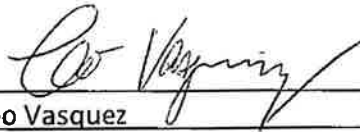
If via overnight mail (FedEx, UPS):	If via USPS:
TDHCA Attn: Ysella Kaseman 221 E 11 <sup>th</sup> St Austin, Texas 78701	TDHCA Attn: Ysella Kaseman P.O. Box 13941 Austin, Texas 78711

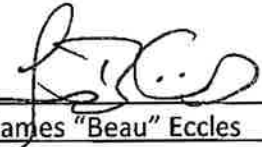
**IT IS FURTHER ORDERED** that Respondent shall follow the requirements of 10 TAC §10.406, and obtain approval from the Department prior to consummating a sale of the property, if contemplated.

**IT IS FURTHER ORDERED** that the terms of this Agreed Final Order shall be published on the TDHCA website.

*[Remainder of page intentionally blank]*

Approved by the Governing Board of TDHCA on November 7th, 2024.

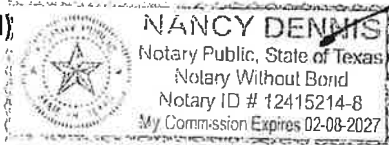
By:   
Name: Leo Vasquez  
Title: Chair of the Board of TDHCA


By:   
Name: James "Beau" Eccles  
Title: Secretary of the Board of TDHCA

THE STATE OF TEXAS §  
§  
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 7<sup>th</sup> day of November, 2024, personally appeared Leo Vasquez, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)

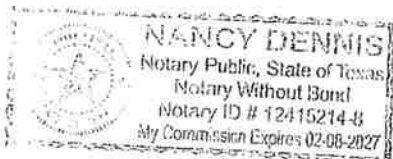



  
Notary Public, State of Texas

THE STATE OF TEXAS §  
§  
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 7<sup>th</sup> day of November, 2024, personally appeared James "Beau" Eccles, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

(Seal)



  
Notary Public, State of Texas

STATE OF Washington §

COUNTY OF King §

BEFORE ME, Audrey Edwards (notary name), a notary public in and for the State of WA, on this day personally appeared Evan J. Hunden (person signing document), known to me or proven to me through circle one: personally known / driver's license / passport to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that (he/she) executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is Evan J. Hunden, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of Managing Member of Managing Member for Respondent. I am the authorized representative of Respondent, owner of the Property, which is subject to a Land Use Restriction Agreement monitored by the TDHCA in the State of Texas, and I am duly authorized by Respondent to execute this document.
3. The Taxpayer ID for Respondent is 85-3624860.
4. The mailing address for Respondent is 10400 NE 8th St, Suite 1200, Bellevue, WA 98004.
5. Respondent knowingly and voluntarily enters into this Agreed Final Order, and agrees with and consents to the issuance and service of the foregoing Agreed Order by the Governing Board of the Texas Department of Housing and Community Affairs."

**RESPONDENT:**

**ROSEMONT MEADOW LANE APARTMENTS, LLC**, a Texas limited liability company

**ROSEMONT MEADOW LANE MANAGER, LLC**, a Texas limited liability company, its managing member

By: Evan J. Hunden  
Name: Evan J. Hunden  
Title: Managing Member

Given under my hand and seal of office this 13<sup>th</sup> day of November, 2024.

Audrey Edwards

Signature of Notary Public

Audrey Edwards

Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF Washington  
My Commission Expires: 01/30/2028

