

**ENFORCEMENT ACTION
AGAINST PECAN TREE SQUARE
PARTNERSHIP, LTD. WITH
RESPECT TO PECAN TREE
SQUARE APARTMENTS
(HTC FILE # 97003)**

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**BEFORE THE
TEXAS DEPARTMENT OF
HOUSING AND
COMMUNITY AFFAIRS**

AGREED FINAL ORDER

On this 12th day of September, 2013, the Governing Board of the Texas Department of Housing and Community Affairs (“Board”) considered the matter of whether enforcement action should be taken against **PECAN TREE SQUARE PARTNERSHIP, LTD.**, a Louisiana Limited Partnership (“Pecan Tree” or “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 Administrative Penalties Committee, the Board makes the following findings of fact and conclusions of law and enters this order:

FINDINGS OF FACT

1. The Department has jurisdiction over this matter pursuant to Tex. Gov’t Code §§2306.041-0503, and 10 TAC §1.14 and 10 TAC, Chapter 60.
2. Pecan Tree Square Apartments, a 24-unit apartment complex located in Grandview, Texas and owned by Respondent, is subject to a Land Use Restriction Agreement (“LURA”) dated to be effective May 29, 1998, filed of record at Volume 2214, Page 968 of the Official Public Records of Real Property of Johnson County, Texas (“the Records”), as amended on November 13, 2001, in a First Amendment filed of record at Volume 2574, Page 82 of the Records. The LURA was entered into and signed by Respondent in consideration for an allocation of low income housing tax credits in the annual amount of \$31,742 awarded by TDHCA.
3. Respondent is a Louisiana limited liability partnership that is approved by TDHCA as qualified to own, construct, acquire, rehabilitate, operate, manage or maintain a housing development that is subject to the regulatory authority of TDHCA.

Compliance Violations:

4. An on-site monitoring review was conducted on June 21, 2012, to determine whether Pecan Tree was in compliance with LURA requirements to lease units to low income households, maintain records demonstrating eligibility, keep the properties in good condition and comply with any additional requirements of the LURA. The monitoring review found violations of the LURA and TDHCA rules. Notifications of noncompliance were sent, however, the supportive service violation was not corrected before the September 25, 2012 corrective action deadline. Pecan Tree failed to provide Job Training Partnership Act (“JTPA”) and Comprehensive Energy Assistance Program (“CEAP”) supportive services throughout the Compliance Period as required by Appendix A of the LURA, an act that violated both the LURA and 10 TEX. ADMIN. CODE §60.116 (Monitoring for Social Services).

The supportive service violation remains outstanding and cannot be corrected because the Compliance Period has ended.

CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter pursuant to Tex. Gov’t Code §§2306.041-.0503, 10 TAC §1.14 and 10 TAC, Chapter 60.
2. Respondent is a “housing sponsor” as that term is defined in Tex. Gov’t Code §2306.004(14).
3. Pecan Tree violated requirements in Appendix A of the LURA and 10 TEX. ADMIN. CODE §60.116 by failing to provide all required supportive services.
4. 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, including a land use restriction agreement, to which Respondent and TDHCA are parties, pursuant to Tex. Gov’t Code §2306.267.
5. Because Respondent has violated rules promulgated pursuant to Tex. Gov’t Code Chapter 2306 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
6. An administrative penalty of \$485.00 is an appropriate penalty in accordance with 10 TAC §§60.307 and 60.308.

Based upon the foregoing findings of fact and conclusions of law, and an assessment of the statutory factors to be considered in assessing such penalties, applied specifically to the facts and circumstances present in this case, the Board of the Texas Department of Housing and Community Affairs orders the following:

IT IS HEREBY ORDERED that **PECAN TREE SQUARE PARTNERSHIP, LTD.** is assessed an administrative penalty of \$485.00 and shall pay the administrative penalty within thirty (30) days of the date this Agreed Final Order is approved by the governing board of TDHCA. Such payment shall be made by cashier's check payable to the "Texas Department of Housing and Community Affairs."

IT IS FURTHER ORDERED that payment must be submitted to the following address:

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

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Approved by the Governing Board of TDHCA on Sept. 12, 2013.

By: /s/ J. Paul Oxe
Name: J. Paul Oxe
Title: Chair of the Board of TDHCA

By: /s/ Barbara B. Deane
Name: Barbara B. Deane
Title: Secretary of the Board of TDHCA

THE STATE OF TEXAS §
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COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 16TH day of September, 2013, personally appeared J. Paul Oxe, 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)

/s/ Leah Sargeant Rosas
Notary Public, State of Texas

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 16TH day of September, 2013, personally appeared Barbara B. Deane, proved to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed.

(Seal)

/s/ Leah Sargeant Rosas
Notary Public, State of Texas

Given under my hand and seal of office this 19th day of September, 2013.

/s/ Paul A. Eckert
Signature of Notary Public

Paul A. Eckert #05265
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF LOUISIANA
My Commission Expires: Lifetime