

ENFORCEMENT ACTION AGAINST	§	BEFORE THE
COMMUNITY SERVICES AGENCY OF SOUTH	§	TEXAS DEPARTMENT OF
TEXAS WITH RESPECT TO	§	HOUSING AND COMMUNITY
VILLA DE REPOSO SAN LUIS ASHERTON	§	AFFAIRS
(HOME 539110 / CMTS 2730)	§	

**AGREED FINAL ORDER**

**General Remarks and official action taken:**

On this 4<sup>th</sup> day of September, 2025, 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 **COMMUNITY SERVICES AGENCY OF SOUTH TEXAS**, a Texas nonprofit corporation (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 2000, Respondent received a HOME loan to build and operate Villa de Reposo San Luis Asherton (HOME 539110 / CMTS 2730) (the Property).
2. Respondent signed a Land Use Restriction Agreement (LURA) regarding the Property. The LURA was effective December 8, 2000, and filed of record on January 4, 2001 at

Volume 279, Page 377 of the Official Public Records of Real Property of Dimmit County, Texas.

3. Respondent is subject to the regulatory authority of TDHCA.

Compliance Violations<sup>1</sup>:

4. Respondent has a history of violations and previously signed three Agreed Final Orders:
  - a. Regarding Villa de Reposo Encinal (HOME 530201 / CMTS 4002): Agreed Final Order signed on May 5, 2016, agreeing to pay a \$1,000.00 administrative penalty, which was to be fully forgivable if Respondent submitted corrective documentation as required by the Order. Respondent violated the Agreed Final Order and paid the full \$1000.00 administrative penalty as required.
  - b. Regarding Villa de Reposo Encinal (HOME 530201 / CMTS 4002): Agreed Final Order signed on August 5, 2019, agreeing to pay a \$5,000.00 administrative penalty, of which \$1,000.00 was paid at signing, and the remainder was forgiven when Respondent attended HOME Compliance Training.
  - c. Regarding Villa de Reposo San Luis Asherton (HOME 539110 / CMTS 2730): Agreed Final Order signed on February 9, 2023, agreeing to pay a \$7,500.00 administrative penalty, of which \$3,500.00 was paid at signing, and the remainder was forgiven when complete corrections were submitted as required by the Agreed Final Order.
5. The Department conducted an on-site file monitoring review on November 20, 2024, to determine whether Respondent complied with LURA requirements to lease units to low-income households and maintain records demonstrating eligibility. The monitoring review found violations of the LURA and TDHCA rules. The Department issued a notification of noncompliance, setting a corrective action deadline of March 19, 2025. Respondent timely submitted corrective documentation, but it was incomplete. The Department provided a 10-day grace period expiring May 12, 2025. The following violation was not resolved before the deadline, and was referred for an administrative penalty:
  - a. Respondent failed to provide tenant income certification documentation for unit 8A when the annual recertification came due on July 1, 2024, a violation of 10 TAC §10.612(c) (Tenant File Requirements). 10 TAC §10.612(c) requires HOME Developments to complete a recertification with verifications of each HOME assisted unit every sixth year of the Development's affordability period. In the intervening years, the Development must annually collect a self-certification of the household composition, income, and assets using the Department's Income

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<sup>1</sup> Within this Agreed Final Order, all references to violations of TDHCA Compliance Monitoring rules at 10 TAC Chapter 10 refer 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.

Certification form. Respondent did not collect the sixth year full recertification for 2024. This is a repeated violation type for the Property, with violations of the same type previously included in the Agreed Final Order from 2023.

6. The Department conducted a National Standards for the Physical Inspection of Real Estate (NSPIRE) inspection on March 4, 2025. 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 July 10, 2025. Respondent failed to respond, and the violations outlined at Exhibit 2 were referred for an administrative penalty. Complete corrective documentation was received on June 16, 2025, after intervention by the TDHCA Enforcement Committee.
7. The following violations remain outstanding at the time of this order:
  - a. Tenant income certification violation described in FOF #5.a.

### **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.
2. Respondent is a "housing sponsor" as that term is defined in Tex. Gov't Code §2306.004(14).
3. The Department is required to monitor for compliance with all program requirements pursuant to Tex. Gov't Code §2306.185.
4. Pursuant to 10 TAC §10.621(a), TDHCA has adopted HUD's National Standards for the Physical Inspection of Real Estate (NSPIRE) as the standard for its physical inspections.
5. Respondent violated 10 TAC §10.612 in 2024 by failing to provide tenant income certification documentation for unit 8A at annual recertification.
6. Respondent violated 10 TAC § 10.621 in 2025, by failing to comply with NSPIRE when major violations were discovered and not timely corrected.
7. 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 §2306.267.
8. 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.

9. 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.
10. An administrative penalty of \$1,250.00 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 \$1,250.00.

**IT IS FURTHER ORDERED** that Respondent shall pay and is hereby directed to pay the \$1,250.00 administrative penalty by check payable to the Texas Department of Housing and Community Affairs on or before October 6, 2025, to the following address:

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 fully correct the file monitoring violations as indicated in the exhibits and submit full documentation of the corrections to TDHCA on or before October 6, 2025.

**IT IS FURTHER ORDERED** that if complete corrective documentation is submitted as directed in this Order, the TDHCA Executive Director may, but is not required to, waive payment of the \$1,250.00 administrative penalty.

**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.

Approved by the Governing Board of TDHCA on September 4, 2025.

By: /s/ Leo Vasquez

Name: Leo Vasquez

Title: Chair of the Board of TDHCA

By: /s/ Michael Lyttle

Name: Michael Lyttle

Title: Assistant Secretary to the Board of TDHCA

THE STATE OF TEXAS §

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COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 4th day of September, 2025, 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)

/s/ Nancy Dennis

Notary Public, State of Texas

THE STATE OF TEXAS §

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COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 4th day of September, 2025, personally appeared Michael Lyttle, 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/ Nancy Dennis

Notary Public, State of Texas



## Exhibit 1

### File Monitoring Violation Instructions

**Tenant income certification violation for unit 8A. To correct, either:**

1. Submit income and asset verifications to support the previously submitted income certification and application that were dated effective 7/1/2024. The income and asset verifications must be dated within 120 days of 7/1/2024, but must not be backdated.  
- OR -
  2. If the above income and asset verifications are not available, recertify the household under current circumstances and submit all of the following. All documents must be dated within 120 days of the date that the income certification is signed.
    - a. New application(s);
    - b. New income certification; and
    - c. Verifications of all sources of income and assets. See annual recertification technical support section below.
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**Technical Support regarding income certification requirements:**

**Training:**

- Watch TDHCA's Multifamily Direct Loan Training (MFDL) Webinar at this link, which includes information regarding income and rent limits, eligibility, and recertifications <https://www.youtube.com/watch?v=ekacmp79f64&feature=youtu.be>
- The associated training handout is at: <https://www.tdhca.texas.gov/sites/default/files/multifamily/docs/20-MFDL-Training.pdf>
- Other trainings are available at: <https://www.tdhca.texas.gov/compliance-program-training-presentations>

**Must certify households at initial occupancy.** A complete tenant file at initial occupancy will include:

1. Intake Application
2. Verifications:
  - a. Verify all sources of income and assets, using third party or first-hand documentation
  - b. Verify student status
  - c. Special Needs Certification (required for Villa de Reposo Asherton)

- d. Elderly Verification
- 3. Income Certification form
- 4. Lease and lease addenda, including required TDHCA language
- 5. Tenant Rights and Resources Guide Acknowledgment

Remember that items 1 through 3 above must all be dated within 120 days of one another. See page 6 of this [technical support guide](#) for more information about each item listed above.

**Must collect annual certifications.** Due by the anniversary of the household’s move-in date. Can begin the process up to 120 days before the due date.

- Full recertification is required every 6<sup>th</sup> year of the affordability period. A full recertification must include an application, verifications of all sources of income and assets using two months’ worth of third party or first-hand documentation, and an income certification form. All components must be dated within 120 days of one another.
- Intervening year self-certifications: In the intervening years, households must complete the TDHCA income certification form, but full recertification is not required unless the household discloses income that is now above the 80% limit.
- Alternatively, you may choose to collect full recertifications annually.

**6<sup>th</sup> year period for Villa de Reposo San Luis Asherton CMTS 2730:**

HOME/TCAP RF/NHTF			
6th Year Recertifications			
What is the effective date of the Regulatory Agreement?			12/8/2000
What is the term/affordability period?			30
Year	Start of Year	thru	End of Year
1	12/08/00	thru	12/07/01
6	12/08/05	thru	12/07/06
12	12/08/11	thru	12/07/12
18	12/08/17	thru	12/07/18
24	12/08/23	thru	12/07/24
30	12/08/29	thru	12/07/30

## Exhibit 2

### NSPIRE Inspection Report

<b>1: Unit 1B</b>									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Entire Unit	No Issues/Violations	Inspected - No Issues Were Found			03/04/25 21:58				
<b>1: Unit 1B Unit NSPIRE Totals</b>									
Life Threatening: 0/0		Severe: 0/0		Moderate: 0/0		Low: 0/0			
<b>2: Unit 2A</b>									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Entire Unit	No Issues/Violations	Inspected - No Issues Were Found			03/04/25 21:58				
<b>2: Unit 2A Unit NSPIRE Totals</b>									
Life Threatening: 0/0		Severe: 0/0		Moderate: 0/0		Low: 0/0			
<b>4: Unit 4B</b>									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Entire Unit	No Issues/Violations	Inspected - No Issues Were Found			03/04/25 22:04				
<b>4: Unit 4B Unit NSPIRE Totals</b>									
Life Threatening: 0/0		Severe: 0/0		Moderate: 0/0		Low: 0/0			
<b>6: Unit 6A</b>									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Bedroom 1	Conductors, Outlets, Switches	Exposed electrical conductor	Missing knockouts in electrical box	1	03/04/25 15:59 DC		LT	24H	
Kitchen	Refrigerator	Refrigerator door seal is damaged	The gasket on the refrigerator is damaged.	2	03/04/25 15:59 DC		Mod	30D	
<b>6: Unit 6A Unit NSPIRE Totals</b>									
Life Threatening: 1/12		Severe: 0/0		Moderate: 1/1.1		Low: 0/0			
<b>8: Unit 8A</b>									
Location	Item	Results	Notes	Pic	Date	Fixed	Sev	Fix By	
Bathroom 1	Toilet	Toilet is not secured at base/loose	The base of the toilet is not secured to the floor properly.	3	03/04/25 16:00 DC		Mod	30D	
<b>8: Unit 8A Unit NSPIRE Totals</b>									
Life Threatening: 0/0		Severe: 0/0		Moderate: 1/1.1		Low: 0/0			