

ENFORCEMENT ACTION AGAINST
AVALON APARTMENTS, L.L.C, AND
ITS PRINCIPALS: XHELADIN JASARI
AND FLAZA JASAROSKI

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BEFORE THE
TEXAS DEPARTMENT OF
HOUSING AND
COMMUNITY AFFAIRS

AGREED FINAL ORDER

General Remarks and official action taken:

On this 25th day of May, 2017, 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 **AVALON APARTMENTS, L.L.C.**, a Texas limited liability company, and its officers, **XHELADIN JASARI AND FLAZA JASAROSKI**, (collectively “Respondent”), for scoring 50 or less on a Uniform Physical Condition Standards (“UPCS”) inspection on more than one occasion at Avalon Apartments.

This Agreed Final Order is executed pursuant to the authority granted in the Tex. Gov’t Code, Chapter 2306.0504, which requires the Board to adopt a policy providing for the debarment of a person from participation in Department programs because of a person’s past failure to comply with conditions imposed by the Department in the administration of its programs. The policy was adopted by the Board and is set forth in 10 TAC §2.401.

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

FINDINGS OF FACT

Jurisdiction:

1. During 1993, Texas Avalon, Ltd. (“Prior Owner”) was awarded an allocation of Low Income Housing Tax Credits by the Board, in the total amount of \$857,230 to build and operate Avalon Apartments (“Property”) (HTC file No. 91036 / CMTS No. 954 / LDLD No. 102).
2. Prior Owner signed a land use restriction agreement (“LURA”) regarding the Property. The LURA was effective February 4, 1993, and filed of record at Volume 10941, Page 396 of the Official Public Records of Real Property of Tarrant County, Texas. In accordance with Section 2(b) 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 March 31, 2004 without TDHCA permission, and was subject to the continuing requirements of the LURA until the property was again sold on August 12, 2016. 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.
4. Avalon Apartments, L.L.C. was qualified to own, construct, acquire, rehabilitate, operate, manage, or maintain a housing development that is subject to the regulatory authority of TDHCA.
5. Xheladin Jasari and Flaza Jasaroski are the president and vice president, respectively, of Avalon Apartments, L.L.C. and are its only principals. Flaza Jasaroski was designated as the primary contact.

Material Violations Subject To Debarment¹:

1. TDHCA conducted a UPCS inspection on July 23, 2009, and issued an inspection report on August 14, 2009, identifying a score of 27 out of 100, and outlining physical violations of 10 TAC §60.116. Notifications of noncompliance were sent and a November 12, 2009, corrective deadline was set. Many violations remained uncorrected at the time that the property was resold on August 12, 2016, and are being addressed by the new owner.
2. TDHCA conducted a UPCS inspection on June 10, 2015, and issued an inspection report on June 23, 2015, identifying a score of 45 out of 100, and outlining physical violations of 10 TAC §10.621 (Property Condition Standards). Notifications of noncompliance were sent and a September 21, 2015, corrective deadline was set. Many violations remained uncorrected at the time that the property was resold on August 12, 2016, and are being addressed by the new owner.

CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter pursuant to Tex. Gov't Code §2306.0504, and 10 TAC §2.
2. Respondent is a "Responsible Party" as that term is defined in 10 TAC §23102(5).
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. Respondent violated 10 TAC §60.116 in 2009, 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.

¹ Within this Agreed Final Order, all references to violations of TDHCA Compliance Monitoring rules at 10 Tex. Admin. Code, Chapters 10 and 60 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.

5. Respondent violated 10 TAC §10.621 in 2015, 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.
6. Pursuant to Tex. Gov't. Code §2306.0504(c), the Department shall debar a person from participation in a Department program if the person materially or repeatedly violates any condition imposed by the department in connection with the administration of a department program.
3. Pursuant to 10 TAC §2.401(d), scoring 50 or less on a UPCS inspection on more than one occasion is a material violation that justifies debarment

Based upon the foregoing findings of fact and conclusions of law, and an assessment of material factors including those set forth in 10 Tex. Admin. Code §2.401(j) to be considered for a recommended period of debarment, as 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 Respondent is debarred from future participation in all programs administered by the Department for a period of **ten** years, to commence upon the date this Order is approved by the Board.

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

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