

ENFORCEMENT ACTION AGAINST FIFTH	§	BEFORE THE
WARD COMMUNITY REDEVELOPMENT	§	TEXAS DEPARTMENT OF
CORPORATION, BRIDGETTE STEELE,	§	HOUSING AND COMMUNITY
WILEY HENRY, HARVEY CLEMONS JR,	§	AFFAIRS
AND ANTHONY WILCOTS	§	

**AGREED FINAL ORDER**

**General Remarks and official action taken:**

On this 21<sup>st</sup> day of March, 2019, 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 **FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION, BRIDGETTE STEELE, WILEY HENRY, HARVEY CLEMONS JR, AND ANTHONY WILCOTS** (collectively, Respondent), for controlling a development that has, on more than one occasion, scored 50 or less on a Uniform Physical Condition Standards (UPCS) inspection.

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 Executive Director, the Board makes the following findings of fact and conclusions of law and enters this Order:

**FINDINGS OF FACT**

**Jurisdiction:**

1. During 1996, Lyons Village Ltd., a Texas limited partnership (Owner) was awarded an allocation of Low Income Housing Tax Credits by the Governing Board (Board) of the Texas Department of Housing and Community Affairs (TDHCA or the Department), in the annual amount of \$189,805 to build and operate Lyons Village Townhomes (Property) (HTC file No. 96171 / CMTS No. 1630).
2. Owner signed a land use restriction agreement (LURA) regarding the Property. The LURA was effective December 21, 1999, and filed of record at Document Number U151462 of the Official Public Records of Real Property of Harris County, Texas.

3. Lyons Village Ltd. is an organization that is qualified to own, construct, acquire, rehabilitate, operate, manage, or maintain a housing development that is subject to the regulatory authority of TDHCA.
4. Fifth Ward Community Redevelopment Corporation, a Texas nonprofit corporation (Fifth Ward), is the general partner for Lyons Village Ltd.
5. Bridgette Steele, Wiley Henry, Harvey Clemons Jr, and Anthony Wilcots (Fifth Ward Board) are current board members for Fifth Ward, and have been on the board since at least February 6, 2012.
6. Fifth Ward and the Fifth Ward Board (collectively Respondent) are considered Responsible Parties for the Property during the term in question for this debarment recommendation, and therefore subject to the regulatory authority of TDHCA. There are additional current board members, but they were not present on the board in 2012, and are therefore not considered Responsible Parties for purposes of this debarment recommendation.

**Material Violations Subject To Debarment:**

1. A Uniform Physical Condition Standards (UPCS) inspection was performed at the Property on February 6, 2012. The Property scored a 48 out of 100.
2. A UPCS inspection was performed at the Property on January 23, 2018. The Property scored a 46 out of 100.
3. Scoring 50 or less on a UPCS inspection on more than one occasion is a material violation that is grounds for mandatory debarment.

**CONCLUSIONS OF LAW**

1. The Department has jurisdiction over this matter pursuant to Tex. Gov't Code §2306.0504 and 10 TAC §2.401.
2. Respondent is a "Responsible Party" as that term is defined in 10 TAC §2.102(1).
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. Pursuant to 10 TAC §10.621(a), TDHCA has adopted HUD's Uniform Physical Condition Standards as the standards for its physical inspections;

6. Respondent violated 10 TAC §10.621 on February 6, 2012 and January 23, 2018, by failing to provide housing that meets UPCS standards.
7. 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 debarment program, including a material or repeated violation of a LURA.

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 barred from future participation in all programs administered by the Department for a **term ending June 30, 2019**. This debarment does not prohibit Respondent from participating in any existing engagements funded through the Department, nor affect any responsibilities or duties thereunder.

**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 March 21, 2019.

By: /s/ J.B. Goodwin  
Name: J.B. Goodwin  
Title: Chair of the Board of TDHCA

By: /s/ James "Beau" Eccles  
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 21<sup>st</sup> day of March, 2019, personally appeared J.B. Goodwin, 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 Sargent Rosas  
Notary Public, State of Texas

THE STATE OF TEXAS §  
  §  
COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 21<sup>st</sup> day of March, 2019, 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)

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

STATE OF TEXAS §  
§  
COUNTY OF Harris §

BEFORE ME, Erin Jones (*notary name*), a notary public in and for the State of TX, on this day personally appeared Kathy F. Payton (*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 Kathy F. Payton, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of President for Fifth Ward Community Redevelopment Corporation ("Fifth Ward"). I am the authorized representative of Fifth Ward and I am duly authorized to execute this document.
3. Fifth Ward Community Redevelopment Corporation knowingly and voluntarily enters into this Agreed Final Order, and agrees with and consents to the issuance and service of the foregoing Agreed Final Order by the Governing Board of the Texas Department of Housing and Community Affairs."

**RESPONDENT:**

**FIFTH WARD COMMUNITY REDEVELOPMENT CORPORATION**, a Texas nonprofit corporation

By: /s/ Kathy F. Payton

Name: Kathy F. Payton

Title: Pres/CEO

Given under my hand and seal of office this 3rd day of April, 2019.

/s/ Erin Jones  
Signature of Notary Public

Erin Jones  
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF TX

My Commission Expires: 5/1/2021

STATE OF TEXAS §  
§  
COUNTY OF Harris §

BEFORE ME, Erin Jones (*notary name*), a notary public in and for the State of Texas, on this day personally appeared Bridgette Steele, 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 she executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is Bridgette Steele, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of Vice-Chair  
for Fifth Ward Community Redevelopment Corporation.
3. I knowingly and voluntarily enter into this Agreed Final Order, and agree with and consent to the issuance and service of the foregoing Agreed Final Order by the Governing Board of the Texas Department of Housing and Community Affairs."

**RESPONDENT:**

By: /s/ Bridgette Steele

Name: Bridgette Steele

Given under my hand and seal of office this 3rd day of April, 2019.

/s/ Erin Jones  
Signature of Notary Public

Erin Jones  
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF TX  
My Commission Expires: 5/1/2021

STATE OF TEXAS §  
§  
COUNTY OF Harris §

BEFORE ME, Erin Jones (*notary name*), a notary public in and for the State of Texas, on this day personally appeared Wiley Henry, 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 executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is Wiley Henry, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of Founding Officer for Fifth Ward Community Redevelopment Corporation.
3. I knowingly and voluntarily enter into this Agreed Final Order, and agree with and consent to the issuance and service of the foregoing Agreed Final Order by the Governing Board of the Texas Department of Housing and Community Affairs."

**RESPONDENT:**

By: /s/ Wiley Henry

Name: Wiley Henry

Given under my hand and seal of office this 11th day of April, 2019.

/s/ Erin Jones  
Signature of Notary Public

Erin Jones  
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF TX  
My Commission Expires: 5/1/2021

STATE OF TEXAS §  
§  
COUNTY OF Harris §

BEFORE ME, Erin Jones (*notary name*), a notary public in and for the State of Texas, on this day personally appeared Harvey Clemons Jr, 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 executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is Harvey Clemons Jr, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of Founding Officer for Fifth Ward Community Redevelopment Corporation.
3. I knowingly and voluntarily enter into this Agreed Final Order, and agree with and consent to the issuance and service of the foregoing Agreed Final Order by the Governing Board of the Texas Department of Housing and Community Affairs."

**RESPONDENT:**

By: /s/ Harvey Clemons Jr

Name: Harvey Clemons Jr

Given under my hand and seal of office this 3rd day of April, 2019.

/s/ Erin Jones  
Signature of Notary Public

Erin Jones  
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF TX  
My Commission Expires: 5/1/2021



STATE OF TEXAS §  
§  
COUNTY OF Harris §

BEFORE ME, Erin Jones (*notary name*), a notary public in and for the State of Texas, on this day personally appeared Anthony Wilcots, 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 executed the same for the purposes and consideration therein expressed, who being by me duly sworn, deposed as follows:

1. "My name is Anthony Wilcots, I am of sound mind, capable of making this statement, and personally acquainted with the facts herein stated.
2. I hold the office of Board Member for Fifth Ward Community Redevelopment Corporation.
3. I knowingly and voluntarily enter into this Agreed Final Order, and agree with and consent to the issuance and service of the foregoing Agreed Final Order by the Governing Board of the Texas Department of Housing and Community Affairs."

**RESPONDENT:**

By: /s/ Anthony Wilcots

Name: Anthony Wilcots

Given under my hand and seal of office this 3rd day of April, 2019.

/s/ Erin Jones  
Signature of Notary Public

Erin Jones  
Printed Name of Notary Public

NOTARY PUBLIC IN AND FOR THE STATE OF TX  
My Commission Expires: 5/1/2021