

ENFORCEMENT ACTION AGAINST § BEFORE THE
OLIVE TREE MULTIFAMILY MANAGER LLC § TEXAS DEPARTMENT OF HOUSING
AND IAN BEL § AND COMMUNITY AFFAIRS

FINAL ORDER OF DEBARMENT

General Remarks and official action taken:

On this 12th day of December, 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 Olive Tree Multifamily Manager LLC (Olive Tree) and Ian Bel (collectively, Respondents), for controlling two multifamily developments that were foreclosed on August 6, 2024, where the foreclosures terminated the subordinate TDHCA LURAs, a violation of 10 TAC §2.401(a)(7).

This Final Order is executed pursuant to the authority granted in Texas Government Code section 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. A policy was adopted by the Board and is set forth at 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 2001, Timber Ridge Housing, Ltd. (Prior Owner I) was awarded an allocation of 9% Low Income Housing Tax Credits by the Board to build and operate The Life at Timber Ridge Apartments HTC 01101 / CMTS 343 (Timber I).
2. During 2003, Timber Ridge Housing II, Ltd. (Prior Owner II) was awarded an allocation of 4% Low Income Housing Tax Credits and tax exempt bonds by the Board to build and operate The Life at Timber Ridge II Apartments HTC 03456 / Bond 03456B / CMTS 3411 (Timber II).
3. Timber I and Timber II had the following Land Use Restriction Agreements (LURAs):
 - a. Declaration of Land Use Restrictive Covenants For Low-Income Housing Credits regarding Timber I (HTC LURA I). The LURA was effective March 15, 2003, and filed of record at Clerk’s File Number X515190, at Volume 584-04, Page 600 of the Official Public Records of Real Property of Harris County, Texas (“Records”), as amended by First Amendment to Declaration of Land Use Restrictive Covenants for Low-Income

Housing Credits effective October 8, 2020, and filed of record at Instrument Number RP-2020-522518 of the Records.

- b. Declaration of Land Use Restrictive Covenants For Low-Income Housing Credits regarding Timber II (HTC LURA II). The LURA was effective May 10, 2005, and filed of record at Clerk's File Number Y610600, at Volume 008-35, Page 1858 of the Records.
 - c. Regulatory and Land Use Restriction Agreement regarding Timber II (Bond LURA). The LURA was dated January 1, 2004, and filed of record at Clerk's File Number X306896, at Volume 585-41, Page 3185 of the Records.
4. 5350 Aeropark Drive Houston LP and 5335 Aldine-Bender Road Houston, LLC purchased Timber I and Timber II, respectively, on November 13, 2020. In accordance with Section 2 of HTC LURA I, Section 2 of HTC LURA II, and Section 12 of the Bond LURA, the LURAs are restrictive covenants/deed restrictions encumbering the developments and binding on all successors and assigns for the full terms of the LURAs. These restrictions remained in place as noted above, thereby binding Respondents to the terms of the agreements.
 5. 5350 Aeropark Drive Houston LP and 5335 Aldine-Bender Road Houston, LLC are organizations that are qualified to own, construct, acquire, rehabilitate, operate, manage, or maintain a housing development that is subject to the regulatory authority of TDHCA.
 6. Olive Tree Multifamily Manager LLC, controlled by Ian Bel, is the manager member for Timber Ridge JV LLC, the manager member for 5350 Aeropark Drive Houston SLP LLC, the special limited partner of 5350 Aeropark Drive Houston LP, the owner of Timber I.
 7. Timber Ridge JV LLC is also the sole member of 5335 Aldine-Bender Road Houston LLC, the owner of Timber II.
 8. Respondents are subject to the regulatory authority of TDHCA and, for purposes of this debarment recommendation, are considered Responsible Parties in Control, as defined by 10 TAC §2.102 and 10 TAC §11.1(29), respectively.

Violations Subject To Debarment:

1. Controlling a multifamily development that was foreclosed after April 1, 2021, where the foreclosures a subordinate TDHCA LURA, a violation of 10 TAC §2.401(a)(7). Timber I and Timber II were both foreclosed on August 6, 2024, terminating the LURAs.

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. Respondents are Responsible Parties as defined by 10 TAC §2.102(12).
3. Pursuant to Tex. Gov't Code §2306.185, TDHCA is required to monitor to ensure compliance.
4. Respondents violated 10 TAC §2.401(a)(7) when Timber I and Timber II were foreclosed on August 6, 2024, terminating the LURAs.
5. At the time of foreclosure, Respondents were in a position of Control as defined by 10 TAC §11.1(29).
6. Pursuant to Tex. Gov't. Code §2306.0504(b), the Department may debar a person from participation in a Department program on the basis of the person's past failure to comply with any condition imposed by the department in the administration of its programs.

Based upon the foregoing findings of fact and conclusions of law, and an assessment of material factors including those set forth in 10 TAC §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 TDHCA orders the following:

IT IS HEREBY ORDERED that Respondents are barred from future participation in all programs administered by the Department for a **three-year term ending December 12, 2027**. This debarment does not prohibit Respondents from participating in any existing engagements funded through the Department, nor does it affect any responsibilities or duties thereunder.

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

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Approved by the Governing Board of TDHCA on December 12, 2024.

By: /s/ Leo Vasquez

Name: Leo Vasquez

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 §

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COUNTY OF TRAVIS §

Before me, the undersigned notary public, on this 12th day of December, 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)

/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 12th day of December, 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)

/s/ Nancy Dennis

Notary Public, State of Texas