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EXECUTIVE OFFICE

March 19, 2010

Chf
4:20PM
Chf Anne Uby

Mr. David Pohler, Director
U.S. Department of Housing and Urban Development
San Antonio Area Office – Office of Public Housing
106 South St. Mary's Street, Suite 405
San Antonio, Texas 78205-3601

RE: RHF/MTW Funds

Dear Mr. Pohler:

This letter serves to demonstrate the San Antonio Housing Authority's (SAHA) approach to increasing the number of public housing and affordable units in the city of San Antonio. In our efforts to maximize the number of public housing and affordable units, SAHA is requesting approval to accumulate adequate Replacement Housing Factor (RHF) funds to allow time for planning, collaboration and partnership-building to occur by developing meaningful relationships with stakeholders within our community. This plan will be developed with involvement from HUD, community leaders, developers, and other stakeholders within the city.

We understand that with specific HUD approval, PHAs are able to accumulate adequate funds (up to five years) to undertake effective replacing housing activities. And those agencies must submit an RHF Plan to their Local HUD Office for approval in order to establish alternate obligation and expenditure deadlines. SAHA is aware of the change in prior RHF policy where now a PHA may accumulate **any five consecutive years of first increment RHF funds or of second increment RHF funds.**

SAHA is primarily focused on two projects at this time. These two projects are both proposed Tax Credit projects and involve the demolition of old, dilapidated public housing structures and revitalizing these same communities where public housing currently exists.



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The first project is San Juan Homes Phase III. As you are aware, SAHA has completed some demolition in this area and constructed a Phase I and Phase II. These areas include affordable, market rate and public housing units. Our plans for a Phase III Tax Credit project at San Juan did not come to fruition last year because we did not have an acceptable mixture of mixed-income units and the per/unit cost would have resulted in a larger than planned RHF contribution. The same developer that we worked with on Phase's I & II will be submitting a Tax Credit application again in March 2010. We understand from the pre-app that was submitted to TDHCA in January, that this application might not be awarded. If this is true, we will submit again next year (2011) when we believe our chances are much greater.

We are also planning on a Phase II at Sutton Homes. As with San Juan Homes, we have already begun meeting with city officials and stakeholders. Considering all that needs to happen at Sutton Homes in completing the construction and the stabilization of the project as required by TDHCA, we feel that our chances are also excellent for submitting an application in 2011 and receiving an award for 9% Tax Credits.

Just these two projects alone will require SAHA to accumulate funds in several of our existing and future RHF grants. SAHA is requesting to accumulate funds within the grants listed below. The obligation deadline has not expired on any of the existing grants. Total Accumulation Value: \$7,801,285.

Status	1 st Increment RHF Funds		Status	2 nd Increment RHF Funds	
Existing	TX59PR006501-06	\$8,682	Existing	TX59PR006502-06	\$2,608,481
Existing	TX59PR006501-09	\$91,863	Existing	TX59PR006502-08	\$529,981
Projection	TX59PR006501-10	\$383,178	Existing	TX59PR006502-09	\$1,408,098
Projection	TX59PR006501-11	\$763,513	Projection	TX59PR006502-10	\$1,243,976
Projection	TX59PR006501-12	\$663,047	Projection	TX59PR006502-12	\$100,466
Subtotal:		\$1,910,283	Subtotal:		\$5,891,002

**SAHA's 2007 1st & 2nd Increment and 2008 1st Increment grants are 100% obligated and expended. There are no projected funds for the 2011 2nd Increment. Thus, these years are not included as "consecutive" years to be accumulated. For the 2008 2nd Increment grant, the amount shown above are anticipated funds remaining in this grant after the Pin Oak I Acquisition transaction is approved by HUD.*

As always, we appreciate all the assistance and guidance that has been provided by your office over the years. We optimistically await your expedient decision on this and will also ask that if this *is not possible*, that you assist SAHA by expediting your review of the Dietrich Road Acquisition Project, which could be submitted for your review by April 2010.



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If you have any questions, please give me a call at 210-477-6047.

Sincerely,


Lourdes Castro Ramirez *LC*
President and CEO

Attachment: RHF Accumulation Plan

cc: Mr. Ivan M. Pour, Program Director
Moving to Work Demonstration Program
U.S. Department of Housing and Urban Development
Office of Public Housing Investments
451 Seventh Street, SW, Room 4130
Washington, DC 20410