

February 27, 2009

Brian Reese
HUD Field Office
1301 Fannin, Suite 2200
Houston, TX 77002

Ref: Palm Terrace and Oleander Homes –Accidental Loss

Dear Mr. Rodriguez:

On 9/13/08, all buildings in Oleander Homes (TX017001) and Palm Terrace (TX017006) were damaged by Hurricane Ike. All the residents were safely evacuated and relocated to other developments after the hurricane. GHA took the following actions after the hurricane.

- 1- The building was fenced and secured to keep away from other residents and general public.
- 2- The insurance company was contacted and a claim was filed to make good the losses.
- 3- We also conducted an asbestos survey of the building by “Honesty Environmental” and they identified several asbestos containing material in the units. They recommended GHA remove asbestos prior to demolition.

Website guidelines regarding accidental losses are as follows:

“Section 4 of the Annual Contributions Contract (ACC) HUD 53012A (7/95) allows HA’s to take all necessary steps to ensure the safety of its residents, employees and the general public without waiting for approval from department. If a structure suffers abrupt damage from an act of God, like a fire, earthquake, storm or similar accidental naturally occurring non-organic damage, the HA may demolish all or part of the structure and dispose of the debris to the extent needed to maintain the site in a safe condition or to eliminate an attractive nuisance”.

Therefore I am proceeding with the demolition of Oleander Homes and Palm Terrace without going through the SAC approval process. Please concur with my action in this regard. The demolition will be done according to GHA’s written procurement guidelines.

GHA has documented the damages to the building in the form of reports and photographs for future audits by HUD and other interested parties.

Sincerely,

Harish Krishnarao
Executive Director