

July 9, 2025

Texas Department of Housing and Community Affairs  
221 E. 11th Street  
Austin, TX 78701

**RE: 21425 – Granada – request waiver to screen requirement on all operable windows**

**To Whom It May Concern,**

The purpose of this letter is to respectfully request a waiver of the requirement outlined in the Qualified Allocation Plan (QAP), Section 11.101(b)(4)(D), and pursuant to IRS Code §2306.187, which mandates the installation of screens on all operable windows.

This request pertains specifically to Granada Senior Apartments, a historic rehabilitation project involving the restoration of the former Plaza Hotel, prominently located along the River Walk in Downtown San Antonio. Originally constructed in 1927 and converted to senior housing in 1968, the building has undergone comprehensive renovation utilizing both State and Federal Historic Tax Credits in addition to 4% LIHTC, to modernize the facility while preserving its historic character.

As part of the historic preservation process, an in-depth review of the building's architectural integrity and historical significance was conducted. Following this review, the Texas Historical Commission (THC) determined that the installation of window screens would materially compromise the building's original façade and detract from its historic appearance. Based on this assessment, the THC has formally recommended that window screens not be installed as part of the renovation. A copy of the letter from the Texas Historical Commission outlining this recommendation is enclosed with this request.

At the time of initial planning and rehabilitation, the application for State Historic Tax Credits was still under review by the THC, and it was not yet clear what building modifications would be permissible without affecting the eligibility for historic designation. Now that the THC has completed its review, it has concluded that foregoing the installation of window screens is necessary to maintain the building's historic authenticity and architectural value.

Given these findings and the recommendation from the Texas Historical Commission, we respectfully request approval of this waiver to ensure compliance with historic preservation standards while still fulfilling the goals of providing much needed affordable housing for seniors in the downtown San Antonio area.

Thank you for your time and consideration of this request. Please feel free to contact us should you require any additional documentation or clarification.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patrick Biernacki', with a stylized, flowing script.

Patrick Biernacki  
Millennial Residential



P.O. Box 12276  
Austin, Texas 78711-2276  
512-463-6100  
thc.texas.gov

June 8, 2023

Attention: Texas Department of Housing and Community Affairs  
221 East 11<sup>th</sup> Street  
Austin, TX 78701

Subject: Plaza Hotel/Granada Senior Living Apartments  
311 South St. Mary's Street, San Antonio, Bexar County

The above building, currently under rehabilitation, was built in 1926. This 97-year-old building is listed in the National Register of Historic Places as a contributing resource to the San Antonio Downtown and River Walk Historic District. This brick and concrete Renaissance Revival building is a distinctive visual anchor at the southern edge of the River Walk, and has a long history of operation as a hotel, and later, an apartment building.

The TDHCA requirement for insect screens on all operable windows is of concern to our office, in accordance with our ongoing review of the project for the Texas Historic Preservation Tax Credit program and the Federal Rehabilitation Tax Credit program, both of which require projects to meet the Secretary of the Interior's *Standards for Rehabilitation*.

We have studied historic and recent photographs, historic postcards depicting the Plaza Hotel over time, and have concluded that there were no window screens historically present on the building. Our office's opinion is that installation of window screens would present a difficult design challenge, and would in most cases detract from the character of the building. We agree with the applicant that neither half-height nor full-height window screens are recommended for this significant historic building.

We note the existing windows throughout the upper floors of the building are modern aluminum windows, as the original wood windows were removed and replaced at some point in the late 20<sup>th</sup> century. This already represents a loss of historic character. The applicant is not replacing these aluminum windows as part of this project, nor are they required to – however, the *Standards for Rehabilitation* do not permit them to **further** damage the character of the windows beyond the work that was previously done.

It does not appear that these windows could be retrofitted with screens without adding an entirely new frame assembly to contain the screens. Adding such an assembly would further alter the appearance of the windows in an additional departure from the historic design. Such work would further damage the character of the building and would not meet the Secretary of the Interior's *Standards for Rehabilitation*, therefore threatening the project's compliance with the tax credit programs.

In summation, our office does not recommend window screens for this historic building, and we support the applicant in their request that TDHCA waive this requirement.

Sincerely,

Valerie Magolan  
Tax Credit Reviewer, Division of Architecture, Texas Historical Commission  
512-463-3857 | valerie.magolan@thc.texas.gov

August 25, 2025

Texas Department of Housing and Community Affairs  
221 East 11th Street  
Austin, Texas 78701-2410

21425 – Granada Senior Apartments

Dear Rosalio Banuelos

In response to your request, here is some additional clarification for the window screen waiver request for Granda Senior Apartments, 21425.

The Granada Senior Apartments building, formerly the Plaza Hotel, is a 97-year-old building listed in the National Register of Historic Places as a contributing resource to the San Antonio Downtown and River Walk Historic District. This senior housing project leverages both State and Federal Historic Tax Credits as well as LIHTC financing to preserve the historic character of the structure while modernizing it into affordable senior housing.

As part of the State and Federal Historic Tax Credit review process, the Texas Historical Commission (THC) conducted an extensive evaluation of the building's architectural integrity. Their June 8, 2023 letter states that the installation of window screens would:

- Introduce elements not historically present on the building;
- Require new frame assemblies that would further alter or damage the existing window systems;
- Detract from the building's historic character and visual prominence on the River Walk; and
- Fail to meet the Secretary of the Interior's Standards for Rehabilitation.

Importantly, THC has concluded that installing window screens would place the project out of compliance with the Standards for Rehabilitation, thereby jeopardizing eligibility for both State and Federal Historic Tax Credits. The Federal credits alone represent 20% of eligible rehabilitation costs, and any unauthorized alteration — such as installing non-compliant screens — risks recapture under IRS guidance.

While the existing aluminum windows are not original, the Standards permit their retention because they were installed by a prior owner. Any further alteration, such as retrofitting screens, would trigger stricter compliance requirements and expose the project to significant financial and regulatory risk.

In total, 725 operable windows would be affected. Given the building's historic designation and the THC's explicit recommendation, compliance with the blanket screen requirement is incompatible with both the Secretary's Standards for Rehabilitation and tax credit program requirements. Per your request,

photos of representative windows in the building are attached. Additionally, comments from the Historic Tax credit consultant is included pertaining to the THC's position on the window screens.

For these reasons, and to preserve the architectural authenticity of this landmark while delivering much-needed affordable senior housing, we respectfully request approval of this waiver.

Sincerely,

Valery Kedroff

LIHTC consultant

c.c. Patrick Biernacki



----- Forwarded message -----

From: **Ellis Mumford-Russell** <[ellis@postoakpreservation.com](mailto:ellis@postoakpreservation.com)>

Date: Mon, Aug 25, 2025 at 9:37 AM

Subject: Re: RFI #2 - Cost Certification for Granada Apartment (HTC #21425)

To: Pat Biernacki <[pat@thecanopyco.com](mailto:pat@thecanopyco.com)>

Cc: Irene Allender <[irene@postoakpreservation.com](mailto:irene@postoakpreservation.com)>

Hi Pat -

THC made it very clear in their letter that they believe that installing window screens would not be in keeping with the Secretary of the Interior's *Standards of Rehabilitation*, which is what governs the review of historic tax credits. You are correct that any major changes at this stage risk recapture of the Federal (20%) tax credit if not approved by THC and NPS. Just the Federal credit is subject to recapture, but that is still a significant chunk of money for a project of this scale.

Here is the IRS guidance on recapture. Unauthorized alterations would fall under the "When a Building is Removed from the National Register or its Certification as a "Certified Historic Structure" (NPS Part 1 – Evaluation of Significance) is Revoked" section  
<https://www.irs.gov/pub/irs-sbse/rehabilitation-credit-recapture.pdf>

I would also emphasize, as THC mentions in their letter, that while the existing windows are non-historic, for historic tax credit purposes, applicants are permitted to retain nonhistoric and incompatible changes if completed by a previous owner; however, if the current Applicant (you) wishes to change those windows, they are required to be brought into compliance with the Standards. Altering the existing windows with the addition of screens would likely trigger this requirement.

Hope this helps!





















