

MINUTES OF THE SPECIAL  
MEETING OF THE BOARD OF COMMISSIONERS  
OF THE HOUSING AUTHORITY OF THE CITY  
OF MICHIGAN CITY, INDIANA, HELD ON  
WEDNESDAY, JUNE 25, 2008

The Commissioners of the Housing Authority of the City of Michigan City, Indiana held a special meeting on Wednesday, June 25, 2008 at 4:30 p.m. The meeting was held at the Housing Authority of the City of Michigan City, Indiana 46360. Chairperson Carla Mock called the special meeting to order at approximately 4:40 p.m. Commissioners who attended the meeting included Vice Chairperson Ronald Strauss, Commissioner Hazel Thomas, Commissioner Bill Fine, and Commissioner Eddie Wilson. Commissioner Yolanda Thomas-Davis and Commissioner Eric Overcash did not attend the meeting. Housing Authority personnel, who attended the Board meeting, included Executive Director Lenda Wilson, Housing Authority Attorney Michelle Bazin-Johnson from Friedman & Associates, p.c., and Executive Secretary Robin Fly.

NEW BUSINESS:

Housing Authority Insurance Risk Control Resolution

Chairperson Mock called for approval of Housing Authority Insurance (HAI) risk control resolution number 2008-30. In response to Commissioner Fine's inquiry regarding the risk control resolution, Executive Director Wilson said that because the past risk control resolution was approved under different Board members, Financial Assistant Norma Thomas wanted a re-approval of the risk control resolution by the current Board; submission of risk control plan enables the Housing Authority to receive a credit on annual premium costs. With no further questions, Commissioner Fine motioned approval of Housing Authority Insurance Risk Control Plan Resolution Number 2008-30; Commissioner Wilson seconded the motion.

After discussion, Chairperson Carla Mock introduced the following resolution:

RESOLUTION NUMBER 2008-30

A RESOLUTION TO ADOPT THE HOUSING AUTHORITY INSURANCE RISK CONTROL STANDARDS FOR IMPLEMENTATION BY THE MICHIGAN CITY HOUSING AUTHORITY, WHO DEVELOPS AND SUBMITS A RISK CONTROL WORK PLAN DUE ON THE 1<sup>ST</sup> OF JULY TO HOUSING AUTHORITY INSURANCE ON AN ANNUAL BASIS.

The resolution was moved by Commissioner William Fine and seconded by Commissioner Eddie Wilson.

AYES

Carla Mock  
Ronald Strauss  
Hazel Thomas  
Eddie Wilson  
William Fine

NAYS

CARRIED

Commissioner Eric Overcash and Commissioner Yolanda Thomas-Davis did not attend the Board meeting.

#### Ratification of Policies and Procedures

Chairperson Mock called for ratification of policies and procedures in regards to OIG audit and the Housing Authority's response through correspondence letter. Due to the recent appointment of Commissioner William Fine, Vice Chairperson Strauss suggested a brief overview of the OIG audit matter. Chairperson Mock explained to the Board that approximately 6 months ago an OIG auditor completed an audit of records and financial information in regards to the Housing Authority's non-profit, the Michigan City Housing Development, Inc. (MCHDI), acquiring properties against regulations initiated by the United States Department of Housing and Urban Development (HUD).

She said that the auditor reviewed the records to ensure that the properties previously owned by the Michigan City Housing Authority had been properly transferred to MCHDI. The auditor found the Housing Authority violated HUD rules by transferring the MCHA owned properties to MCHDI to be encumbered as collateral for a line of credit obtained by the Housing Authority at Horizon Bank and according to Chairperson Mock the Housing Authority has to re-transfer properties from MCHDI to the Michigan City Housing Authority.

Vice Chairperson Strauss said that the Housing Authority will correct the aforementioned violation and that the letter explains corrections to HUD. Commissioner Thomas said that a main problem arose when the Housing Authority improperly conveyed the transfer of properties from the Michigan City Housing Authority to MCHDI because the Housing Authority did not file a declaration of trust. If the Housing Authority had filed a declaration of trust with transfer of properties, HUD would have been alerted that such transaction violates HUD regulations according to Commissioner Thomas. Vice Chairperson Strauss commented that HUD regulations abolishes the use of property as collateral for line of credit loan, and that it is illegal to use federal funding to pay off the line of credit loan.

In reference to letter addressed to HUD Attorney Bazin-Johnson asked what the non-federal funds represent. The Board answered that such funds represent rental income and commended her for job well done drafting the letter.

Executive Director Wilson said that resolutions are needed for "Policy and Procedure for Future Turnkey III Property Sales" and for "Policy and Procedure for Monitoring of Urban

Park Development.” Attorney Bazin-Johnson advised that the resolutions should follow the June 2008 correspondence letter. Executive Director Wilson explained to the Board that the Housing Authority is answering OIG not HUD regarding errors committed and that OIG not only audits HUD but also nonprofit entities of several housing authorities. She explained to the Board that the Housing Authority continues to remain noncompliant with agreement to curtail use of proceeds. She said that because the curtailing of proceeds should become moot when the line of credit is paid off, Housing Authority does not need to produce an agreement and that June 2008 correspondence letter with Executive Director’s and Presidents’ signature should suffice HUD’s request.

The Board came to a consensus that two resolutions for “Policy and Procedure for Future Turnkey III Property Sales” and for “Policy and Procedure for Monitoring of Urban Park Development” are to be submitted to HUD.

After discussion, Chairperson Carla Mock introduced the following resolutions:

RESOLUTION NUMBER: 2008-31

RESOLUTION TO ADOPT THE HOUSING AUTHORITY’S POLICY AND PROCEDURE FOR FUTURE TURNKEY III PROPERTY SALES TO SUBMIT TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR APPROVAL.

The resolution was moved by Vice Chairperson Ronald Strauss and seconded by Commissioner Eddie Wilson.

AYES

Carla Mock  
Ronald Strauss  
Hazel Thomas  
Eddie Wilson  
William Fine

NAYS

CARRIED

Commissioner Eric Overcash and Commissioner Yolanda Thomas-Davis did not attend the Board meeting.

RESOLUTION NUMBER: 2008-32

RESOLUTION TO ADOPT THE HOUSING AUTHORITY’S POLICY AND PROCEDURE FOR MONITORING OF URBAN PARK DEVELOPMENT TO SUBMIT TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR APPROVAL.

The resolution was moved by Vice Chairperson Ronald Strauss and seconded by Commissioner Eddie Wilson.

AYES

Carla Mock  
Ronald Strauss  
Hazel Thomas  
Eddie Wilson  
William Fine

NAYS

CARRIED

Commissioner Eric Overcash and Commissioner Yolanda Thomas-Davis did not attend the Board meeting.

Public Comments

Chairperson Mock opened the floor for public comments. No comments were presented to the Board.

ADJOURNMENT:

With no further business to present to the Board, Chairperson Mock adjourned the Board meeting at approximately 5:08 p.m.

---

Carla Mock, MCHA Chairperson

ATTEST:

---

Lenda Wilson, MCHA Executive Director

RESOLUTION NO: 2008-30

RESOLUTION TO ADOPT THE HOUSING AUTHORITY INSURANCE RISK CONTROL STANDARDS FOR IMPLEMENTATION BY THE MICHIGAN CITY HOUSING AUTHORITY, WHO DEVELOPS AND SUBMITS A RISK CONTROL WORK PLAN DUE ON THE 1<sup>ST</sup> OF JULY TO HOUSING AUTHORITY INSURANCE ON AN ANNUAL BASIS.

WHEREAS, the Housing Authority is required to provide insurance for its premises, and

WHEREAS, the Housing Authority's representative insurance company, and the Housing Authority Insurance's purpose for the risk control work plan is to control damage and liability losses in public housing agencies, and

WHEREAS, Housing Authority Insurance has defined the following nine risk control standards that must be implemented:

- Standard 1      Top Administration Makes a Commitment for Risk Management
- Standard 2      Assign Full-time or Part-time Risk Control Administrators
- Standard 3      Establish an Active Risk Control Committee
- Standard 4      Risk Control Preventative Maintenance Program
- Standard 5      Formal Self-Inspection Program
- Standard 6      Conduct Risk Control Training and Education
- Standard 7      Develop Emergency Action Plans
- Standard 8      Implement a Property Conservation Program
- Standard 9      Establish an Accident and Incident Investigation Program

WHEREAS, the Michigan City Housing Authority is required to submit a work plan in order to be eligible to receive premium credit.

NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners authorizes the Housing Authority to develop a risk control work plan and submit the plan by July 1, 2008 to the Housing Authority Insurance for policy renewal date of January 1, 2009.

FURTHER BE IT RESOLVED that this resolution rescinds Resolution Number 99-05 to maintain an updated status in accordance to administration officers and officials.

Adopted by the Board of Directors of the Michigan City Housing Authority this 25<sup>th</sup> day of *June* 2008.

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

\_\_\_\_\_  
Carla Mock, MCHA Chairperson

ATTEST:

\_\_\_\_\_  
Lenda J. Wilson, MCHA Executive Director

May 1999

**Risk Control Policy**

Michigan City Housing Authority  
621 East Michigan Boulevard  
Michigan City, Indiana 46360

The safety and well-being of the residents and employees of the Michigan City Housing Authority are of the utmost importance. Risk management procedures will be established and maintained to ensure that the highest level of safety is provided for all.

It is the intention of the Michigan City Housing Authority to abide by applicable laws and regulations which govern the health and safety of residents, visitors, and property. Risk control techniques and methods will be employed where feasible to prevent and control losses which may threaten the health and well-being of those the Housing Authority serves.

Risk control is the responsibility of all levels of the Housing Authority. Management and staff shall make all efforts feasible to ensure that the optimal level of safety is provided. Through the cooperation and support of staff and residents, the Michigan City Housing Authority will make risk control a priority.

Sincerely,

(Mrs.) Evonne M. Stephens-Norvell  
Executive Director

EMSN:rf

RESOLUTION NO: 2008-31

RESOLUTION TO ADOPT THE HOUSING AUTHORITY'S POLICY AND PROCEDURE FOR FUTURE TURNKEY III PROPERTY SALES TO SUBMIT TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR APPROVAL.

WHEREAS, effective July 1, 2008, any sale involving a Turnkey III property, in addition to any criteria already specified in the Michigan City Housing Authority Administration plan, shall also comply with the following procedures to ensure timely notification to the Department of Housing and Urban Development:

1. Annual completion of Form 52832, Annual Statement of Dwellings Conveyed to Homebuyers.
2. Such form will be completed at the end of each fiscal year, when the fiscal year ends September 30.
3. Completed form shall be mailed to Indianapolis Field Office

WHEREAS, the Housing Authority convened a special meeting to review, discuss and approve this policy and procedure.

NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners authorizes the Housing Authority to implement and endorse the policy and procedure for future Turnkey III Property Sales effective July 1, 2008.

Adopted by the Board of Directors of the Michigan City Housing Authority this 25<sup>th</sup> day of *June* 2008.

Resolution moved by: Vice Chairperson Ronald Strauss

Resolution seconded by: Commissioner Eddie Wilson

---

Carla Mock, MCHA Chairperson

ATTEST:

---

Lenda J. Wilson, MCHA Executive Director

RESOLUTION NO: 2008-32

RESOLUTION TO ADOPT THE HOUSING AUTHORITY'S POLICY AND PROCEDURE FOR MONITORING OF URBAN PARK DEVELOPMENT TO SUBMIT TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR APPROVAL.

WHEREAS, effective July 1, 2008, the Michigan City Housing Authority will establish the following policy and procedure to monitor the development of the urban park that was a contingency of the sale of Harborside Homes. In cooperation with the Michigan City Mayor's Office, the Mayor will provide bi-monthly reports to the Michigan City Housing Authority. The content of the letters shall keep the Housing Authority apprised of current and future actions taken in furtherance of the development of the designated urban park, and

WHEREAS, the Michigan City Housing Authority will maintain these communications and provide an annual summary to the local HUD field office by September 30 of each year, and

WHEREAS, the Housing Authority convened a special meeting to review, discuss and approve this policy and procedure.

NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners authorizes the Housing Authority to implement and endorse the policy and procedure for monitoring of urban park development effective July 1, 2008.

Adopted by the Board of Directors of the Michigan City Housing Authority this 25<sup>th</sup> day of *June* 2008.

Resolution moved by: Vice Chairperson Ronald Strauss

Resolution seconded by: Commissioner Eddie Wilson

---

Carla Mock, MCHA Chairperson

ATTEST:

---

Lenda J. Wilson, MCHA Executive Director