

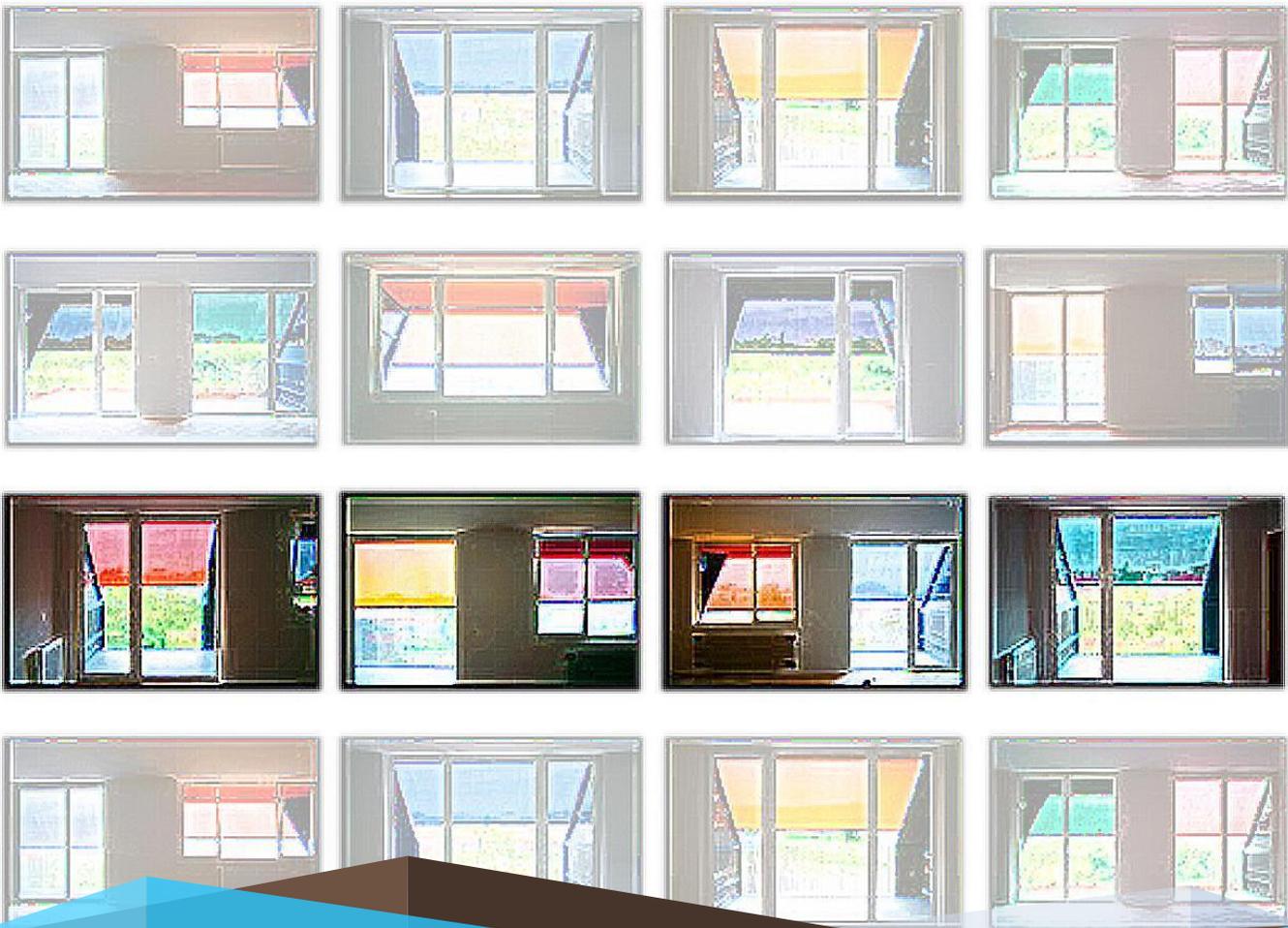
U.S. Department of Housing and Urban Development



PHA Plan

East Chicago Housing Authority City of East Chicago

Annual Plan 2012
Five Year Plan 2010-2014



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2010-2014

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

PHA Plans

Annual Plan for Fiscal Year 2012

5 Year Plan for Fiscal Years 2010 - 2014

East Chicago Housing Authority

**NOTE: THIS PHA PLANS TEMPLATE (HUD 50075) IS TO BE COMPLETED IN
ACCORDANCE WITH INSTRUCTIONS LOCATED IN APPLICABLE PIH NOTICES**

East Chicago Housing Authority
Board of Commissioners

Ms. Nancy Almason,	Chairwoman
Mr. Leon Samuel,	Member
Ms. Lorraine Reed,	Member
Mr. Richard Gomez,	Member
Ms. Bonnie Miller,	Member
Mrs. Beatriz L. Martinez,	Secretary/Executive Director
Atty. Jewel Harris,	Legal Counsel

Resident Advisory Board Members

Muriel Hester	29-1
Carmen Browning	29-1
Eugene Clark	29-1
Cynthia Espinosa	29-2
Rhonda Riddle	29-2
Fredrick Ard	29-2
Patricia Webb	29-5
Luz Cancel	29-5
Lakia Major	29-7
Marcelino Molina	29-7
Juan Rodriguez	29-7
Teresa Diamonds	29-6
Ruth Damper	29-6
Lorraine Reed	29-6

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	(g) Challenged Elements (<i>No Challenged Elements</i>)	Page (s) 0

No additional modifications have been made to the rent schedule since the last the Annual Plan - 2011.

(b) Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan. For a complete list of PHA Plan elements, see Section 6.0 of the instructions.

Copies of the Plan are available at the following locations:

1. PHA Central Administrative Office, 4920 Larkspur Drive, East Chicago, IN 46312.
2. Hunter (29-1), 3625 Pulaski Street, East Chicago, In 46312 (151st & Gladiola)
3. Nicosia (29-5), 4720 Railroad Avenue, East Chicago, In 46312
4. West Calumet (29-6), (same as Central Administrative Office)
5. Scattered Sites (29-9), (same as Hunter Office)
6. Columbus Drive (29-7), 1301 E. Columbus Drive
7. Scattered Sites (29-9), (same as Hunter Office)

The Plan is also posted on the PHA's website, www.echa-in.org

2. Financial Resources

Financial Resources: Planned Sources and Uses			
	Sources	Planned \$	Planned Uses
1.0	Federal Grants (FY 2012 grants)		
a	Public Housing Operating Fund	\$3,198,684.00	Administrative & Maintenance
b	Public Housing Capital Fund	\$1,249,415.00	See Annual Statement
c	HOPE VI Revitalization		
d	HOPE VI Demolition		
e	Annual Contributions for Section 8 Tenant-Based Assistance	\$3,907,699.00	Administrative & Maintenance
f	Public Housing Drug Elimination Program (including any Technical Assistance funds)		
g	Resident Opportunity and Self- Sufficiency Grants		
h	Community Development Block Grant		
i	HOME Other Federal Grants (list below)		
2.0	Prior Year Federal Grants (unobligated funds only) (list below)		
	CF 11	\$1,249,415.00	See Annual Statement
	CF 10	\$41,236.00	See Annual Statement
3.0	Public Housing Dwelling Rental Income	\$1,487,557.00	Administrative & Maintenance
4.0	Other income (list below)		
	Non Rental Income	\$148,212.00	Administrative & Maintenance
	Other Rental	\$102,392.00	Administrative & Maintenance
5.0	Non-federal sources (list below)		
	Total resources	\$11,384,610.00	

3. Rent Determination

No additional revisions have been made to the rent schedule since the last the Annual Plan -2011.

4. Operation and Management.

- In 2010, the ECHA adopted a site based asset management policy. As an element of this management change, PHA now maintains a site based waiting list.
- The ECHA retained a consultant in 2010 to evaluate personnel and develop job descriptions to better define the structure and composition of the Authority. This process was completed in 2011. Job descriptions have been changed and are reflected in the new Organizational Chart.

Refer to Attachment A - Organizational Chart, revised and approved by the ECHA board in 2011.

5. Grievance Procedures.

No additional modifications have been made to the Grievance Procedures since the last approved Annual Plan -2011.

- The Authority intends to modify the grievance procedure in 2012. All HUD required procedures for this process will be adhered to by the ECHA.

6. Designated Housing for Elderly and Disabled Families.

- The following developments are designated for occupancy by the elderly :

Development Name:

Number of units:

Hunter Building (29-1) AMP 1	109
Nicosia Building (29-5) AMP 2	206

- HUD approved a request by the Authority on September 08, 2009 to expand residency opportunities to near elderly persons for Hunter Building.
- Five (5) units in Nicosia Building was updated in 2011 for full accessibility for the disabled.

7. Community Service and Self-Sufficiency.

- ECHA will continue its current programs relating to services and amenities to assist families to enhance economic and social self sufficiency including those related to Section 3 and FSS.
- Community Service policy is outlined in the Community Service Procedures.

Refer to Attachment - Exhibit 1

8. Safety and Crime Prevention.

ECHA continues to cooperate with the East Chicago Police Department to enhance safety of public housing residents.

- ECHA continues to invest in security as a critical part of its law and security enforcement. Investment in security comprises 3% of the annual operating budget.
- The Authority has additional safety policy. These policies have been outlined in the following Exhibit.

Refer to Attachment - Exhibit 2

9. Pets.

No additional modifications have been made to the Pet Policy since the last the approved Annual Plan -2011.

10. Civil Rights Certification.

Refer to Section 11.0

11. Fiscal Year Audit.

Refer to Attachment B

12. Asset Management

- Under the Strategic Planning process, the Authority is evaluating the condition of all of its assets, in order to increase efficiencies and sustainability. This process will be completed by the end of this year 2011.
- The Strategic Plan is expected to make recommendations aimed at improving management and operation of the Authority. Accountability for day to day operations, occupancy, budgets, waiting lists, unit turnaround time, lease enforcement, inspections, and work order items.
- Staff training will be done on a regular basis. In these training staff receives information about major plans for capital improvements, contracts and policy changes.

13. Violence Against Women Act (VAWA).

No additional modifications have been made to the VAWA policy since the last approved Annual Plan - 2011.

Admin Plan Section 8 - Violence Against Women Act (VAWA)

No additional modifications have been made to the VAWA policy since the last approved Annual Plan - 2011.

7.0

Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers. *Include statements related to these programs as applicable.*

(a) HOPE VI activities or Mixed-Finance Modernization or Development:

The ECHA has procured a firm to develop a Strategic Plan for the next five years. The Strategic Plan is anticipated to look at alternative sites and financing opportunities including use of project based vouchers, mixed finance and others. The Authority will implement proposed strategies in an orderly manner after approval of the Plan. The Authority may consider applying, if appropriate, for revitalization under HOPE VI or Choice Neighborhood Initiative program.

(b) Demolition/Disposition:

1. 12 Units (AMP # 29-2) - 3400 Block of Pennsylvania

The City of East Chicago Water Works Department required the acquisition of several properties for a proposed new facility in the Harbor area. As a result, 12 units of Public Housing units were demolished by the City in 2009 and the site was used for construction of a new facility for the Water Department.

The Authority in cooperation with HUD is negotiating with the City for restitution for the properties demolished. The Authority intends to prepare the required demolition and disposition application at the conclusion of the negotiations. The required application document will be submitted to HUD for approval. The Authority is further assessing replacement options for these units.

2. 3581 and 3585 Pennsylvania
3446 - 3448 Guthrie

The Authority intends to submit a demolition/disposition application to demolish two unsafe structures listed. The application will be submitted in 2012.

(c) Conversions:

The Housing Authority of East Chicago has no current plans for large scale conversion of public housing, Section 8 housing vouchers or any other form of assisted housing. The Authority is currently engaged in a strategic planning process under which is assessing a variety of strategies including evaluation of conversion of some units.. The Authority is also working with the City in completing a restitution process for 12 units located at Scattered Sites (AMP 4). The Authority will assess alternative replacement options for construction or conversion of these units.

(d) Homeownership:

Under the new Strategic Plan, the East Chicago Housing Authority anticipates to play a large role in the City's efforts to promote homeownership. The details of such partnership will be developed and become part of the strategic vision for the ECHA. Meanwhile, the Authority will continue its efforts to identify participants for homeownership program. These participants will enroll in a homeownership counseling program approved by the Authority. The Authority will monitor the progress of the participants on a regular basis.

	<p><u>(e) Project-Based Vouchers:</u></p> <p>As a part of the Strategic Plan, the Authority may consider a variety of alternatives to create, expand affordable housing the City. ECHA may consider Project-Based Vouchers in an effort to increase voucher utilization. All such efforts will be considered in a comprehensive manner consistent with the approved Strategic Plan.</p>
8.0	<p>Capital Improvements. Please complete Parts 8.1 through 8.3, as applicable.</p>
8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i>, form HUD-50075.1, for each current and open CFP grant and CFFP financing.</p> <p>Refer to Exhibit C</p>
8.2	<p>Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the <i>Capital Fund Program Five-Year Action Plan</i>, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.</p> <p>Refer to Exhibit D</p>
8.3	<p>Capital Fund Financing Program (CFFP).</p> <p><input type="checkbox"/> Check if the PHA proposes to use any portion of its Capital Fund Program (CFP)/Replacement Housing Factor (RHF) to repay debt incurred to finance capital improvements. Not Applicable</p>
9.0	<p>Housing Needs. Based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data, make a reasonable effort to identify the housing needs of the low-income, very low-income, and extremely low-income families who reside in the jurisdiction served by the PHA, including elderly families, families with disabilities, and households of various races and ethnic groups, and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location.</p> <p>Refer to - Exhibit 3 (Housing Needs)</p>
9.1	<p>Strategy for Addressing Housing Needs. Provide a brief description of the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. Note: Small, Section 8 only, and High Performing PHAs complete only for Annual Plan submission with the 5-Year Plan.</p> <p>Refer to - Exhibit 4 (Strategy for Addressing Housing Needs)</p>
10.0	<p>Additional Information. Describe the following, as well as any additional information HUD has requested.</p> <p>(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5- Year Plan (2010-2014).</p> <p>Refer to - Exhibit 5 (Progress Meeting G & O)</p> <p>b) Significant Amendment and Substantial Deviation/Modification. PHA must provide the definition of "significant amendment" and "substantial deviation/modification" to its 5-Year Plan and Annual Plan.</p> <p>Substantial Deviation from the 5 year plan:</p> <p>No modifications have been made with respect to this policy in 2011 that would constitute Substantial Deviation from the 5 year plan.</p> <p>Significant Amendment or Modification to the Annual Plan:</p> <p>No modifications have been made with respect to Significant Amendment since approval of the last Plan in 2011. The Authority will seek Amendment to the Annual Plan under the following criteria:</p> <ol style="list-style-type: none"> 1. Changes to rent or admission policies or organization of waiting list; 2. Any change with regard to demolition or disposition, designation, homeownership; 3. Programs or conversion activities that are not mandated by the Department of Housing

and Urban Development.

In the event of a need for an amendment, modification or substantial deviation, the Authority will take the following actions:

1. Adopt the amendment or modification in public meeting by the PHA Commissioners.
2. Consult with the East Chicago Resident Advisory Board (RAB.)
3. Provide for a review of the amendments or modifications by the public during a 45-day public review period.

c) PHA's must include or reference any applicable memorandum of agreement with HUD or any plan to improve performance.

The Authority has received a memorandum from HUD dated January 1, 2011. The Memorandum recommends that ECHA undertake several steps to improve performance. After a site visit by HUD officials on July, 12, 2011, and further discussions, it is ECHA understanding that HUD is revising the earlier recommendations and plans to submit a new corrective action request, if any. Meanwhile the Authority continues its efforts to reduce turnaround time and vacancy.

Refer to -Exhibit 7

Memorandum of Agreement with HUD

Refer to -Exhibit 8

Prior Year Federal Grants (2010)

Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.

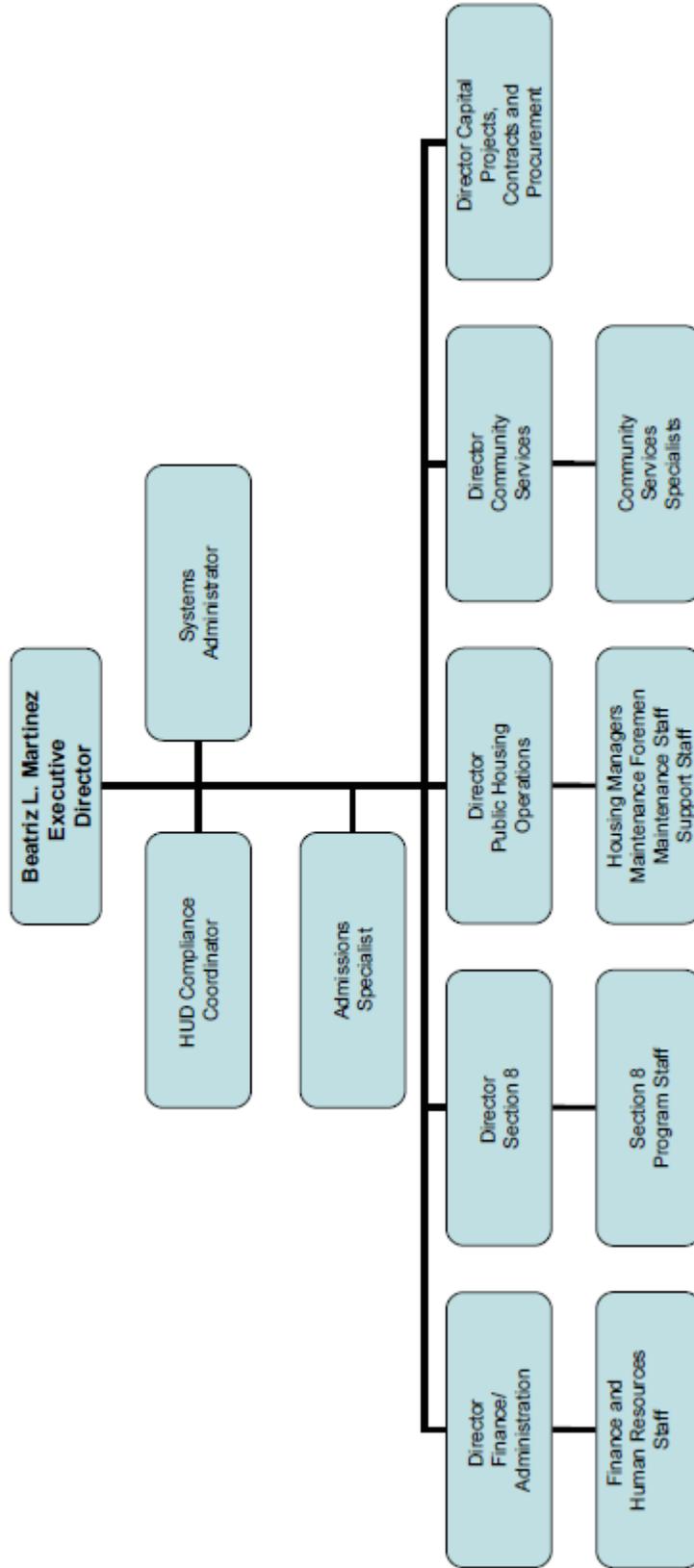
Refer to -Exhibit 9 - Certifications

- 11.0**
- (a) Form HUD- 50077
HUD- 50077-SL (PHA Certifications of Compliance with the PHA Plans and Related Regulations
HUD - 50077-CR (which includes all certifications relating to Civil Rights)
 - (b) Form HUD-50070, Certification for a Drug-Free Workplace (PHAs receiving CFP grants only)
 - (c) Form HUD-50071, Certification of Payments to Influence Federal Transactions (PHAs receiving CFP grants only)
 - (d) Form SF-LLL, Disclosure of Lobbying Activities (PHAs receiving CFP grants only)
 - (e) Form SF-LLL-A, Disclosure of Lobbying Activities Continuation Sheet (PHAs receiving CFP grants only) **N/A**
 - (f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.
 - (g) Challenged Elements (No Challenged Elements)
 - (h) Form HUD-50075.1, Capital Fund Program Annual Statement/Performance and Evaluation Report (PHAs receiving CFP grants only) (**See Attachment C**)
 - (i) Form HUD-50075.2, Capital Fund Program Five-Year Action Plan (PHAs receiving CFP grants only) (**See Attachment D**)

Exhibit - A
(6.0-4) - Organizational Chart

East Chicago Housing Authority

All Staff work 8:00 a.m. – 4:30 p.m., Monday thru Friday



May 2011

Exhibit - B
(6.0-11) - Fiscal Year Audit

**HOUSING AUTHORITY
OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND
SUPPLEMENTAL DATA**

**TWELVE MONTHS ENDED
DECEMBER 31, 2010**

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

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Independent Auditor's Report

Board of Commissioners
Housing Authority of the City of East Chicago
East Chicago, Indiana

I have audited the accompanying financial statements of Housing Authority of the City of East Chicago, as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Housing Authority of the City of East Chicago, as of December 31, 2010 and the respective changes in financial position and cash flows for the year end in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated August 11, 2011, on my consideration of the Housing Authority of the City of East Chicago's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

920 West Pershing Road • Decatur, Illinois 62526
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The Management's Discussion and Analysis and budgetary comparison information on pages 3 through 14, are not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements of the Housing Authority of the City of East Chicago, taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of the Housing Authority of the City of East Chicago. The accompanying financial data schedule and other additional statements and schedules listed as supplemental data in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the Housing Authority of the City of East Chicago. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Decatur, Illinois
August 11, 2011



Certified Public Accountant

As management of the Housing Authority of the City of East Chicago (the Authority), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Beatriz L. Martinez, Executive Director of the Housing Authority of the City of East Chicago, 4920 Larkspur Drive, P.O. Box 498, East Chicago, Indiana 46312, (219) 397-9974 ext. 35.

Overview of the Financial Statements

The financial statements included in this annual report are those of a "special-purpose" government engaged in a business-type activity. The following statements are included:

- **Statement of Net Assets** (similar to a Balance Sheet) – reports the Authority's current financial resources (short term spendable resources) with capital assets and long-term debt obligations. The statement is presented in the format where "Assets" minus "Liabilities" equals "Net Assets", *formerly known as Equity*. Assets and liabilities are presented in order of liquidity and are classified as "Current" (convertible into cash within one year) and "Non-Current".
- **Statement of Revenues, Expenses, and Changes in Net Assets** (similar to an Income Statement) reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions. The focus of this financial statement is on the "Change in Net Assets" which is similar to Net Income or Loss.
- **Statement of Cash Flows** – reports the Authority's net cash flows from operating, investing, capital and non-capital activities.
- **Comparison of budget vs. actual** – reports the Authority's actual operating revenues and expenses versus the budgeted amounts.

The focus is now on major funds rather than fund types. The Authority consists of one (1) Proprietary fund that encompasses all of the Authority's programs. This Proprietary fund includes all assets and liabilities using the full accrual basis of accounting. Accrual accounting is similar to the accounting used by most private sector companies which recognizes revenues and expenses when earned regardless of when cash is received or paid. The fund maintained by the Authority is required by the Department of Housing and Urban Development (HUD) with segregated programs to enhance accountability and control.

The attached analysis of entity wide net assets, revenues, and expenses are provided to assist with determining whether the financial position of the Authority as a whole is improving or deteriorating as a result of the year's activities. One can think of the Authority's net assets as the difference between what the Authority *owns* (assets) to what the Authority *owes* (liabilities). To fully assess the financial health of any Authority the reader must also consider other non-financial factors such as changes in family composition, fluctuations in the local economy, HUD mandated program administrative changes, and the physical condition of the Authority's capital assets.

HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING DECEMBER 31, 2010

4

The following is a brief description of the major business-type activities the Authority provides:

Low Income Public Housing (LIPH)

The Low Income Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD that allows the Authority to rent units it owns to low-income households at a rent that is based upon 30% of household income. The Housing Authority owns 806 units at 6 sites grouped into 4 Asset Management Projects (AMP) throughout the city of East Chicago, IN. The James Hunter site (AMP001) has 109 elderly units, John B. Nicosia site (AMP002) has 206 elderly units with 1 non dwelling unit, West Calumet site (AMP003) has 346 family units, Harbor Scattered Sites (AMP004) has 102 family units, Columbus Drive site (AMP004) has 17 family units, and New Harbor Scattered Sites (AMP004) has 25 family units. The Authority is responsible for the management and maintenance of all units and sites. On an annual basis, the Authority submits a request for funding known as the Operating Fund Calculation of Operating Subsidy. The basic concept of the Calculation of Operating Subsidy is that the Authority has formula expenses consisting of a Project Expense Level, Utilities Expense Level, and Add-ons. HUD will fund these formula expenses based upon occupied and HUD approved vacant units less formula income.

Section 8 Housing Choice Voucher (Section 8 Vouchers)

HUD has contracted with the Housing Authority through an Annual Contributions Contract (ACC) to provide funding for 636 Housing Choice Vouchers. The Authority pays Housing Assistance Payments to independent landlords for a lease that sets the low income participant's rent at 30% of adjusted income. The Housing Assistance Payment matches the difference between the total rent the Landlord can charge, at or below a fair market rent amount supplied by HUD, and the amount the tenant can pay. HUD pays the Authority a formula based administrative fee for all vouchers the Authority leases. The Authority is not responsible for the upkeep and maintenance of the units and properties associated with this program.

Lower Income Housing Assistance Program (Section 8 Moderate Rehabilitation Program)

HUD has contracted with the Housing Authority through an Annual Contributions Contract (ACC) to provide funding for 59 Moderate Rehabilitation (Mod Rehab) units. The program was repealed in 1991 and no new projects were authorized for development. This program provides project-based rental assistance for low income families limited to properties previously rehabilitated. The Authority currently has 59 units under contract with Harbor Realty Group and pays Housing Assistance Payments (HAP) for a lease that sets the participant's rent at 30% of household adjusted income. The Housing Assistance Payment matches the difference between the total rent the Landlord can charge, at or below a fair market rent amount supplied by HUD, and the amount the tenant can pay. For each unit the Authority administers, HUD pays the Authority an administrative fee. When vacancies occur in Mod Rehab units, the Authority refers eligible families from its waiting list to Harbor Realty Group who then selects and screens families for occupancy. The Authority is not responsible for the upkeep and maintenance of the units and property associated with this program.

Capital Fund Program (CFP)

This grant program is awarded by HUD on an annual basis and is the primary funding source for physical and management improvements to the Authority's properties. The Authority requisitions funds from HUD as the Authority expends funds. The Authority has two years to obligate and four years to fully expend an annual award and one year to obligate and two years to expend for the A.R.R.A. formula stimulus award.

Economic Factors

Significant economic factors affecting the Authority are as follows:

1. Since the discontinuance of the HUD Public Housing Drug Elimination Program (PHDEP) Grant in 2002, the Authority has kept the program going in 2010 by partnering with Geminus to administer and fund the program through the use of grants administered by Geminus.
2. Overall federal funding for the Department of Housing and Urban Development (HUD) was increased by Congress for 2010 appropriations and as a result, the Authority was funded at 103% resulting in a \$77,320 or 15% increase for public housing eligible operating subsidies versus a loss of revenues in 2009 of \$362,330.
3. Even though funding was increased in 2010 by \$46,103 or 1% for the Sec 8 Voucher Choice Program, the Authority leased 86% (down 2% from 2009) by the end of the year leaving a restricted net assets balance of \$142,838. The agency decreased leasing and reduced payment standards to keep the program afloat going into 2011 as HAP funding was decreased throughout half of the year in 2010 which had a negative impact on administrative revenue needed to administer the program.
4. The Agency was awarded ARRA stimulus funds of \$1,885,325 in 2009 and 47 jobs were created by the end of the 4th quarter of 2010, with \$504,291 spent in 2009 and \$1,374,148 spent in 2010 towards renovations and roof replacements of various units in West Calumet, James Hunter Senior Building and Scattered Sites to provide safe, decent and sanitary housing for our residents.
5. Due to the economy officially designated in 2008 as in a recession (a trend that has continued since 2002), local labor supply and demand, which affects local inflationary, recessionary and employment trends, salary and wage rates, unemployment has continued to rise in 2010 affecting resident incomes.

Condensed Comparative Entity-Wide Financial Statements

The following table reflects the condensed Statement of Net Assets compared to the prior year for Business-Type Activities.

TABLE 1

STATEMENT OF NET ASSETS

	2010	2009	Net Change	Percent Variance
Cash	3,451,168	2,756,737	694,431	25.2%
Other Current Assets	1,008,718	915,900	92,818	10.1%
Capital Assets	5,068,321	3,953,404	1,114,917	28.2%
Total Assets	9,528,207	7,626,041	1,902,166	24.9%
Current Liabilities	1,183,375	929,230	254,145	27.4%
Long Term Liabilities	47,968	35,657	12,311	34.5%
Total Liabilities	1,231,343	964,887	266,456	27.6%
Net Invested in Capital Assets	5,068,321	3,953,404	1,114,917	28.2%
Restricted Net Assets	142,838	23,159	119,679	516.8%
Unrestricted Net Assets	3,085,705	2,684,591	401,114	14.9%
Total Net Assets	8,296,864	6,661,154	1,635,710	24.6%

*Major Factors Affecting
The Statement of Net Assets*

Cash increased primarily due to a \$123,161 increase of Cash-other restricted for HAP payments plus an increase of \$571,570 in Cash-unrestricted just as Current Liabilities also increased by \$254,145.

Other Current Assets increased by \$92,818 or 10.1% primarily due to a \$98,010 increase in accounts receivable-HUD for Capital funds expended but not yet drawn.

Capital assets also changed significantly, increasing \$1,114,917 or 28.2% attributed to a combination of acquisitions in the amount of \$1,999,017 less current year depreciation of (\$764,421) minus the increase in restricted nets assets of \$119,679. For more detail, see the analysis of capital assets activity in table 5.

Restricted Net Assets increased \$119,679 or 516.8% due a decrease in lease up of vouchers throughout 2010.

Unrestricted Net Assets increased by \$401,114 or 14.9% primarily due to a gross operating income of \$2,400,131 (excluding a \$764,421 depreciation expense) offset by \$1,999,017 for capital expenditures. Table 2 below presents details on the change in Unrestricted Net Assets.

TABLE 2
CHANGE OF UNRESTRICTED NET ASSETS

Unrestricted Net Assets 12/31/09		\$ 2,684,591
Results of Operations	1,635,710	
Adjustments:		
Depreciation (1)	<u>764,421</u>	
Adjusted Results of Operations		2,400,131
Capital Expenditures		<u>(1,999,017)</u>
Unrestricted Net Assets 12/31/10		<u><u>\$ 3,085,705</u></u>

(1) Depreciation is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted Net Assets.

While the result of operations is a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Assets provides a clearer change in financial well-being.

HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING DECEMBER 31, 2010

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The following table compares the revenues and expenses for the current and previous fiscal year for Business-type activities.

TABLE 3
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	2010	2009	Net Change	Percentage Change
Total Tenant Revenue	1,589,949	1,501,795	88,154	6%
HUD Operating Grants	7,616,842	7,203,499	413,343	6%
Capital Grants	1,881,573	252,910	1,628,663	644%
Other Government Grants	1,000	0	1,000	100%
Investment Income	3,786	4,352	-566	-13%
Fraud Recovery	19,518	19,355	163	1%
Other Revenue	148,212	89,420	58,792	66%
Gain/loss on Sale of Fixed Assets	11,903	700	11,203	1600%
Total Revenue	11,272,783	9,072,031	2,200,752	24%
Expenses				
Administrative	1,952,959	1,960,543	-7,584	0%
Tenant Services	109,694	236,444	-126,750	-54%
Utilities	531,206	598,134	-66,928	-11%
Maintenance	1,592,467	1,731,030	-138,563	-8%
Protective Service	335,285	331,739	3,546	1%
General Expense	587,275	408,254	179,021	44%
Extraordinary Maintenance	0	0	0	0%
Casualty Losses	2,075	0	2,075	100%
Housing Assistance Payments	3,761,691	3,828,651	-66,960	-2%
Depreciation Expense	764,421	851,885	-87,464	-10%
Total Expenses	9,637,073	9,946,680	-309,607	-3%
Net Income (Loss)	1,635,710	-874,649	2,510,359	-287%

**Major Factors Affecting
The Statement of Revenue, Expenses, and Changes in Net Assets**

Total revenue increased 24% overall. Total Tenant Revenue increased by 6% due to an increase in leasing. HUD Operating Grants revenue increased by 6% due to an increase in Public Housing operating draws from the Capital Funds in addition to an increase in operating subsidy revenue. Capital Grants revenue increase of 644% was due to the Authority under-taking a more aggressive modernization program in the current fiscal year with A.R.R.A. Stimulus funding for West Calumet (AMP 3) roof replacements and vacancy reduction. Other Government Grants increased 100% due to funding received from Lake County to assist with the tenant service summer programs. Other Revenue increased 66% due to dividends from liability insurance and additional Cricket cellular rooftop lease.

HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
 MANAGEMENT DISCUSSION AND ANALYSIS
 FISCAL YEAR ENDING DECEMBER 31, 2010

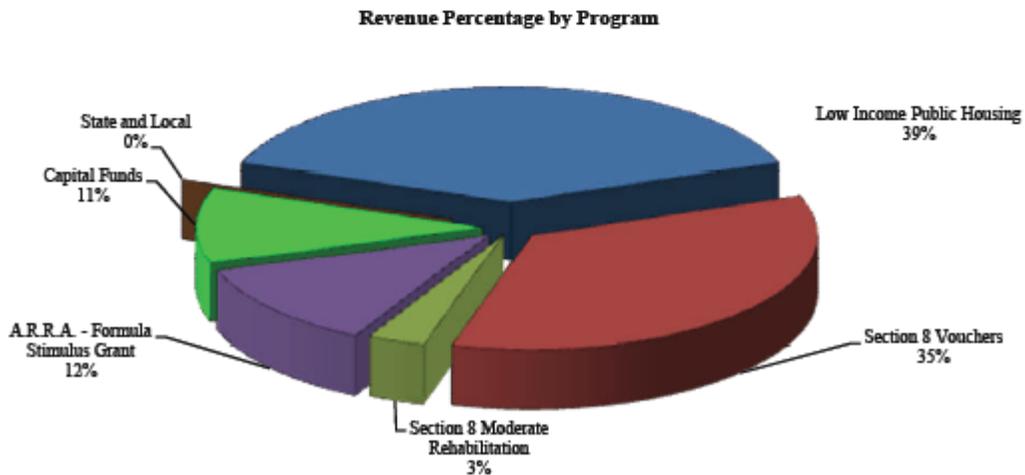
Gain/Loss on Sale of Fixed Assets increased 1600% due to excess insurance proceeds from the loss of a West Calumet maintenance vehicle that was not replaced during the current year.

Overall, **total expenses**, including depreciation, decreased approximately 3%. **Tenant Services** decreased by 54% due to termination of the summer program employees and activities in 2010. **Utilities** decreased 11% due to relatively milder summer and winter than anticipated. **Maintenance** decreased 8% due to reduction in maintenance staff. **General Expense** increased 44% due to a decrease in accrued compensated absences. **Housing Assistance Payments** decreased 2% due to decrease in leasing and a change in payment standards. **Depreciation Expense** decreased 10% due to several assets becoming fully depreciated in prior year.

The Authority administers the following programs and the revenues generated from these programs during Fiscal Year Ending 2010 were as follows:

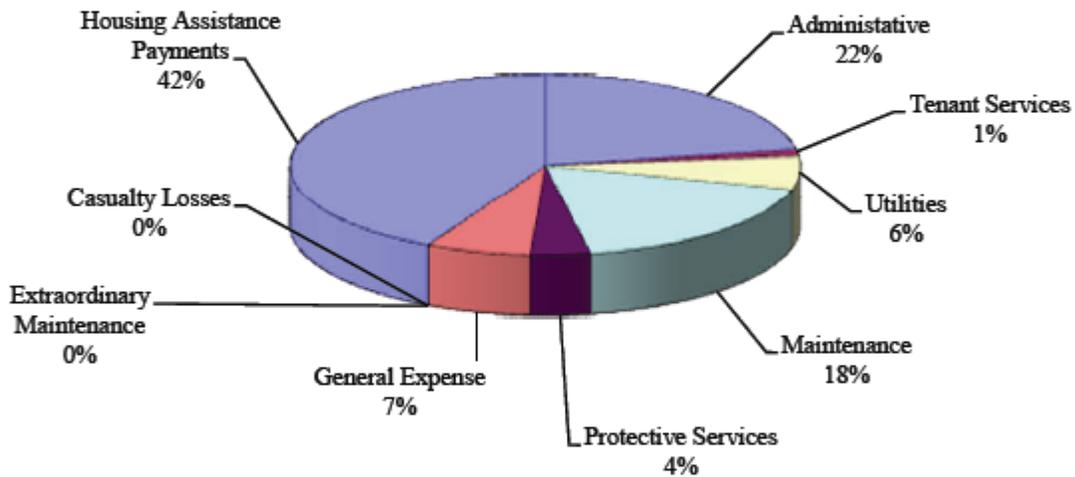
<u>Program</u>	<u>Revenues Generated</u>
Low Income Public Housing	\$4,375,300
A.R.R.A. – Formula Stimulus Grant	\$1,374,148
Section 8 Vouchers	\$3,958,538
Section 8 Moderate Rehabilitation	\$363,513
Capital Funds	\$1,200,284
State and Local	\$1,000

The diagram below illustrates the percentage of revenues generated by these programs for Fiscal Year Ending December 31, 2010:



The diagram below illustrates the percentage of Authority expenditures by categories excluding Depreciation Expense for Fiscal Year Ending December 31, 2010:

Expenses by Category



Budgetary Analysis

The Authority adopts individual annual operating budgets approved by the board of commissioners for all projects and programs. The budgets for Low Income Public Housing and the Section 8 Programs are adopted on the basis of accounting prescribed by HUD which differs in some respects from generally accepted accounting principles.

The Authority prepares a budget for each fiscal year of the Capital Fund Grant Program that is approved by HUD. The Authority is permitted two years to obligate and four years to expend these funds. Income is only recognized as funds are expended. For the purpose of this analysis, the amount budgeted is equal to the actual expense.

HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING DECEMBER 31, 2010

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The highlights below compare the variances between the original and final budgets as well as between the final budget and the actual amounts.

Table 4

Housing Authority Budgetary Highlights

	Percent Variance	Budget Variance	Original Budget	Final Budget	Actual	Actual Variance	Percent Variance
Tenant Revenue	-2%	-30,050	1,593,140	1,563,090	1,589,949	26,859	2%
HUD Operating Grants	4%	264,141	6,452,969	6,717,110	7,616,842	899,732	12%
HUD Capital Grants	0%	0	1,881,573	1,881,573	1,881,573	0	0%
Other Government Grants	0%	0	0	0	1,000	1,000	0%
Investment Income-Unrestricted	0%	0	3,980	3,980	3,679	-301	-8%
Investment Income-Restricted	0%	0	0	0	107	107	0%
Fraud Recovery	0%	0	22,100	22,100	19,518	-2,582	-12%
Other Revenue	39%	34,560	53,280	87,840	148,212	60,372	68%
Gain/Loss on Sale of Asset	0%	0	0	0	11,903	11,903	0%
Total Revenue	3%	268,651	10,007,042	10,275,693	11,272,783	997,090	9%
Administrative	0%	-852	2,061,809	2,060,957	1,952,959	-107,998	-5%
Tenant Services	-13%	-24,073	205,770	181,697	109,694	-72,003	-40%
Utilities	4%	25,260	590,155	615,415	531,206	-84,209	-14%
Maintenance	11%	173,974	1,462,108	1,636,082	1,592,467	-43,615	-3%
Protective Services	2%	6,050	326,152	332,202	335,285	3,083	1%
General Expense	-13%	-50,930	453,820	402,890	587,275	184,385	45%
Casualty Losses	0%	0	0	0	2,075	2,075	100%
Housing Assistance Payments	-1%	-39,091	3,763,760	3,724,669	3,761,691	37,022	1%
Depreciation Expenses	-133%	-880,705	1,542,920	662,215	764,421	102,206	15%
Total Expenses	-8%	-790,367	10,406,494	9,616,127	9,637,073	20,946	0%
Net Income/(Loss)	161%	1,059,018	-399,452	659,566	1,635,710	976,144	-148%

Results of Operations

Management revised individual and entity wide budgets that originally anticipated a loss of \$399,452 to a \$659,566 net income reflecting a \$1,059,018 decrease to anticipated losses primarily due to anticipated decrease in depreciation expense of \$880,705. Actual results of operation was a net income of \$1,635,710 resulting in an increase of \$976,144 or 148% more than anticipated primarily due to the \$899,732 increase in HUD Operating Grants revenues.

HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDING DECEMBER 31, 2010

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Tenant Rental Revenues was over revised budget by \$26,859 or 2% reflecting tenants paying higher rents than anticipated.

HUD Operating Grants were over revised budget by \$899,732 or 12% primarily due to \$931,828 received for HAP revenue greater than anticipated.

Other Government Grants were over budget by \$1,000 due to a Lake County grant received for teen scene latchkey activities not budgeted for.

Investment Income-Unrestricted was under revised budget by \$301 or 8% due to less interest earned than anticipated. **Investment Income-Restricted** was over budget by \$107 due to interest income on the general fund due to HUD for HAP reserves not originally budgeted for.

Fraud Recovery was under budget by \$2,582 or 12% due to the Authority earning less income from Section 8 fraud recoveries than anticipated.

Other Revenue was over revised budget by \$60,372 or 68% primarily due to \$17,400 for additional Cricket cell phone tower rental and \$32,279 dividend return on premium for housing insurance property coverage not originally budgeted.

Gain/Loss on Sale of Asset was over budget by \$11,903 or 100% primarily due to settlement received on AMP 3 maintenance vehicle involved in an accident that was not replaced.

Administrative expenses were under budget by \$107,998 or 5% primarily due to \$100,400 for employment benefits being less than anticipated for employer's share of annual health insurance premium increase.

Tenant Service was under budget by \$72,003 or 40% primarily due to the cancellation of the summer worker program.

Utilities were under revised budget by \$84,209 or 14% due to actual cost of gas, water and electricity being less than anticipated due to a relatively milder summer and winter than anticipated.

Maintenance was under revised budget by \$43,615 or 3% primarily due to understaffing of employees during later part of year for AMP 3 due to retirements and terminations and employment benefits being less than anticipated for employer's share of health insurance annual premium increase.

General Expense was over revised budget by \$184,385 or 45% primarily due to a decrease in accrued compensated absences.

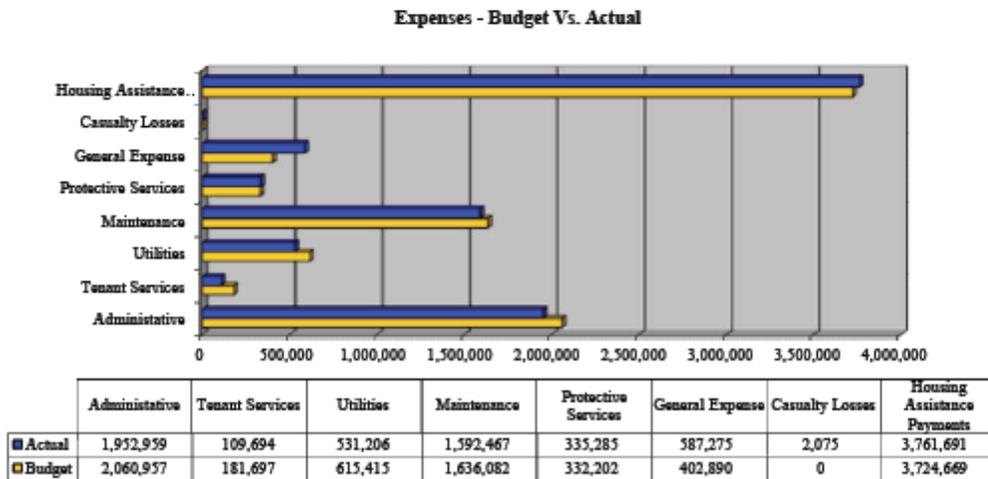
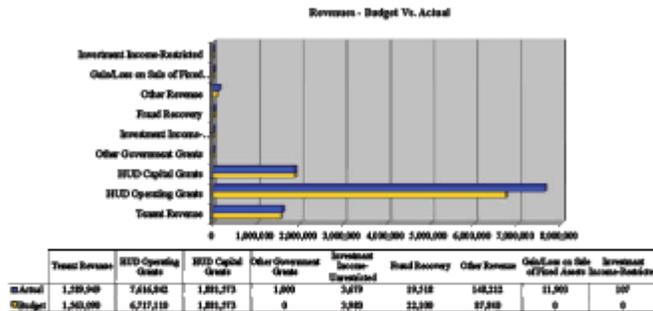
Casualty loss was over budget by \$2,075 primarily due to \$1,800 for AMP 3 fire damage balance not recoverable from insurance.

Housing Assistance Payments were over revised budget by \$37,022 or 1% due to an increase in actual rent payments for port outs not absorbed even though occupancy decreased from 88% to 85% from previous year.

HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
 MANAGEMENT DISCUSSION AND ANALYSIS
 FISCAL YEAR ENDING DECEMBER 31, 2010

Depreciation Expenses were over revised budget by \$102,206 or 15% due to depreciation on assets added during the year for roof replacements not originally budgeted for.

The diagrams below illustrate the Authority's Budget compared to Actual for Revenue and Expense for Fiscal Year Ending December 31, 2010:



HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
 MANAGEMENT DISCUSSION AND ANALYSIS
 FISCAL YEAR ENDING DECEMBER 31, 2010

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As of the end of the year, the Authority had \$5,068,321 invested in a variety of capital assets as reflected in the following table which represents a net increase (additions, deductions, and depreciation) of \$1,114,917 or 28.2% from the end of the previous fiscal year.

Table 5
ANALYSIS OF CAPITAL ASSET ACTIVITY

	2010	2009	Net Change	Percent Variance
Land	974,719	974,719	0	0.0%
Buildings	38,724,416	37,185,560	1,538,856	4.1%
Furniture, Equipment, & Machinery	1,011,891	1,028,675	-16,784	-1.6%
Site Improvements	1,412,917	1,352,409	60,508	4.5%
Total Fixed Assets	42,123,943	40,541,363	1,582,580	3.9%
Accumulated Depreciation	-37,456,582	-36,710,575	746,007	2.0%
Construction in Progress	400,960	122,616	278,344	227.0%
Net Fixed Assets	5,068,321	3,953,404	1,114,917	28.2%

Buildings increased by \$1,538,856 or 4.1% primarily due to \$1,357,590 for dwelling unit and \$38,275 for main office roof replacements at AMP 3 West Calumet 29-6; \$12,748 for garage roof replacement at AMP 1 Hunter Senior Building 29-1; \$16,215 for drain line repairs and \$23,550 for structural panel repairs at AMP 2 Nicosia Senior Building 29-5; \$40,365 roof replacements and \$23,944 for furnace replacements at AMP 4 29-2 Scattered Sites.

Furniture, Equipment, & Machinery decreased by \$16,784 or 1.6% primarily due to the removal of a maintenance vehicle involved in a casualty loss that was not replaced at AMP 3.

Site Improvements increased by \$60,508 or 4.5% primarily due to \$57,745 for dumpster enclosures for AMP 3 West Calumet.

Accumulated Depreciation increased by \$746,007 or 2.0% primarily due to current year's depreciation expense of \$764,421.

Construction in Progress increased by \$278,344 or 227% primarily due to \$175,185.40 for security room/lobby upgrade at AMP 2 John B. Nicosia Senior Building and \$21,849 for roof replacements at AMP 3 West Calumet Complex. This increase also represents the various modernization activities from the Capital Funds program in progress on various sites of the Authority. As individual capital fund grants are completely expended and closed out, modernization costs are then transferred to the fixed asset accounts.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
AS OF DECEMBER 31, 2010**

ASSETS

Current Assets

Cash and cash equivalents	\$ 3,295,879
Accounts receivable (interfund eliminated)	683,501
Inventory - net of allowance	202,116
Deferred charges	<u>123,101</u>

Total Current Assets \$ 4,304,597

Restricted Assets

Cash	\$ <u>155,289</u>
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Total Restricted Assets \$ 155,289

Capital Assets

Land, buildings and equipment	\$ 42,524,903
Less: Accumulated depreciation	<u>-37,456,582</u>

Net Capital Assets \$ 5,068,321

TOTAL ASSETS \$ 9,528,207

LIABILITIES

Current Liabilities

Accounts payable (interfund eliminated)	\$ 595,770
Accrued liabilities	445,497
Tenant security deposits	138,115
Deferred revenue	<u>3,993</u>

Total Current Liabilities \$ 1,183,375

Noncurrent Liabilities

Accrued compensated absences	\$ 35,517
FSS escrow	<u>12,451</u>

Total Noncurrent Liabilities \$ 47,968

TOTAL LIABILITIES \$ 1,231,343

NET ASSETS

Unrestricted net assets	\$ 3,085,705
Restricted	142,838
Invested in capital assets	<u>5,068,321</u>

TOTAL NET ASSETS \$ 8,296,864

The notes to financial statements are an integral part of this statement.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
PROPRIETARY FUNDS
TWELVE MONTHS ENDED DECEMBER 31, 2010**

<u>Operating Income</u>	
Tenant Income	
Tenant rental revenue	\$ 1,487,557
Tenant revenue - other	<u>102,392</u>
Total Tenant and Other Rental Income	<u>\$ 1,589,949</u>
Non-Tenant Income	
HUD grants - operating	\$ 7,616,842
Other government grants	1,000
Fraud recovery	19,518
Other revenue	148,212
Gain or loss on sale of capital assets	<u>11,903</u>
Total Non-Tenant Income	<u>\$ 7,797,475</u>
Total Operating Income	<u>\$ 9,387,424</u>
<u>Operating Expenses</u>	
Administration	\$ 1,952,959
Tenant services	109,694
Utilities	531,206
Ordinary maintenance and operation	1,592,467
General expense	587,275
Protective services	335,285
Casualty losses	2,075
Housing assistance payments	3,761,691
Depreciation	<u>764,421</u>
Total Operating Expenses	<u>\$ 9,637,073</u>
Net Operating Income (Loss)	<u>\$ -249,649</u>
<u>Nonoperating Income (Expenses)</u>	
HUD grants - capital	\$ 1,881,573
Interest income	<u>3,786</u>
Total Nonoperating Income (Expenses)	<u>\$ 1,885,359</u>
Changes in net assets	\$ 1,635,710
Net assets, beginning of year	<u>6,661,154</u>
Net Assets, end of year	<u>\$ 8,296,864</u>

The notes to financial statements are an integral part of this statement.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
TWELVE MONTHS ENDED DECEMBER 31, 2010**

Operating Activities

Operating subsidy	\$ 7,292,406
Tenant revenue	1,569,034
Other revenues	179,633
Housing assistance payments	-3,761,691
Payments to employees	-1,982,138
Payments to suppliers and contractors	<u>-2,608,834</u>

Net Cash Provided (Used) by Operating Activities	<u>\$ 688,410</u>
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Investing Activities

Interest income	<u>\$ 3,786</u>
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Net Cash Provided (Used) by Investing Activities	<u>\$ 3,786</u>
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Capital and Related Financing Activities

HUD grants - capital	\$ 1,881,573
(Additions) deletions to capital assets	<u>-1,879,338</u>

Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ 2,235</u>
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Net Change in Cash	\$ 694,431
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Cash Balance at December 31, 2009	<u>2,756,737</u>
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Cash Balance at December 31, 2010	<u>\$ 3,451,168</u>
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The notes to financial statements are an integral part of this statement.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
TWELVE MONTHS ENDED DECEMBER 31, 2010**

**Reconciliation of Operating Income (Loss) to Net Cash
Provided (Used) by Operating Activities**

Net operating income (loss)	\$ -249,649
Adjustment to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:	
Depreciation	764,421
(Increase) decrease in accounts receivable	-104,290
(Increase) decrease in deferred charges	-380
(Increase) decrease in inventories	11,852
Increase (decrease) in accounts payable	314,460
Increase (decrease) in accrued liabilities	227,832
Increase (decrease) in deferred revenues	-267,815
Increase (decrease) in other liabilities	<u>-8,021</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 688,410</u>

The notes to financial statements are an integral part of this statement.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010**

Note 1 - Summary of Significant Accounting Policies

(a) Organization and Reporting Entity -

The Housing Authority was established January 25, 1965 by the City of East Chicago pursuant to the laws of the State of Indiana, as a municipal corporation (IC36-7-18-14), to transact business and to have powers as defined therein to provide low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the Department of Housing and Urban Development and other applicable Federal Agencies.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into a contract with the Authority for the purpose of assisting in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the program for the purpose of maintaining its low-rent character.

In evaluating the Authority as a reporting entity, management has addressed its relationship with the City of East Chicago and concluded the City does not maintain an oversight responsibility for the Authority's operations. However, the Housing Authority is a related organization to the City of East Chicago since an independent seven member Board of Commissioners appointed and removed by the Mayor of the City of East Chicago, is responsible for the activities of the Authority. The Authority recruits and employs its executive staff and has substantial legal authority to control its affairs without requiring approval of the City government. Debt incurred by the Authority is not an obligation of the City; the City does not review or approve the Authority's budget, is not entitled to any surplus funds generated by the Authority's operations and is not responsible for any deficits incurred by the Authority.

Consequently, in accordance with evaluating the criteria set forth in Section 2100 and 2600 of the Governmental Accounting Standards Board Codification, management has concluded that the Housing Authority of the City of East Chicago is a separate reporting entity. All funds and programs of the Housing Authority are included in these statements. The Housing Authority has no active component units.

(b) Method of Accounting -

The financial statements of the Housing Authority have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

The Housing Authority applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements, in which case, GASB prevails.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(c) Financial Statement Presentation

Although a formal policy has not been adopted, in financial statement preparation the Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. Principal operating revenues are tenant rents and HUD grants. Operating expenses include administration, maintenance, insurance, depreciation, utilities, housing assistance payments and other general expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

(d) Funds -

Each of the programs of the Housing Authority are organized on a basis of fund accounting, using a separate set of self balancing accounts as prescribed by HUD. The programs of the Housing Authority are:

- * Low Rent Public Housing (Amps)
- * COCC
- * Section 8 Choice Vouchers
- * Section 8 Moderate Rehabilitation
- * Capital Fund Program
- * Formula Capital Fund Stimulus Grant
- * State and Local

These programs are all accounted for within the 'Proprietary' (enterprise) fund as described below:

Proprietary Fund Types:

Proprietary funds use the economic resources measurement focus and utilize the accrual basis of accounting. All assets and liabilities associated with a proprietary fund's activities are included on the fund statement. Proprietary fund equity is segregated into Invested in Capital Assets Net of Related Debt, Restricted Net Assets and Unrestricted Net Assets.

(e) Cash and Cash Equivalents -

For purposes of the statement of cash flows, the Housing Authority considers all highly liquid investments to be cash equivalents. Highly liquid assets are those with a maturity of less than one (1) month at date of purchase.

(f) Interprogram Receivables and Payables

During the course of operations, numerous transactions occur within individual programs that may result in amounts owed between these programs. These receivables and payables are classified as "due from other programs" or "due to other programs" on the combining statement of net assets and have been eliminated in the basic financial statements.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(g) Accounts Receivable -

The tenants accounts receivable discloses the gross amount due from the tenants at December 31, 2010, and does not take into consideration prepaid amounts. The Housing Authority provides for an allowance for doubtful accounts, based on the estimated collections of current accounts receivables. The Housing Authority semi-annually writes off uncollectible accounts receivable to the allowance account based on a review of the current status of existing receivables for lease end participating tenants and the determination that the receivable will not be collected.

(h) Inventories and Materials -

Inventories and materials are stated at cost which approximates market determined on a first-in, first-out basis.

(I) Investments -

Investments are stated at cost which approximates market.

(j) Fixed Assets -

For the purpose of determining, distinguishing and recording materials and non-expendable equipment and personal property purchased or acquired in connection with development, management, and maintenance of public housing developments owned or operated, the Housing Authority follows the following capitalization policy:

If the initial cost of a piece of equipment and/or other personal property is five hundred dollars (\$500) or more and the anticipated life or useful life of said equipment or property is more than one (1) year, the same shall be capitalized and recorded as non-expendable equipment and charged as a capital expenditure.

Land, buildings and equipment contains the following:

- 1) The total development construction costs incurred for each project at the end of the initial operating period,
- 2) nonexpendable equipment, and
- 3) property betterments and additions
- 4) land acquisitions.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(j) Fixed Assets - (Continued)

These are recorded at cost. Depreciation of property and equipment is provided using the straight line method for financial reporting purposes at rates based on the following estimates:

Buildings	27-1/2 years
Equipment	5 years
Transportation equipment	5 years
Furniture and fixtures	5 years
Leasehold improvements	10 years

A "half-year" convention will be utilized whereby one-half year of depreciation is recorded in the year of acquisition and the year of disposition.

(k) Net Assets -

GASB Statement 34 requires the classification of net assets into three components as defined below:

- 1) Invested in capital assets, net of related debt - this component of net assets consists of capital assets, net of accumulated depreciation, costs to be recovered from future revenues and unamortized debt expense reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- 2) Restricted - this component of net assets consist of constraints placed on net assets use through external constraints imposed by creditors, contributors or laws and regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- 3) Unrestricted - this component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

(l) Income Tax -

The Authority, organized as a local municipal corporation subsidized by the Federal government, is exempt from Federal and State income taxes.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 1 - Summary of Significant Accounting Policies

(m) Annual Contributions/Subsidies and Other Grants

Annual contributions and subsidies received from the Department of HUD are recorded as grant revenues.

Other grants (such as CFP grants) are recognized when program expenditures are incurred. Such revenue is subject to review by the Department of Housing and Urban Development and may result in disallowance in subsequent periods.

- (n) The Housing Authority adopts a budget annually. The budget is submitted to the Board of Commissioners for approval. Subsequent budget revisions may also be required to be submitted for approval.
- (o) The preparation of financial statements in conformity with generally accepted accounting principles require the Housing Authority to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
- (p) Leasing activities (as lessor) - the Authority is the lessor of dwelling units mainly to low income and/or elderly and disabled residents. The rents under the lease are determined generally by the resident's income as adjusted by eligible deductions regulated by HUD, although the resident may elect for a flat rent option. Leases may be cancelled by the lessee at any time with proper notice. The Authority may cancel the lease only for cause.
- (q) Rental income is recognized as rents become due.
- (r) At any time during the year and at year end, there are construction projects in process. These projects include modernizing rental units. The projects are funded by HUD and funds are requested periodically as costs are incurred.

Note 2 - Related Party Transactions

The East Chicago Housing Authority shared certain employees and office expenses throughout 2010 with the City of East Chicago Department of Redevelopment (a city department). Both entities share office space and the same payroll department, who are Housing Authority employees, with separate Board of Directors appointed by the Mayor of the City of East Chicago. The expenses of the payroll department are allocated and reimbursed using time sheet allocations, while all other expenses are either direct costs to each entity or allocated using the number of programs in the office or the number of staff by program for certain shared office expenses such as telephone, utilities, etc. Reimbursements occur weekly, however, any unreimbursed expenses incurred by the City of East Chicago's Department of Redevelopment for payroll, fringe benefits and certain other expenses through December 31, 2010 were reflected on the Central Office Cost Center's balance sheet as account receivable - other government in the amount of \$15,869.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 3 - Cash and Investments

Statutes authorize the Housing Authority to invest in certificates of deposit, money market funds, United States government securities and repurchase agreements fully collateralized by United States government securities.

All cash and investments are insured up to \$200,000 by the Federal Deposit Insurance Corporation (FDIC) or other equivalent insurance company of the depository financial institutions. The deposits exceeding the insured or registered limits are public funds covered by the State of Indiana Public Deposit Fund.

Custodial Credit Risk

- a. Deposits - Custodial credit risk is the risk that in the event of a financial institution failure, the Authority's deposits may not be returned to or that the Authority will not be able to recover collateral securities in the possession of an outside party.
- b. Investments - Custodial credit risk is the risk that in the event of the failure of the depository, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party.

Credit Risk Investments, Concentration of Credit Risk and Interest Rate Risks - Investments

Credit Risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Housing Authority has no investment policy that limits its investment choices other than the limitation of state law and/or the Department of Urban Development regulations.

Concentrations of Credit Risk is the risk of loss attributed to the amount of the investment in a single issuer. The Authority does not have a formal investment policy covering the concentration of credit risk.

Investment Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Housing Authority has no formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 3 - Cash and Investments (Continued)

The cash deposits held at financial institutions can be categorized according to three levels of risk. These three levels of risk are as follows:

Category 1 - Deposits which are insured or collateralized with securities held by the Housing Authority or by its agent in the Housing Authority's name.

Category 2 - Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the Housing Authority's name.

Category 3 - Deposits which are not collateralized or insured.

Based on the three levels of risk, all of the Housing Authority's funds are classified as Category 1.

<u>Program</u>	<u>Book Balance</u>	<u>Bank Balance</u>
Low Rent (AMPS & COCC)	\$ 3,139,927	\$ 3,177,318
Voucher	216,687	229,874
Mod Rehab	<u>94,554</u>	<u>94,554</u>
Total	<u>\$ 3,451,168</u>	<u>\$ 3,501,746</u>

Note 4 - Compensated Absences

As of January 1, 1998 existing employees no longer accrue vacation time monthly. Vacation hours an employee is entitled to for the current year are placed into a new bank for immediate use (does not include new employees with less than one year of service). New employees must wait until their one year anniversary to take vacation. This new bank of vacation time must be taken in full by the end of the current year or it is lost. If an employee leaves the agency before the end of the year due to retirement, termination, resignation, job elimination, etc., the new bank of vacation hours will be calculated on an accrual basis based upon regular time actually worked and any excess vacation hours taken will be deducted from the final paycheck.

Employee's vacation hours as of December 31, 1997 were placed into an old bank but will not be used until they have used all of their new vacation bank. Unused vacation time from the old bank as of December 31, 1997 will carryover from year to year until fully exhausted. Maximum vacation hours from the old bank if an employee is entitled to if they leave the agency is still 360 hours. For all compensated absences, the liability is valued at the pay rates in effect at the end of the Authority's fiscal year.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 4 - Compensated Absences (Continued)

Vacation leave must be requested at least two weeks in advance with available time verified by accounting and approved by the supervisor and the executive director. Vacation time is taken in increments of hours only (i.e. no quarter, half, and three-fourths hours).

Employees can accumulate a maximum of 240 hours of sick leave. For every three months the accumulated sick leave is consistently 240 hours, the employee earns 8 additional hours of vacation leave the following month. Since the Authority has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Annual Leave

- A. Annual leave requests are granted on a seniority basis based on years of employment. Employees are required to take annual leave in the year in which it is received. Annual leave will not be advanced to employees except at the discretion of the executive director. Newly hired employees are not entitled to annual leave until they have successfully completed one full year of employment, except at the discretion of the executive director.
- B. All permanent full-time administrative employees shall receive a paid vacation after one full year of employment. Paid vacations will be granted as follows to employees according to years of service:

½ on January 16; ½ on July 16
Less than 5 years - 12 days annually
More than five years but less than 10 years - 18 days annually
Ten years or more - 24 days annually

All permanent full-time maintenance employees shall receive a paid vacation after one full year of employment. Paid vacations will be granted as follows to employees according to years of service:

½ on January 16; ½ on July 16
Less than 5 years - 10 days annually
More than 5 years but less than 15 years - 15 days annually
Fifteen years or more - 20 days annually

Accumulation of Vacation Time

Cumulative maximum carryover of unused leave at the beginning of any leave year may not exceed forty-five (45) days of vacation accrual for any employee, if applicable.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 5 - Defined Contribution Plan

The Housing Authority provides pension benefits for all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Housing Authority contributions forfeited by employees who leave employment prior to vesting are used to reduce current costs and contribution requirements. For the fiscal year ended December 31, 2010, the actual contributions by the Housing Authority were \$318,359. Total annual payroll expense was \$2,015,215.

Life Associates, Inc. Money Purchase Plan

This agreement together with the Life Associates Inc. basic defined contribution plan constitutes amendment No. 1 to the Plan.

Eligible Employee

An eligible employee is an employee of the Housing Authority that meets the requirements employed in the following employment classification: i) paid on a salaried basis, ii) paid on a commission basis, iii) paid on an hourly basis. Is customarily employed for at least 20 hours per week, for at least 5 months per year.

Employer Contributions and Forfeitures

Contributions are made for each person who was an active member at anytime since the last contribution date. The amount of the employer contribution for such person shall be calculated as of the contribution date and shall be equal to 14.70% of their monthly pay.

Vesting Percentage

Vesting percentage is used to determine the nonforfeitable percentage of a member's account resulting from contributions. The vesting percentage for a member who is an employee on or after the date he reaches normal retirement age or early retirement age shall be 100%. The vesting percentage for a member who is an employee on the date they become totally disabled or dies shall be 100%.

Member's account resulting from our contributions is subject to the vesting schedule selected below:

<u>Vesting Service</u>	<u>Vesting Percentage</u>
Less than 1 year	50
1 year	60
2 years	70
3 years	80
4 years	90
5 years or more	100

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 6 - Accounts Receivable - Net of Allowance

Accounts receivable consists of the following accounts:

HUD	\$ 616,723
Tenants accounts receivable (net)	34,636
Fraud recovery (net)	5,741
Other	<u>26,401</u>
Subtotal	\$ 683,501
Interfund	<u>255,004</u>
Total	<u>\$ 938,505</u>

Note 7 - Deferred Charges

This classification includes the following accounts:

Prepaid insurance	\$ 121,443
Other	<u>1,658</u>
Total	<u>\$ 123,101</u>

Note 8 - Fixed Assets

Balance as of December 31, 2010	\$ 5,068,321
Balance as of December 31, 2009	<u>3,953,404</u>
Net Increase (Decrease)	<u>\$ 1,114,917</u>

Reconciliation

Property betterments and additions	\$ 1,877,708
Dispositions	-15,102
Replacement of equipment	16,732
Depreciation expense	<u>-764,421</u> *
Net Increase (Decrease)	<u>\$ 1,114,917</u>

*Current year depreciation expense recognized.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 8 - Fixed Assets (Continued)

<u>Analysis</u>	<u>01/01/2010 Balance</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>12/31/2010 Balance</u>
Land	\$ 974,719	\$ 0	\$ 0	\$ 974,719
Buildings	37,185,560	1,538,856	0	38,724,416
Equipment and furniture	1,028,675	16,732	33,516	1,011,891
Leasehold improvements	1,352,409	60,508	0	1,412,917
Construction in progress	<u>122,616</u>	<u>278,344</u>	<u>0</u>	<u>400,960</u>
Total	\$ 40,663,979	\$ 1,894,440	\$ 33,516	\$ 42,524,903
Accumulated depreciation	<u>-36,710,575</u>	<u>18,414</u>	<u>764,421</u>	<u>* -37,456,582</u>
Total	<u>\$ 3,953,404</u>	<u>\$ 1,912,854</u>	<u>\$ 797,937</u>	<u>\$ 5,068,321</u>

Note 9 - Notes Payable

On August 4, 1987, the U.S. Department of Housing and Urban Development (HUD) issued notice PIH 87-212 to implement the provisions of the Housing and Community Development Reconciliation Amendments of 1985 (PL 99-272, enacted April 7, 1986). This notice states, in part, the following:

Project debt to HUD (HUD-held notes) will be forgiven after a debt forgiveness amendment to the consolidated Annual Contributions Contract has been executed by HUD and the Public Housing Authority and after the Actual Development Cost Certificate has been included in an audit and approved.

As a part of the HUD mandated GAAP conversion and the above referenced notice, all HUD-held notes were recorded as debt forgiveness during a prior fiscal year.

Note 10 - Accounts Payable

This classification includes the following accounts:

Vendors and contractors	\$ 506,417
Accounts payable - HUD	41,577
Other	<u>47,776</u>
Subtotal	\$ 595,770
Interfund	<u>255,004</u>
Total	<u>\$ 850,774</u>

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 11 - Accrued Liabilities

At December 31, 2010 the following accounts were accrued:

<u>Current Portion:</u>	
Payroll and payroll taxes	\$ 104,670
Accrued liabilities - other	98,502
PILOT	<u>242,325</u>
 Total Current Portion	 \$ <u>445,497</u>
 <u>Noncurrent Portion:</u>	
Accrued compensated absences	\$ <u>35,517</u>
 Total	 \$ <u>481,014</u>

Note 12 - Deferred Revenues

This classification consists of the following accounts:

Tenants prepaid rent	\$ <u>3,993</u>
----------------------	-----------------

Note 13 - Administrative Fee

The PHA receives an "Administrative Fee" as part of the annual contribution from HUD to cover the costs (including overhead) of administering the HAP Program. The Moderate Rehabilitation administrative fees are calculated using a variable rate per HUD. The Voucher rate is determined annually by HUD.

Note 14 - Allocation of Costs

The PHA allocated some expenses not attributable to a specific program to all programs under management. The basis for these allocations varied with the type of expenses as management deemed equitable.

Note 15 - Contingencies

Federal Grants

In the normal course of operations, the Housing Authority receives grant funds from the Department of Housing and Urban Development. The programs are subject to audit by agents of HUD, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**NOTES TO FINANCIAL STATEMENTS
TWELVE MONTHS ENDED DECEMBER 31, 2010
(CONTINUED)**

Note 16 - Contracts/Commitments

As of December 31, 2010, the Housing Authority had entered into the following pending construction projects in progress:

	<u>Funds Approved</u>	<u>Funds Expended To Date</u>
CFP 501-07	\$ 1,460,629	\$ 1,239,060
CFP 501-08	1,489,431	1,098,409
CFP 501-09	1,470,810	609,884
CFP 501-10	1,468,174	232,238
A.R.R.A. - Stimulus Grant 501-09	<u>1,885,325</u>	<u>1,878,439</u>
Total	<u>\$ 7,774,369</u>	<u>\$ 5,139,030</u>

Note 17 - Risk Management

The Housing Authority carries commercial insurance coverage to cover exposure and the risk of losses related to torts, thefts, damages, destruction of assets, errors and omissions, injuries, natural disasters and defalcation.

For insured programs there has been no significant reduction in insurance coverage. Settled claims have not exceeded insurance coverage or the risk pool coverage in the current or past three years.

Note 18 - Economic Dependency

The Housing Authority received most of its revenue (84%) from the United States Department of Housing and Urban Development. This funding is subject to federal government appropriations and potential funding reductions.

Note 19 Contracts/Commitments

As of December 31, 2010, the Housing Authority had entered into the following operating lease obligation:

<u>Lease Obligations</u>	<u>Lease Term</u>	<u>Monthly Payment</u>
Konica/Minolta Digital Copier	36 months	\$ 470
Pitney Bowes	36 months	\$ 1,075

SUPPLEMENTAL DATA

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010**

<u>Federal Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Contract Number</u>	<u>Grant Period</u>	<u>Program Amount</u>	<u>Receipts or Revenue Recognized</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of HUD</u>						
Direct Programs:						
Public and Indian Housing*	14.850a	C-651	FYE 12/31/10	\$ 2,654,642	\$ 2,654,642	\$ 2,654,642
Lower Income Housing Assistance Program - Moderate Rehabilitation*	14.856	C-2030K	FYE 12/31/10	\$ 361,642	\$ 361,642	\$ 361,642
Housing Choice Voucher Program*	14.871	C-2030V	FYE 12/31/10	\$ 3,907,699	\$ 3,907,699	\$ 3,905,909
Public Housing - Capital Fund*	14.872	C-651	FYE 12/31/10	\$ 5,889,044	\$ 1,200,284	\$ 1,200,284
A.R.R.A. Formula Capital Fund Stimulus Grant*	14.885	C-651	FYE 12/31/10	\$ 1,885,325	\$ 1,374,148	\$ 1,374,148
Total Federal Assistance				\$ 14,698,352	\$ 9,498,415	\$ 9,496,625

*Denotes major program.



**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Commissioners
Housing Authority of the City of East Chicago
East Chicago, Indiana

I have audited the financial statements of Housing Authority of the City of East Chicago as of and for the year ended December 31, 2010, and have issued my report thereon dated August 11, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Housing Authority of the City of East Chicago's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Housing Authority of the City of East Chicago's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Housing Authority of the City of East Chicago's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Housing Authority of the City of East Chicago's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain matters that I reported to management of Housing Authority of the City of East Chicago in a separate letter dated August 11, 2011.

This report is intended solely for the information and use of management, Board of Commissioners, others within the entity, and Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

Decatur, Illinois
August 11, 2011



Certified Public Accountant



**Independent Auditor's Report on Compliance With Requirements That Could Have a
Direct and Material Effect on Each Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133**

Board of Commissioners
Housing Authority of East Chicago
East Chicago, Indiana

Compliance

I have audited Housing Authority of the City of East Chicago's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Housing Authority of the City of East Chicago's major federal programs for the year ended December 31, 2010. Housing Authority of the City of East Chicago's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Housing Authority of the City of East Chicago's management. My responsibility is to express an opinion on Housing Authority of the City of East Chicago's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Housing Authority of the City of East Chicago's compliance with those requirement and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of Housing Authority of the City of East Chicago's compliance with those requirements.

In my opinion, Housing Authority of the City of East Chicago complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010. The results of my auditing procedures disclosed instances of noncompliance with those requirements.

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Internal Control Over Compliance

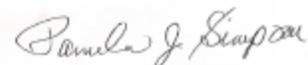
Management of Housing Authority of the City of East Chicago is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Housing Authority of the City of the City of East Chicago's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Housing Authority of the City of East Chicago's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of management, Board of Commissioners, others within the entity, Housing and Urban Development, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Decatur, Illinois
August 11, 2011



Certified Public Accountant

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

STATUS OF PRIOR AUDIT FINDINGS

The prior audit for the period ended December 31, 2009 contained no audit findings.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - SUMMARY
FOR THE YEAR ENDED DECEMBER 31, 2010**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report: Unqualified

* Material weakness(es) identified? _____ yes X no

* Significant deficiency (ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

* Material weakness(es) identified? _____ yes X no

* Significant deficiency (ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? _____ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.850a	Public and Indian Housing
14.856	Lower-Income Housing Assistance Program - Moderate Rehabilitation
14.871	Housing Choice Voucher Program
14.872	Public Housing - Capital Funds
14.885	A.R.R.A. - Formula Capital Fund Stimulus Grant

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? X yes _____ no

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

CURRENT FINDINGS AND RECOMMENDATIONS

Section II - Financial Statement Audit Findings

There were no financial statement audit findings discussed with Beatriz L. Martinez, Executive Director, Sharon Johnson, Director of Finance and other members of management, during the course of the audit or at an exit conference held August 11, 2011.

Section III - Federal Award Audit Findings

There were no federal award audit findings discussed with Beatriz L. Martinez, Executive Director, Sharon Johnson, Director of Finance and other members of management, during the course of the audit and at an exit conference held August 11, 2011.

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
DECEMBER 31, 2010**

<u>Amp 1</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
Vendor payable	2111	\$ 16,328.73		2111
Accrued liabilities - other	2139		\$ 16,328.73	2139
(To reclassify accrued utilities from vendor payable to accrued liabilities - other per FDS Cross Walk)				
(2)				
Compensated absence expense	4550	\$ 8,004.36		2806
Administrative salaries	4110		\$ 3,887.02	2806
Administrative employee benefits	4182		296.90	2806
Tenant services salaries	4210		333.56	2806
Tenant services employee benefits	4222		25.57	2806
Maintenance salaries	4410		3,215.38	2806
Maintenance employee benefits	4433		245.93	2806
(To reclassify accrued compensated salaries paid in 2010)				
<u>Amp 2</u>				
(1)				
Vendor payable	2111	\$ 39,480.99		2111
Accrued liabilities - other	2139		\$ 39,480.99	2139
(To reclassify accrued utilities from vendor payable to accrued liabilities - other per FDS Cross Walk)				
(2)				
Compensated absence expense	4550	\$ 28,755.23		2806
Administrative salaries	4110		\$ 16,127.11	2806
Administrative employee benefits	4182		1,233.34	2806
Tenant services salaries	4210		630.73	2806
Tenant services employee benefits	4222		48.34	2806
Maintenance salaries	4410		9,954.38	2806
Maintenance employee benefits	4433		761.33	2806
(To reclassify accrued compensated salaries paid in 2010)				
<u>Amp 3</u>				
(1)				
Vendor payable	2111	\$ 38,239.13		2111
Accrued liabilities - other	2139		\$ 38,239.13	2139
(To reclassify accrued utilities from vendor payable to accrued liabilities - other per FDS Cross Walk)				

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
DECEMBER 31, 2010**

<u>Amp 3 (Continued)</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(2)				
Compensated absence expense	4550	\$ 73,862.01		2806
Administrative salaries	4110		\$ 12,655.05	2806
Administrative employee benefits	4182		968.05	2806
Tenant services salaries	4210		42,835.57	2806
Tenant services employee benefits	4222		3,277.17	2806
Maintenance salaries	4410		13,122.37	2806
Maintenance employee benefits	4433		1,003.80	2806
(To reclassify accrued compensated salaries paid in 2010)				
<u>Amp 4</u>				
(1)				
Vendor payable	2111.12	\$ 1,353.75		2111.12
Vendor payable	2111.17	2,291.08		2111.17
Accrued liabilities - other	2139.12		\$ 1,353.75	2139.12
Accrued liabilities - other	2139.17		2,291.08	2139.17
(To reclassify accrued utilities from vendor payable to accrued liabilities - other per FDS Cross Walk)				
(2)				
Compensated absence expense	200-4550	\$ 16,736.42		2806.02
Compensated absence expense	700-4550	2,255.78		2806.07
Compensated absence expense	900-4550	3,638.37		2806.09
Administrative salaries	200-4110		\$ 8,127.41	2806.02
Administrative salaries	700-4110		1,095.43	2806.07
Administrative salaries	900-4110		1,766.83	2806.09
Administrative employee benefits	200-4182		620.80	2806.02
Administrative employee benefits	700-4182		83.67	2806.07
Administrative employee benefits	900-4182		134.96	2806.09
Tenant services salaries	200-4210		697.44	2806.02
Tenant services salaries	700-4210		94.02	2806.07
Tenant services salaries	900-4210		151.62	2806.09
Tenant services employee benefits	200-4222		53.45	2806.02
Tenant services employee benefits	700-4222		7.22	2806.07
Tenant services employee benefits	900-4222		11.62	2806.09
Maintenance salaries	200-4410		6,723.07	2806.02
Maintenance salaries	700-4410		906.14	2806.07
Maintenance salaries	900-4410		1,461.54	2806.09
Maintenance employee benefits	200-4433		514.25	2806.02
Maintenance employee benefits	700-4433		69.30	2806.07
Maintenance employee benefits	900-4433		111.80	2806.09
(To reclassify accrued compensated salaries paid in 2010)				

**HOUSING AUTHORITY OF THE CITY OF EAST CHICAGO
EAST CHICAGO, INDIANA**

**SCHEDULE OF ADJUSTING JOURNAL ENTRIES
DECEMBER 31, 2010**

<u>COCC</u>	<u>Audit Account Number</u>	<u>Debit</u>	<u>Credit</u>	<u>Posting Account Number</u>
(1)				
Depreciation expense	4800	\$ 4,415.50		2801
Accumulated depreciation	1400.95		\$ 4,415.50	1400.95
(To reverse JV3279; adjust accounts to depreciation schedule)				
(2)				
Vendor payable	2111	\$ 404.19		2111
Accrued liabilities - other	2139		\$ 404.19	2139
(To reclassify accrued utilities from vendor payable to accrued liabilities - other per FDS Cross Walk)				
(3)				
Compensated absence expense	4550	\$ 39,108.03		2806
Administrative salaries	4110		\$ 36,328.98	2806
Administrative employee benefits	4182		2,779.05	2806
(To reclassify accrued compensated salaries paid in 2010)				
<u>Mod Rehab</u>				
(1)				
Vendor payable	2111	\$ 32.34		2111
Accrued liabilities - other	2139		\$ 32.34	2139
(To reclassify accrued utilities from vendor payable to accrued liabilities - other per FDS Cross Walk)				
(2)				
Compensated absence expense	4550	\$ 1,424.17		2806
Administrative salaries	4110		\$ 1,322.77	2806
Administrative employee benefits	4182		101.40	2806
(To reclassify accrued compensated salaries paid in 2010)				
<u>Voucher</u>				
(1)				
Vendor payable	2111	\$ 371.87		2111
Accrued liabilities - other	2139		\$ 371.87	2139
(To reclassify accrued utilities from vendor payable to accrued liabilities - other per FDS Cross Walk)				
(2)				
Compensated absence expense	4550	\$ 16,377.99		2806
Administrative salaries	4110		\$ 15,211.87	2806
Administrative employee benefits	4182		1,166.12	2806
(To reclassify accrued compensated salaries paid in 2010)				

Housing Authority of the City of East Chicago (IN029)
 EAST CHICAGO, IN
 Entry Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

Account Description	Project Total	14.671 Housing Choice Vouchers	2 State/Local	14.885 Formula Capital Fund Stimulus Grant	14.076 Lower Income Housing Assistance Program_Section 8 Moderate	COCC	SUBTOTAL	ELIM	Total
111 Cash - Unrestricted	\$2,145,286	\$91,368			\$94,564	\$256,544	\$3,187,764		\$3,187,764
112 Cash - Restricted - Modernization and Development		\$155,259					\$155,259		\$155,259
113 Cash - Other Restricted							\$138,115		\$138,115
114 Cash - Tenant Security Deposits	\$138,115								
115 Cash - Restricted for Payment of Current Liabilities									
100 Total Cash	\$2,283,383	\$246,627	\$0	\$0	\$249,128	\$256,544	\$3,451,160	\$0	\$3,451,160
121 Accounts Receivable - PHA Projects							\$16,532		\$16,532
122 Accounts Receivable - HUD Other Projects	\$372,356	\$10,532		\$244,367			\$616,723		\$616,723
124 Accounts Receivable - Other Government						\$15,889	\$15,889		\$15,889
125 Accounts Receivable - Miscellaneous									
126 Accounts Receivable - Tenants	\$76,476						\$76,476		\$76,476
128.1 Allowance for Doubtful Accounts - Tenants	\$41,840						\$41,840		\$41,840
128.2 Allowance for Doubtful Accounts - Other	\$0	\$0				\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current									
128 Fraud Recovery	\$11,492	\$7,593					\$20,341		\$20,341
128.1 Allowance for Doubtful Accounts - Fraud	\$7,593						\$7,593		\$7,593
129 Accrued Interest Receivable	\$7,593	\$6,017					\$14,000		\$14,000
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$410,034	\$12,600	\$0	\$244,367	\$93	\$15,889	\$683,591	\$0	\$683,591
131 Investments - Unrestricted									
132 Investments - Restricted									
135 Investments - Restricted for Payment of Current Liability									
142 Prepaid Expenses and Other Assets	\$111,243	\$4,624				\$6,832	\$122,101		\$122,101
143 Inventories	\$204,157						\$204,157		\$204,157
143.1 Allowance for Obsolete Inventories	\$2,041						\$2,041		\$2,041
144 Other Programs Due From	\$264,397					\$10,037	\$255,034		\$255,034
145 Assets Held for Sale									
150 Total Current Assets	\$3,251,643	\$233,409	\$0	\$244,367	\$249	\$830,852	\$4,714,450	\$255,034	\$4,459,416
161 Land	\$674,719						\$674,719		\$674,719
162 Buildings	\$30,724,416						\$30,724,416		\$30,724,416
163 Furniture, Equipment & Machinery - Dwellings									
164 Furniture, Equipment & Machinery - Administration	\$894,441	\$84,831				\$62,819	\$1,011,991		\$1,011,991
165 Leasehold Improvements	\$1,412,917						\$1,412,917		\$1,412,917
166 Accumulated Depreciation	\$57,382,912	\$89,325				\$37,215	\$57,469,542		\$57,469,542
167 Construction in Progress	\$440,860						\$440,860		\$440,860
168 Infrastructure									
169 Total Capital Assets, Net of Accumulated Depreciation	\$5,094,541	\$6,276	\$0	\$0	\$0	\$25,204	\$5,069,321	\$0	\$5,069,321
171 Notes, Loans and Mortgages Receivable - Non-Current									
172 Notes, Loans, & Mortgages Receivable - Non-Current - Past Due									
173 Grants Receivable - Non-Current									
174 Other Assets									
176 Investments in Joint Ventures									
190 Total Non-Current Assets	\$5,034,541	\$5,276	\$0	\$0	\$0	\$25,594	\$5,065,321	\$0	\$5,065,321
190 Total Assets	\$9,286,184	\$241,685	\$0	\$244,367	\$249	\$815,388	\$9,783,111	\$255,034	\$9,528,077

Housing Authority of the City of East Chicago (IND29)
EAST CHICAGO, IN

Entity Wide Balance Sheet Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

	Project Total	14,871 Housing Choice Vouchers	2 State/Local	14,105 Formula Capital Fund Stimulus Grant	14,155 Lower Income Housing Assistance Program, Section 8 Moderate	COCC	9/Total	ELIM	Total
311 Bank Overdraft					\$0				
312 Accounts Payable <= 90 Days	\$464,640	\$6,482			\$375	\$14,910	\$506,417		\$506,417
313 Accounts Payable >90 Days Paid Due					\$0				
321 Accrued Wage/Payroll Taxes Payable	\$65,969	\$7,593			\$659	\$46,513	\$104,679		\$104,679
322 Accrued Compensated Absences - Current Portion					\$0				
324 Accrued Contingency Liability					\$0				
325 Accrued Interest Payable					\$0				
327 Accounts Payable - HUD PHA Programs					\$41,577		\$41,577		\$41,577
332 Accounts Payable - PHA Projects	\$242,328				\$0		\$242,328		\$242,328
333 Accounts Payable - Other Government	\$138,115				\$0		\$138,115		\$138,115
341 Tenant Security Deposits	\$3,980				\$0		\$3,980		\$3,980
342 Deferred Revenues					\$0				
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds					\$0				
344 Current Portion of Long-term Debt - Operating Borrowings					\$0				
345 Other Current Liabilities	\$47,767	\$85			\$0		\$47,776		\$47,776
346 Accrued Liabilities - Other	\$87,684	\$372			\$32	\$404	\$88,562		\$88,562
347 Note Programs - Due To		\$10,837		\$244,387	\$0		\$15,558	-\$255,004	\$0
348 Loan Liability - Current					\$0				
310 Total Current Liabilities	\$1,076,443	\$25,303	\$0	\$244,387	\$42,639	\$55,827	\$1,428,379	-\$255,004	\$1,183,375
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue					\$0				
352 Long-term Debt, Net of Current - Operating Borrowings					\$0				
353 Non-current Liabilities - Other		\$12,451			\$0		\$12,451		\$12,451
354 Accrued Compensated Absences - Non Current	\$19,865	\$689			\$86	\$1,183	\$35,517		\$35,517
355 Loan Liability - Non Current					\$0				
356 PAB 5 Liabilities					\$0				
357 Accrued Pension and OPEB Liabilities	\$19,685	\$13,160			\$0		\$47,568		\$47,568
350 Total Non-current Liabilities	\$1,050,028	\$30,243	\$0	\$244,387	\$42,699	\$7,010	\$1,488,347	-\$255,004	\$1,233,343
300 Total Liabilities	\$2,126,471	\$55,546	\$0	\$488,774	\$85,338	\$62,837	\$2,916,724	-\$510,008	\$2,406,716
508.1 Invested in Capital Assets, Net of Related Debt	\$5,034,541	\$0,276			\$0	\$35,504	\$5,080,321		\$5,080,321
509.2 Fund Balances - Reserved					\$0				
511.2 Unreserved, Designated Fund Balances					\$0				
511.1 Restricted Net Assets		\$142,838			\$0		\$142,838		\$142,838
512.1 Unrestricted Net Assets	\$2,161,615	\$52,328	\$0	\$0	\$2,680	\$818,872	\$3,085,705		\$3,085,705
512.2 Unreserved, Un-designated Fund Balance					\$0				
513 Total Equity/Net Assets	\$7,196,156	\$333,442	\$0	\$0	\$2,680	\$844,376	\$8,206,854	\$0	\$8,206,854
690 Total Liabilities and Equity/Net Assets	\$8,286,194	\$241,685	\$0	\$244,387	\$88,018	\$915,188	\$9,782,211	-\$510,008	\$9,272,203

Housing Authority of the City of East Chicago (IND29)
 EAST CHICAGO, IN
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/6-133

Fiscal Year End: 12/31/2010

	Project Total	14.571 Housing Choice Vouchers	2 State/Local	14.656 Formula Capital Fund Stimulus Grant	14.558 Lower Income Housing Assistance Program - Section 8 Moderate	COCC	Subtotal	ELM	Total
70300 Net Tenant Rental Revenue	\$1,467,557	\$0	\$0	\$0	\$0	\$0	\$1,467,557	\$0	\$1,467,557
70400 Tenant Services - Other	\$152,342	\$0	\$0	\$0	\$0	\$0	\$152,342	\$0	\$152,342
70500 Total Tenant Revenue	\$1,619,949	\$0	\$0	\$0	\$0	\$0	\$1,619,949	\$0	\$1,619,949
70600 HUD PHA Operating Grants	\$1,188,884	\$3,007,299	\$0	\$148,817	\$381,842	\$0	\$7,616,840	\$0	\$7,616,840
70610 Capital Grants	\$588,242	\$0	\$0	\$1,226,331	\$0	\$0	\$1,814,573	\$0	\$1,814,573
70700 Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70720 Asset Management Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70730 Book Keeping Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70740 Front Line Service Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70750 Other Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70700 Total Fee Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70800 Other Government Grants	\$0	\$0	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$1,000
71000 Investment Income - Unrestricted	\$1,572	\$128	\$0	\$0	\$0	\$0	\$3,879	\$0	\$3,879
71200 Mortgage Interest Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71300 Proceeds from Disposition of Assets Held for Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71310 Cost of Sale of Assets	\$17,743	\$0	\$0	\$0	\$0	\$0	\$16,518	\$0	\$16,518
71400 Fund Recovery	\$114,014	\$32,823	\$0	\$0	\$0	\$0	\$146,837	\$0	\$146,837
71600 Other Revenue	\$11,903	\$107	\$0	\$0	\$0	\$0	\$12,010	\$0	\$12,010
71600 Gain or Loss on Sale of Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
72000 Investment Income - Restricted	\$5,573,264	\$3,668,636	\$1,000	\$1,374,168	\$383,513	\$0	\$12,213,708	\$0	\$12,213,708
91100 Administrative Salaries	\$488,438	\$171,139	\$0	\$14,440	\$14,440	\$0	\$1,107,900	\$0	\$1,107,900
91200 Auditing Fees	\$4,831	\$1,193	\$0	\$0	\$0	\$0	\$6,116	\$0	\$6,116
91300 Management Fee	\$496,833	\$79,211	\$0	\$143,650	\$7,684	\$0	\$727,278	\$0	\$727,278
91310 Book-keeping Fee	\$63,023	\$48,030	\$0	\$0	\$4,815	\$0	\$115,868	\$0	\$115,868
91400 Advertising and Marketing	\$244,542	\$83,219	\$0	\$0	\$0	\$0	\$470,628	\$0	\$470,628
91500 Employee Benefit Contributions - Administrative	\$130,410	\$77,973	\$0	\$2,437	\$2,437	\$0	\$308,018	\$0	\$308,018
91600 Office Expense	\$17,974	\$437	\$0	\$0	\$0	\$0	\$23,449	\$0	\$23,449
91700 Legal Expense	\$19,200	\$2,444	\$0	\$0	\$0	\$0	\$47,946	\$0	\$47,946
91810 Municipal Contract	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
91900 Other	\$1,451,829	\$416,463	\$0	\$143,650	\$37,271	\$167,001	\$2,397,164	\$0	\$2,397,164
91000 Total Operating - Administrative	\$666,840	\$616,440	\$0	\$143,650	\$37,271	\$167,001	\$2,397,164	\$0	\$2,397,164
92000 Asset Management Fee	\$66,840	\$0	\$0	\$0	\$0	\$0	\$66,840	\$0	\$66,840
92100 Tenant Services - Salaries	\$57,000	\$0	\$0	\$0	\$0	\$0	\$57,000	\$0	\$57,000
92200 Relocation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92300 Employee Benefit Contributions - Tenant Services	\$34,301	\$0	\$0	\$0	\$0	\$0	\$34,301	\$0	\$34,301
92400 Tenant Services - Other	\$7,303	\$0	\$1,000	\$0	\$0	\$0	\$8,303	\$0	\$8,303
92500 Total Tenant Services	\$108,444	\$0	\$1,000	\$0	\$0	\$0	\$110,444	\$0	\$110,444

Housing Authority of the City of East Chicago (IN029)
EAST CHICAGO, IN

Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

	Project Total	14,071 Housing Choice Vouchers	2 State/Local	14,885 Formula Capital Fund Stimulus Grant	14,066 Lower Income Housing Assistance Program Section 8	CDOC	Status	ELIM	Total
93100 Water	\$69,606	\$125			\$11	\$110	\$69,600		\$69,846
93200 Electricity	\$300,764	\$2,248			\$126	\$2,441	\$305,677		\$306,677
93300 Gas	\$194,826	\$470			\$41	\$195,088			\$195,699
93400 Fuel					\$0				
94500 Labor					\$0				
95000 Sewer					\$0				
95700 Employee Benefit Contributions - Utilities					\$0				
96000 Other Utilities Expense					\$0				
96000 Total Utilities	\$105,000	\$2,847	\$0	\$0	\$347	\$51,206	\$51,206	\$0	\$51,206
94300 Ordinary Maintenance and Operations - Labor	\$641,698				\$0		\$641,698		\$641,698
94300 Ordinary Maintenance and Operations - Materials and Other	\$205,895				\$0		\$205,895		\$205,895
94300 Ordinary Maintenance and Operations Contracts	\$419,880			\$5,167	\$0		\$425,047		\$425,213
94300 Employee Benefit Contributions - Ordinary Maintenance	\$289,423			\$0	\$0		\$289,423		\$289,423
94300 Total Maintenance	\$1,587,900	\$0	\$0	\$5,167	\$0	\$0	\$1,592,467	\$0	\$1,592,467
95100 Protective Contract - Labor					\$0				
95200 Protective Services - Other Contract Costs	\$333,462	\$224		\$19	\$19	\$1,660	\$335,284		\$335,284
95300 Protective Services - Other					\$0				
95500 Employee Benefit Contributions - Protective Services					\$0				
95600 Total Protective Services	\$333,462	\$224	\$0	\$19	\$19	\$1,660	\$335,284	\$0	\$335,284
95110 Property Insurance	\$128,820	\$023		\$11	\$11	\$1,010	\$130,673		\$130,673
95120 Liability Insurance	\$31,111	\$1,266		\$208	\$208	\$2,889	\$37,682		\$37,682
95130 Motorist's Compensation	\$24,148	\$1,050		\$544	\$544	\$0,519	\$27,099		\$27,099
95140 All Other Insurance	\$77,706	\$1,101		\$70	\$70	\$1,441	\$80,527		\$80,527
95150 Total Insurance Premiums	\$211,685	\$11,284	\$0	\$0	\$0	\$17,019	\$240,665	\$0	\$240,665
95210 Other General Expenses	\$660	\$8,568		\$0	\$0	\$22	\$9,350		\$9,350
95210 Compensated Absence	\$138,267	\$19,297		\$1,424	\$1,424	\$42,241	\$188,229		\$188,229
95210 Payments in Lieu of Taxes	\$98,252			\$0	\$0	\$0,252	\$98,252		\$98,252
95210 Bad debt - Tenant Rents	\$42,526			\$0	\$0	\$42,526			\$42,526
95210 Bad debt - Mortgage					\$0				
95210 Bad debt - Other					\$0				
95210 Severance Expense					\$0				
95210 Total Other General Expenses	\$277,715	\$29,446	\$0	\$0	\$1,424	\$42,303	\$349,289	\$0	\$349,340
95710 Interest on Mortgage (or Bonds) Payable					\$0				
95720 Interest on Notes Payable (Short and Long Term)					\$0				
95730 Amortization of Bond Issue Costs					\$0				
95700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96000 Total Operating Expenses	\$4,371,500	\$165,703	\$1,000	\$148,817	\$29,942	\$631,909	\$5,048,671	-\$640,885	\$5,008,685
97000 Excess of Operating Revenue over Operating Expenses	\$1,000,004	\$3,502,635	\$0	\$1,225,331	\$225,571	\$111,298	\$6,163,697	\$0	\$6,163,697

Housing Authority of the City of East Chicago (IN029)
 EAST CHICAGO, IN
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/A-133

Fiscal Year End: 12/31/2010

	Project Total	14,071 Housing Choice Voucher	2 State/Local	14,886 Formula Capital Fund Stimulus Grant	COCC	Subtotal	ESM	Total
87000 Extraordinary Maintenance	\$2,075					\$2,075		\$2,075
87200 Charitable Loans - Non-capitalized								
87300 Housing Assistance Payments	\$3,414,777	\$3,414,777				\$3,732,893		\$3,732,893
87350 HAP Portability-h	\$28,698	\$28,698				\$28,698		\$28,698
87400 Depreciation Expense	\$745,482	\$745,482			\$11,808	\$756,421		\$756,421
87500 Fuel Losses								
87500 Capital Outlays - Governmental Funds								
87750 Debt Principal Payment - Governmental Funds								
87800 Dwelling Units Rent Expense	\$5,300,467	\$3,205,928	\$1,000	\$148,817	\$840,717	\$10,578,965	-\$840,865	\$9,837,073
90000 Total Expenses								
10010 Operating Transfer In								
10020 Operating Transfer Out								
10050 Operating Transfers From Primary Government								
10060 Operating Transfers From Component Unit								
10050 Proceeds from Notes, Loans and Bonds								
10080 Proceeds from Property Sales								
10070 Extraordinary Items, Net Gain/Loss								
10090 Special Items (Net Gain/Loss)								
10091 Inter Project Excess Cash Transfer In	\$160,000					\$160,000	-\$150,000	\$9
10092 Inter Project Excess Cash Transfer Out	-\$150,000					-\$150,000	\$150,000	\$0
10093 Transfers between Programs and Project - In								
10094 Transfers between Project and Program - Out								
10100 Total Other Financing Sources (Use)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10900 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$352,607	\$32,920	\$0	\$1,225,331	\$59,488	\$1,655,716	\$0	\$1,655,716
11000 Retained Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11000 Beginning Equity	\$5,717,818	\$150,813	\$0	\$0	\$74,335	\$6,081,154		\$6,081,154
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$1,225,331			-\$1,225,331		\$0		\$0
11060 Changes in Compensated Absence Balance								
11060 Changes in Contingent Liability Balance								
11070 Changes in Unrecognized Pension Transition Liability								
11080 Changes in Special Termination Benefits Liability								
11090 Changes in Allowance for Doubtful Accounts - Dwelling Units								
11100 Changes in Allowance for Doubtful Accounts - Other								
11170 Administrative Fee Equity	\$00,074					\$00,074		\$00,074
11180 Housing Assistance Payments Equity	\$142,338					\$142,338		\$142,338
11190 Unit Months Available	6902	6771				17061		17061
11200 Number of Unit Months Leased	6403	6525				15570		15570
11270 Excess Cash	\$1,552,138					\$1,552,138		\$1,552,138
11450 Land Purchases	\$0					\$0		\$0
11500 Building Purchases	\$1,817,200					\$1,817,200		\$1,817,200
11520 Furniture & Equipment - Dwelling Purchases	\$0					\$0		\$0
11540 Furniture & Equipment - Administrative Purchases	\$8,029					\$8,029		\$8,029
11560 Leasehold Improvements Purchases	\$57,745					\$57,745		\$57,745
11580 Infrastructure Purchases	\$0					\$0		\$0
13510 CFFP Debt Service Payments	\$0					\$0		\$0
13501 Replacement Housing Factor Funds	\$0					\$0		\$0

Exhibit - 1

(6.0) - 7. Community Service and Self-Sufficiency



DEPARTMENT OF REDEVELOPMENT
COMMUNITY DEVELOPMENT
HOUSING AUTHORITY

**EAST CHICAGO HOUSING AUTHORITY
COMMUNITY SERVICE PROCEDURES**

A. REQUIREMENT

The Community Service requirement, as defined by **24CFR** Part 960 Subpart F; 24 CFR 903.7 (1) and ACOP Chapter 16, is required to be verified as a part of the tenant/ applicant's initial and/ or recertification process.

After the second year of not completing the required community service hours, the tenant will be given a thirty days notice and his/ her lease will not be renewed.

B. PROCEDURE FOR NEW TENANT

At the time of move-in, all new tenants will be notified in the briefing process and in writing describing the community service requirements.

The PHA Manager will notify the Community Service Director (CSD) in writing of any new tenants that must fulfill community service requirement

C. PROCEDURE FOR EXISTING TENANT

The PHA Manager shall run a monthly recertification list 90-120 days prior to month of recertification and give a copy of the list to Community Service Director (CSD).

The CSD will run a current Community Service report and compare the monthly Re-Certification report to the Community Service report.

Upon comparison of reports, the CSD will notify all tenants required to fulfill Community Service by letter. The letter will state:

Their community service requirement must be completed by 60 days prior their recertification date and what that date is.

They must bring in the proper documentation prior to the 60 days recertification date, verifying they have met their community service requirements.

Should they not comply as required; their lease will not be renewed.

After the CSD determines Community Service compliance, he/she will notify the PHA Manager in writing prior to 60 days before the recertification date.

Based upon the documentation received from the CSD, the PHA Manager will re-certify or non-renew the tenant's lease. All corresponding documentation will be placed in the tenant's file.

Procedures for Community Service

When ECHA briefs a family for housing the tenants will be notified at that time if they need to do community service hours.

PHA Manager will enter the proper code

1- Yes Will represent that they are in a program and exempt from doing Community service. (John B. Nicosia, James Hunter building etc)

If they have done advanced community service hours then they will be coded with a Yes.

2.-No The tenant is required to do community service but they have not satisfied their community service requirement.

3.-Pending At this time pending will not be used.

4.-Exempt if the tenant is working or fall under the regulations of the community service program for exempt, the tenant will be marked exempt.

When an Interim Rent Change (IRC) is entered, the PHA Manager will change the Tenant's code to reflect the current status.

Management will e-mail the CSD to let them know the status has changed for that tenant.

If the tenant gets laid off and doesn't complete community service, the CSD will send a letter to the tenant stating that they will be required to do community service.

(After Occupancy notified the CSD of change). The Occupancy Department will change the screen status in the tenant's file.

If the tenant goes on maternity leave or sick leave, they will be notified by the Occupancy Department that if they do not return to work (6 weeks after the birth of the child), they will be required to do community services.

Seasonal employees that work for the same company every year will be exempt from doing community service.

The tenant will be informed by the Management that they are required to do community service. Failure to do so will be the responsibility of the tenant.

If the tenant is going to school/college they will be required to bring in proof of what college/school they are attending. A registration letter and grades per semester will be sufficient. This will be done at re-certification.

If the tenant decides to discontinue going to school/college, they will be required to complete their community service hours.

Self certification will not be accepted . The tenant must file wages their W-2 taxes or be able to prove that they have earned income, this includes babysitting, Avon etc. The tenant must provide receipts or check stubs.

Non wage income is money received from family or friends. Non wage income is not earned from working; therefore the tenant must do community service.

Management will give the CSD a list of the re-certifications 90-120 days prior to re-certification date.

At that time if the tenant is behind in community service hours the CSD will send a letter by certified mail that their lease will not be renewed if the community service hours aren't completed.

The letter will stating that they are behind in community service hours and will not be renewed unless they have the hours completed by a certain date.

The date will be 30 days prior t when Management will need to do their recertification.

At re-certification, if the tenant still has community service hours to complete, but is not In a non-renewal status because of move-in date), the tenant will only received a regular letter from the CSD stating that they are behind hours needed to meet community service requirements and they must have them completed by next re-certification date.

If a resident is going on maternity leave, ECHA will enter the tenant in the computer as a "No". If they return to work they will be changed to "Exempt".

If they do not return to work the tenant will need to make up community service hours from the date (month) they went on maternity leave.

I, _____ attest that I have read and understand the stipulations for East Chicago Housing Authority's Community Service Procedures".

_____ Date: _____

_____ Date: _____

PHA Manager

Security Issues

Issues concerning theft, vandalism, loitering, traffic and the quality of services provided by both the East Chicago Police Department and ISM Securities.

The following are scheduled to be implemented in 2012:

1. Continue on the installation of steel cages along with the installation of concrete pads. The relocation of cooper tubing is to be at ground level and enclosed within cage.
2. All residents with vehicles must register at the ECHA and issued stickers, which will be replaced annually with various colors. Must have a valid Indiana Driver's License.
3. The lease must be amended to include the requirements of obtaining an Indiana Driver's License within 30 days of becoming an ECHA resident.
4. Installation of NO TRESPASSING OR LOITERING signs throughout the property.
5. Installation of vandalism proof speed bumps at guardhouse and other locations throughout complex.
6. The appointment of Block Captains to assist in the monitoring and maintenance of said premises.
7. The installation of an Anonymous Tip Line Phone.
8. The hiring of a Police Officer to be part of the East Chicago Housing Authority organization.
9. The addition of updated Cameras at the West Calumet Complex to be synchronized with the ECPD system.
10. ISM to review the training and performance of its Employees.

(8.1) - Capital Fund Program Annual Statement/Performance and Evaluation Report (HUD-50075.1)
Exhibit - C
2011 & 2012

Annual Statement/Performance and Evaluation Report					
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)					
Part I: Summary					
PHA Name: Housing Authority of the City of East Chicago			Grant Type and Number Capital Fund Program Grant No: IN36P02950111 Replacement Housing Factor Grant No:		Federal FY of Grant: 2011
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement/Revision Number <input type="checkbox"/> Performance and Evaluation Report for Period Ending: _____ <input type="checkbox"/> Final Performance and Evaluation Report					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CFP Funds				
2	1406 Operations (May not be used for this grant)	\$249,883.00	\$0.00	\$0.00	\$0.00
3	1408 Management Improvements (May not exceed 20% of line 20)	\$249,883.00	\$0.00	\$0.00	\$0.00
4	1410 Administration (May not exceed 10% of line 20)	\$124,941.00	\$0.00	\$0.00	\$0.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$54,000.00	\$0.00	\$0.00	\$0.00
8	1440 Site Acquisition				
9	1450 Site Improvement	\$99,000.00	\$0.00	\$0.00	\$0.00
10	1460 Dwelling Structures	\$459,708.00	\$0.00	\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$0.00	\$0.00	\$0.00	\$0.00
12	1470 Nondwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
13	1475 Nondwelling Equipment	\$0.00	\$0.00	\$0.00	\$0.00
14	1485 Demolition	\$12,000.00	\$0.00	\$0.00	\$0.00
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Mod Used for Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency (may not exceed 8% of line 20)				
21	Amount of CFFP Proceeds (Sum of lines 2 - 20)	\$1,249,415.00	\$0.00	\$0.00	\$0.00
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 Compliance				
24	Amount of line 21 Related to Security-Soft Cost	\$249,883.00	\$0.00	\$0.00	\$0.00
25	Amount of line 21 Related to Security-Hard Cost	\$10,000.00	\$0.00	\$0.00	\$0.00
26	Amount of line 21 Related to Energy Conservation Measures				

Annual Statement/Performance and Evaluation Report					
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)					
Part I: Summary					
PHA Name: Housing Authority of the City of East Chicago			Grant Type and Number Capital Fund Program Grant No: IN36P02950111 Replacement Housing Factor Grant No:		Federal FY of Grant: 2011
<input checked="" type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input type="checkbox"/> Revised Annual Statement/Revision Number <input type="checkbox"/> Performance and Evaluation Report for Period Ending: _____ <input type="checkbox"/> Final Performance and Evaluation Report					
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
Signature of Executive Director _____ Date _____		Signature of Public Housing Director _____ Date _____			

Hunter - (29-1)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:		IN36P02950111		2011		
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Hunter 29-1	AMP 1							
	1406 Operations N/A	1406		\$33,709.00				
	1408 Management Improvements Security	1408		\$95,000.00				
	Total 1408			\$95,000.00				
	1410 Capital Fund Administration	1410		\$16,855.00				
	1430 Fees and Cost A&E	1430		\$25,000.00				
	Total 1430			\$25,000.00				
	1450 Site Improvements Patch Fill and Seal Coat Parking Lots	1450		\$12,000.00				
	Total 1450			\$12,000.00				
	1460 Dwelling Structure Tuck Point	1460		\$120,000.00				
	Re-Seal Windows			\$100,000.00				
	Replace Roof Community Room			\$25,000.00				
	Total 1460			\$245,000.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470						
	Total 1470			\$0.00				
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for AMP 1			\$427,564.00				

Nicosia - (29-5)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:			2011			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Nicosia 29-5	AMP 2							
	1406 Operations	1406		\$64,017.00				
	1408 Management Improvements	1408						
	Security			\$95,000.00				
	Total 1408			\$95,000.00				
	1410 Capital Fund Administration	1410		\$32,009.00				
	1430 Fees and Cost	1430						
	A&E			\$15,000.00				
	Total 1430			\$15,000.00				
	1450 Site Improvements	1450						
	Total 1450			\$0.00				
	1460 Dwelling Structure	1460						
	Total 1460			\$0.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for AMP 2			\$206,026.00				

West Calumet - (29-6)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:			2011			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
West Calumet 29-6	AMP 3							
	1406 Operations N/A	1406		\$107,004.00				
	1408 Management Improvements	1408						
	Security			\$59,883.00				
	Total 1408			\$59,883.00				
	1410 Capital Fund Administration	1410		\$53,503.00				
	1430 Fees and Cost	1430						
	Total 1430			\$0.00				
	1450 Site Improvements	1450						
	Lawn Care			\$26,000.00				
	Patch Fill and Seal Coat Parking Lots			\$30,000.00				
	Total 1450			\$56,000.00				
	1460 Dwelling Structure	1460						
	Replace Sprinkler Heads			\$60,000.00				
	Knock Down Wing Walls			\$13,208.00				
	Total 1460			\$73,208.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470						
	Total 1470			\$0.00				
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for AMP 3			\$349,598.00				

Scattered Sites - (29-2)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:			2011			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Scattered 29-2	AMP 4 (29-2)							
	1406 Operations N/A	1406		\$32,164.00				
	1408 Management Improvements	1408						
	Total 1408			\$0.00				
	1410 Capital Fund Administration Fee	1410		\$16,081.00				
	1430 Fees and Cost	1430						
	Total 1430			\$0.00				
	1450 Site Improvements	1450						
	Lawn Care			\$11,000.00				
	Total 1450			\$11,000.00				
	1460 Dwelling Structure	1460						
	Replace Roofs		10	\$70,000.00				
	Total 1460			\$70,000.00				
	1465 Dwelling Equipment	1465		\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling Equipment	1475		\$0.00				
	1485 DEMOLITION COSTS	1485		\$12,000.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for Scattered 29-2			\$141,245.00				

Columbus Drive - (29-7)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number:			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:			2011			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Columbus 29-7	AMP 4 (29-7)							
	1406 Operations N/A	1406		\$5,257.00				
	1408 Management Improvements	1408						
	Total 1408			\$0.00				
	1410 Capital Fund Administration	1410		\$2,629.00				
	1430 Fees and Cost	1430						
	A&E			\$14,000.00				
	Total 1430			\$14,000.00				
	1450 Site Improvements/Lawn Care	1450						
	Install Exterior Lighting			\$10,000.00				
	Landscraping			\$5,000.00				
	Lawncare			\$1,500.00				
	Total 1450			\$16,500.00				
	1460 Dwelling Structure	1460						
	Exterior Renovations			\$50,000.00				
	Interior Renovations			\$13,500.00				
	Total 1460			\$63,500.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for Scattered 29-7			\$101,886.00				

Scattered Sites - (29-9)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number				Federal FY of Grant:		
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:				2011		
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Scattered 29-9	AMP 4 (29-9)							
	1406 Operations N/A	1406		\$7,732.00				
	1408 Management Improvements	1408						
	Total 1408			\$0.00				
	1410 Capital Fund Administration	1410		\$3,864.00				
	1430 Fees and Cost	1430						
	Total 1430			\$0.00				
	1450 Site Improvements (Lawn	1450		\$3,500.00				
	1460 Dwelling Structure	1460						
	Replace Support Beams		25	\$8,000.00				
	Total 1460			\$8,000.00				
	1465 Dwelling Equipment	1465		\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling Equipment	1475		\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for Scattered 29-9			\$23,096.00				
	Total Cost for AMP 4			\$266,227.00				
	Total Cost for ECHA			\$1,249,415.00	\$0.00	\$0.00	\$0.00	

**Annual Statement/Performance and Evaluation Report
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)
Part I: Summary**

PHA Name: Housing Authority of the City of East Chicago		Grant Type and Number Capital Fund Program Grant No: IN36P02950112 Replacement Housing Factor Grant No:		Federal FY of Grant: 2012	
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement/Revision Number	
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Final Performance and Evaluation Report			
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
1	Total Non-CFP Funds				
2	1406 Operations (May not be used for this grant)	\$249,883.00	\$0.00	\$0.00	\$0.00
3	1408 Management Improvements (May not exceed 20% of line 20)	\$249,883.00	\$0.00	\$0.00	\$0.00
4	1410 Administration (May not exceed 10% of line 20)	\$124,941.00	\$0.00	\$0.00	\$0.00
5	1411 Audit				
6	1415 Liquidated Damages				
7	1430 Fees and Costs	\$85,000.00	\$0.00	\$0.00	\$0.00
8	1440 Site Acquisition				
9	1450 Site Improvement	\$85,708.00	\$0.00	\$0.00	\$0.00
10	1460 Dwelling Structures	\$442,000.00	\$0.00	\$0.00	\$0.00
11	1465.1 Dwelling Equipment - Nonexpendable	\$0.00	\$0.00	\$0.00	\$0.00
12	1470 Nondwelling Structures	\$0.00	\$0.00	\$0.00	\$0.00
13	1475 Nondwelling Equipment	\$0.00	\$0.00	\$0.00	\$0.00
14	1485 Demolition	\$12,000.00	\$0.00	\$0.00	\$0.00
15	1490 Replacement Reserve				
16	1492 Moving to Work Demonstration				
17	1495.1 Relocation Costs				
18	1499 Mod Used for Development Activities				
19	1501 Collateralization or Debt Service				
20	1502 Contingency (may not exceed 8% of line 20)				
21	Amount of CFFP Proceeds (Sum of lines 2 - 20)	\$1,249,415.00	\$0.00	\$0.00	\$0.00
22	Amount of line 21 Related to LBP Activities				
23	Amount of line 21 Related to Section 504 Compliance				
24	Amount of line 21 Related to Security-Soft Cost	\$249,883.00	\$0.00	\$0.00	\$0.00
25	Amount of line 21 Related to Security-Hard Cost	\$187,000.00	\$0.00	\$0.00	\$0.00
26	Amount of line 21 Related to Energy Conservation Measures				

Annual Statement/Performance and Evaluation Report Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF) Part I: Summary					
PHA Name: Housing Authority of the City of East Chicago		Grant Type and Number Capital Fund Program Grant No: IN36P02950112 Replacement Housing Factor Grant No:		Federal FY of Grant: 2012	
<input checked="" type="checkbox"/> Original Annual Statement		<input type="checkbox"/> Reserve for Disasters/Emergencies		<input type="checkbox"/> Revised Annual Statement/Revision Number	
<input type="checkbox"/> Performance and Evaluation Report for Period Ending:		<input type="checkbox"/> Final Performance and Evaluation Report			
Line No.	Summary by Development Account	Total Estimated Cost		Total Actual Cost	
		Original	Revised	Obligated	Expended
Signature of Executive Director		Signature of Public Housing Director		Date	
Date		Date		Date	

Hunter - (29-1)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number				Federal FY of Grant:		
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:		IN36P02950112		2012		
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Hunter 29-1	AMP 1							
	1406 Operations N/A	1406		\$33,709.00				
	Improvements	1408						
	Security			\$95,000.00				
	Total 1408			\$95,000.00				
	1410 Capital Fund	1410		\$16,855.00				
	1430 Fees and Cost	1430						
	A&E			\$25,000.00				
	Total 1430			\$25,000.00				
	1450 Site Improvements	1450						
	Seal Coat Parking Lots			\$6,000.00				
	Total 1450			\$6,000.00				
	1460 Dwelling Structure	1460						
	Replace Roof			\$90,000.00				
	Total 1460			\$90,000.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470						
	Total 1470			\$0.00				
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for AMP 1			\$266,564.00				

Nicosia - (29-5)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number				Federal FY of Grant:		
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:				2012		
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Nicosia 29-5	AMP 2							
	1406 Operations	1406		\$64,017.00				
	1408 Management Improvements	1408						
	Security			\$95,000.00				
	Total 1408			\$95,000.00				
	1410 Capital Fund Administration Fee	1410		\$32,009.00				
	1430 Fees and Cost	1430						
	Total 1430			\$0.00				
	1450 Site Improvements	1450						
	Repave and SealCoat Parking Lots			\$30,000.00				
	Total 1450			\$30,000.00				
	1460 Dwelling Structure	1460						
	1st Floor Public Baths Re-Model			\$35,000.00				
	Tuck-Point			\$120,000.00				
	Install Handicap Ramps		2	\$10,000.00				
	Total 1460			\$165,000.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for AMP 2			\$386,026.00				

West Calumet - (29-6)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name: Housing Authority of the City of East Chicago		Grant Type and Number Capital Fund Program Grant No: Replacement Housing Factor Grant No:			Federal FY of Grant: 2012			
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
West Calumet 29-6	AMP 3							
	1406 Operations N/A	1406		\$107,004.00				
	1408 Management Improvements	1408						
	Security			\$59,883.00				
	Total 1408			\$59,883.00				
	1410 Capital Fund Administration Fee	1410		\$53,503.00				
	1430 Fees and Cost	1430						
	Total 1430			\$0.00				
	1450 Site Improvements	1450						
	Lawn Care			\$26,000.00				
	Patch Fill and Seal Coat Parking Lots			\$9,208.00				
	Total 1450			\$35,208.00				
	1460 Dwelling Structure	1460						
	Install Lighting at Exterior Doors			\$87,000.00				
	Install AC Cages at Dwelling Units			\$100,000.00				
	Total 1460			\$187,000.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470						
	Total 1470			\$0.00				
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for AMP 3			\$442,598.00				

Scattered Sites - (29-2)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number				Federal FY of Grant:		
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:				2012		
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Scattered 29-2	AMP 4 (29-2)							
	1406 Operations N/A	1406		\$32,164.00				
	1408 Management	1408						
	Total 1408			\$0.00				
	1410 Capital Fund Administration Fee	1410		\$16,081.00				
	1430 Fees and Cost A&E	1430		\$60,000.00				
	Total 1430			\$60,000.00				
	1450 Site Improvements	1450						
	Lawn Care			\$11,000.00				
	Total 1450			\$11,000.00				
	1460 Dwelling Structure	1460						
	Total 1460			\$0.00				
	1465 Dwelling Equipment	1465		\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling Equipment	1475		\$0.00				
	1485 DEMOLITION COSTS	1485		\$12,000.00				
	1495 RELOCATION COST	1495		\$0.00				

Columbus Drive - (29-7)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:			2012			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Columbus 29-7	AMP 4 (29-7)							
	1406 Operations N/A	1406		\$5,257.00				
	1408 Management Improvements	1408						
	Total 1408			\$0.00				
	1410 Capital Fund Administration Fee	1410		\$2,629.00				
	1430 Fees and Cost	1430						
	Total 1430			\$0.00				
	1450 Site Improvements/Lawn Care	1450						
	Total 1450			\$0.00				
	1460 Dwelling Structure	1460						
	Total 1460			\$0.00				
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling	1475						
	Total 1475			\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for Scattered 29-7			\$7,886.00				

Scattered Sites - (29-9)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:			2012			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Scattered 29-9	AMP 4 (29-9)							
	1406 Operations N/A	1406		\$7,732.00				
	1408 Management Improvements	1408						
	Total 1408			\$0.00				
	1410 Capital Fund Administration Fee	1410		\$3,864.00				
	1430 Fees and Cost	1430						
	Total 1430			\$0.00				
	1450 Site Improvements (Lawn Care)	1450		\$3,500.00				
	1460 Dwelling Structure	1460						
	Total 1460			\$0.00				
	1465 Dwelling Equipment	1465		\$0.00				
	1470 Non-Dwelling Structures	1470		\$0.00				
	1475 Non-Dwelling Equipment	1475		\$0.00				
	1485 DEMOLITION COSTS	1485		\$0.00				
	1495 RELOCATION COST	1495		\$0.00				
	Total Cost for Scattered 29-9			\$15,096.00				
	Total Cost for AMP 4			\$154,227.00				
	Total Cost for ECHA			\$1,249,415.00	\$0.00	\$0.00	\$0.00	

Exhibit - D

(8.2) - Capital Fund Program Annual Statement/Performance and Evaluation Report (HUD-50075.2)
5 Year

Part I: Summary

PHA Name/Number		Locality (City/County & State)			Original 5-Year Plan	Revision No:
A.	Development Number and Name	Work Statement for Year 1 FFY 2011	Work Statement for Year 2 FFY 2012	Work Statement for Year 3 FFY 2013	Work Statement for Year 4 FFY 2014	Work Statement for Year 5 FFY 2015
B.	Physical Improvements Subtotal		\$479,208.00	\$0.00	\$0.00	
C.	Management Improvements		\$249,883.00	\$249,883.00	\$249,883.00	
D.	PHA-Wide Non-dwelling Structures and Equipment		\$0.00	\$0.00	\$0.00	
E.	Administration		\$124,941.00	\$124,941.00	\$124,941.00	
F.	Other		\$133,500.00	\$84,500.00	\$79,500.00	
G.	Operations		\$249,883.00	\$249,883.00	\$249,883.00	
H.	Demolition		\$12,000.00	\$310,000.00	\$200,000.00	
I.	Development		\$0.00	\$230,208.00	\$345,208.00	
J.	Capital Fund Financing – Debt Service		\$0.00	\$0.00	\$0.00	
K.	Total CFP Funds		\$1,249,415.00	\$1,249,415.00	\$1,249,415.00	
L.	Total Non-CFP Funds					
M.	Grand Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

form HUD-50075.2 (10/2011)

I. Hunter (29-1)

Part III: Supporting Pages – Management Needs Work Statement(s)									
Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
Year 1 FFY <u>2011</u>	FFY <u>2012</u>			FFY <u>2013</u>		FFY <u>2014</u>		FFY <u>2015</u>	
	Development Number/Name AMP 1 (Hunter 29-1)	Estimated Cost		Estimated Cost		Estimated Cost		Estimated Cost	
	General Description of Major Work Categories								
	See	Security	\$95,000.00		\$95,000.00		\$95,000.00		\$95,000.00
	Annual Statement								
	Subtotal of Estimated Cost	\$95,000.00				\$95,000.00		\$95,000.00	

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Part II: Supporting Pages – Physical Needs Work Statement(s)									
Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
Year 1 FFY <u>2011</u>	FFY <u>2012</u>			FFY <u>2013</u>		FFY <u>2014</u>		FFY <u>2015</u>	
	Development Number/Name AMP1 (Hunter 29-1)	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost
	General Description of Major Work Categories								
	See	Seal Coat Parking Lots		\$6,000.00		\$5,000.00		\$5,000.00	
	Annual Statement	Replace Roof		\$90,000.00					
	A&E		\$25,000.00		\$25,000.00				
	Subtotal of Estimated Cost		\$121,000.00		\$30,000.00		\$5,000.00	\$0.00	

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II. Nicosia (29-5)

Part II: Supporting Pages – Physical Needs Work Statement(s)									
Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
Year 1 FFY <u>2011</u>	FFY <u>2012</u>			FFY <u>2013</u>		FFY <u>2014</u>		FFY <u>2015</u>	
	Development Number/Name AMP 2 (Nicosia 29-5)	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost
	General Description of Major Work Categories								
	See	Repave and Sealcoat Parking Lots		\$30,000.00		\$5,000.00			
	Annual Statement	1 st Floor Bath Remodels		\$35,000.00					
	Tuck-Point		\$120,000.00						
	Install Handicap Ramps		\$10,000.00						
	Replace Boilers				479,208.00				
	Subtotal of Estimated Cost		\$195,000.00		\$484,208.00		\$0.00	\$0.00	

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Part III: Supporting Pages – Management Needs Work Statement(s)

Work Statement	Work Statement for Year <u>2</u>		Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
Year 1 FFY <u>2011</u>	FFY <u>2012</u>		FFY <u>2013</u>		FFY <u>2014</u>		FFY <u>2015</u>	
	Development Number/Name AMP 2 (Nicosia 29-5)	Estimated Cost		Estimated Cost		Estimated Cost		Estimated Cost
	General Description of Major Work Categories							
See	Security	\$95,000.00		\$95,000.00		\$95,000.00		\$95,000.00
Annual								
Statement								
	Subtotal of Estimated Cost	\$95,000.00		\$95,000.00		\$95,000.00		\$95,000.00

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III. West Calumet (29-6)

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
Year 1 FFY <u>2011</u>	FFY <u>2012</u>			FFY <u>2013</u>		FFY <u>2014</u>		FFY <u>2015</u>	
	Development Number/Name AMP 3 (W. Calumet 29-6)	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost
	General Description of Major Work Categories								
See	Lawn Care		\$26,000.00		\$26,000.00		\$26,000.00		\$26,000.00
Annual	Seal Coat Parking Lots		\$9,208.00		\$8,000.00				
Statement	Install Lighting at Exterior Doors	300	\$87,000.00						
	Install AC Cages at Dwelling Units	200	\$100,000.00						
	Subtotal of Estimated Cost		\$222,208.00		\$34,000.00		\$26,000.00		\$26,000.00

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Part III: Supporting Pages – Management Needs Work Statement(s)

Work Statement	Work Statement for Year <u>2</u>		Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
Year 1 FFY <u>2011</u>	FFY <u>2012</u>		FFY <u>2013</u>		FFY <u>2014</u>		FFY <u>2015</u>	
	Development Number/Name AMP 3 (W. Calumet 29-6)	Estimated Cost		Estimated Cost		Estimated Cost		Estimated Cost
	General Description of Major Work Categories							
See	Security	\$59,883.00		\$59,883.00		\$59,883.00		\$59,883.00
Annual								
Statement								
	Subtotal of Estimated Cost	\$59,883.00		\$59,883.00		\$59,883.00		\$59,883.00

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IV. Scattered Sites (29-2)

Part II: Supporting Pages – Physical Needs Work Statement(s)									
Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
	FFY 2012			FFY 2013		FFY 2014		FFY 2015	
Year 1 FFY <u>2011</u>	Development Number/Name AMP 4 (Scattered Sites 29-2)	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost
	General Description of Major Work Categories								
See	A&E (Strategic Planning)		\$ 60,000.00						
Annual	Lawn Care		\$ 11,000.00		\$ 11,000.00				
Statement	Demolition		\$ 12,000.00		\$ 12,000.00				
	Development Fees/Consultant				\$ 50,000.00		\$ 50,000.00		\$ 50,000.00
	Demolition Cost						\$ 310,000.00		\$ 200,000.00
	Relocation Cost						\$ 230,208.00		\$ 345,208.00
	Subtotal of Estimated Cost		\$ 83,000.00		\$73,000.00		\$590,208.00		\$595,208.00

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Part III: Supporting Pages – Management Needs Work Statement(s)									
Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
	FFY 2012			FFY 2013		FFY 2014		FFY 2015	
Year 1 FFY <u>2011</u>	Development Number/Name AMP 4 (Scattered Sites 29-2)	Estimated Cost		Estimated Cost		Estimated Cost		Estimated Cost	
	General Description of Major Work Categories								
See									
Annual									
Statement									
	Subtotal of Estimated Cost		\$0.00		\$0.00		\$0.00		\$0.00

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V. Columbus Drive (29-7)

Part II: Supporting Pages – Physical Needs Work Statement(s)									
Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>		Work Statement for Year: <u>4</u>		Work Statement for Year: <u>5</u>	
	FFY 2012			FFY 2013		FFY 2014		FFY 2015	
Year 1 FFY <u>2011</u>	Development Number/Name AMP 4 (Columbus Dr. 29-7)	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost
	General Description of Major Work Categories								
See	A&E Services				\$19,307.00				
Annual	Other						\$50,000.00		\$50,000.00
Statement									
	Subtotal of Estimated Cost		\$0.00		\$19,307.00		\$50,000.00		\$50,000.00

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Part III: Supporting Pages – Management Needs Work Statement(s)

Work Statement	Work Statement for Year <u>2</u>		Work Statement for Year: <u>3</u>	Work Statement for Year: <u>4</u>	Work Statement for Year: <u>5</u>			
	FFY 2012		FFY 2013		FFY 2014		FFY 2015	
Year 1 FFY <u>2011</u>	Development Number/Name AMP 4 (Columbus Dr. 29-7)	Estimated Cost		Estimated Cost		Estimated Cost		Estimated Cost
	General Description of Major Work Categories							
See								
Annual Statement								
	Subtotal of Estimated Cost		\$0.00	\$0.00	\$0.00	\$0.00		\$0.00

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VI. Scattered Sites (29-9)

Part II: Supporting Pages – Physical Needs Work Statement(s)

Work Statement	Work Statement for Year <u>2</u>			Work Statement for Year: <u>3</u>	Work Statement for Year: <u>4</u>	Work Statement for Year: <u>5</u>			
	FFY 2012			FFY 2013		FFY 2014		FFY 2015	
Year 1 FFY <u>2011</u>	Development Number/Name AMP 4 (Scattered Sites 29-9)	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost	Quantity	Estimated Cost
	General Description of Major Work Categories								
See	Lawn Care		3,500.00		3,500.00		3,500.00		3,500.00
Annual Statement									
	Subtotal of Estimated Cost		\$3,500.00	\$3,500.00	\$3,500.00	\$3,500.00		\$3,500.00	

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Part III: Supporting Pages – Management Needs Work Statement(s)

Work Statement	Work Statement for Year <u>2</u>		Work Statement for Year: <u>3</u>	Work Statement for Year: <u>4</u>	Work Statement for Year: <u>5</u>			
	FFY 2011		FFY 2012		FFY 2013		FFY 2014	
Year 1 FFY <u>2010</u>	Development Number/Name AMP 4 (Scattered Sites 29-9)	Estimated Cost		Estimated Cost		Estimated Cost		Estimated Cost
	General Description of Major Work Categories							
See								
Annual Statement								
	Subtotal of Estimated Cost		\$0.00					\$0.00

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Exhibit 3
(9.0) - Housing Needs

Housing Needs

The East Chicago Housing Authority collected data from the 2000 Comprehensive Housing Affordability Strategy (CHAS) “Housing Problems Output”, US Census Bureau, American Fact Finder 2007, American Community Survey Data Profile Highlights and the City of East Chicago Consolidated Plan to assess this element.

The HUD CHAS data reports the total number of households in East Chicago as 11,250. These households consists of 3,041 Extremely Low Income (0-30% MFI), 1,838 Very Low Income (30-50% MFI), and 2,285 Low Income (50-80% MFI). The remaining 4,086 are households with moderate or higher income in the City. Slightly over 38% of all households are homeowners (5,096) and the remaining 6,052 are renters.

Table 1 - Categories of Persons Affected

Household Type	Extremely Low	Very Low	Low	Moderate	Total
	(0%-30%)	(30%-50%)	(50%-80%)	80%>	
Families	1,570	907	1,303	2,776	6,556
Elderly	825	634	519	729	2,707
Others	646	297	463	581	1,987
Households Total	3,041	1,838	2,285	4,086	11,250
% of Total Households	27%	16%	20%	36%	100

Of all the households, 64% or 7,164 are low and moderate-income households. Among these 53% of families are low and moderate incomes while 71% of the elderly are low and moderate income. Among all households in the City, 33.1% show some level of housing problems. Among all renters, more than 41% show housing problems. Among owners, housing problems exist in more than one third of homes or 33.1%. Very low income families, (30% MFI) have the highest levels of housing problem in the City. Among this group, more than two third (66%) exhibit some problem.

Table 2 - Households with Housing Problem

Median Family Income	Total Households	Households with any Housing Problems	% With any Housing Problem
Household Income <=30% MFI	3,041	2,031	66.8
Household Income >30% to <=50% MFI	1,838	820	44.6
Household Income >50 to <=80% MFI	2,285	459	20.1
Household Income >80% MFI	4,086	421	10.3
Total	11,250	3,731	33%

The housing cost burden citywide is relatively high despite general low cost of housing prices. Within the City of East Chicago, the housing cost burden exceeds 37%. According to CHAS data, as a whole more than 32% of all renters are burdened in the City of East Chicago. Among the severely low income families, more than 62% are cost burdened, while the level is about 36% for very low income families. The low income families show at least 1,134 families having cost burden.

The City of East Chicago 2009 Consolidated Plan establishes thresholds for disproportionate housing needs of the minorities. Accordingly and based on the available data from the CHAS, minority groups appear to show no disproportionate needs for assistance among all households. Nonetheless, according to 2010 Census information, African Americans have a lower rate - 29% - of home ownership as compared with the citywide rate of 42%. Although this should be a concern for the City, for the Housing Authority, it offers an opportunity. The African American renters - 57% - should be encouraged for homeownership. The following table 3 exhibits the housing needs of Hispanic and Black population of the City according to City's 2009 Consolidated Plan.

Table 3 - Disproportionate Needs of Minorities

Median Family Income	Total Households	With any Housing Problems	% With any Housing Problem	Exceeds Disproportionate Needs Threshold
Black Non-Hispanic Households				
Household Income <=30% MFI	1,605	995	62	No
Household Income >30 to <=50% MFI	745	350	47	No
Household Income >50 to <=80% MFI	845	175	20.7	No
Hispanic Households				
Household Income <=30% MFI	1,140	815	71.5	No
Household Income >30 to <=50% MFI	805	365	45.3	No
Household Income >50 to <=80% MFI	1,109	260	23.4	No

The number of households in East Chicago with mobility and self-care limitation has been determined using the CHAS data. Accordingly, it is estimated that there are 2,820 or more than 37% of the households in the City have some type of physical limitations. Of this total, 2,049 are low and moderate income households. The following table exhibits different income groups with mobility limitation and their housing needs. Among different income groups, the Extreme Low Income families appear to have the highest needs as more than 69% of this group show to have some type of housing problem.

Table 4 - Households with Mobility Limitation

Household by Type, Income	Total Households	Households with any Housing Problems	% With any Housing Problem
Household Income <=30% MFI	838	584	69.7
Household Income >30 to <=50% MFI	608	248	40.8
Household Income >50 to <=80% MFI	603	148	24.5
Household Income >80% MFI	771	89	11.5
Total	2,820	1,359	37.9

Public Housing Needs

The need for affordable housing in East Chicago has exceeded the number of available units for several decades. The previous waiting list (2010) had 551 applicants on it for both public housing and Section 8. The Authority reopened the waiting list in 2011, and reports that there are more than 400 individuals and families that have applied for assistance. The Authority is currently evaluating this application list. As of September 9, 2011, the Authority's waiting list consisted of the following.

Table 5 - Individuals on the Waiting List - 2011

ECHA Demand (Waiting List)	Data as of 9/09/2011
ECHA Current Waiting List Total	262
Public Housing	159
Section 8	87
Mod Rehab	16

*Recent wait list numbers need to be confirmed

Source: ECHA

The previous year waiting list, opened from July 1 to August 5, 2010, received 190 applicants, for the five sites. The results of this process are listed in the Table 7.

According to the waiting list which closed on August 5, 2010, the desired housing unit type was one (1) bedroom, representing 45.8%. The next most requested unit size was the two (2) bedroom unit, at 31.1%.

Table 6 - Units Size Needs 2010

Unit Size	No. of Families	% of Total Families
1 BR	87	45.8%
2 BR	59	31.1%
3 BR	37	19.5%
4 BR	5	2.6%
5 BR	2	1.1%
Total	190	

The East Chicago Housing Authority has taken two new initiatives since the last year's Annual Plan. On August 16, 2010 the Board of Commissioners of the East Chicago Housing Authority, in Resolution 2010-11 adopted the new Admissions and Continued Occupancy Policy (ACOP).

Exhibit 4
(9.1)- Strategy for Addressing Housing Needs

Housing Strategy

In 2008, the East Chicago Housing Authority instituted several structural changes aimed at transforming the agency. These efforts have given rise to the need for a new strategic vision for the agency. The Authority has started this visioning process last year. These effort continued in 2011. The outcome from these efforts is expected to be a new framework for action to better address the needs of the residents.

In recent years, different studies and assessments conducted by the Authority, have all shown that a major barrier renters encounter in the City is the affordability of rental units. Regardless of age, race, ethnicity or disability, 4,887 households or about 78% of all renters in the community have incomes of less than 80% of the Area Median Income (AMI). Of those, 2,472 or more than 51% have incomes of less than 30% of AMI. It should be noted that new data indicate that above conditions may have worsened for the past couple of years as a result of sever unemployment and loss of industrial jobs. Today, East Chicago has an unemployment of more that 14%, one of the highest in the State of Indiana. The supply of rental units in the City in itself appears to be adequate on the surface, however, affordable and quality rental units remain major deterrents when you factor in other expenses which are increasing each year such as utility costs, health care and gasoline costs.

The East Chicago Housing Authority is the largest housing provider in the City of East Chicago. As a whole the Authority owns about 25% of total rental units and house about 13% of the total households. As such, the importance and the impact of its assets on the market are significant. Relatively better housing stock, attract people from outside the City and even the region which further increase the pressure on the market supply.

The Authority's mission recognizes the importance of its asset and the responsibility it bears to address the needs of the market. The Authority is envisioning becoming the provider of decent and safe housing to the residents at an affordable price. The Authority feels it can achieve its mission by the following four principal tasks:

- First identifying developments, which are no longer cost effective to manage or are not serving the needs of the residents. The current ongoing strategic planning efforts will guide these decisions.
- Second, the Authority's aims to replace older and non-marketable stock with modern housing developments with a mix of housing types, character and income that builds neighborhoods and today renters demand.
- Third, the Authority feels its operation and management will require to be fully integrated from a traditional public agency model to a robust asset based agency with goals, objectives and accountability. The staff will be trained to identify issues, set goals, and accomplish objectives in an efficient manner.
- Lastly the Authority recognizes that any transformation will require development of strong partnerships with the private sector, not for profits and outside agencies.

Over the next five years these principals will form the basis for a set of strategies and tasks, developed as a result of completion of Strategic Plan, that the Housing Authority will employ to meet its goals and achieve its mission. The Authority however is mindful of the fact that these tasks will require further deliberations, input and partnership building. All such deliberations is expected to continue in

2012. Meanwhile, the Authority will continue to evaluate the housing needs of families based on evidence demonstrated in the Consolidated Plan and other information available. The ECHA will further review community priorities regarding housing assistance and consult with local government, advocacy groups, current residents and the Resident Advisory Board to ensure that the strategies described below continue to address the housing needs of families in the City and on the waiting lists. As a result of these consultation, the Authority will amend its strategies if required. The Authority's strategies to address the housing needs of families and individuals in the City and on the waiting list include:

1. Maximizing the number of affordable units available

- a. The Authority will employ effective maintenance and management policies to minimize the number of Public Housing units off-line;
- b. Reduce the time to renovate and lease Public Housing units;
- c. Reduce the turnover time for vacated Public Housing units to less than 30 days.
- d. The ECHA intends to increase Section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of the program and by establishing payment standards that will enable families to rent units throughout the City.
- e. The ECHA will continue to apply for additional Section 8 Vouchers should they become available.
- f. Promote homeownership for the residents and Section 8 recipients.

2. Increase the number of affordable housing units

The ECHA has initiated a strategic planning process to expand affordable housing resources such as mixed-finance housing and pursues housing opportunities other than Public Housing and Section 8 tenant-based assistance. This effort will be complete in 2011 and several tasks will be implemented in 2012. The Strategic Plan will provide and guide the Authority in several goals including expanding its affordable housing stock. In this respect, in 2012, the Authority will pursue the following:

- a. The ECHA will explore redevelopment opportunities for Hunter Senior Housing site and Scattered Site II and Columbus Avenue developments.
- b. The Authority will seek to build new partnerships for development of diversified portfolio of affordable housing in the City of East Chicago.

3. Assist families at or below 30% and 50% of median

- a. Expand efforts to support and encourage work and self sufficiency.
- b. The ECHA has a designated housing program to assist the elderly, which most are extremely or very low income population. . These programs will continue.

- c. Maintain housing programs for families below 30% MFI to achieve HUD federal targeting requirements for both public housing and Section 8 assistance.

4. Assist Families with Disabilities

- a. Continue modifications needed in public housing based on the section 504 Needs Assessment for Public Housing.

Modification work was completed for 5 units to convert to fully accessible units for the disabled.

- b. Collaborate with the Human Rights Commission and others to market to local non-profit agencies that assist families with disabilities.
- c. Explore conversion or construction of new assisted living units. If financially feasible, construct such facility.

5. Conduct activities to affirmatively further fair housing

- a. Provide counseling to Section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate to those units.
- b. Provide special outreach for the Hispanic population to include providing Spanish language brochures to organizations serving the Hispanic community.
- c. Explore development of mixed income development in partnership with private or not for profit developers.

6. Address the Needs of Residents

- a. In an effort to offer its tenants more than just affordable housing, ECHA will provide a variety of social, educational, and recreational activities including operating a youth center with a variety of programs. The activities include employment training, Teen Seen, Voices against Smokers, GED Program, Boys and Girls Club program, computer classes, referrals to Day Care, and skill building.

7. Address Revitalization and Restoration Needs

- a. The Authority will continue to upgrade many units to the extent permitted by budgetary constraints.
- b. The Authority will complete a new Five-Year Strategic Housing Plan. This Plan is envisioned to recommend and set major goals for all revitalization efforts for the next five years. These efforts, once implemented, are expected to not only change the character of the housing units in terms of income, but also to have significant impact on the neighborhood conditions where different developments currently are located. The Strategic Plan will be complete in 2011. The Authority anticipates to complete the approval process for different elements of the plan within the next year. After that, the ECHA will seek developer partners for revitalization of the units, or replacement.

8. Improving the Living Environment of ECHA Residents

- a. The East Chicago Housing Authority offers programs and activities, which help improve the living environment for low-income families assisted by the public housing. This objective is achieved by implementation of several tasks. These are:
 - Implement measures to de-concentrate poverty by bringing higher income public housing households into lower income developments. The concentration goal is 40% maximum for extremely low income families.
 - Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments.
 - Implement public housing security, using capital funds to install security improvements (locks, entry doors, lights) throughout all developments.
 - The Authority will further allocate funds for a variety of activities all aimed to improve the living environment and quality of life in different developments. These activities include services for family and elderly, family support program, crime prevention services and youth recreation program.

9. Expand Resident Participation

- a. In an effort to address the needs of public housing, the East Chicago Housing Authority offers its residents opportunities to become involved in the Resident Advisory Board (RAB), where they can participate in all aspects of management and decision making process. The residents normally nominate the candidates or can self nominate but they must be in good standing with ECHA.

10. Expand Family Self Sufficiency Program

- a. Increase the number and percentage of employed persons in assisted families.
- b. Continue participation in the Lake County Office of Family Resources Community Work Experience Program to provide support for positive employment experiences.
- c. Provide or attract supportive services to improve recipients' employability.
- d. Provide and support homeownership counseling to improve voucher mobility.
- e. Collaborate with the City of East Chicago and other agencies to implement a strong homeownership program aimed at increasing homeownership not only for public housing residents, but also to support City and other agencies involved in neighborhood development. The Authority will further seek to expand its partnership efforts for, financial literacy and homeownership education program.

Reasons for Selection of Strategy

In selecting above strategies the following factors have been considered.

- Funding level and constraints
- Staffing capacity and limitations.
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the Housing Authority.
- Recent consultations with HUD.

Exhibit 5

10.0-(a) Progress in Meeting Mission and Goals (2012)

(a) Progress in Meeting Mission and Goals. Provide a brief statement of the PHA's progress in meeting the mission and goals described in the 5- Year Plan.

As the East Chicago Housing Authority submits its Annual Plan for FY 2012, several changes have been completed in the organizational structure and staffing. These changes are continuing as the Authority engages in a transformation process. In support of these efforts, the Authority has made attempts to meet its goals stated in the 5-Year Plan, update its policies and has made significant strides in meeting its goals. Details of these changes are as follows:

PHA Goal 1. Expand the supply of assisted housing

Objectives:

a) *Apply for additional rental voucher; should vouchers become available.*

East Chicago Housing Authority goal of acquiring additional rental vouchers has not been met due to the availability of vouchers.

The Authority continues to evaluate conversion of 60 units located at the West Calumet (AMP 3) Building, 45 units at the James Hunter Senior Building (AMP 1) and 12 units at the Scattered Sites (AMP 4) in 2012 to Project Based Rental Assistance.

b) *Reduce public housing vacancies: Undergo renovation/modernization of current Public Housing stock to alleviate vacancies and high waitlist numbers.*

Over the past two years the Authority has obligated and/or invested \$3,023,992.08 in physical improvements utilizing the Capital Fund Program and American Recovery Re-investment Act Funds.

Improvements include:

- Renovations to Nicosia Senior High-rise Facility
- Sprinkler System Repairs at 2 Multi-family Walk-ups
- Installed Exterior Lighting
- Replacement of Emergency Stairwell Door Frames, Doors and Hardware
- Vacancy reduction work
- Replacement of Roofs at the 4700 and 4800 Buildings
- Installed Garbage Containment Enclosures around the 4700 and 4800 Buildings
- Failing Exterior Concrete Support Panel
- Roof Replacement on 78 Dwelling Structures and 2 Non-Dwelling Structures
- Boiler repairs
- HVAC repairs and replacements
- Security System Upgrades at the Hunter and Nicosia Senior High-rises
- Entry door installation
- Furnace repairs
- Installed exterior cleanouts at Nicosia Senior High-rise Facility
- Exterior Renovations and Repairs

- c) *Other: Rehabilitation of severely distressed units utilizing Capital Fund Program funds.*
- Conducted a Market Analysis for Upcoming Development
 - Procured Consultant to Develop an overall Strategic Plan for New Development

PHA Goal 2. Improve the quality of assisted housing

Objectives:

- a) *Improve public housing management: Increase PHAS score to over 90.*
b) *Improve voucher management: Increase SEMAP score to over 82.*

Efforts to improve both public housing and voucher management performance have been hindered by high vacancy rate and eviction requirements. Vacancy reduction work has continued to delay occupancy due to staffing, and contractor procurement process.

- c) *Concentrate on efforts to improve specific management functions: Improve staff qualifications in the areas of finance, procurement, capital funds, housing inspections, resident programs, and Section 8.*

The Authority has identified several areas of improvement required to improve delivery of service and management of both the physical structures and support of residents. Restructuring plans will include standardized processes and procedures to measure performance outcomes that will include on-going staff training.

Improve public housing management

Increase PHAS score to 92% points by 2013.

2. Improve voucher management.

- a) ECHA will continue to identify areas for improvement and strive to accomplish this goal. To this end, the ECHA has developed and implemented an action plan that addresses specific areas of program improvements to increase its SEMAP score. Areas of focus include Annual re-exams, Program Utilization, Determination of Adjusted Rent and Correct Tenant Rent Calculation. Staff is in discussions to set goals of increasing the SEMAP scores to high performer numbers by 2013.
- b) *Renovate or modernize public housing units:*

The ECHA has completed renovation or modernization of up to 82 housing units.

- c) *Demolish or dispose of obsolete public housing:*

The ECHA plans to demolish four (4) obsolete units in Scattered sites (29-2).

- d) *Provide replacement public housing.*
e) *Provide replacement vouchers:*

As a result of the restructuring of the East Chicago Housing Authority (ECHA) and the Strategic Plan, the Authority has deferred goals (d-e) for further review and consideration until the completion of this Plan.

PHA Goal: 3. Increase assisted housing choices

Objectives:

- a) *Provide voucher mobility counseling.*
- b) *Conduct outreach efforts to potential voucher landlords:*

Over the course of the 5-Year Plan (2010-2014), the East Chicago Housing Authority will worked to establish relationships to secure a service provider that can assist with counseling. The intent of the Authority is to provide a comprehensive approach to voucher mobility counseling that would include:

- Financial literacy
- Homeownership
- Parenting skills
- Higher education and occupation skills

Although some of the activities have been carried out and benefited the residents, the overall progress in this area has been limited.

PHA Goal 4. Provide an improved living environment

Objectives:

- a) *Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:*
- b) *Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:*
- c) *Implement public housing security improvements: Using capital funds to install security improvements (locks, entry doors, lights) in all developments.*

The East Chicago Housing Authority (ECHA) deconcentration efforts continue. Security improvements have been undertaken in several complexes. Full time security officers are located at both Hunter - AMP1 and Nicosia - AMP 2. ECHA continues to invest in security as a critical part of its law and security enforcement. Investment in security comprises 3% of the annual operating budget.

The Authority has additional safety policy.

PHA Goal 5. Promote self-sufficiency and asset development of assisted households

Objectives:

- a) *Increase the number and percentage of employed persons in assisted families:*

b) Provide or engage other supportive services to improve employability for the assisted recipients.

The ECHA over the years has pursued self-sufficiency participation from residents on a limited basis. The most difficulty has been in the development of partnerships with service providers that can take a proactive position and work with residents on a long-term basis. On a limited basis ECHA is active with the Lake County Office of Family Resources Community Work Experience Program.

Additional efforts will be made to develop a homeownership program that includes other life skill components to successfully transition resident participants and support sustained employment.

PHA Goal: 6. Ensure equal opportunity and affirmatively further fair housing

Objectives:

- a) Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:*
- b) Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:*
- c) Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:*

The ECHA has continued to improve on the training goals and objectives for staff and residents to increase their knowledge of the policies that govern the Fair Housing Act and other housing initiatives.

9.1 Exhibit 2

Housing Strategy

In 2008, the East Chicago Housing Authority instituted several structural changes aimed at transforming the agency. These efforts have given rise to the need for a new strategic vision for the agency. The Authority has started this visioning process last year. These effort continued in 2011. The outcome from these efforts is expected to be a new framework for action to better address the needs of the residents.

In recent years, different studies and assessments conducted by the Authority, have all shown that a major barrier renters encounter in the City is the affordability of rental units. Regardless of age, race, ethnicity or disability, 4,887 households or about 78% of all renters in the community have incomes of less than 80% of the Area Median Income (AMI). Of those, 2,472 or more than 51% have incomes of less than 30% of AMI. It should be noted that new data indicate that above conditions may have worsened for the past couple of years as a result of sever unemployment and loss of industrial jobs. Today, East Chicago has an unemployment of more that 14%, one of the highest in the State of Indiana. The supply of rental units in the City in itself appears to be adequate on the surface, however, affordable and quality rental units remain major deterrents when you factor in other expenses which are increasing each year such as utility costs, health care and gasoline costs.

The East Chicago Housing Authority is the largest housing provider in the City of East Chicago. As a whole the Authority owns about 25% of total rental units and house about 13% of the total households. As such, the importance and the impact of its assets on the market are significant. Relatively better

housing stock, attract people from outside the City and even the region which further increase the pressure on the market supply.

The Authority's mission recognizes the importance of its asset and the responsibility it bears to address the needs of the market. The Authority is envisioning becoming the provider of decent and safe housing to the residents at an affordable price. The Authority feels it can achieve its mission by the following four principal tasks:

- First identifying developments, which are no longer cost effective to manage or are not serving the needs of the residents. The current ongoing strategic planning efforts will guide these decisions.
- Second, the Authority's aims to replace older and non-marketable stock with modern housing developments with a mix of housing types, character and income that builds neighborhoods and today renters demand.
- Third, the Authority feels its operation and management will require to be fully integrated from a traditional public agency model to a robust asset based agency with goals, objectives and accountability. The staff will be trained to identify issues, set goals, and accomplish objectives in an efficient manner.
- Lastly the Authority recognizes that any transformation will require development of strong partnerships with the private sector, not for profits and outside agencies.

Over the next five years these principals will form the basis for a set of strategies and tasks, developed as a result of completion of Strategic Plan, that the Housing Authority will employ to meet its goals and achieve its mission. The Authority however is mindful of the fact that these tasks will require further deliberations, input and partnership building. All such deliberations is expected to continue in 2012. Meanwhile, the Authority will continue to evaluate the housing needs of families based on evidence demonstrated in the Consolidated Plan and other information available. The ECHA will further review community priorities regarding housing assistance and consult with local government, advocacy groups, current residents and the Resident Advisory Board to ensure that the strategies described below continue to address the housing needs of families in the City and on the waiting lists. As a result of these consultation, the Authority will amend its strategies if required. The Authority's strategies to address the housing needs of families and individuals in the City and on the waiting list include:

11. Maximizing the number of affordable units available

- a. The Authority will employ effective maintenance and management policies to minimize the number of Public Housing units off-line;
- b. Reduce the time to renovate and lease Public Housing units;
- c. Reduce the turnover time for vacated Public Housing units to less than 30 days.
- d. The ECHA intends to increase Section 8 lease-up rates by effectively screening Section 8 applicants to increase owner acceptance of the program and by establishing payment standards that will enable families to rent units throughout the City.

- e. The ECHA will continue to apply for additional Section 8 Vouchers should they become available.
- f. Promote homeownership for the residents and Section 8 recipients.

12. Increase the number of affordable housing units

The ECHA has initiated a strategic planning process to expand affordable housing resources such as mixed-finance housing and pursues housing opportunities other than Public Housing and Section 8 tenant-based assistance. This effort will be complete in 2011 and several tasks will be implemented in 2012. The Strategic Plan will provide and guide the Authority in several goals including expanding its affordable housing stock. In this respect, in 2012, the Authority will pursue the following:

- a. The ECHA will explore redevelopment opportunities for Hunter Senior Housing site and Scattered Site II and Columbus Avenue developments.
- b. The Authority will seek to build new partnerships for development of diversified portfolio of affordable housing in the City of East Chicago.

13. Assist families at or below 30% and 50% of median

- a. Expand efforts to support and encourage work and self sufficiency.
- b. The ECHA has a designated housing program to assist the elderly, which most are extremely or very low income population. . These programs will continue.
- c. Maintain housing programs for families below 30% MFI to achieve HUD federal targeting requirements for both public housing and Section 8 assistance.

14. Assist Families with Disabilities

- a. Continue modifications needed in public housing based on the section 504 Needs Assessment for Public Housing.

Modification work was completed for 5 units to convert to fully accessible units for the disabled.

- b. Collaborate with the Human Rights Commission and others to market to local non-profit agencies that assist families with disabilities.
- c. Explore conversion or construction of new assisted living units. If financially feasible, construct such facility.

15. Conduct activities to affirmatively further fair housing

- a. Provide counseling to Section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate to those units.
- b. Provide special outreach for the Hispanic population to include providing Spanish language brochures to organizations serving the Hispanic community.

- c. Explore development of mixed income development in partnership with private or not for profit developers.

16. Address the Needs of Residents

- a. In an effort to offer its tenants more than just affordable housing, ECHA will provide a variety of social, educational, and recreational activities including operating a youth center with a variety of programs. The activities include employment training, Teen Seen, Voices against Smokers, GED Program, Boys and Girls Club program, computer classes, referrals to Day Care, and skill building.

17. Address Revitalization and Restoration Needs

- a. The Authority will continue to upgrade many units to the extent permitted by budgetary constraints.
- b. The Authority will complete a new Five-Year Strategic Housing Plan. This Plan is envisioned to recommend and set major goals for all revitalization efforts for the next five years. These efforts, once implemented, are expected to not only change the character of the housing units in terms of income, but also to have significant impact on the neighborhood conditions where different developments currently are located. The Strategic Plan will be complete in 2011. The Authority anticipates to complete the approval process for different elements of the plan within the next year. After that, the ECHA will seek developer partners for revitalization of the units, or replacement.

18. Improving the Living Environment of ECHA Residents

- a. The East Chicago Housing Authority offers programs and activities, which help improve the living environment for low-income families assisted by the public housing. This objective is achieved by implementation of several tasks. These are:
 - Implement measures to de-concentrate poverty by bringing higher income public housing households into lower income developments. The concentration goal is 40% maximum for extremely low income families.
 - Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments.
 - Implement public housing security, using capital funds to install security improvements (locks, entry doors, lights) throughout all developments.
 - The Authority will further allocate funds for a variety of activities all aimed to improve the living environment and quality of life in different developments. These activities include services for family and elderly, family support program, crime prevention services and youth recreation program.

19. Expand Resident Participation

- a. In an effort to address the needs of public housing, the East Chicago Housing Authority offers its residents opportunities to become involved in the Resident Advisory Board (RAB), where they can participate in all aspects of management and decision making process. The residents normally nominate the candidates or can self nominate but they must be in good standing with ECHA.

20. Expand Family Self Sufficiency Program

- a. Increase the number and percentage of employed persons in assisted families.
- b. Continue participation in the Lake County Office of Family Resources Community Work Experience Program to provide support for positive employment experiences.
- c. Provide or attract supportive services to improve recipients' employability.
- d. Provide and support homeownership counseling to improve voucher mobility.
- e. Collaborate with the City of East Chicago and other agencies to implement a strong homeownership program aimed at increasing homeownership not only for public housing residents, but also to support City and other agencies involved in neighborhood development. The Authority will further seek to expand its partnership efforts for, financial literacy and homeownership education program.

Reasons for Selection of Strategy

In selecting above strategies the following factors have been considered.

- Funding level and constraints
- Staffing capacity and limitations.
- Evidence of housing needs as demonstrated in the Consolidated Plan and other information available to the Housing Authority.
- Recent consultations with HUD.

10.0-(b) Significant Amendment or Modification to the Annual Plan

No modifications have been made with respect to this policy in 2011 that would constitute Substantial Deviation from the 5 year plan.

The Authority, however, may make additional modifications to address policy changes. If such changes are made, ECHA will inform HUD at appropriate time.

Exhibit 7

10.0(c) - Memorandum of Agreement with HUD

**Memorandum of Agreement (MOA)
Part A**

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0237
(exp. 10/31/2007)

Public reporting burden for the collection of information required for Parts A and B of the Memorandum of Agreement is estimated to average 105.33 hours depending on size of Public Housing Agency (PHA). This includes the time for collecting, reviewing, and reporting the data. The information will be used for monitoring PHA progress in bringing performance up to standard levels. Response to this request for information is required in order to receive the benefits to be derived, including eligibility to apply for funding. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

MEMORANDUM OF AGREEMENT

This Agreement is made this the 1st day of January, 2011, by and between the Housing Authority of East Chicago State of Indiana (PHA), and the Secretary of the United States Department of Housing and Urban Development (HUD) acting by and through the Director of the Indianapolis Field Office pursuant to the requirements of Section 6 (j)(2)(C) of the United States Housing Act of 1937, 42 U.S.C. 1437 ("the Act"), as implemented in the Public Housing Assessment System (PHAS), 24 CFR Part 902, et seq.).

The PHA entered into a Low Rent Public Housing Annual Contribution Contract ("ACC") Number C-651 pursuant to the authority of the Act on January 10, 1996, as subsequently amended, with HUD. As a result, HUD provides funding to the PHA to operate and maintain affordable and decent, safe, and sanitary public housing to its low-income residents.

Under the authority of 6(j) of the Act, the PHA was evaluated in accordance with the provisions of PHAS was designated as "troubled" as defined at 24 CFR Section 902.67(c).

Under the requirements of the Act and 24 CFR Section 902.75, those housing authorities which are designated as troubled must enter into a binding contractual agreement designated as a Memorandum of Agreement (MOA) with HUD. The primary purpose of this MOA is to "substantially improve" the Authority's PHAS score as that term is defined at 24 CFR Section 902.75 (g)(2). However, this MOA is not intended to reflect every performance defect that the PHA may have.

Accordingly the parties agree to the following:

1. The parties agree that this MOA is a binding contractual agreement between the PHA and HUD.
2. This MOA shall consist of:
 - a. This Part A, Terms and Conditions;
 - b. Part B, Performance Targets and Strategies, which sets out the:
 - 1) Baseline Data
 - 2) Strategies to be used by the PHA in achieving the performance targets within the time period of the MOA;

- 3) Target dates for completion of strategies; and,
- 4) Technical assistance to the PHA provided or facilitated by HUD;
- 5) The description of the involvement of local public and private entities, including PHA resident leaders in carrying out the agreement and rectifying the PHA's problem in accordance with the requirements of 24 CFR Section 902.75(b)(8).

3. The PHA agrees that the performance targets, strategies, and time frames specified in this MOA are reasonable and that it will take all actions within its control to complete them as set out in this Agreement.

4. HUD agrees to provide technical assistance as stated in Part B to the Authority and, based upon the compliance with the MOA, give the PHA appropriate consideration for discretionary or competitive funding resources, as those resources are available to HUD.

5. The Executive Director of the PHA shall provide to the HUD staff (as designated in Part B), a monthly written progress report based upon that month's scheduled targets and strategies as set out in Part B. This report shall be furnished no later than the 15th of the succeeding month and shall identify the accomplishment and/or failure of each task/goal to be completed that month. The Executive Director shall also complete quarterly and annual reports as required by Part B.

6. Subsequently, the designated HUD staff shall provide a response, no later than the 1st of the succeeding month after receipt of the monthly written report provided, to the Executive Director of the PHA that identifies the current accomplishments/shortfalls for the month. The HUD response will be based upon that month's PHA progress report and supporting documents. The Executive Director shall include the report on the agenda for discussion or action for the immediately upcoming monthly PHA Board Meeting.

7. A substantial default of this agreement will occur if HUD determines that the PHA has failed to meet any of the terms of, or to make reasonable progress to meet any requirements included in this MOA. Such failure specifically includes but is not limited to, the failure to provide the written progress reports required under paragraph 5.

8. Failure by the PHA to achieve any of the performance targets or any of the terms of this MOA may result in HUD's imposition of sanctions, such as the imposition of management budget controls by HUD, declaration of substantial default, and subsequent actions, including but not limited to the appointment of a receiver, or other actions deemed appropriate by HUD.

9. This MOA does not supersede, modify or amend the ACC or in any way excuse the PHA from complying fully with its obligations under the ACC or the Act and its implementing regulations. HUD does not waive its rights under the ACC, the Act, or its implementing regulations. The PHA continues to be obligated to comply with all applicable requirements contained in the ACC, the Act, and its implementing regulations. The PHA's satisfaction of, or failure to meet, the goals set forth in this MOA does not limit, modify or preclude HUD's right to take any remedial action allowed by the ACC or any provision of the Act or its implementing regulations. If HUD determines that the PHA is in substantial default of the ACC, the Act, or its implementing regulations, this MOA shall terminate without further notice.

10. This MOA creates no third party benefits or right in any person or entity not a party to this Agreement.

11. The PHA affirmatively states that it has complied with all State and Local requirements precedent to entering into this MOA.

12. This agreement shall be in full force and effect, binding the parties from *January 1, 2011 (Date of MOA)* to December 31, 2011 (*one year from date*). This document may be amended by a document signed by all parties to this original agreement.

East Chicago Housing Authority

By: Nancy Almason
Chairwoman

Date

By: Beatriz L. Martinez
Executive Director

Date

U.S. Department of Housing and Urban Development

By: Forrest Jones
Program Center Coordinator, Indiana State Office
Of Public Housing

Date

Exhibit 8

(10.0) - Prior Year Federal Grants

Annual Statement/Performance and Evaluation Report						
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)						
Part I: Summary						
PHA Name:		Grant Type and Number			Federal FY of Grant:	
Housing Authority of the City of East Chicago		Capital Fund Program Grant No: IN36P02950110			2010	
		Replacement Housing Factor Grant No:				
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement/Revision Number: 2 Dated: 7/5/11 Draft 3						
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 5/31/11 <input type="checkbox"/> Final Performance and Evaluation Report						
Line No.	Summary by Development Account		Total Estimated Cost		Total Actual Cost	
			Original	Revised	Obligated	Expended
1	Total Non-CFP Funds					
2	1406	Operations (May not be used for this grant)	\$293,634.00	\$179,265.00	\$179,265.00	\$0.00
3	1408	Management Improvements (May not exceed 20% of line 20)	\$293,634.00	\$293,634.00	\$263,258.00	\$265,783.07
4	1410	Administration (May not exceed 10% of line 20)	\$146,817.00	\$146,817.00	\$146,817.00	\$0.00
5	1411	Audit				
6	1415	Liquidated Damages				
7	1430	Fees and Costs	\$66,325.83	\$152,964.75	\$148,885.75	\$15,477.62
8	1440	Site Acquisition				
9	1450	Site Improvement	\$89,869.62	\$66,129.07	\$66,129.07	\$66,129.07
10	1460	Dwelling Structures	\$575,901.05	\$626,973.40	\$621,492.72	\$102,200.93
11	1465.1	Dwelling Equipment - Nonexpendable	\$500.00	\$500.00	\$0.00	\$0.00
12	1470	Nondwelling Structures	\$1,492.50	\$1,492.50	\$1,492.50	\$1,492.50
13	1475	Nondwelling Equipment	\$0.00	\$0.00	\$0.00	\$0.00
14	1485	Demolition	\$0.00	\$0.00	\$0.00	\$0.00
15	1490	Replacement Reserve				
16	1492	Moving to Work Demonstration				
17	1495.1	Relocation Costs				
18	1499	Mod Used for Development Activities				
19	1501	Collateralization or Debt Service				
20	1502	Contingency (may not exceed 8% of line 20)				
21	Amount of CFFP Proceeds (Sum of lines 2 - 20)		\$1,468,174.00	\$1,467,775.72	\$1,427,340.04	\$451,083.19
22	Amount of line 21 Related to LBP Activities					
23	Amount of line 21 Related to Section 504 Compliance					
24	Amount of line 21 Related to Security-Soft Cost		\$263,258.00	\$263,258.00	\$263,258.00	\$265,783.07
25	Amount of line 21 Related to Security-Hard Cost		\$154,192.00	\$60,951.88	\$60,951.88	\$60,951.88
26	Amount of line 21 Related to Energy Conservation Measures					

Annual Statement/Performance and Evaluation Report						
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)						
Part I: Summary						
PHA Name:		Grant Type and Number			Federal FY of Grant:	
Housing Authority of the City of East Chicago		Capital Fund Program Grant No: IN36P02950110			2010	
		Replacement Housing Factor Grant No:				
<input type="checkbox"/> Original Annual Statement <input type="checkbox"/> Reserve for Disasters/Emergencies <input checked="" type="checkbox"/> Revised Annual Statement/Revision Number: 2 Dated: 7/5/11 Draft 3						
<input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 5/31/11 <input type="checkbox"/> Final Performance and Evaluation Report						
Line No.	Summary by Development Account		Total Estimated Cost		Total Actual Cost	
			Original	Revised	Obligated	Expended
Signature of Executive Director			Signature of Public Housing Director			
Date			Date			

Hunter - (29-1)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No: IN36P02950110			2010			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Hunter 29-1	AMP 1							
	1406 Operations N/A	1406		\$39,758.05	\$24,273.00	\$24,273.00	\$0.00	Pending
	1408 Management Improvements	1408						
	Security			\$100,741.00	\$100,741.00	\$100,741.00	\$82,018.96	In Progress
	Staff Training			\$4,112.33	\$4,112.33	\$0.00	\$0.00	Pending
	Total 1408			\$104,853.33	\$104,853.33	\$100,741.00	\$82,018.96	
	1410 Capital Fund Administration	1410		\$19,879.00	\$19,879.00	\$19,879.00	\$0.00	Pending
	1430 Fees and Cost	1430						
	Development/Financial Consultant			\$31,390.56	\$0.00	\$0.00	\$0.00	Postponed
	Strategic Planner			\$0.00	\$17,783.00	\$17,783.00	\$0.00	In Progress
	Fire Alarm Testing			\$0.00	\$1,586.00	\$1,586.00	\$1,586.00	Completed
	Total 1430			\$31,390.56	\$19,369.00	\$19,369.00	\$1,586.00	
	1450 Site Improvements	1450		\$0.00	\$0.00	\$0.00	\$0.00	
	1460 Dwelling Structure	1460						
	Roof Repairs			\$13,750.00	\$13,750.00	\$13,750.00	\$13,750.00	Completed
	Rod and Camera Sewage Lines			\$0.00	\$401.72	\$401.72	\$0.00	In Progress
	Upgrade Security System			\$5,000.00	\$6,143.00	\$6,143.00	\$6,143.00	Completed
	Total 1460			\$13,750.00	\$20,294.72	\$20,294.72	\$19,893.00	
	1465 Dwelling Equipment	1465		\$0.00	\$0.00	\$0.00	\$0.00	
	Stove		1	\$500.00	\$500.00	\$0.00	\$0.00	Pending
	Total 1465			\$500.00	\$500.00	\$0.00	\$0.00	
	1470 Non-Dwelling Structures	1470						
	Total 1470			\$0.00	\$0.00	\$0.00	\$0.00	
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00	\$0.00	\$0.00	\$0.00	
	1485 DEMOLITION COSTS	1485		\$0.00	\$0.00	\$0.00	\$0.00	
	1495 RELOCATION COST	1495		\$0.00	\$0.00	\$0.00	\$0.00	
	Total Cost for AMP 1			\$210,130.94	\$189,169.05	\$184,556.72	\$103,497.96	

Nicosia - (29-5)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No: IN36P02950110			2010			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Nicosia 29-5	AMP 2							
	1406 Operations N/A	1406		\$75,141.73	\$45,876.00	\$45,876.00	\$0.00	Pending
	1408 Management Improvements	1408						
	Security			\$100,741.00	\$100,741.00	\$100,741.00	\$88,095.01	In Progress
	Staff Training			\$7,773.44	\$7,773.44	\$0.00	\$0.00	Pending
	Total 1408			\$108,514.44	\$108,514.44	\$100,741.00	\$88,095.01	
	1410 Capital Fund Administration	1410		\$37,571.00	\$37,571.00	\$37,571.00	\$0.00	Pending
	1430 Fees and Cost	1430						
	Architect & Engineering Fees			\$34,935.27	\$30,935.27	\$30,935.27	\$9,098.79	In Progress
	Strategic Planner			\$0.00	\$16,641.00	\$16,641.00	\$0.00	In Progress
	Total 1430			\$34,935.27	\$47,576.27	\$47,576.27	\$9,098.79	In Progress
	1450 Site Improvements	1450						
	Total 1450			\$0.00	\$0.00	\$0.00	\$0.00	
	1460 Dwelling Structure	1460						
	Remove Abestos Tiles			\$0.00	\$9,750.00	\$9,750.00	\$9,750.00	In Progress
	Upgrade Security System			\$42,000.00	\$43,802.88	\$43,802.88	\$43,802.88	Complete
	Modernize Dwelling Units			\$200,000.00	\$234,500.00	\$234,500.00	\$0.00	In Progress
	Total 1460			\$242,000.00	\$288,052.88	\$288,052.88	\$53,552.88	
	1465 Dwelling Equipment	1465						
	Total 1465			\$0.00	\$0.00	\$0.00	\$0.00	
	1470 Non-Dwelling Structures	1470		\$0.00	\$0.00	\$0.00	\$0.00	
	1475 Non-Dwelling Equipment	1475						
	Total 1475			\$0.00	\$0.00	\$0.00	\$0.00	
	1485 DEMOLITION COSTS	1485		\$0.00	\$0.00	\$0.00	\$0.00	
	1495 RELOCATION COST	1495		\$0.00	\$0.00	\$0.00	\$0.00	
	Total Cost for AMP 2			\$498,162.44	\$527,590.59	\$519,817.15	\$150,746.68	

West Calumet - (29-6)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No: IN36P02950110			2010			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
West Calumet 29-6	AMP 3							
	1406 Operations N/A	1406		\$126,208.25	\$77,050.00	\$77,050.00	\$0.00	In Progress
	1408 Management Improvements	1408						
	Security			\$61,776.00	\$61,776.00	\$61,776.00	\$95,669.10	In Progress
	Staff Training			\$13,056.36	\$13,056.36	\$0.00	\$0.00	Pending
	Total 1408			\$74,832.36	\$74,832.36	\$61,776.00	\$95,669.10	
	1410 Capital Fund Administration	1410		\$63,104.00	\$63,104.00	\$63,104.00	\$0.00	Pending
	1430 Fees and Cost	1430						
	Architect & Engineering Fees			\$0.00	\$5,683.48	\$5,683.48	\$4,401.83	In Progress
	Strategic Planner			\$0.00	\$56,452.00	\$56,452.00	\$0.00	In Progress
	Total 1430			\$0.00	\$62,135.48	\$62,135.48	\$4,401.83	
	1450 Site Improvements	1450						
209937.45	Exterior Lighting			\$25,125.00	\$0.00	\$0.00	\$0.00	Post-poned
2255	Repair D Building Light Poles			\$7,000.00	\$8,384.45	\$8,384.45	\$8,384.45	Complete
207682.45	Install Garbage Containment Enclosures			\$57,744.62	\$57,744.62	\$57,744.62	\$57,744.62	Complete
	Total 1450			\$89,869.62	\$66,129.07	\$66,129.07	\$66,129.07	
	1460 Dwelling Structure	1460						
	Repair D Building Lighting			\$1,492.50	\$2,621.55	\$2,621.55	\$2,621.55	Complete
\$400,284.69	Upgrade Security System			\$73,574.50	\$0.00	\$0.00	\$0.00	Post-poned
	Replace Roof 4800 Building			\$209,937.45	\$303,983.57	\$303,983.57	\$21,848.50	In Progress
	Total 1460			\$285,004.45	\$306,605.12	\$306,605.12	\$24,470.05	
	1465 Dwelling Equipment	1465		\$0.00	\$0.00	\$0.00	\$0.00	Re-allocated
	1470 Non-Dwelling Structures	1470						
	Repair Rec Center Lighting			\$1,492.50	\$1,492.50	\$1,492.50	\$1,492.50	Completed
	Total 1470			\$1,492.50	\$1,492.50	\$1,492.50	\$1,492.50	
	1475 Non-Dwelling Equipment	1475		\$0.00	\$0.00	\$0.00	\$0.00	
	1485 DEMOLITION COSTS	1485		\$0.00	\$0.00	\$0.00	\$0.00	
	1495 RELOCATION COST	1495		\$0.00	\$0.00	\$0.00	\$0.00	
	Total Cost for AMP 3			\$640,511.18	\$651,348.53	\$638,292.17	\$192,162.55	

Scattered Sites - (29-2)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number:			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No: IN36P02950110			2010			
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Scattered 29-2	AMP 4 (29-2)							
	1406 Operations N/A	1406		\$37,205.90	\$22,714.00	\$22,714.00	\$0.00	In Progress
	1408 Management Improvements	1408						
	Staff Training			\$3,848.99	\$3,848.99	\$0.00	\$0.00	Pending
	Total 1408			\$3,848.99	\$3,848.99	\$0.00	\$0.00	
	1410 Capital Fund Administration	1410		\$18,603.00	\$18,603.00	\$18,603.00	\$0.00	In Progress
	1430 Fees and Cost	1430						
	Strategic Planner			\$0.00	\$16,641.00	\$16,641.00	\$0.00	In Progress
	Total 1430			\$0.00	\$16,641.00	\$16,641.00	\$0.00	
	1450 Site Improvements	1450						
	Total 1450			\$0.00	\$0.00	\$0.00	\$0.00	
	1460 Dwelling Structure	1460						
	Replace Roofs		3	\$30,145.00	\$9,263.40	\$6,540.00	\$4,285.00	RoofTek
	Total 1460			\$30,145.00	\$9,263.40	\$6,540.00	\$4,285.00	
	1465 Dwelling Equipment	1465		\$0.00	\$0.00	\$0.00	\$0.00	
	1470 Non-Dwelling Structures	1470		\$0.00	\$0.00	\$0.00	\$0.00	
	1475 Non-Dwelling Equipment	1475		\$0.00	\$0.00			
	1485 DEMOLITION COSTS	1485		\$0.00	\$0.00	\$0.00	\$0.00	
	1495 RELOCATION COST	1495		\$0.00	\$0.00	\$0.00	\$0.00	
	Total Cost for Scattered 29-2			\$89,802.89	\$71,070.39	\$64,498.00	\$4,285.00	

Columbus Drive - (29-7)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number				Federal FY of Grant:		
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:		IN36P02950110		2010		
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Columbus 29-7	AMP 4 (29-7)							
	1406 Operations N/A	1406		\$6,200.98	\$3,785.00	\$3,785.00	\$0.00	In Progress
	1408 Management Improvements	1408						
	Staff Training			\$641.50	\$641.50	\$0.00	\$0.00	Pending
	Total 1408			\$641.50	\$641.50	\$0.00	\$0.00	
	1410 Capital Fund Administration Fee	1410		\$3,100.00	\$3,100.00	\$3,100.00	\$0.00	
	1430 Fees and Cost	1430						
	Fire Alarm Testing			\$0.00	\$391.00	\$391.00	\$391.00	Completed
	Strategic Planner			\$0.00	\$2,773.00	\$2,773.00	\$0.00	In Progress
	Total 1430			\$0.00	\$3,164.00	\$3,164.00	\$391.00	
	1450 Site Improvements/Lawn Care	1450						
	Total 1450			\$0.00	\$0.00	\$0.00	\$0.00	
	1460 Dwelling Structure	1460						
	Total 1460			\$0.00	\$0.00	\$0.00	\$0.00	
	1465 Dwelling Equipment	1465		\$0.00	\$0.00	\$0.00	\$0.00	
	1470 Non-Dwelling Structures	1470		\$0.00	\$0.00	\$0.00	\$0.00	
	1475 Non-Dwelling Equipment	1475		\$0.00	\$0.00	\$0.00	\$0.00	
	1485 DEMOLITION COSTS	1485		\$0.00	\$0.00	\$0.00	\$0.00	
	1495 RELOCATION COST	1495		\$0.00	\$0.00	\$0.00	\$0.00	
	Total Cost for Scattered 29-7			\$9,942.48	\$10,690.50	\$10,049.00	\$391.00	

Scattered Sites - (29-9)

Annual Statement/Performance and Evaluation Report								
Capital Funds Program and Capital Fund Program Replacement Housing Factor (CFP/CFPRHF)								
Part II: Supporting Pages								
PHA Name:		Grant Type and Number:			Federal FY of Grant:			
Housing Authority of the City of East Chicago		Capital Fund Program Grant No:		IN36P02950110		2010		
		Replacement Housing Factor Grant No:						
Development Number / Name HA - Wide Activities	General Description of Major Work Categories	Development Account Number	Quantity	Total Estimated Cost		Total Actual Cost		Status of Proposed Work
				Original	Revised	Funds Obligated	Funds Expended	
Total Cost for Scattered 29-7				\$9,942.48	\$10,690.50	\$10,049.00	\$391.00	
Scattered 29-9	AMP 4 (29-9)							
	1406 Operations N/A	1406		\$9,119.09	\$5,567.00	\$5,567.00	\$0.00	In Progress
	1408 Management Improvements	1408						
	Staff Training			\$943.38	\$943.38	\$0.00	\$0.00	Pending
	Total 1408			\$943.38	\$943.38	\$0.00	\$0.00	
	1410 Capital Fund Administration	1410		\$4,560.00	\$4,560.00	\$4,560.00	\$0.00	
	1430 Fees and Cost	1430						
	Strategic Planner			\$0.00	\$4,079.00	\$4,079.00	\$0.00	In Progress
	Total 1430			\$0.00	\$4,079.00	\$0.00	\$0.00	
	1450 Site Improvements	1450		\$0.00	\$0.00	\$0.00	\$0.00	
	1460 Dwelling Structure	1460						
	Replace Support Beams		25	\$5,001.60	\$2,757.28	\$0.00	\$0.00	Pending
	Total 1460			\$5,001.60	\$2,757.28	\$0.00	\$0.00	
	1465 Dwelling Equipment	1465		\$0.00	\$0.00	\$0.00	\$0.00	
	1470 Non-Dwelling Structures	1470		\$0.00	\$0.00	\$0.00	\$0.00	
	1475 Non-Dwelling Equipment	1475		\$0.00	\$0.00			
	1485 DEMOLITION COSTS	1485		\$0.00	\$0.00	\$0.00	\$0.00	
	1495 RELOCATION COST	1495		\$0.00	\$0.00	\$0.00	\$0.00	
	Total Cost for Scattered 29-9			\$19,624.07	\$17,906.66	\$10,127.00	\$0.00	
	Total Cost for AMP 4			\$119,369.44	\$99,667.55	\$84,674.00	\$4,676.00	
	Total Cost for ECHA			\$1,468,174.00	\$1,467,775.72	\$1,427,340.04	\$451,083.19	

Exhibit 9

(11.0) - Required Submission for HUD Field Office

(a) HUD-50077Page (s) 2
 HUD-50077-SL (*Certification by State/Local ConPlan*)Page (s) 1
 HUD-50077-CR (*Certification- Civil Rights*)Page (s) 1
(b) HUD-50070 (*Certification-Drug Free Workplace*).....Page (s) 1
(c) HUD-50071 (*Certification-Payments to Influence Federal Trans.*)....Page (s) 1
(d) HUD-SF-LLL (*Disclosure of Lobby Activities*).....Page (s) 1
(e) SF-LLL-A (*Disclosure of Lobbying Activities Cont.Sheet*)*N/A*Page (s) 2
(f) RESIDENT ADVISORY BOARD COMMENTS..... Page (s) 1
(g) Challenged Elements (*No Challenged Elements*)*N/A* Page (s) 0

Other Attachments

1. Citizen Recommendation

PHA Certifications of Compliance with PHA Plans and Related Regulations

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

Resolution #2011-08

**PHA Certifications of Compliance with the PHA Plans and Related Regulations:
Board Resolution to Accompany the PHA 5-Year and Annual PHA Plan**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the ___ 5-Year and/or Annual PHA Plan for the PHA fiscal year beginning 1/1/2011, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA certifies that there has been no change, significant or otherwise, to the Capital Fund Program (and Capital Fund Program/Replacement Housing Factor) Annual Statement(s), since submission of its last approved Annual Plan. The Capital Fund Program Annual Statement/Annual Statement/Performance and Evaluation Report must be submitted annually even if there is no change.
4. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Board or Boards in developing the Plan, and considered the recommendations of the Board or Boards (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
7. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identify any impediments to fair housing choice within those programs, address those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and maintain records reflecting these analyses and actions.
8. For PHA Plan that includes a policy for site based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2006-24);
 - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such waiting list is consistent with affirmatively furthering fair housing;
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
10. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
11. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.

12. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
13. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
14. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
15. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
16. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
17. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
18. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
19. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
20. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
21. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
22. The PHA certifies that it is in compliance with all applicable Federal statutory and regulatory requirements.

Housing Authority of the City of East Chicago

IN029

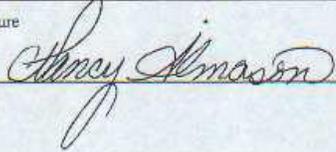
PHA Name

PHA Number/HA Code

 5-Year PHA Plan for Fiscal Years 20 - 20

Annual PHA Plan for Fiscal Years 2012 - 2013

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012, 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Nancy Almason	Chairwoman of the Board of Commissioners
Signature	Date
	10-7-11

**Certification by State or Local
Official of PHA Plans Consistency
with the Consolidated Plan**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/2011

**Certification by State or Local Official of PHA Plans Consistency with the
Consolidated Plan**

I, Anthony Copeland the Mayor of East Chicago certify that the Five Year and Annual PHA Plan of the East Chicago Housing Authority is consistent with the Consolidated Plan of the City of East Chicago prepared pursuant to 24 CFR Part 91.



Signed / Dated by Appropriate State or Local Official

form **HUD-50077-SL** (1/2009)
OMB Approval No. 2577-0226

Civil Rights Certification	U.S. Department of Housing and Urban Development Office of Public and Indian Housing Expires 08/30/2011
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Civil Rights Certification

Annual Certification and Board Resolution

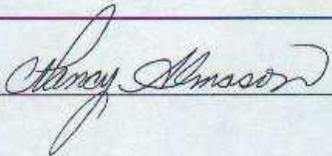
Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioner, I approve the submission of the Plan for the PHA of which this document is a part and make the following certification and agreement with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing.

Housing Authority of the City of East Chicago
 PHA Name

IN029
 PHA Number/HA Code

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official Nancy Almason	Title Chairwoman of the Board of Commissioners
Signature 	Date 10-8-11

form HUD-50077-CR (1/2009)

OMB Approval No. 2577-0226

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

Housing Authority of the City of East Chicago

Program/Activity Receiving Federal Grant Funding

Capital Fund Program

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

- (1) Abide by the terms of the statement; and
- (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. **Sites for Work Performance.** The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

HA of the City of East Chicago Main Offices at 4920 Larkspur Drive, East Chicago, IN 46312
Various Scattered Sites and Developments located within the City of East Chicago, IN

Check here if there are workplaces on file that are not identified on the attached sheets

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official Beatriz L. Martinez	Title Executive Director
Signature 	Date October 6, 2011

form HUD-50070 (3/98)
ref. Handbooks 7417.1, 7475.13, 7485.1 & 3

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Applicant Name

Housing Authority of the City of East Chicago

Program/Activity Receiving Federal Grant Funding

Capital Fund Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

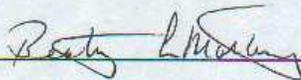
Name of Authorized Official

Beatriz L. Martinez

Title

Executive Director

Signature



Date (mm/dd/yyyy)

10-6-2011

Previous edition is obsolete

form HUD 50071 (3/99)
ref. Handbooks 7417.1, 7475.13, 7485.1, & 7485.3

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action: <input checked="" type="checkbox"/> B a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	2. Status of Federal Action: <input checked="" type="checkbox"/> B a. bid/offer/application b. initial award c. post-award	3. Report Type: <input checked="" type="checkbox"/> A a. initial filing b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Housing Authority of the City of East Chicago, 4920 Larkspur Dr. East Chicago, IN 46312 Congressional District, if known: 4c		5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:
6. Federal Department/Agency: US DHUD, Office of Public & Indian Housing	7. Federal Program Name/Description: Capital Fund Program CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ UNKNOWN	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i>		b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tie above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.		Signature: <u>Beatriz L. Martinez</u> Print Name: <u>Beatriz L. Martinez</u> Title: <u>Executive Director</u> Telephone No.: <u>219-397-9974</u> Date: <u>10-06-2011</u>
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

Exhibit 9-7

**HOUSING AUTHORITY
CITY OF EAST CHICAGO
4920 Larkspur Dr., P.O. Box 498
East Chicago, IN 46312**



EQUAL HOUSING
OPPORTUNITY

Phone: (219) 397-9974

Fax: (219) 397-4249

www.echa-in.org

October 11, 2011

SUBJECT: ECHA Annual and 5-Year Plan Resident Info

Resident Advisory Board (RAB) Members

Muriel Hester	29-1
Carmen Browning	29-1
Eugene Clark	29-1
Cynthia Espinosa	29-2
Rhonda Riddle	29-2
Fredrick Ard	29-2
Patricia Webb	29-5
Luz Cancel	29-5
Lakia Major	29-7
Marcelino Molina	29-7
Juan Rodriguez	29-7
Theresa Diamonds	29-6
Ruth Damper	29-6

Resident Board Member

Lorraine Reed	29-6
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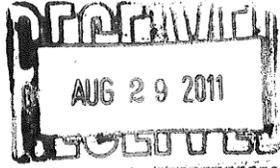
Comments

See Resident Advisory Board Letters/Agenda

Respectfully Submitted:

A handwritten signature in cursive script, appearing to read "Ernest Signars".

Ernest Signars
Community Services Director



General Form No. 99P (Rev. 2009A)

PUBLIC NOTICE

Please be advised that, pursuant to the Quality in Housing and Work Responsibility Act of 1998, that the East Chicago Housing Authority has prepared its 2012 Annual Agency Plan (The Plan). The Plan will be available for review/comment to the public, and more specifically public housing residents, on Monday, August 29, 2011; and continue to be available for public review from 9:00 a.m. until 3:30 p.m., Monday thru Friday, at the East Chicago Housing Authority's main office, 4920 Larkspur Drive, East Chicago, IN 46312, until Thursday, October 6, 2011. Any comments concerning the Plan must be in writing and submitted to the address above by 3:00 p.m., October 13, 2011.

Notice is further given that a Public Hearing on the 2011 Annual Agency Plan is scheduled for 4:00 p.m., on Thursday, October 6, 2011 at the Recreational Center of the East Chicago Housing Authority, 4925 Gladiola Ave., East Chicago, IN 46312. 8/24 - 20418756

Board of Accounts

Chicago Housing Authority
 (Governmental Unit)
 Indiana

To: The Times Media Company

601-45th Avenue, Munster, IN 46321

PUBLISHER'S CLAIM

Character (Must not exceed two actual lines, neither of which shall exceed more than four solid lines of the type in which the body of the advertisement is set) -- number of equivalent lines -----

Number of lines -----

Number of lines -----

Number of lines -----

Number of lines in notice -----

COMPUTATION OF CHARGES

32 lines, columns wide equals 32 equivalent lines at 36.41 cents per line ----- \$ 11.65

Additional charges for notices containing rule or tabular work (50 per cent of above amount) -----

Charge for extra proofs of publication (\$1.00 for each proof in excess of two) -----

TOTAL AMOUNT OF CLAIM ----- \$ 11.65

DATA FOR COMPUTING COST

Width of single column in picas 9p4
 Number of insertions: 1
 Size of type 7.0 point.

20418756

Pursuant to the provisions and penalties of IC 5-11-10-1, I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing all just credits, and that no part of the same has been paid.

I also certify that the printed matter attached hereto is a true copy, of the same column width and type size, which was duly published in said paper one (1) time. The dates of publication being as follows:

August 24, 2011

Additionally, the statement checked below is true and correct:

- Newspaper does not have a Web site.
- Newspaper has a Web site and this public notice was posted on the same day as it was published in the newspaper.
- Newspaper has a Web site, but due to technical problem or error, public notice was posted on
- Newspaper has a Web site but refuses to post the public notice.

Date *August 25 2011*

Kate Stephens *[Signature]*
 Title: Legal Clerk

**HOUSING AUTHORITY
CITY OF EAST CHICAGO**
4920 Larkspur Dr., P.O. Box 498
East Chicago, IN 46312



Phone: (219) 397-9974
Fax: (219) 397-4249
www.echa-in.org

CITIZEN RECOMMENDATIONS

The East Chicago Housing Authority is in the process of preparing the **2012 Annual Agency Plan** (The Plan). This document contains a comprehensive guide to our public housing agency (PHA) policies, programs, operations, and strategies for meeting local housing needs and goals as required by the U.S. Department of Housing and Urban Development (HUD).

Upon completion of The Plan, the public is invited by Public Notice in the "The Times" Newspaper to view this draft document, through **Thursday, October 6, 2011, 3:30 p.m.** at the following location:

**East Chicago Housing Authority
4920 Larkspur Drive
East Chicago, IN 46312
Hours: Monday - Friday 9:00 – 3:30 p.m.**

Any comments concerning the Plan must be in writing and submitted to the above address by 3:00 p.m., October 13, 2011.

If you have any questions, please contact Rita De La Rosa, HUD Compliance Coordinator at (219) 397-9974 ext. 35 or via e-mail at: echainda@echa-in.org

Comments (Please attach another sheet if more space is needed):

forme as provided, counseling to section 18). My stove hadnt worked incl two mths no help, Ind is not A Bad place to stay, wood beg. now. P.S. Remoulding new lobby would be great.

Nicuria High Rise

Name: *Elizabeth Craft*

Address: *4720 Railroad*

City: *East Chgo,* State: *Ind* Zip: *46312*