

DELAWARE MANUFACTURED HOUSING RELOCATION AUTHORITY

City of Dover Public Library
Dover, Delaware

Minutes of June 14, 2006 Meeting

IN ATTENDANCE:

Authority: Stevan D. Class (Chairman)
Terri Rock
Raymond Paylor
Ken Fuchs
Susan Hehman Laushey
Edward Speraw
William Reed
David Sullivan
Dane Listug-Lunde

Attendees: Jennifer Allen-FSMHA
Representatives from State Auditor's Office:
Catherine A. Kleponis, CPA, Admin. Auditor
Tammy L. Bailey, Auditor III
Cameron W. Burke, Intern

Legal Counsel: William Denman

I. CALL TO ORDER:

Chairman Class called the meeting to order at 1:10 P.M.

Mr. Class welcomed and introduced Susan Sisco, the new Administrative Assistant for DMHRA.

Mr. Class stated that David Sullivan will be leaving the Division of Revenue effective July 7, 2006 since he is moving to Rhode Island. The Board wished him the best of luck.

II. REVIEW AND APPROVAL OF MINUTES OF LAST MEETING:

Chairman Class presented the minutes of the May 10, 2006 meeting for comments and corrections. Mr. Class stated he wished to approve the minutes and ratify the approval of the applications presented at the last meeting.

Ms. Rock made a motion to accept the minutes as proposed and to ratify the prior approval of the applications presented at the last meeting, as reflected in the minutes. Mr. Paylor seconded the motion.

After unanimous approval was given from the members present by voice vote, the motion was carried.

Auditor's Report:

Mr. Class presented Ms. Kleponis from the State Auditor's office. Ms. Kleponis gave a brief overview of the financial statement audit her office will be performing. The State Auditor's office will issue their report by September 30th.

III. OLD BUSINESS:

A. Victorian Village

Mr. Class stated he spoke with Mr. Heisler and he asked to be excused from the meeting as he is in the General Assembly working on Legislation for changes to Chapter 70. Mr. Class stated that he, Mr. Heisler, Mr. Reed and Mr. Sepraw are working together on legislation to avert any type of fraudulent use in the future for any disbursement or funding from the RTA.

Mr. Reed expressed concern about the payments made by the Trust Fund to residents of Victorian Village and whether or not the property did in fact undergo a change in use. He had hoped the Attorney General's office, Civil Division, would initiate an investigation.

Mr. Class stated that while he does not know this for a fact, the new owners of the Victorian Village may be planning on getting back into the land leasing business under the 99 year lease program. There is a question as to whether this is proper under the statute.

Mr. Reed made the motion that the Board formally make a request to the Attorney General's office to look into the Victorian Village situation. Ms. Rock seconded the motion. Motion unanimously approved.

Mr. Denman provided some background information on the Victorian Village matter. He stated that after Victorian Village filed for a change in use and after 90 percent of the people's applications had been approved and paid, he was approached by the buyers of Victorian Village to put together Homeowner's Association documents for their use of the property. One of the issues that came up during his review was whether or not the concept they had in place would be a lease that is subject to the Relocation Authority Act.

He suggested to them that they may want to address this issue with the Authority and see if the Act applies. Since he represented the Authority, they were advised of a conflict of interest and a need to seek new counsel on this issue.

At a prior Board meeting, there were some concerns expressed by the Board that the people who actually bought Victorian Village were not going to put that property to a “change in use”. Some Board members have expressed concern that the Authority was led to believe that there was going to be a “change in use”, When in fact there wasn’t going to be a change in use. This is how the current Victorian Village issue came up.

Mr. Denman noted that the Attorney General’s office is familiar with the issue and their office has been contacted by John Pardee.

Mr. Denman suggested that Steve Class send John Pardee a letter and requesting Mr. Pardee to report to the Board what the change in use at Victorian Village so that there is no misunderstanding on just what is going on. The Board needs to know what the change in use is and once that information is known, the Attorney General’s office can look at the change in use and decide whether or not it is in fact a change in use. It is important to have all the facts before taking any action.

Ms. Rock made a motion to send a letter to Mr. Pardee requesting information on the change in use applied for. This was seconded Raymond Paylor. The motion was unanimously approved.

IV. NEW BUSINESS:

A. ADMINISTRATIVE REPORT

There was no Administrative Report.

B. APPLICATIONS FOR BENEFITS

From last month’s meeting:

Peggy Swafford – request for \$1,360 in supplemental benefits for moving of home. Unanimously approved.

Julio Bonilla – Needs to submit signed contract for moving of home, fill out a new application requesting Relocation benefits and supply more specifics on reimbursement amounts for relocation.

The board gave there unanimous approval to the following applications, from last month’s meeting, for abandonment benefits, subject to the tenant meeting the conditions for an abandonment payment:

Maria Rivera
Charles Ruark
Manuel Cantu
Roberto Lopez
Wardo Romero
Pascual Vicente
Prosper Vernet
Esteban Soto
Ramon Olivia

C. REVIEW OF MONTHLY ASSESSMENT

Discussion continued from last month’s meeting on the monthly assessment and maximum payment for non-relocatable homes. Mr. Reed stated he did not agree with the figures. The amounts of \$8,000 for a single wide home and \$16,000 for a double wide home are not reasonable. Mr. Class stated the fund must remain solvent. He stated he would email models of Dr. Arnold’s projections to all members.

Mr. Pay made the suggestion of a survey of tenants to determine their thoughts on any increase in the monthly assessment. It was agreed that at the next meeting it would be discussed as to what to put in the survey.

D. FINANCIAL REPORT

Mr. Listug-Lunde asked the Board for approval of a Draw Request of \$10,000 to be used for the Operating Fund account to pay bills for June and the next two months.

The request was unanimously approved.

Mr. Listug-Lunde also requested approval to pay an invoice from FSMHA in the amount of \$1,674.08 which represents office expenditures.

The request was unanimously approved.

Discussion followed on obtaining a rider for liability insurance under the policy held by the First State Manufactured Housing Authority. It was unanimously approved to obtain this coverage. It was decided to have Jennifer Allen, from FSMHA, obtain information from the insurance carrier on adding this rider to their policy.

E. PERSONNEL ISSUES

None

There was a brief discussion regarding the Budget for 2006. Mr. Listug-Lunde stated he would send out a copy to all board members

V. CHAIRPERSON'S COMMENTS:

Mr. Class made the suggestion that due to vacations during the summer months, the board might want to consider not meeting during July and August. It was unanimously approved the Board would not meet during July and August. However, a teleconference would be held if needed.

VI. ADJOURNMENT:

As there was no further business before the Board, the motion was made for Adjournment by Mr. Reed and seconded by Ms. Laushey. After unanimous Approval from the members present, the motion was carried.

Respectfully submitted by:

Susan E. Sisco
Administrative Assistant
DEMHRA