

## **PART B**

### **ORGANIZATIONAL REGULATIONS AND RULES OF PROCEDURE**

#### **1. General Description of the Authority's Organization**

The business of the Authority is managed by the Board of Directors. The Board consists of five voting members and a non-voting member from the Department of Justice. All actions taken by the Board shall be taken pursuant to the by-laws of the Authority, as heretofore adopted, or as the same may be amended from time to time.

#### **2. Authority Contact Information**

Initially, the Authority's principal headquarters shall be located at 110 N. Main Street, Suite G, Camden, DE 19934., or another location as properly voted upon by the Board of Directors. Members of the public may obtain information regarding the Authority by writing to the Authority at that address or they may contact the Authority at the following telephone number: 302-674-7768.

#### **3. Executive Director**

The day-to-day affairs of the Authority shall be managed by an Executive Director, who shall be appointed by the Board of Directors pursuant to the by-laws.

#### **4. Accounting for Funds**

Assessments collected by the Authority shall, pursuant to 25 Del. C. §7012(a), be deposited into the Delaware Manufactured Home Relocation Trust Fund ("Trust Fund") established with the Delaware Division of Revenue of the Department of Finance. The Trust Fund shall be for the exclusive use by the Authority to fund the Authority's administration and operations. Interest earned from the monies in the Trust Fund shall be deposited into the Trust Fund. The Authority shall maintain an operating account at a bank selected by the Board of Directors for use by the Authority in paying the day-to-day administrative costs of the Authority. All disbursements out of the Authority's operating account shall require the signature of at least two members of the Board of Directors, unless the Board, by resolution, determines otherwise.

#### **5. Operating Procedures for Proper Control of Disbursements of Authority Funds**

In order to effectively disburse funds while complying with the financial reporting requirements of the Authority, the Authority shall comply with the "Operating Procedures for Proper Control of Disbursements", as approved by the Board of Directors.

6. Conduct of Directors, Managers and Employees of the Authority.

In carrying out their respective responsibilities and duties, the directors, managers, and employees of the Authority shall comply with the provisions of Subchapter I, of Title 29, Chapter 58 relating to conflicts of interest. No board member or employee of the Authority may participate on behalf of the Authority in the review or disposition of any matter pending before the Authority in which said person, or any member of the immediate family, has a personal or private interest, financial or otherwise. A personal or private interest in a matter is an interest which tends to impair a person's independence of judgment in the performance of the person's duties with respect to that matter. No board member, or employee may represent or otherwise assist any private enterprise with respect to any matter before the Authority with which the director or employee is associated by employment or appointment. Each director and employee of the Authority shall endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is engaging in any acts which are in violation of the public trust and which will not reflect unfavorably upon the Authority. No director or employee of the Authority shall accept any compensation, gift, payment of expenses or any other thing of monetary value under circumstances in which such acceptance may result in impairment of independence of judgment in the exercise of said person's duties or have any adverse effect on the confidence of the public in the integrity of the Authority. Any board member or employee of the Authority who has a financial interest in any private enterprise that does business with the Authority shall file with the State Public Integrity Commission a written statement fully disclosing the same. No board member or employee shall use his position with the Authority to secure unwarranted privileges, private advancement or gain. No board member or employee of the Authority shall, beyond the scope of such person's position with the Authority, disclose confidential information gained by reason of such position with the Authority nor shall such individual otherwise use such information for personal gain or benefit.

7. Reimbursement of Expenses.

Members of the Board of Directors and employees of the Authority shall be reimbursed from monies of the Authority for actual and necessary expenses incurred by them on behalf of the Authority provided that the type of expense incurred is approved in advance by the Board of Directors. Each member of the Board of Directors shall be entitled to a mileage reimbursement at the rate of \$0.575 per mile (or such future reimbursement rate that may be promulgated) for travel to and from meetings of the Board of Directors of the Authority and to other Authority business. An employee of the Authority shall be entitled to mileage reimbursement at the same rate for travel related activities on behalf of the Authority, exclusive of travel to and from their respective place of employment.

8. Borrowing Funds.

Pursuant to 25 Del. C. §7011(d), the Authority, acting through its Board of Directors, may borrow from private finance sources and issue notes or vouchers in order to meet the objectives of the Authority and those of the Trust Fund, on such terms and conditions as deemed appropriate by the Board of Directors. No individual member of the Board of Directors shall be personally liable for any funds borrowed by the Authority.

9. Meetings of the Authority.

The Board of Directors of the Authority shall hold regular meetings on at least a quarterly basis at a location in Kent County, Delaware as designated by the Board, or such other location as approved by 75% of the Board members.

10. Staff Members.

The Staff Members employed by the Authority, including the Executive Director, shall be responsible for reviewing applications for financial assistance under the Act and making recommendations to the Board of Directors with respect to such applications. In reviewing applications, the Staff Members shall comply with the Policies and Procedures of the Authority.

## **PART C**

### **GUIDELINES USED FOR THE ADMINISTRATION OF THE DELAWARE MANUFACTURED HOME RELOCATION TRUST FUND**

The Authority is granted authority to establish rules and regulations and establish criteria for the disbursement of benefits available to landlords and tenants under the provisions of 25 Del. C. §7011, et. seq. (the "Act"). The regulations set forth below establish criteria for benefits eligibility, pursuant to the statute, application procedures, application review procedures, and payment procedures.

#### 1. Criteria for Tenant Benefits

1.1 Only "Tenants", as defined under the Act, are entitled to benefits under the Act. A Tenant is defined to mean an owner of a manufactured home who has tenancy of a lot in a manufactured home community. A manufactured home community refers to a parcel of land where two or more lots are rented or offered for rent for the placement of manufactured homes. Notwithstanding anything stated herein to the contrary, a Tenant shall not be entitled to any of the benefits described herein unless all of the statutory requirements set forth in the Act have been met.

1.2 A Tenant is entitled to relocation benefits under the Act if the Tenant is required to move due to a change in use or conversion of the land in a manufactured home community. A Tenant is not entitled for compensation for relocation if: (a) the Landlord (at the Landlord's expense) moves the Tenant's manufactured home by mutual consent to another lot in the manufactured home community or to another manufactured home community; or (b) the Tenant is vacating the manufactured home community and so informed the Landlord before notice of the change in use was given by the Landlord; or (c) the Tenant abandons the manufactured home; or (d) the Tenant has failed to pay the Tenant's share of the Relocation Trust Fund assessment during the course of his or her tenancy.

1.3 The maximum relocation payment available to a Tenant is \$8,000.00 for a single section home or \$12,000.00 for a multi-section home.

1.4 If a Tenant is required to move due to a change in use and complies with the statutory requirements of 25 Del. C. §7013, the Tenant is entitled to payment from the Relocation Trust Fund of the lesser of: (a) the actual relocation expenses of moving the manufactured home and existing appurtenances to a new location within a 25 mile radius, or within the same county, of the vacated manufactured home community, or (b) the maximum benefits available under Section 1.3.

1.5 Moving expenses which are eligible for reimbursement include the cost of taking down, moving and setting up the manufactured home in the new location.

1.6 In certain circumstances, a manufactured home may be considered non-relocatable. If, based upon the criteria described herein, a Tenant's manufactured home is determined by the Authority to be non-relocatable, the Tenant may qualify for compensation to reimburse the Tenant for the value of the non-relocatable home subject to the limitations set forth in the Act. The maximum payment to a Tenant for a non-relocatable hme is \$5,000 for a single section home and \$9,000 for a multi-section home.

1.7. Whether or not a home can or cannot be relocated will be determined by the Authority based upon the following criteria:

(a) the availability of a replacement home site within a 25 mile radius of the vacated manufactured home community;

(b) the feasibility of physical relocation, including the ability of taking down, moving and setting up the home in a new location without causing significant structural damage to the manufactured home in the process;

(c) the appraised value of the manufactured home in comparison to the projected cost of relocating the manufactured home to a new location.

1.8 If the Authority determines that the Tenant's manufactured home cannot be relocated, the Tenant shall obtain, at the Tenant's expense, an appraisal prepared by a certified manufactured home appraiser for purposes of determining the fair market value of the home and any existing appurtenances. The appraisal shall exclude the value of the underlying land. The maximum benefits available to the Tenant under such circumstances shall be \$5,000 for a single section home and \$9,000 for a multi-section home. Subject to the maximum limits, the amount of compensation that will be paid to the Tenant will be equal to the fair market value of the home based upon the appraisal.

1.9 To be eligible for compensation for a non-relocatable home, in addition to the application provided for in Section 3 hereof, the Tenant must deliver to the Authority a current State of Delaware title to the home, duly endorsed by the owner or owners of record, with valid releases of all liens shown on the title, and a tax release.

1.10 In lieu of the foregoing benefits, a Tenant may elect to abandon the manufactured home in the manufactured home community and collect from the Trust Fund, in lieu of any other benefits available under the Act, the sum of \$1,500 for a single section home or \$2,500 for a multi-section home. To qualify for this payment, the Tenant must deliver to the Authority a current State of Delaware title to the manufactured home duly endorsed by the owner or owners of record, valid releases of all liens shown on the title, and a tax release.

## 2. Criteria for Landlord Benefits.

2.1 If pursuant to the Act and these regulations, a manufactured home is determined to be non-relocatable or a Tenant abandons the home, upon application by the Landlord duly submitted to the Authority, a Landlord of a manufactured home community is entitled to receive from the Relocation Trust Fund payment in an amount determined by the Authority to be sufficient to remove and/or dispose of the manufactured home. The maximum relocation payment available to a Landlord, including any demolition costs incurred by the Landlord in disposing of a home, is \$3,000.00 for a single section home or \$5,000.00 for a multi-section home. To qualify for this benefit, the Landlord must submit an application pursuant to the provisions of Section 3. Notwithstanding anything stated herein to the contrary, a Landlord shall not be entitled to any of the benefits described herein unless all of the statutory requirements set forth in the Act have been met.

2.2 Upon receipt of the title documents from the Tenant for the manufactured home that is considered to be non-relocatable or abandoned pursuant to the Act, the Authority will relinquish the title to the Landlord to facilitate the removal and/or disposal of the home from the manufactured home community. Within ten (10) calendar days after the removal and/or disposal of the manufactured home by the Landlord, the Landlord shall notify the Authority in writing of the amount of funds received by the Landlord, if any, from any subsequent sale or disposal of the manufactured home, and a copy of all documents relating to the removal and/or disposal shall be provided to the Authority, including documents relating to any expenses incurred by the Landlord in removing and/or disposing of the home.

2.3 Within thirty (30) days after receipt of the information and documents required under the Act and these regulations, the Authority shall cause a voucher to be issued to the Division of Revenue of the Department of Finance, directing the Division to issue a check in a designated amount to the Landlord which amount shall represent the amount determined by the Authority to be sufficient to cover the cost of the removal and/or disposal of the manufactured home, less any profit realized by the Landlord from the removal and/or disposal of the home, subject to the maximum relocation payment set forth in Section 2.1 hereof.

2.4 A Landlord shall not be entitled to any payment from the Trust Fund if the Landlord has failed to pay the Landlord's share of the total Trust Fund assessment during the course of the tenancies relating to the manufactured home community or if the Landlord has failed to remit the Tenant's share of said assessment.

### 3. Application Procedures

3.1 The Authority will provide application forms (Appendix A and Appendix B) on which applicants for benefits under the Act may apply for benefits.

3.2 In the case of an application for benefits under the Act by a Tenant, the application shall be in the form of Appendix A and shall contain the following information:

- (a) name of the Tenant;
- (b) mailing address of the Tenant;
- (c) telephone number of the Tenant;
- (d) manufactured home community park name and address;
- (e) space number for the manufactured home;
- (f) a description of the manufactured home, including its size, year, manufacturer, and whether the manufactured home is a single-wide or a double-wide;
- (g) a copy of the title or ownership documents relating to the manufactured home;
- (h) a copy of the notice of termination or non-renewal of the Tenant's rental agreement due to a change in use of land;
- (i) in the case of an application for relocation assistance, a copy of the contract between the Tenant and a licensed moving or towing contractor for the moving expenses for the home;
- (j) in the case of any requests for compensation for a manufactured home considered by the Tenant to be non-relocatable, a description of the facts which the Tenant relies upon in support of the Tenant's contention that the manufactured home is in fact non-relocatable based upon the criteria provided for in the Act and these regulations, together with any and all documents relating to the purchase of the manufactured home and any improvements made to the manufactured home by the Tenant;
- (k) a certification by the Tenant that the Tenant has paid the Tenant's share of the Trust Fund assessments during the course of the Tenant's tenancy.

3.3 In the case of an application for benefits under the Act by a Landlord, the application shall be in the form of Appendix B and shall contain the following information:

- (a) the name of the Landlord;
- (b) the name of the manufactured home community;
- (c) the mailing address of the Landlord;

(d) the telephone number of the Landlord and if the Landlord is not an individual, the name of the designated representative of the Landlord;

(e) a description of each manufactured home for which the Landlord is seeking financial assistance;

(f) a copy of the notice of termination or non-renewal of the rental agreement due to a change in use of land;

(g) a contract with a licensed moving or towing contractor for the removal and/or disposal of the manufactured home;

(h) an itemization of all expenses, other than the expenses reflected in the contract between the Landlord and the moving or towing contractor, together with associated documents, which the Landlord anticipates will be incurred in removing and/or disposing of the manufactured home from the manufactured home community;

(i) a certification by the Landlord that the Landlord has paid the Landlord's share of the total Trust Fund assessment during the course of the tenancies for the manufactured home community and has remitted to the Authority the Tenant's share collected by the Landlord.

#### 4. Assistance and Data Gathering.

4.1 When requested, the Authority shall provide assistance to Landlords and Tenants in completing application forms.

4.2. The Authority's staff may conduct on-site inspections and/or phone interviews with the applicants to acquire data necessary to enable the Authority to carry out its duties under the Act.

#### 5. Application Review Procedures

5.1 The Authority has the power to approve applications pursuant to the Act.

5.2 The Authority or the Authority's staff will review applications and determine whether or not the procedural requirements under the Act and these regulations have been met. The Authority shall not be required to render a decision on any application unless and until the Applicant has submitted a completed application prepared in accordance with the Act and these regulations, and the Authority shall have the right to reject any application that does not comply with the procedural requirements of the Act or these regulations.

5.3 The Board of Directors of the Authority, or a committee of the Board designated to make such decisions (if authorized by the Board of Directors) shall endeavor to render a decision with respect to each application no later than thirty (30)



days after receipt by the Authority of a completed application prepared in accordance with the Act and these regulations.

5.4 If the Authority approves an application, benefits available under the Act shall be made in the form of a voucher issued to the Division of Revenue of the Department of Finance, directing the Division to issue a check in a designated amount to the Applicant. Before any payment will be made by the Authority to the Applicant, the Applicant must provide the Authority with documentary evidence showing that the expenses for which the Applicant seeks reimbursement have been paid by the Applicant. Notwithstanding the foregoing, if an Applicant can demonstrate that due to financial hardship the Applicant cannot make such payments in advance of the payment of any benefit available under the Act, the Authority may issue a two-party check made payable to the Applicant and the contractor. Under such circumstances, the original check will be mailed to the Applicant and a copy will be mailed to the contractor.

5.5 If at the time the application is approved, the Trust Fund does not have sufficient monies to make a payment to an Applicant, the Authority shall issue a written promissory note to the Applicant for funds due and owing. Promissory Notes shall be redeemed in order of issuance of the notes as additional monies come into the Trust Fund.

5.6 If based upon the information submitted in a Tenant's completed application, the Authority determines that the Tenant's manufactured home cannot be relocated based upon the criteria set forth herein, the Tenant shall be directed to obtain, at the Tenant's expense, an appraisal prepared by a certified manufactured home appraiser, for purposes of determining the fair market value of the home and any existing appurtenances as sited, exclusive of the value of the underlying land. Within thirty (30) days after receipt of the appraisal, the Authority shall advise the Tenant of the benefits that the Authority will pay to the Tenant for the non-relocatable home. Payment shall be made to the Tenant in the manner described herein, within ten (10) days after the Tenant provides the Authority with all the documents required, including the current title to the home. Upon receipt of the title, the Authority will relinquish the title to the Landlord to facilitate the removal and/or disposal of the home from the manufactured home community.

5.7 With respect to applications submitted by the Landlord for costs associated with the removal and/or disposal of non-relocatable or abandoned manufactured homes, within thirty (30) days after the receipt of the completed application and all necessary documents and information, including the documents described in Section 5.4 hereof, the Authority shall determine the cost of removing and/or disposing of the manufactured home and shall issue payment for said amount to the Landlord, less any profit realized by the Landlord from the removal and/or disposal of the home.

5.8 If an Applicant disagrees with the Authority's decision with respect to any application, the Applicant may petition the Authority to reconsider its decision by

requesting an administrative review with the Authority no later than fourteen (14) calendar days after the Authority's initial decision on the application.. The request: (i) must be in writing; (ii) must be received by the Authority within the aforesaid fourteen (14) day period; and (iii) must include reasons and documentation in support of the Applicant's position. After receipt of the Applicant's letter, the Authority will schedule an administrative review of the application at a regularly scheduled meeting of the Board of Directors of the Authority. Notice of the administrative review meeting will be sent to the Applicant at least seven (7) days in advance of the meeting. At the administrative review meeting, the Applicant shall present information or documentation to support the Applicant's position. At the administrative review meeting, the Authority will render a decision and notify the Applicant of its decision and the reason for the Authority's decision. The decision of the Authority shall be final and conclusive.

## 6. Moving and Towing Contractors.

6.1 It shall be the responsibility of the Tenant and/or Landlord to enter into a contract with a towing or moving company for purposes of relocating, removing and/or disposing of a manufactured home. The contractor must be duly licensed to engage in said business in Delaware. The Authority shall not be responsible for the performance of the contractor, or have any obligation to the contractor, financial or otherwise.

## 7. Certified Manufactured Home Appraisers

7.1 The Authority shall maintain a list of certified manufactured home appraisers who are authorized and qualified to appraise manufactured homes in Delaware.

7.2 The appraiser shall be an independent appraiser who is qualified to appraise manufactured homes in Delaware.

7.3 Any appraisal required under the Act shall include the certified manufactured home appraiser's opinion as to the fair market value of the manufactured home as sited, and any existing appurtenances, but shall exclude the value of the underlying land. The appraisal shall take into consideration the replacement cost of the manufactured home, together with the age, physical condition and appearance of the home.

7.4 Any appraisal submitted by the appraiser shall include the appraiser's professional qualifications, a summary of the salient facts and conclusions of the appraiser, a description of the manufactured home, its condition, and the appraiser's analysis and conclusions.

7.5 The applicant shall provide at least one original of the appraisal to the Authority.