

**DELAWARE MANUFACTURING HOME RELOCATION AUTHORITY**

1675 S. State Street  
Dover, Delaware

Minutes of May 17, 2011

**IN ATTENDANCE:**

Authority: Richard Lemire, Chairman  
Ken Fuchs  
Derek Strine  
Joanne Agostarola-via phone  
Fred Neil

Excused: Terri Rock  
Brian Posey  
Caron Thompson  
Charles Clark

Legal Counsel: William Denman

Other  
Attendees: Ed Speraw, Code Investigator  
Scott Sipple, Accountant  
Susanne Lantz

**I. CALL TO ORDER:**

Mr. Lemire called the meeting to order at 1:11 p.m.

**II. REVIEW AND APPROVAL OF MINUTES:**

Mr. Strine made a motion to accept the minutes from the April 13, 2011 meeting. Mr. Neil seconded the motion.

Unanimous approval was given by all members present by voice vote.

**III. OLD BUSINESS:**

**A. FINANCIAL REPORT:**

Mr. Sipple gave his financial report.

Mr. Sipple stated that the audit RFP is being worked on by the state auditor's office and mid June is probably when a meeting will take place to invite people in who might want to bid on the audit itself. After that there will be a period of time where they can submit their proposals. Shortly after the due date of those proposals, there will be a meeting with the Finance Committee, the auditor's office and Mr. Sipple to review the proposals and decide who will be rewarded the contract.

Mr. Lemire stated that all the Finance Committee members will be notified of that meeting.

**B. EXECUTIVE SESSION:**

At 1.20 PM Mr. Strine made the motion to go into Executive Session to discuss personnel issues. Mr. Neil seconded the motion.

Unanimous approval was given by all members present by voice vote.

At 1.30 PM Mr. Strine made the motion to come out of Executive Session. Mr. Neil seconded the motion.

Unanimous approval was given by all members present by voice vote.

Mr. Strine made the motion to hire Susanne Lantz for the Administrative Assistant position at 20 – 25 hrs a week, at \$13 an hour. Mr. Lemire seconded the motion.

Unanimous approval was given by all members present by voice vote. Ms. Lantz will replace Susan Sisco. Ms. Lantz was present at the meeting, and it was explained to her by legal counsel that her position was that of an employee at will.

**C. COMPLIANCE INVESTIGATOR REPORT:**

Mr. Speraw gave his report.

Mr. Speraw is presently working with the Sussex County Tax people on the Swann Keys property. He also has the tax paperwork on this property and will send it in by week's end. Swann Keys is a complicated community with some people leasing land and some people owning the land on which their homes are located. Others own the lots and the home it stands on. Swann Keys needs to be sorted out due to these circumstances.

Ms. Agostarola asked what made us aware that there was a problem? Mr. Lemire stated that Mr. Speraw received some complaints and we realized how complicated it was in this park.

Mr. Lemire stated that once the facts have been put together he will make sure that all board members are provided with the information.

Ms. Agostarola stated she would like to see Mr. Lemire formulate a plan on how the situation with Swann Keys is going to be handled. Communities need to be made aware that if they are not going to pay into the RTA we have an investigator that is going to go into the communities and make sure people are following the rules.

Mr. Denman stated that we should get the name and the address of people who own land there (Swann Keys). Once we have identified the different tax parcel #s, we can take that information regarding each tax parcel and see how many folks are on one lot and who owns what. This way we can identify them and have an address for a contact. We can then send a letter out and get a response from the landowners.

Ms. Agostarola stated the Authority should set up a model now on how the Authority wants to investigate any community that we might get a challenge from.

Mr. Lemire stated that Sussex County has a mapping system which is called GIS which you can access online and is used by surveyors. Unfortunately, they don't have parcel #'s for each one of those parcels as it hasn't been attached to the parcel yet.

Mr. Lemire agrees that Mr. Denman's suggestion is a sound one and we will use it as an outline.

Mr. Speraw has a list of tax parcels and will make them available to either Mr. Lemire or Ms. Lantz.

Ms. Agostarola asked Mr. Speraw what progressions he is going through now since an audit on all registered communities has been completed. Are the communities that are not paying next?

Mr. Lemire suggested that community audits should be done randomly, but at the moment we are focusing on the more difficult properties. After that we will set up a random schedule for auditing communities that are several quarters behind and figure out how to go after those.

Ms. Agostarola asked if Mr. Speraw got any directions from the Board. Mr. Lemire confirmed that Mr. Speraw get's them from him and he make's every effort to keep the Board informed and involved.

**D. ADMINISTRATIVE REPORT:**

Ms. Sisco reported that Registered Communities List and Homeowners Association List has been posted on the website.

Ms. Sisco reported that she has created a procedure manual for the new employee.

Ms. Sisco also reported that she has emailed the quarterly reports to all the Board members.

Ms. Sisco reported that she emailed the updated board member list to all members.

**E. LEGAL COUNSEL REPORT:**

Mr. Denman stated the settlement with Laws has been completed and hopefully we now will collect money from the Laws MPH..

Mr. Denman gave a brief report on the Minquadale Mobile Home Park. This park was purchased by a corporation that is owned by the former tenants. Mr. Denman reported that as requested by the Board at the last meeting, he sent the corporation a follow up letter on April 26, 2011 stating that the Authority believes the MPH is subject to the assessment and they should contact the Division of Revenue.

Mr. Denman stated that a lawsuit was filed against Crossings at Oak Orchard. Their new manager has been in contact with the Division of Revenue. The DOR sent the community payment coupons on April 19, 2011. The Division of Revenue has not received a response at this time.

**F. LEGISLATIVE REPORT:**

Mr. Denman stated that Legislation is being discussed that deals with the collection and enforcement procedures applicable to the Authority. Several months ago he drafted proposed Legislation that would increase our ability to collect from delinquent parks, not only attorney's fees, but penalties and interest. There was a decision to focus on a legislative amendment allowing us to recover attorney's fees. He doesn't know what happened to it. There is proposed Legislation submitted by Mr. Heissler, a former board member.

Mr. Denman stated he disagrees with some of the provisions and outlined his concerns. There is a provision in Mr. Heissler's draft that the Authority "may request" the court may award the recovery of court costs and reasonable attorney's fees. Mr. Denman thinks the wording is too weak. We always have the right to request something, this doesn't give the court the power to do it. The legislation needs to be stronger; if we file a successful lawsuit the court should be required to award us our attorneys' fees.

The proposed legislation by Mr. Heissler has a suggested 3 year Statute of Limitations. Mr. Heissler's proposed legislation also has a paragraph in it where it would allow us to put a lien against the landlord's property, but only after we obtain a judgment. The existing Statute gives us the right to record a lien prior to obtaining a judgment, but doesn't provide any guidelines or procedures on how to go about that.

The legislation Mr. Denman put together several months ago set forth a process on how to go about this. Under existing law anyone who obtains a judgment against somebody who owns land will have a lien on the land, if the judgment is entered in Superior Court in the county where the land is located.

Mr. Heissler's legislation limits our right to pre-judgment interest. Mr. Denman's thought on this is if you are a park owner and fail to pay when due, the park owner should be required to pay interest, regardless of the reason for not paying. In Delaware the law states that if a person owes you a fixed sum, the courts will award prejudgment interest, regardless of the reason the person is not paying. Mr. Denman believes that if a park owner is sued by us because he hasn't paid and we get a judgment against the owners; they should pay the interest determined by the legal rate for the periods they didn't contribute to the trust fund.

Mr. Neil stated Mr. Denman's analysis of Mr. Heissler's bill was good and thought it would be to our advantage for Mr. Denman to express the opinion of the Board that we should be able to recover owed amounts.

The consensus of Board was that Bill should get involved minimally to get this bill moving.

Mr. Lemire stated that HB62 with HA1 is still out there reducing the Board from 9 members to 5 members. HA1 specifically states that the appointees by the Chair of the Manufactured Home Committee and AG's office neither be a community owner nor a homeowner. How is this going to change the Board? Mr. Lemire stated that he is against HB62 and met with Ms. Longhurst. Her response was to wait and see what happens.

Mr. Strine believed that if the Board is changed dramatically that would be a waste of all of the Board's efforts.

Mr. Lemire believed the Board has a place and is needed in the community, but thought it wrong to put compensated individuals on the Board.

Ms. Agostarola questioned where this bill originated? Mr. Lemire replied that he was told it came from community owners and homeowners. Ms. Agorostola then questioned if anyone had approached DEMOA on this? Mr. Neil replied he was asked by Ms. Rock what his thoughts were on this and he told her that he neither advocated nor proposed this. If it passes it passes.

Ms. Agorostola questioned Mr. Strine if anyone approached him and he said no. She stated she doesn't understand all this. She sees red flags in how the Board would be appointed and she is disappointed that Mr. Lemire didn't get better answers on this and she is concerned that no one expressed any concern about the way this is going.

Mr. Neil stated that Mr. Heissler, who is speaking for the landlords, was in favor of HB62.

Mr. Lemire stated he is worried the power will shift from the board appointees that are community owners and tenants. He asked Ms. Longhurst who stays, who goes and who makes the decisions. Her reply was that the Governors' office will have to handle that.

Mr. Lemire stated that once he learns something he will email all board members.

**V. ADJOURNMENT:**

As there was no further business before the Board, the motion was made for adjournment by Mr. Neil and seconded by Mr. Strine. After unanimous approval from the members present, the meeting was adjourned at 2.46 p.m.

Respectfully submitted,

Susanne Lantz  
Administrative Assistant