

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

110 N. Main Street, Suite G
Camden, DE 19934

Minutes of September 29, 2015

IN ATTENDANCE:

Authority: Kevin Carroll
Andy Strine
Dorothy Boucher
William Dunn
George Meldrum
Susanne Lantz (Executive Director)
Joelle Polesky
Carol Dabrowski [(Office Assistant) brief attendance]

Legal Counsel: Bill Denman

Compliance Investigator: Thomas McDermott, Compliance Investigator (brief attendance)
Joseph Winger, Compliance Investigator (brief attendance)

Other Attendees: Ann and Bob Fillmore, Tenant Angola Beach & Estates
Debbie Ballweg, Tenant Angola Beach & Estates
James Blacker, Tenant Angola Beach & Estates
Richard Vinson, Tenant Angola Beach & Estates
Jennifer Smolko, Attorney General's Office
Jennifer Allen, FSMHA

I. CALL TO ORDER:

Mr. Carroll called the meeting to order at 2 p.m.

II. REVIEW AND APPROVAL OF MINUTES:

Mr. Carroll asked the Board to approve the August 18, 2015 meeting minutes. Mr. Strine made the motion to approve the respective meeting minutes with the requested corrections and Mr. Meldrum seconded the motion. The Board approved both meeting minutes unanimously.

III. Executive Directors Report:

Ms. Lantz introduced Mr. Winger as the Compliance Investigator for Kent and New Castle County and Mr. McDermott for Sussex County. Ms. Lantz also introduced Ms. Dabrowski who was hired as the Office Assistant on an hourly basis. The Board welcomed the new employees.

Ms. Lantz noted that since the last Board Meeting she:

1. Made arrangements with Falcidian for employee pay statements to be available online
2. Received notice that Wild Meadows was put up for sale.

3. Arranged for the new Chairman to be added as a signer on the Operating Account.

IV. Chair's Report:

Mr. Carroll stated he had talked to Mr. Goldstein from the AG's office who has indicated the Authority should have a response to the Authority's request for a legal opinion by the next meeting. Mr. Carroll stated Mr. Morton had requested an extension of time to submit any documentation in support of Glasgow's request for benefits relating to the removal of abandoned homes. Ms. Polesky wondered about the homes that had burned down in Glasgow Court and if they were part of the homes that were recently abandoned or had they been abandoned prior to the Change of Use. Mr. Carroll stated he would reach out to Mr. Morton to give him additional time. The Board agreed.

V. Approval of Financial Activity & Reports July 2015:

Ms. Lantz reviewed the financial statements. Mr. Carroll asked when the \$40,000 were transferred into the Operating Account. Ms. Lantz stated the deposit was made last week. Mr. Dunn made the motion to approve the financial statement as presented and Mr. Strine seconded the motion. The motion carried.

A. Approval of other Financial Matters:

1) Approval of Legal Counsel Invoices for August 2015:

Ms. Lantz reviewed the invoice from Mr. Denman. Mr. Strine made the motion to approve the invoice as presented and Mr. Dunn seconded the motion. The motion carried.

2) Approval of Thomas McDermott Timesheet and Mileage:

Ms. Lantz stated she had sent out Mr. McDermott to audit a couple of parks, Ms. Lantz had approved it. Mr. Denman thought the Board should ratify any payments to Mr. McDermott. Mr. Dunn thought this should be approved by the Executive Director. Ms. Lantz said the previous Chairman decided the Board should see this and ratify any payments. Mr. Denman explained historically this was what had been done. Ms. Boucher stated certain information should be presented to the Board. Mr. Meldrum made the motion to approve this and Mr. Dunn seconded the motion. The motion carried.

3) Approval of Court Reporter Invoice for Dockets 3, 4 and 5-2015:

Ms. Lantz explained this was for consolidated Bon Ayre arbitrations. Mr. Strine made the motion to approve the invoice as presented and Mr. Meldrum seconded the motion. The motion carried.

4) Approval of Arbitrator Invoice for Dockets 3, 4 and 5-2015:

Mr. Strine made the motion to approve the invoice as presented and Mr. Meldrum seconded the motion. The motion carried.

5) Approval of Court Reporter Invoice Demhra Lawsuit:

Ms. Lantz stated the attached invoice was received from the Department of Justice for Court Reporter Services and needed to be approved by the Board. Mr. Dunn made the motion to approve the invoice and Mr. Strine seconded the motion. The motion carried.

VI. Reports

1. Arbitration Matters and Status:

Ms. Lantz explained that the last arbitration (Dockets 3, 4 and 2015) had been appealed to Superior Court by the Community Owner. Ms. Lantz just received the Citation by Superior Court to send over the original exhibits to the Court. Mr. Carroll stated the Authority had 20 days to deliver the documents to the Court. Ms. Lantz stated they would be hand-delivered due to their size and weight.

2. Compliance Investigator's Report:

Ms. Lantz had sent Mr. McDermott to Big Oaks TP and County Seat Gardens due to assessment payment related issues. The information provided by both parks was updated as a result of the inspections. There were some issues with the late payments from County Seat Gardens, but that has finally been resolved and as of this month they were up to date. Ms. Lantz thought Mr. McDermott's visit had been very helpful. Mr. Denman complimented the Authority on their success collecting late assessments. Ms. Lantz wondered if the Authority should invoice the parks for Mr. Denman's involvement? Ms. Carroll stated if there was a recurring issue the Authority would.

VII. Old Business:

1. Glasgow Court Update:

Ms. Lantz stated she has included in the Board Package an updated list that shows what amount and which tenants have been approved to date. Right now Marshall & Bailey is the only mover relocating homes in Glasgow Court and he manages to relocate about 12 homes a month. Ms. Lantz stated per her records about 11 tenants have yet to apply for benefits. Ms. Lantz stated about 35 – 40 homes still have to be relocated. Per Ms. Lantz's calculations about \$700,000 in benefits are still outstanding. Mr. Carroll asked that the next report reflect when benefits were paid. Ms. Lantz agreed. Mr. Denman stated the payout versus what was paid in per tenant shows that this is a great program.

2. Lakeland Park Update:

Ms. Lantz thought a couple more tenants might file for benefits. Mr. Strine added that there were some issues with that.

VIII. New Business:

1. Review and approval of new tenant applications Glasgow Court:

Rivera: Ms. Rivera was applying to be relocated by B&O Mobile Home Transporting to another park for the quote of \$8,400. Ms. Rivera's quote exceeded the cap and she would be responsible for the remainder. Mr. Dunn made the motion to approve the application for \$8,000. Mr. Strine seconded the motion. The motion carried 5:0:1.

Diaz/Deaguiar: The tenants were applying to relocate within Glasgow Court, at the cost of \$12,000. Mr. Dunn made the motion to approve the application and Mr. Meldrum seconded the Motion. The motion carried 4:0:1, with Ms. Boucher voting no.

Alvaro: Ms. Alvaro was applying to relocate within Glasgow Court for \$8,000. Mr. Dunn made the motion to approve the application. Mr. Strine seconded the motion. The motion carried 4:0:1, with Ms. Boucher voting no.

Leifheit: Mr. Leifheit was applying to relocate within Glasgow Court by Marshall & Bailey for \$8,000. Mr. Strine made the motion to approve the application and Mr. Meldrum seconded the motion. The motion carried 4:0:1, with Ms. Boucher voting no.

Crumley: The tenant was applying for non-relocatable benefits in the amount of \$3,500 per the appraisal. Mr. Carroll stated there was some confusion regarding this application and Mr. Carroll had reassured Mr. Morton that the Authority was only helping the tenant regarding her application for benefits. Ms. Lantz pointed out this issue was going to Court. Mr. Denman

suggested to make sure there were no liens on the home. Mr. Carroll made the motion to approve the application pending the outcome of the Summary Possession trial and payment to the appropriate party. Mr. Dunn seconded the motion. The motion carried 5:0. Ms. Polesky questioned if the Authority could legally withhold the tenants' benefits? Mr. Carroll stated that funds would be dispersed to the right person in the right amount once the trial was over. Ms. Carroll stated that he would reach out to Mr. Morton to find out the results of this particular trial. Ms. Lantz confirmed she would not be sending a letter to the tenant until the Authority knew the outcome of the trial.

2. Amended Meeting Minutes October 2014 per Mr. Morton request:

Mr. Denman stated that the former Chair had a discussion with Mr. Morton to amend the minutes of the October 2014 meeting to remove language that could be construed as offensive. Mr. Denman had redlined the sentences that, subject to the Board's approval, would be removed from the minutes by amendment. Ms. Polesky questioned how this would be amended and displayed on the website, would it show on the website what was taken out? Mr. Denman has never seen this happen, the new minutes would be substituted with the old ones. Mr. Carroll wondered from a public record perspective, would it pose a problem? Mr. Denman said Boards make amendments to minutes all the time. Mr. Denman stated minutes did not need to be that detailed. Mr. Dunn stated that he preferred more detail and Ms. Boucher agreed. Ms. Boucher thought both versions could be put on the website. Mr. Strine stated it had been discussed and he would prefer to amend and move on. Mr. Dunn stated the minutes were transcribed per the recording. Ms. Polesky thought the original records should remain available if requested. Mr. Strine made the motion to amend the minutes and Mr. Meldrum seconded the motion. Ms. Boucher and Mr. Dunn opposed. Mr. Carroll abstained as he was not party to this meeting. The motion failed.

3. Wild Meadows Notification of Sale:

Ms. Lantz stated the appropriate parties were informed of the notification of sale of the park. Ms. Lantz explained per statute the Authority did not have to do anything as there was an HOA in the park.

4. Tenants Taxes:

Ms. Lantz stated she has a couple of tenants who cannot afford to pay their taxes. Ms. Lantz stated in the past the Authority had paid the taxes when the tenant signed a waiver letter and deducted that amount from their benefits. Mr. Carroll stated he had decided to bring this up to hear the entire Board on that issue. Ms. Boucher asked if the Authority was legally correct in doing this? Mr. Denman stated per the statute the tenant had to pay their taxes before receiving their benefit. Ms. Polesky asked what the Authority would do if the taxes exceeded the benefit amount? Mr. Denman explained the Authority could pay the taxes up to the amount of the tax lien and then release the balance of the funds to the tenant in order to dispose of the home. The Authority discussed paying the tenants taxes. Mr. Strine made the motion to confer with the Tax Office on taxes owed by the tenant for abandoned homes, have the tenant sign a waiver letter, and if anything is left over after paying the taxes directly to the Tax Office, the tenant receives the remainder. Ms. Boucher seconded the motion. The motion carried.

5. Rent Increase Notices (Ms. Boucher):

Ms. Boucher stated she would like to add a new item to the agenda relating to arbitrations and in particular, how the initial meeting is scheduled. Regarding the proposed rent increase for Angola Beach, the upcoming meeting is scheduled to take place at the Rehoboth Convention Center. The HOA wanted the meeting to take place at the Clubhouse, which the HOA considered to be more convenient to the tenants. Ms. Boucher handed out a letter to the Chairman and Board

Members signed by the HOA Board of Angola Beach. Mr. Carroll stated this is a topic for the next agenda and he and Ms. Boucher had already discussed this and it was too late to do anything about it at this point. Ms. Boucher stated the Angola Beach meeting was on October 5th and the location was unacceptable. Ms. Boucher stated something needed to be done by the Authority and the Authority should follow the process. Ms. Lantz said it was the Authority's policy to let the community owner schedule these meetings and if there was an issue, Ms. Lantz would provide input. Mr. Strine thought the Convention Center was fine. This matter was discussed. Mr. Denman stated the Community Owner had a right to be at this Board meeting to be heard in this matter. Mr. Meldrum stated if one tenant complained, did this apply to all the other tenants? Mr. Dunn did not think so. Mr. Denman stated the Authority followed the process. Mr. Carroll suggested that the tenants file a Complaint with the AG's office. Ms. Boucher disagreed as it would not stop the meeting at the location. **Ms. Polesky thought that the Authority's judgment in this instance was reasonable.** Mr. Denman believed the other side needed to be heard. Mr. Dunn suggested Ms. Lantz find out why this location was chosen. Mr. Dunn made the motion for the Executive Director to ask if the Community Owner would be willing to change the location. Mr. Carroll amended the motion to include why this location was chosen and if the park owner had received any complaints. Mr. Carroll stated Ms. Boucher had a valid concern. Mr. Denman stated it was mediation. Mr. Strine did not think to hold a meeting for 600 people at the Convention Center unreasonable. Ms. Boucher seconded the motion. Mr. Strine opposed. The motion carried 4:0:1. Mr. Carroll requested that Ms. Lantz inform the Board.

IX. Public Comments: The tenants present at the meeting were given an opportunity to make comments.

X. Executive Session:

Mr. Meldrum made the motion to go into Executive Session at 3.50 p.m. Mr. Strine seconded the Motion. Unanimous approval was given by all members present by voice vote.

Mr. Dunn made the motion to come out of Executive Session at 4.05 p.m. Mr. Strine seconded the motion. Unanimous approval was given by all members present by voice vote.

XI. NEXT MEETING DATE - ADJOURNMENT:

The Board set the next meeting date to November 10, 2015.

As there was nothing else before the Board the meeting was adjourned at 4.10 p.m.

Respectfully submitted,

Susanne Lantz
Executive Director