

**DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY**

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

Minutes of March 31, 2015

**IN ATTENDANCE:**

Authority: Mitch Crane  
Andy Strine  
Dorothy Boucher  
William Dunn  
George Meldrum  
Joelle Polesky  
Susanne Lantz (Executive Director)

Legal Counsel: William Denman

Compliance Investigator: Ed Speraw

Other Attendees: Anna Fillmore, Tenant Angola Beach  
Bob Fillmore, Tenant Angola Beach  
Kay Hoyle, Tenant Angola Beach  
Vincent Robert Rice, Tenant Pot-Nets Lakeside  
Bobbie Hemmerich, Tenant McNicol Place  
Joan Peculski, Tenant Bon Ayre  
Richard Ruben, Tenant Bon Ayre  
Milton Stroup, Tenant Bon Ayre  
Jesse Garcia, Tenant Pot-Nets Coveside  
Jill Fuchs, Tenant Barclay Farms  
Lillian Reynolds, Tenant Camelot Meadows  
Jennifer Allen, First State Manufactured Housing Association  
Jennifer Smolko, Attorney General's Office

**I. CALL TO ORDER:**

Mr. Crane called the meeting to order at 1.30 p.m.

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

Mr. Crane asked the Board to approve the February 3, 2015 meeting minutes. Mr. Dunn made the motion to approve and Mr. Strine seconded the motion. The Board approved the February 3, 2015 meeting minutes unanimously.

### **III. Executive Directors Report:**

Ms. Lantz requested that her report be deferred due to the large agenda.

### **IV. Chair's Report:**

Mr. Crane stated he would also defer his report, but briefly explained HB68.

### **V. Approval of Financial Activity & Reports December 2014 and January 2015:**

Ms. Lantz explained the statements and stated in December \$8,000 was paid in relocation assistance whereas in January no relocation assistance was paid. Ms. Lantz asked if there were any questions? Mr. Meldrum made the motion to approve the financial statements and Mr. Strine seconded the motion. The Board approved the financial statements unanimously.

### **A. Approval of other Financial Matters:**

#### **1) Approval of Legal Counsel Invoice s for January and February 2015:**

Ms. Lantz and Mr. Crane explained the invoices for legal services provided by Mr. Denman. Ms. Lantz stated due to the extensive work done by Mr. Denman the amount was higher in February. Mr. Meldrum and Mr. Strine had pre-approved both invoices. Mr. Strine made the motion to approve both invoices. Mr. Dunn seconded the motion. The Board approved the Legal Counsel invoices unanimously.

#### **2) Approval of Invoice from BDO for September and October 2014:**

Ms. Lantz asked that the Board approve the invoice from BDO for services provided. Mr. Crane stated it was a contracted service. Mr. Dunn made the motion to approve and Mr. Strine seconded the motion. The Board approved the BDO invoice unanimously.

#### **3) Ratification of Compliance Investigator's Timesheet and Mileage:**

Ms. Lantz stated she has sent out Mr. Speraw to a couple of parks in Kent County and requested that the Board approve Mr. Speraw's timesheet and mileage. Mr. Meldrum made the motion to approve the Compliance Investigator's Timesheet and Mileage and Ms. Boucher seconded the motion. The Board approved Mr. Speraw's Timesheet and Mileage unanimously.

#### **4) Approval of payment for the cost of the Transcript for the Wild Meadows Arbitration:**

Ms. Lantz stated the invoice was for the transcript that the arbitrator requested in order to render his decision. The Board discussed the invoice. Mr. Strine made the motion to approve the invoice. The Board approved the invoice unanimously.

#### **5) Approval of payment of the Invoice from Arbitrator for Pot-Nets Arbitrations:**

Ms. Lantz stated this was the invoice from the arbitrator for the Pot-Nets arbitrations. The Board

discussed the invoice. Mr. Dunn made the motion to approve and Mr. Meldrum seconded the motion. The Board approved the invoice unanimously.

## **VI. Reports**

### **A. Compliance Matters (Ms. Lantz):**

#### **1. Annual Registration Report, Registered Parks:**

Ms. Lantz stated there were still five parks that had not registered with the Authority. Several of the parks were on the agenda for discussion. Ms. Lantz stated the park was also behind in paying the Trust Fund assessments. The Board discussed the Appleby community's failure to register and make timely payments. Ms. Boucher made the motion that Mr. Denman send a letter requesting payment and threaten legal action. Mr. Dunn seconded the motion. The motion carried.

Ms. Lantz stated Oakway was not registered. The Board discussed the matter and decided that Mr. Denman needed to send another letter to Oakway.

Ms. Lantz stated that Layton's Riviera was going through a foreclosure. The Board discussed the Park and Mr. Denman explained that due to the foreclosure process the Right of First Offer did not apply.

#### **2. Arbitration Matters and Status:**

Mr. Crane said a decision in the Bon Ayre and Wild Meadows arbitration has been received.

Ms. Lantz stated the Pot-Nets HOA's have filed an appeal in Superior Court.

#### **3. Park Compliance Issues Arising and Resolved:**

Ms. Lantz said Countryside Mobile Estates had informed the Authority that it had been put up for sale and the park was transferred to a new owner in February. Ms. Lantz has informed the new owner, but has not heard anything back.

Ms. Lantz stated Appleby and Cloverleaf were owned by the same person and she has the same issue with them as she has with Appleby.

#### **4. Suits and Judgments Filed and Unsatisfied:**

Ms. Lantz stated Pine Ridge and Hilltop are both on a payment plan and have been paying according to the plan. Ms. Lantz stated that Exantus is still a problem, but has paid Q4 of 2014. Mr. Denman has filed a default judgment against Exantus. The Board discussed the park.

### **B. Investigator Report:**

#### **1. Little Creek Properties:**

Mr. Speraw stated he had visited the parks.

## **VII. Old Business:**

#### **1. Glasgow Court Update:**

Ms. Lantz explained how many applications had been received, how many were incomplete and how many tenants had not yet applied.

Ms. Lantz stated an issue has come up with the main mover who is now unable to move the majority of tenants. Ms. Lantz further stated that Glasgow Court is willing to extend the deadline for the tenants that have already been approved. Glasgow Court has also found another mover that would be willing to move tenants at the same price. Ms. Lantz said once she had all the information and certification of the mover, she would be able to give the tenants the mover's phone number.

Mr. Crane wanted to emphasize that due to the bad weather the mover had been delayed by

several months. Mr. Crane stated Glasgow Court has been very helpful. Mr. Crane suggested that when the tenants send in the quote from the new mover, as long as it was the same as the one from Marshall & Bailey, the tenants would just indicate that in writing, no approval process was necessary. The Board discussed the situation. The Board agreed with Mr. Crane's suggestion.

## **2. Lakeland Park Update:**

Ms. Lantz stated Lakeland has sent a list of tenants who will not be relocating their home. Ms. Lantz said so far only 12 applications have been received. Ms. Boucher made the motion that the Compliance Investigator go into Lakeland to determine for the Authority which homes were relocatable and which homes were not. Mr. Crane seconded the motion for discussion purposes. The Board discussed the motion. Mr. Crane asked the Board to vote on the motion. Ms. Boucher voted yes, the rest of the Board Members voted against. The motion failed.

## **VIII. New Business:**

### **1. Board Members and Conflicts of Interest:**

Mr. Strine stated he has been accused of a conflict of interest for being on the Board of the Authority.

Mr. Strine said he wanted to clarify this and handed out a copy of minutes from a DMHOA meeting where it is alleged he has a conflict. Mr. Strine thought it was clear statutorily that he is a landlord and by law that was the intent. Mr. Strine thought it was a conflict that Mr. Speraw was the President of DMHOA and the Authority's Compliance Investigator at the same time. Mr. Strine also thought he should not be penalized for volunteering on this Board. Mr. Strine read an excerpt from the minutes of the DMHOA meeting, but was not sure if a complaint regarding his position on the Board had been filed. Ms. Polesky was not aware that a complaint had been filed and she stated the statute is very clear in regards to who serves on the Board. Mr. Denman agreed and explained the selection of Board Members. Mr. Denman also stated that if Mr. Strine had a conflict on a particular issue, Mr. Strine, in the past, has informed the Board and abstained from voting on the issue. Ms. Boucher stated she had attended the DMHOA meeting and was not aware of any intention of filing a complaint regarding Mr. Strine's serving on the Authority's Board. Mr. Speraw stated he was selected specifically by the previous landowners on the Board to serve as the Compliance Investigator. Mr. Dunn agreed that as far as he was concerned Mr. Strine had not done anything unacceptable, Mr. Meldrum concurred.

Mr. Crane stated that when Mr. Speraw investigated the homes in Glasgow Court, the Authority received several complaints that the "DMHOA President" was inspecting the homes.

Mr. Crane thought, in his opinion, there was a conflict that needed to be addressed. Mr. Strine thanked the Board for their confidence in him. Mr. Strine said he thought it was a conflict that Mr. Speraw served as the Compliance Investigator and at the same time was the President of DMHOA and made the motion to relieve Mr. Speraw of his duties. Mr. Meldrum seconded the motion. Mr. Crane opened the table for discussion. The Board discussed the motion. Mr. Denman advised the Board in regards to the contract and how to handle personnel matters during a Board Meeting and suggested that the Board consider going into Executive Session, which the Board declined to do. Mr. Strine changed the motion to relieve Mr. Speraw of his duties pursuant to and in compliance with the termination provisions of Mr. Speraw's contract with the Authority. Mr. Meldrum seconded the motion. Mr. Dunn made the motion to go into Executive Session. The motion did not carry and the Board agreed to discuss the matter in open session. Mr. Dunn made the motion that Mr. Strine's motion be amended to provide that in order to serve as a Compliance Investigator for the Authority, one would have to resign any position held in any HOA or umbrella

organization. Mr. Meldrum seconded that motion. Ms. Boucher disagreed with that and the Board discussed the motion.

Mr. Speraw stated that he did not understand why this was a problem all of a sudden. Mr. Crane stated that this had always been an issue, but had never been addressed. Mr. Crane said the question at hand was if there was any appearance of impropriety in having a Compliance Investigator conduct inspections and make recommendations regarding enforcement that effect community owners while the Compliance Investigator is also the President of the largest non-profit tenant organization? Mr. Crane thought that question was proper. After several questions and comments from tenants attending the meeting, Mr. Crane explained that the motion was that Mr. Speraw would have to choose between being President of DMHOA or being the Compliance Investigator. Mr. Speraw clarified that he always introduced himself as an employee of the Relocation Authority. Mr. Crane stated the motion before the Board was the amended motion by Mr. Dunn. The Board voted on that motion and the motion did not carry. Mr. Crane said the next motion was to terminate Mr. Speraw's employment by giving the required notice set forth in Mr. Speraw's contract. Mr. Strine, Mr. Meldrum and Mr. Crane voted in favor of the motion and Mr. Dunn and Ms. Boucher voted against the motion. The motion carried 3:2.

**2. *Ratification of Glasgow Court Tenant Benefit Approvals and Approvals of New Applications:***

Ms. Lantz stated the approved applications had to be ratified and then the new applications would be discussed and voted upon. The appropriate spreadsheet showed which tenant applications needed to be ratified. Mr. Crane stated the Committee had approved the applications unanimously. The Board voted to ratify those motions unanimously.

Ms. Lantz stated the first application was from Mr. Torres who was applying for relocation benefits. The quote from the mover exceeded the cap that the Authority had set. Ms. Lantz recommended the Board approve the relocation benefits in the amount of \$12,000 for his double wide home. Ms. Boucher stated the law reads that the Authority is not required to pay for the move if the community owner moves the tenant. Ms. Boucher stated the community owner made a business decision and the tenant should not be reimbursed for relocation if it was not to another community within 25 miles as dictated by law. Ms. Boucher referred to a decision made in the past where a similar situation was denied. Ms. Boucher thought this posed a serious legal question and she stated she did not think any further applications should be approved where tenants are relocated within the park, as she thought the law was not clear. Mr. Denman stated there was nothing in the law that did not allow a tenant to relocate within the community he was residing in. The Board discussed the law regarding Change of Land use situations. Mr. Denman stated regarding this application it is being moved within the park by mutual consent of community owner and tenant and the community owner was not paying for the move, therefore he did not see an issue with this application. Mr. Strine made the motion to approve this application. The motion carried 4:1, Ms. Boucher voted against.

Ms. Lantz stated the next application was from Mr. and Mrs. Barbas who had applied for non-relocatable benefits in the amount of \$4,000. Mr. Speraw had determined the home not to be relocatable. Ms. Lantz recommended approving the application in the amount of \$4,000. Mr. Strine made the motion to approve this application. Mr. Meldrum seconded the motion. The motion carried 4:1, Ms. Boucher voted against.

Ms. Lantz stated the next application was from Mr. Caldwell for a non-relocatable benefit of \$5,000. Mr. Speraw had inspected the home and determined it was non-relocatable. Ms. Lantz said the home was appraised at a value of \$5,000 and she recommend to approve that amount. Mr. Dunn made the motion to approve this application and Mr. Strine seconded the motion. The motion carried 4:1, Ms. Boucher voted against.

Ms. Lantz stated the next application was from Mr. Shel mire requesting relocation benefits in the amount of \$8,000. Ms. Lantz recommended the Board approve the application for that amount. Mr. Meldrum made the motion to approve the application and Mr. Strine seconded the motion. The motion carried 4:1, Ms. Boucher voted against.

Ms. Lantz stated the next application was from Mr. and Mrs. Young applying for non-relocatable benefits in the amount of \$5,000. Mr. Young did not think the home could not be moved as it had an attachment. Mr. Speraw thought the home could be moved. Ms. Lantz stated she recommended that the Board agree with the tenant and approve the application, as the Authority had similar previous applications and approved those. Mr. Strine made the motion to approve the application and Mr. Meldrum seconded the motion. Mr. Crane did not agree. The Board discussed this application. The application was approved 3:2, Mr. Crane and Ms. Boucher voting against.

### **3. Ratification of Lakeland Tenant Benefit Approvals:**

Ms. Lantz stated two applications were approved by the Committee that needed to be ratified by the Board. Mr. Dunn made the motion to approve and Mr. Crane seconded the motion. The motion carried unanimously.

Ms. Lantz stated the first application from Lakeland was the Investors Realty application in the amount of \$8,000. The application had been reviewed by Mr. Denman as requested by the Board as Mr. Strine had an interest in Investor's Realty. Mr. Denman had found that the Board could approve the application despite Mr. Strine's financial interest in the company. Mr. Meldrum made the motion to accept and approve the application and Mr. Dunn seconded the motion. Ms. Boucher disagreed approving this. The Board discussed the application. The application was approved 4:1, Miss Boucher voting against.

Ms. Lantz stated the next application was from Ms. Blount who was applying for non-relocatable benefits in the amount of \$3,907.50. Mr. Dunn made the motion to approve and Mr. Meldrum seconded the motion. Ms. Boucher said she did not think the Board should approve this application, she was not in favor unless the Compliance Investigator had said it could not be moved. The Board discussed the application. The application was approved 4:1, Ms. Boucher voted against.

### **4. Clarification and definition of the policies for registration of individual communities (Ms. Boucher):**

Ms. Boucher stated her understanding was that every single community had to be registered with the Authority. Ms. Boucher stated she found two communities that do not comply with the law, as there is nothing in the law that allows a community to be an extension of another one. Ms. Lantz stated Southwood Acres and Southern Meadows were registered. The Board had a brief discussion regarding this matter.

### **5. Appleby TP (Ms. Lantz):**

Ms. Lantz stated the park had been discussed.

### **6. Notice of Sale M&S MHP, Oak Grove MHP and The Village at Grandview MHP:**

Ms. Lantz stated the Authority was informed that the parks would be sold. Ms. Lantz sent out notices to the tenants, as required by law. A couple of tenants stopped by asking questions concerned about the sale.

**7. Desk for Office:**

Ms. Lantz stated she would like to purchase a desk for herself, as she was using a desk that was not owned by the Authority. She had looked at a desk from W.B. Mason for about \$550.00 which included delivery and putting it together. Mr. Dunn made the motion to approve the purchase and Mr. Strine seconded the motion. The Board agreed to Ms. Lantz purchasing that desk from W.B. Mason.

**IX. Unfinished Business:**

**1. Hiring of a Part Time Person for Office (Mr. Crane):**

Ms. Lantz stated she had drawn up a job description. Ms. Boucher wanted a person that does basic work to assist the Executive Director and keep the office running when the Executive Director was out. Ms. Boucher stated the person should not work more than 10 hours a week and work as needed and as directed by the Executive Director. Ms. Boucher made the motion to hire a part time person for the office with the limitations as discussed. Mr. Crane amended the motion to hiring a part time person based on the job description provided. Mr. Meldrum seconded the motion. The motion carried.

**2. Hiring an additional Compliance Investigator (Mr. Crane):**

Mr. Crane stated Ms. Lantz, Mr. Dunn and himself had worked on a second contract and job description. Mr. Dunn stated he had thought the second person should not earn \$25.00, which he had thought too high, but specifics were not discussed. The Board discussed this. Ms. Polesky stated the contract needed to reflect and be amended that this person should not have any conflict. Mr. Meldrum stated the person needed to report to the Executive Director. Mr. Dunn made the motion to hire a second Compliance Investigator and Mr. Meldrum seconded the motion. The motion carried.

***XI. Public Comments:***

Members of the public in attendance were given an opportunity to make comments.

**X. Executive Session:**

Mr. Meldrum made the motion to go into Executive Session at 4.10 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 4.25 p.m. Mr. Meldrum seconded the motion. Unanimous approval was given by all members present by voice vote.

**XI. NEXT MEETING DATE - ADJOURNMENT:**

Mr. Denman stated the attorney for the person purchasing the Little Creek manufactured home communities, including Oak Grove MHP, had submitted a proposal to pay the past due quarterly assessments for the three parks currently owned by Little Creek. Regarding Oak Grove, which has never made any payments, the attorney for the purchaser of the three communities had submitted a proposal to pay the sum of \$12,539.50 as full payment for all sums due for the period of April 2004 through April 15, 2015. Ms. Lantz stated that they would have to pay for the entire month of April.

Mr. Denman stated the new owner would come current and submit the payment for April with the second quarter submission. The Board voted unanimously to approve and accept the proposal.

The Board has discussed and set the next meeting date to April 28, 2015 only for the purposes of voting on tenant applications and set the meeting for the next General Meeting date for May 26, 2015.

As there was nothing else before the Board the meeting was adjourned at 4.30 p.m.

Respectfully submitted,

Susanne Lantz  
Executive Director