

**DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY**

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

**Minutes of July 27, 2017 Board Meeting**

**IN ATTENDANCE:**

Authority:

Kevin Carroll  
William Dunn  
Elizabeth (Beth) McGinn (Arrived late)  
George Meldrum  
Andy Strine

Dan Daly (Non-Voting Member) (Absent)  
Gregg Sutton (Executive Director)  
Jane Sabo (DEHMRA Assistant)

Legal Counsel:

Bill Denman

Other Attendees:

William Kinnick (DMHOA)  
Leonard Sears, Briarwood Manor MHP  
Susan Hairgrove, St. Jones Landing  
Jen Allen, First State Manufactured Housing Association  
Irene Carey, Irene's Trailer Park  
Cindy Wirth, Irene's Trailer Park  
Lillian Rogers, Camelot Meadows  
Robert Ray, Sand Hill Acres

**I. Call to Order:**

Mr. Carroll called the meeting to order at 1:30 p.m. He noted that Ms. McGinn had not arrived yet and Mr. Daly was absent but that a quorum was present.

**II. Review and Approval of Minutes:**

Mr. Carroll asked the Board if anyone had any comments or corrections to the June 19, 2017 meeting minutes, and if not, requested the Board to consider approval of the minutes. Mr. Dunn made a motion to approve the minutes. The motion was seconded by Mr. Meldrum. The Board approved June meeting minutes, 4:0 with one in absentia.

**III. Executive Directors Report:**

- Mr. Sutton introduced DEMHRA Assistant Jane Sabo who has been in her position for the past 10 months. He stated that Ms. Sabo replaced former DEMHRA Assistant Carol Dabrowski and that so far, she has been doing an outstanding job. Ms. Sabo will also be in attendance at future Board meetings.

- He noted that today, July 27, 2017, was his one-year anniversary with DEMHRA and thanked the Board for their confidence in him.
- He stated that the first year as Executive Director was not without its challenges but he learned a lot with the assistance from the former Executive Director, Susanne Lantz, former DEMHRA Assistant, Carol Dabrowski, as well as assistance from our legal counsel, Mr. Denman.
- The Board congratulated Mr. Sutton on his one-year anniversary.
- Since the last Board meeting, he has received several calls from concerned individuals regarding the last phase of the change-in-land use of Glasgow Court. He explained to the callers that until DEMHRA receives written notification from Glasgow Court, his office could not provide any information or assistance.
- Mr. Sutton stated that he was advised by attorney Michael Morton's office that they were representing the company that purchased Murray Manor. He told them that the company must contact the Division of Revenue for an account number in order to pay their quarterly assessments and contact DEMHRA to register the number of mobile homes being charged lot rent.
- He also referred to a letter during the last Board meeting from Irene's Trailer Court requesting to be exempt from paying the quarterly assessments because they were a seasonal park. The Board agreed to discuss this request under new business on the agenda.
- The Division of Revenue advised DEMHRA that they will not issue any more checks until the end of July or early August as the fiscal year just ended June 30<sup>th</sup>.
- Mr. Sutton received a call regarding a community owner sharing his concerns over being contacted by the Division of Revenue regarding a late assessment payment. The caller was concerned because he felt that he should not have been notified because he was not late. The caller also stated that he was not happy with some of the provisions outlined in the Rent Justification Act and wanted the Board to introduce some type of legislation regarding the rent justification. I told the caller that I would relay his concerns to the Board.

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

Mr. Carroll echoed Mr. Sutton's comments regarding Mr. Sutton's one-year anniversary. He noted the challenges and the learning curve Mr. Sutton faced his first year adding that it was part and parcel to working in the manufactured housing industry. He also commended Mr. Sutton for his efforts and congratulated him for his achievements thus far.

Mr. Carroll stated that he had to attend a function in Wilmington later that day recognizing a former colleague, Jose Ortiz of the Attorney General's office. He stated that Mr. Ortiz was officially retiring the same day as our Board meeting, July 27<sup>th</sup> and that his contributions while working in the Attorney General's office would be greatly missed.

#### **V. Financial Activity & Report**

##### **A. Approval of Financial Report**

Mr. Sutton reviewed the financial report and Trust Fund expenditures for the month of June 2017. Mr. Strine made a motion to approve the financial report and the motion was seconded by Mr. Meldrum. The motioned passed 5:0.

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

###### **Approval of legal counsel invoices**

Mr. Sutton reviewed the invoices from Mr. Denman for June of 2017. Mr.

Strine made a motion to approve the legal counsel invoices which was seconded by Mr. Dunn  
The motion passed 5:0.

### **Approval of Arbitrator Invoices**

- There were no invoices to approve.

## **VI. Reports**

### **A). Arbitration Matters**

1. Docket 2-2016 (Donovan Smith), rent increase approved and appeal made to Superior Court
2. Dockets 5-2017 (Bon Ayre) and 6-2017 (Holly Hill Estates) have not gone to arbitration yet

## **Compliance Matters**

1. Mr. Denman stated that he will review the files for delinquent parks to determine if filing a lawsuit will be necessary
2. There are still two community owners who are over two quarters late sending in their quarterly assessment payments. They will be sent a letter from our attorney.

## **VII. Unfinished Business:**

### **A. Arbitration fees for 2016-2017**

Discussed under Financial Matters

### **B. Update on Phase 2 of the St. Jones Relocation Plan**

There were two applications for relocation assistance presented at this meeting. That leaves two applicants eligible for relocation assistance.

### **C. Update on Lighthouse Cove Relocation Plan**

There was one application presented at this meeting for relocation assistance which leaves four applicants eligible for relocation assistance.

### **D. Draft of Job Description for Compliance Investigator**

Mr. Denman made some edits to the job description. Mr. Sutton will make those corrections and email to Board members for their approval.

## **VIII. New Business:**

### **A. Application for Approval of Relocation Benefits (St. Jones Landing Phase 2):**

**Breanna Waltz, 55 Marshview Drive, Magnolia:** Ms. Waltz applied for \$8000.00 in relocation benefits for her single-wide home. The Board reviewed her request based on the documents that were provided. Mr. Meldrum made a motion to approve the relocation benefits. The motion was seconded by Mr. Dunn. The motion passed 4:0:1 with Mr. Strine abstaining.

**Helen Gonzalez, 13 Edgewater Drive, Magnolia:** Ms. Gonzalez applied for \$8000.00 in relocation benefits for her single-wide home. The Board reviewed her request based on the documents that were provided. Mr. Meldrum made a motion to approve the relocation benefits. The motion was seconded by Mr. Dunn. The motion passed 4:0:1 with Mr. Strine abstaining.

### **B. Application for Approval of Abandonment Benefits (Lighthouse Cove):**

**Kenneth and Nancy Anderson, 38997 Lighthouse Cove Lane, Fenwick Island:** Mr. and Mrs. Anderson applied for \$1500.00 in abandonment benefits for their 1983 single-wide mobile home. The Board reviewed their request based on the documents they provided. Mr. Dunn made a motion

to approve the abandonment benefits. The motion was seconded by Mr. Strine. The motion passed 5:0.

**C. Falcidian Engagement Letter**

1. Mr. Sutton presented the Board the engagement letter from our accountant to be signed by the Board Chair.

**D. Sale of Murray Manor**

1. Already discussed in Executive Director's Comments

**D. Attorney General Complaint Against Malone's Bayside Marina (Rent Increase)**

1. Margaret Hymerling-Bates, a resident of Malone's Bayside Marina, filed a complaint against the landlord alleging she was charged lot rent above the CPI-U for three consecutive years.
2. The Attorney General's office forwarded the request to the Authority to investigate.
3. It was subsequently discovered that this complaint should be handled by the Attorney's General's office so Mr. Sutton re-directed the complaint back to the Attorney General's office.

**E. Trust Fund Reassessment**

Mr. Dunn still wants the Board to consider hiring Brock Thomas to provide monthly data on Trust Fund Expenditures. Mr. Strine weighed in stating that the quote associated with this request is cost-prohibitive and urged Mr. Dunn to consider other methods of obtaining this information. Mr. Dunn's other contention was that even if funds were used in conjunction with a change in use, there would still be a substantial amount remaining in the Trust Fund. Mr. Carroll opined that if the funds grow and the Trust Fund terminates, the money will be returned to the people for its intended use (50-50). Mr. Strine recommended that Mr. Dunn continue dialogue with Brock Thomas to analyze the data he needed but that the bill should be no more than \$200.00. At this time Mr. Dunn was advised to make a motion or to work with Mr. Sutton and staff to see what they can come up with.

**F. Irene's Trailer Court**

1. Ms. Irene Carey, the owner of Irene's Trailer Court, requested the Board to exempt her park from the quarterly assessment fee because based on the months her tenants resided in the community, it met the definition of a seasonal mobile home community.
2. The Board advised Ms. Carey that although the residents had out-of-state addresses, their leases were for 12 months and nothing in their lease prevented her tenants from coming to the community during those other months.
3. The Board recommended that Ms. Carey modify her lease to be more specific as to the months the tenants would be allowed to reside in the community. She will not be required to make a quarterly assessment payment until the Board renders a decision.

**IX. Public Comments:**

1. Mr. Leonard Sears asked about the status of Layton's Riviera and why the Authority had not sued the community for delinquent quarterly assessments while they are still collecting lot rent from tenants. Mr. Carroll advised Mr. Sears that the community has been in negotiations to sell the property to a third party but to no avail and to seek a judgment at this juncture would be a waste of time and resources.

**X. Executive Session:**

By motion made, duly seconded, and by a vote of 5:0, the Board moved to go into Executive Session at 2:49 pm to discuss personnel matters and legal matters. The Board went into Executive Session to discuss personnel matters and pending litigation for the purpose of receiving legal advice pertaining to such matters. Mr. Meldrum made the motion to come out of Executive Session at 2:55 pm. Mr. Dunn seconded the motion. The motion to come out of Executive Session was approved 5:0.

**XI. Next Meeting Date - Adjournment:**

The Board set the next meeting date as September 12, 2017. As there was nothing further to discuss, the Board adjourned at 3:00 pm.

Respectfully submitted,

Gregg Sutton  
Executive Director