

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

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

Minutes of January 23, 2018 Board Meeting

IN ATTENDANCE:

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

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

Legal Counsel: William Denman

Other Attendees: Susan Hairgrove, St. Jones Landing
Jen Allen, First State Manufactured Housing Association
Robert Ray, Sandhill Acres
John Harshburger, Barclay Farms

I. Call to Order:

Mr. Carroll called the meeting to order at 1:35 p.m. A quorum was not present until Mr. Meldrum arrived at 1:40 pm.

II. Review and Approval of Minutes:

Mr. Carroll asked the Board if anyone had any comments or corrections to the December 12, 2017 meeting minutes, and if not, requested the Board to consider approval of the minutes. Mr. Sutton noted that Mr. Dunn had called earlier to request a correction under new business on page 5 of the minutes. He stated that the proposed House Bill listed in the minutes should have been HB 276, not HB 149. These changes have already been made and the website has already been updated to reflect the changes. Mr. Meldrum made a motion to approve the minutes. The motion was seconded by Mr. Strine. The motion passed 3:0:2 with one Board member arriving after the vote and one in absentia.

III. Executive Directors Report:

Mr. Sutton noted that since the last meeting, the following has occurred:

- The CPI-U is still 0.6% and it has been updated on the DEMHRA website
- Several communities had to be reminded to check the DEMHRA website prior to issuing rent increase notices to ensure they were posting the most current CPI-U

- We are still receiving calls from former Glasgow Court residents who are receiving delinquency notices from the New Castle County tax assessment office a year after they have moved, and their mobile homes have been demolished. The New Castle County tax office advised Mr. Sutton that until their title has been turned over to the Department of Motor Vehicles, they will be assessed taxes. Mr. Dunn suggested that we forward the title to the department of motor vehicles once the tenant surrenders the title to us. However, this is not possible because the title is needed by the community owner to have the property demolished. Mr. Strine stated that if these homes in his community are designated as non-relocatable or abandoned, "Demo" is written on the title and the original is forwarded to the Department of Motor Vehicles with a copy being sent to the Kent County tax office. Mr. Sutton stated that this seems to be an issue primarily in New Castle County. Mr. Carroll suggested that Mr. Sutton "stay on top of this" to see if it continues to be an issue of concern.
- Received a request from attorney Nicole Faries of Michael Morton's office requesting that DEMHRA pay a portion of the expenses they incurred in copying information requested by an arbitrator. The Board requested that Mr. Sutton gather more information before a decision can be rendered.
- **IV. Chair's Report:**

Mr. Carroll welcomed all in attendance at this meeting and wished everyone a Happy New Year. He discussed briefly a Manufactured Housing Committee Meeting he and Mr. Sutton attended at legislative hall on January 10, 2018. Specifically, there were three bills that came up for discussion. Senate Bill 47 dealt with the Right of First Offer (ROFO) process whereas after two years, if the property owner had not sold the property, the ROFO process starts all over. House Bill 277 is an act extending the Relocation Authority Trust Fund to July 1, 2024, and House Bill 276, an act requiring DEMHRA to intercept any delinquent taxes owed by the property owner from any relocation benefits owed to the property owner. Mr. Denman, DEMHRA's counsel interjected that regarding HB 276, a distinction must be made on intercepting monies owed to the property owner for relocation benefits versus the assessments paid into the Relocation Trust Fund by both the property owner and the tenants. The Board also expressed concern that the adoption of this Bill could also lead in the future to DEMHRA being required to intercept delinquent taxes from tenants as well. Mr. Carroll stated that implementing this bill was also a matter of resources and would place a huge burden on staff at DEMHRA if we were required to enforce this statute. Mr. Carroll stated that these bills were tabled by the committee for further discussion at a later date.

V. Financial Activity & Report

A. Approval of Financial Report

Mr. Sutton reviewed the financial report and Trust Fund expenditures for the month of November 2017. This report was presented for informational purposes only so a vote was not required.

B. Approval of other Financial Matters:

Approval of Legal Counsel invoices

Mr. Sutton reviewed the invoices from Mr. Denman for the month of December 2017. Mr. Meldrum made a motion to approve the legal counsel invoices which was seconded by Mr. Dunn. The motion passed 4:0:1 with one in absentia.

C. Approval of Arbitrator Invoices

- **Sergovic, Carmean, Weidman, McCartney & Owens:** Mr. Strine made a motion to approve this arbitrator invoice which was seconded by Mr. Meldrum. The motion passed 4:0:1 with one in absentia.
- **Pamela C. Herrmann:** Mr. Dunn made a motion to approve the court reporter's invoice which was seconded by Mr. Meldrum. The motion passed 4:0:1 with one in absentia.
- **Baird, Mandelas and Brockstedt:** Mr. Dunn made a motion to approve this arbitrator's invoice which was seconded by Mr. Meldrum. The motion passed 4:0:1 with one in absentia.

A. Arbitration Matters:

1. **Docket # 2-2017 (Terry Saunders vs. Donovan Smith)** Rent increase approved. Appealed to Superior Court. Superior Court upheld decision.
2. **Docket # 4-2017 (Sandhill Acres HOA vs. ARCAP, LC)** Awaiting court to decide on oral argument.
3. **Docket # 7-2017 (Dover Air Park and Brenda Dyer vs. Dover Air Park, LLC)** Rent increase approved.
4. **Docket # 8-2017 (Murray Manor HOA vs. Murray Manor MHP)** Awaiting arbitrator's decision.
5. **Docket # 9-2017 (Rehoboth Bay Community HOA vs. Hometown America)** Awaiting arbitrator's decision.
6. **Docket # 10-2017 (Wild Meadows HOA and Fred Neil vs. Wild Meadows MHC, LLC)** Awaiting arbitrator's decision.

B. Compliance Matters

1. Stage Village is no longer delinquent. Appleby, Cloverleaf, and Countryside appear to be the only MHPs that -are not in compliance. They have been contacted on numerous occasions by telephone, emails, and letters, yet they are still delinquent in paying the assessments.
2. Mr. Denman will be provided documentation to send to them in order to settle these delinquencies.
3. Mr. Daly offered to contact each of these community owners in his official capacity working from the Deputy Attorney General's office

VII. Unfinished Business:

A. Arbitration fees for 2016-2017

Addressed under Approval of Arbitrator Invoices.

B. Update on Phase 3 of the St. Jones Relocation Plan

Still have several applications for assistance to approve, not yet submitted

C. Update on Lighthouse Cove Relocation Plan

Only two homes remaining; one to be sold and one to be demolished

D. Approve Draft of Policies and Procedures

The Board reviewed a draft of proposed changes to the Authority's Bylaws and Policies and Procedures. The Board decided to address these proposed changes at the Board's next meeting after Mr. Sutton has an opportunity to review several issues relating to the proposed changes.

VIII. New Business:

A. Application for Approval of Relocation Benefits (St Jones Landing and Lighthouse Cove)

Connie M. Urian, 40 Riverview Drive, Magnolia, DE: Ms. Urian applied for \$11,500.00 in relocation benefits for her double-wide home. The Board reviewed her request based on the documents she provided. Mr. Meldrum made a motion to approve the relocation benefit payment. The motion was seconded by Mr. Dunn. The motion passed 3:0:1:1 with Mr. Strine abstaining, and one in absentia.

Shannon Fisher and Kevin Young, 36 Riverview Drive, Magnolia, DE: Ms. Fisher and Mr. Young applied for \$8,000.00 in relocation benefits. The Board reviewed their request based on the documents provided. Mr. Dunn made a motion to approve. The motion was seconded by Mr. Meldrum. The motion passed 3:0:1:1 with Mr. Strine abstaining and one in absentia.

Francis McClements and Beverly Robertson, 25 Edgewater Drive, Magnolia, DE: They applied for \$8,000.00 in relocation benefits. The Board reviewed their request based on the documents provided. Mr. Dunn made a motion to approve. The motion was seconded by Mr. Meldrum. The motion passed 3:0:1:1 with Mr. Strine abstaining and one in absentia.

Lighthouse Cove, Lot 4 Moray Court, Fenwick Island, DE: Mr. J. Timothy Abbott presented a quote from John Macklin and Son, Demolition, Inc for \$5,400.00 to demolish the mobile home located 4 Moray Court, Fenwick Island, DE. The Board reviewed his request based on the documents provided. Mr. Dunn made a motion to approve \$3,000.00 in demolition benefits. The motion was seconded by Mr. Meldrum. The motion passed 4:0:1 with one in absentia.

B. CPI-U Update:

Mr. Sutton advised the Board that the CPI-U was still 0.6%, and it has been posted on the DEMHRA website.

C. Right of First Offer:

Mr. Sutton received a ROFO request from an attorney representing Oakway Mobile Homes. Each resident of Oakway was mailed a ROFO notice and has 30 days from the date of the notice to form a homeowners' association to be eligible to submit an offer to purchase the property.

D. New Mileage Rates for 2018

Mr. Sutton advised the Board that the new mile rates for reimbursement for 2018 was 54.5 cents per mile.

E. Purchase of a Poster for the Office to be in Compliance with 2018 Labor Laws

Mr. Sutton presented the Board with a flyer from Personnel Concepts to purchase a 2018 Labor Law poster identifying labor requirements. The Board suggested he contact our accountant to see if she has any available.

F. Manufactured Housing Committee Meeting

This was discussed during Chairperson's Comments.

IX. Public Comments: Those present at the meeting were given an opportunity to make comments. Mr. Robert Ray of Sandhill Acres inquired about the status of the Change-in-Use for Glasgow Court. He was advised that there had been no Change-In-Use request from Glasgow at this time.

X. Executive Session: There were no items to discuss so the Board did not go into Executive Session.

XI. Next Meeting Date – Adjournment:

The Board set the next meeting date as March 6, 2018.

Mr. Dunn made a motion to adjourn the meeting. Mr. Meldrum seconded the motion. The motion passed 4:0:1. As there was nothing further to discuss, the Board adjourned at 2:47pm.

Respectfully submitted,

Gregg Sutton
Executive Director