

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

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

Minutes of December 19, 2019 Board Meeting

IN ATTENDANCE:

Authority: Mitch Crane
William Dunn
Andy Strine
Jill Fuchs
Gregg Sutton (Executive Director)
Jane Sabo (DEHMRA Assistant)

Legal Counsel: William Denman

Other Attendees: Jen Allen, First State Manufactured Housing Association
Melissa Rhoads, Tighe & Cottrel, PA
William Kinnick, Delaware Manufactured Homeowner's Association (DMHOA)
Henry Clum, Delaware Manufactured Homeowner's Association (DMHOA)

I. Call to Order:

Mr. Crane called the meeting to order at 1:30 p.m. All members were present except Mr. Meldrum and Mr. Daly.

II. Review and Approval of Minutes:

A motion to approve the November 7, 2019 minutes was made by Ms. Fuchs and seconded by Mr. Strine. The motion carried 4:0 with 1 in absentia.

III. Executive Director's Report:

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

- The Board interviewed three candidates for Mr. Denman's replacement. Ms. Melissa Rhoads was the successful candidate and she will assume her position on the DEMHRA Board beginning January 1, 2020. Mr. Sutton provided her with a welcome packet which included information about DEMHRA (the Authority), as well as information on the roles and responsibilities of this office.
- Judy Shaw Custodial Services has been hired to clean DEMHRA's office once a week.
- Her weekly fee is \$35.
- A letter was sent by the Authority to all community owners notifying them of changes to the Trust Fund assessment fees that take effect January 1, 2020. As soon as the Division of Revenue updates the payment coupons, DEMHRA's website will be updated to reflect those changes.
- Mr. Sutton provided each Board member with the most recent Landlord Tenant Code booklet.

IV. Chair's Report:

- Mr. Crane welcomed Ms. Melissa Rhoads and he thanked Mr. Denman for his 15 years of service to the Board.
- Mr. Crane stated that Mr. Denman has had the respect from community owners, homeowners and Board members alike.
- Ms. Rhoads' appointment was discussed in Executive Session at the November 9, 2019 board meeting and it was decided at that time to select her as legal counsel to the Board.

V. Approval of Financial Matters:

A. Recent Financial Activity:

Mr. Sutton reviewed the October Financial Report. This was for informational purposes only, and it has been posted on the DEMHRA website.

B. Legal Counsel Invoice:

The Board reviewed the October and November invoices from legal counsel. A motion was made by Mr. Strine to approve the legal counsel invoices which was seconded by Mr. Dunn. The motion passed 4:0 with 1 in absentia.

C. Arbitrator Invoices:

The Board reviewed the arbitrator invoices for Wild Meadows' Writ of Probation fees. A motion was made by Mr. Strine to approve the arbitrator invoices which was seconded by Mr. Dunn. The motion passed 4:0 with 1 in absentia.

VI. Reports:

A. Compliance Matters:

1. Delinquent Parks:

Appleby Trailer Park – Quarter 4 2018 sent a bad check and never redeposited it for payment. Mr. Denman held off on suing and deferred any legal action to Ms. Rhoads. It was agreed that Ms. Rhoads would pursue legal action against Appleby once she assumed her role as DEMHRA legal counsel.

Bowers MHP – Quarter 2 & 3 2019. Agree to hold over until January 2020 meeting.

Countryside Mobile Estates – Quarter 1, 2 & 3 2019. A motion to sue was made by Mr. Strine and seconded by Ms. Fuchs. The motion carried 4:0 with 1 in absentia. Ms. Rhoads will follow up with the lawsuit.

Dackerg MHP – Quarters 1, 2 & 3 2019. A motion to sue was made by Mr. Strine and seconded by Mr. Dunn. The motion carried 4:1 with 1 in absentia. Ms. Rhoads will follow up with the lawsuit.

J&J MHP – Quarter 2, 3 & 4 2017; Quarters 1-4 2018; Quarters 1, 2 & 3 2019.

Minquadale – Quarter 2, 3 & 4 2018; Quarter 1, 2 & 3 2019. Mr. Strine would like to give them one more opportunity to bring their account up to date as there may have been some confusion going on when legal got involved with whether they were responsible for paying assessment fees since they were owned by an HOA. Mr. Sutton was asked to send a letter giving them 10 days to pay their account or face legal action. If there is no response it will be decided at the January meeting whether to pursue further legal action.

Oakway – Quarter 1,2, & 3 2019. A motion was made to pursue further legal by Mr. Strine and seconded by Ms. Fuchs. The motion carried 4:0 with 1 in absentia. Ms. Rhoads will follow up with the lawsuit.

THP – Quarters 1, 2 & 3 2019. A motion to sue was made by Strine and seconded by Mr. Dunn. The motion carried 4:1 with 1 in absentia. Ms. Rhoads will follow up with the lawsuit.

Vanessa MHP – Quarters 1, 2 & 3 2019. Mr. Strine suggested contacting their attorney to ask them to pay and if they don't, the delinquent payment should be settled at the time of settlement. Mr. Sutton will send Vanessa MHP attorney and put him on notice that if not paid, this should be included in the settlement documents to pay what is owed to the Trust Fund.

Woodside – Division of Revenue (DOR) has been waiting for Woodside to let them know what quarter to apply the credit to. Mr. Crane suggested that Mr. Sutton contact the DOR to go ahead and apply the credit to the most delinquent quarter. The DOR should send a letter to Woodside explaining what they did. Mr. Sutton will contact Ms. Hambleton at the DOR to take care of this.

It was agreed to hold the following parks over until the January 2020 Board meeting:

Fords MHP

Naaman's

Pine Haven

Stage Village

Sussex Manor

The Crossings at Oak Orchard

2. Compliance Investigator Report:

The compliance investigators continue to do random checks and assigned checks when required. Mr. Crane requested a compilation of all of the inspections done in 2019. Mr. Sutton will have this information available at the next meeting.

B. Arbitration Matters & Status:

1. Open Dockets – Arbitration Matters:

Dockets 10-2017 Wild Meadows – Attorney Gibbs was contacted for an update and informed us that we should check with Mr. Morton since Mr. Gibbs could not provide the status as he cannot access the court records. Mr. Crane asked Ms. Rhoads to follow up on this issue.

Docket 07-2018 Wild Meadows (Writ of Prohibition) - Mr. Sharp was contacted for an update and notified us that a Court order was received to file for dismissal by 1/20/20.

Docket 02-2019 – Southern Meadow – Petition withdrawn for those tenants who are still in a 10-year contract.

Docket 03-2019 Murray Manor -pending arbitration on 12/16/19

2. Open Dockets – Arbitration Costs:

Mr. Sutton reviewed the arbitrations costs for the above open dockets.

VII. Unfinished Business:

A. White Oak Relocation Plan:

Mr. Sutton sent a compliance investigator to verify that Lot #12 has no house on it. This was verified and a check was issued for demolition benefits. Mr. Brent Fannin was notified that the check is at this office. He has not stopped by to pick up his check yet. The other home on Lot #1 has not yet been demolished.

B. Update on Right of First Offer (Sales, Closings, Change in Use of Land):

Badger's Lair was sold in July and the new owner has been informed that they must contact the Division of Revenue to set up their Trust Fund account. Mr. Crane suggested sending a letter to them notifying them there are consequences for failure to register. Mr. Sutton will draft a letter have it reviewed by Ms. Rhoads.

Cool Branch is sold and will be closing the contract on 1/21/20.

Leisure Point was purchased by Sun Communities on December 14th and Sun Communities has been contacted to set up a Trust Fund account with Division of Revenue.

White Oak – Previously discussed.

Vanessa Park – The new settlement date is anticipated to be sometime in January 2020.

C. Draft of Homeowner's Checklist for Relocation Benefits

A few clerical errors need to be corrected as follows: 1) change demolition benefits to relocation benefits; 2) add closing parenthesis in sentence #9 of the checklist; 3) in the last item on the checklist change the verbiage to have the homeowner discuss with the mover who will provide the Certificate of Occupancy.

VIII. New Business:

A. Reappointment of Mr. Dunn: Mr. Dunn has been appointed to a new term.

B. Appointment of Ms. Melissa Rhoads and Agreement for Legal Services to be Signed by Mr. Crane: Ms. Rhoads has been appointed by the Board to replace Mr. Denman. Mr. Crane executed the Agreement for Legal Services.

C. November CPI-U: The new CPI-U for November has been posted to our website.

D. Letter to Community Owners Regarding HB 46: This was previously discussed. Mr. Sutton stated that beginning in January the Financial Summary collections from tenants and landowners will be changed to reflect the new amounts to be collected.

E. Action Items:

1. Homeowner's Checklist: Previously discussed. Changes will be made and the checklist will be finalized for a vote to publish at the January Board meeting.

2. Mr. Sutton found that the Landlord Tenant Code addresses that tenants are not

entitled to compensation if they fail to pay into the Trust Fund.

- IX. Public Comments:** Mr. Kinnick was unclear whether the issue of Glasgow Court had been resolved. Mr. Sutton had sent a compliance investigator to Glasgow Court and pictures of the lots in Phase I were taken. Mr. Dunn and Mr. Sutton will go over the tax parcels after the meeting. Glasgow Court had been discussed in previous meetings at length.

Mr. Kinnick advised the Board that Magnolia Crossing was sold within the last nine months and asked if we sent a compliance investigator to the park. Mr. Kinnick heard that people are moving into homes without titles and Kent County has cited the new owner for this. Mr. Strine thought that possibly the compliance investigator could have an informal conversation with the residents to see if more information could be gathered. Mr. Sutton will look into this issue.

Ms. Fuchs asked if compliance investigators should be attending Board meetings. Mr. Crane requested their attendance at the next Board meeting. They will be paid for their time.

- X. Executive Session:** The Board may discuss, in Executive Session, pending arbitration cases, personnel matters, and litigation for the purpose of receiving legal advice relating to such matters.

As there were no items to discuss, the Board did not go into Executive Session.

XI. Next Meeting Date – Adjournment

The Board set the next meeting date as January 23, 2020 at 1:30 p.m. Mr. Strine made a motion to adjourn the meeting which was seconded by Ms. Fuchs. The motion carried 4:0 with 1 in absentia.

The meeting was adjourned at 2:15 p.m.

Respectfully submitted,

Gregg Sutton
Executive Director