

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

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

Minutes of March 5, 2020 Board Meeting

IN ATTENDANCE:

Authority: Mitch Crane
William Dunn
Andy Strine
George Meldrum
Jill Fuchs

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

Legal Counsel: Melissa Rhoads

Other Attendees: Brian Eng, Department of Justice
Richard Hrycyshyn, Barclay Farms
Eileen Tuthill, Pot Nets Bayside

I. Call to Order:

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

II. Review and Approval of Minutes:

A motion to approve the January 23, 2020 minutes was made by Ms. Fuchs and seconded by Mr. Meldrum. The motion carried 5-0.

III. Executive Director's Report:

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

- The Executive Director handbook has been updated. DEMHRA Policies and Procedures will be updated.
- The Compliance Investigator 2019 cost tracking log has been finalized and a copy will be available at next month's Board Meeting.
- All Community Annual Registration forms for 2019 are complete.
- The new payment coupons are now on the website and will be discussed later.
- WSFS Bank Trust Fund signature cards have been completed. Mr. Sutton has been granted access to view the WSFS account online and has applied for a Corporate Credit Card.
- Four new tenants have moved into this building. Parking availability is good up until around mid-afternoon when clients for the new tenants take up many of the parking spaces.
- Mr. Sutton noticed that DEMHRA's electric bill has doubled since the Nurse Next Door moved out and more tenants have moved in.
- A tenant from Malone's Bayside Marina called Mr. Sutton to inform him that the owner of the community told him that the community is for sale, and that it doesn't fall under the statute since it is a seasonal park. Mr. Sutton told him that it does since there are more than two

tenants residing in the community more than eight (8) months each year. Mr. Sutton referred this matter to Ms. Gina Schoenberg at the Department of Justice for follow-up. In a conversation with Mr. Michael Morton, Mr. Strine was informed that the Right of First Offer (ROFO) letters were sent out to the tenants notifying them of the sale about a month ago. DEMHRA did not receive copies of the correspondence. Mr. Sutton will follow up with Mr. Morton to obtain a copy of the ROFO letter that was sent to the tenants.

IV. Chair's Report:

- At the last Board meeting, Mr. Crane proposed relocation of the DEMHRA office since the current location is not handicap accessible and presents challenges to some of our visitors. Mr. Sutton presented Mr. Crane with information on a few potential office locations that he has visited. There were four properties that would work; however, the rent was more than three times the price of our current location.
- Mr. Crane contacted Mr. Svaby of the Office of Management and Budget (OMB), and Mr. Michael Jackson of Facilities Management to inquire about possible State office space availability. Mr. Sutton completed an application for State office rental. Mr. Crane is waiting for someone from the State to get back to him.
- Mr. Strine offered to look into office space for rent as well.
- The findings will be presented at the April Board Meeting and the Board will decide if the office will be relocated.

V. Approval of Financial Matters:

A. Recent Financial Activity:

Mr. Sutton reviewed the Financial Reports for December 2019 and January 2020. The reports have been posted on the DEMHRA website. In addition, we have been advised that a new person will be responsible for submitting future financial reports to us. Mr. Crane gave Mr. Sutton the authority to request replenishment of the Trust Fund operating account when it goes below \$20,000.

B. Legal Counsel Invoice:

The Board reviewed the January invoice from Ms. Rhoads in the amount of \$3,528.10.

C. Arbitrator Invoices:

The Board also reviewed the invoice from Moore & Rutt for legal fees for Docket 07-2018 (Writ of Prohibition, Wild Meadows) in the amount of \$1,126.95. A motion was made by Mr. Meldrum and seconded by Mr. Strine to approve the both the legal counsel and arbitrator Invoices. The motion carried 5-0.

VI. Reports:

A. Compliance Matters:

1. Delinquent Parks:

Appleby – Q 4 2018 – In litigation. Checks were sent to Ms. Rhoads. She sent them to our office and the checks were mailed back, along with payment coupons to send to the Division of Revenue to bring the account up to date.

Countryside Mobile Estates – Q 1,2, and 4 2019. Filed Suit.

Forest Park – Q 3 & 4 2019. Emailed 2/12/2020.

Granada Court – Q3 & 4 2019. Emailed 2/12/2020.

J&J MHP – Ms. Rhoads sent a letter to Mr. John Case. Mr. Case indicated that he would pay what he owes up until June 2019, then his grandmother, Ms. Judy Skinner would be responsible for mailing in payments. She must register with the Division of Revenue and set up a Trust Fund Account. This park is currently in litigation and no payments have been received.

Minquadale – Quarter 2, 3 & 4 2018; Quarter 1, 2 & 3 2019. Ms. Rhoads sent a letter to pay within 10 days. They have not paid. A motion to file suit was made by Ms. Fuchs and seconded by Mr. Meldrum. The motion carried 5:0.

Quality Homes – Quarter 3 2019. Mr. Dorman was called 2/12/2020 and he stated he sent the payment in.

Riverdale Park – Quarter 3 & 4 2019. Mr. Sutton stated that he noticed Mr. Clark has been calling our fax machine. He will contact him to send in payment.

Sussex Manor – Quarter 2 2019. Ms. Rhoads has filed suit, but they have not been served yet.

2. Compliance Investigator Report:

Mr. Sutton received a call from a concerned resident that Lakeside Community in Seaford may not be registered. Mr. Kinnick from DMHOA visited the park and found out that there is an office there and residents pay lot rent. Mr. Brian Eng from the DOJ interjected that the Lakeside Community, and another community, Riverwind, are owned by the same corporation located in New Jersey. Mr. Sutton will send a Compliance Investigator to follow up.

B. Arbitration Matters & Status:

1. Open Dockets – Arbitration Matters:

Docket 07-2016 and 08-2016 Rehoboth Bay vs. Hometown America (Combined):

There were two separate dockets filed by two different residents. Mr. Sutton combined both dockets. Mr. Sutton received a call from the Superior Court in Georgetown requesting documentation on these consolidated dockets. Therefore, these dockets were re-opened pending the review of documents sent to the Superior Court.

Dockets 10-2017 Wild Meadows:

Appealed to Superior Court. Ms. Rhoads will follow up.

Docket 07-2018 Wild Meadows:

Court order received to file for dismissal by January 20, 2020 for the Writ of Prohibition. Briefing is scheduled for April, 2020.

Docket 03-2019 Murray Manor:

Rent increase above CPI-U was denied. Citation received 1/23/2020. On appeal to Superior Court on behalf of Michael Morton.

Docket 04-2019 Wild Meadows:

Stayed until discovery dispute is settled by the court. Ms. Rhoads will follow up.

2. Open Dockets – Arbitration Costs:

Mr. Sutton reviewed the arbitrations costs for the above open dockets. Mr. Crane expressed concern regarding the high amount being paid for arbitrations and requested a tally of the 2019 arbitration costs. This will be compiled and presented at the April Board Meeting.

VII. Unfinished Business:

A. Update on White Oak Relocation Plan:

Home on Lot #1 still not demolished. Compliance Investigator will verify demolition when we are notified it has been done. A resident of White Oak relocated to Texas and she contacted Mr. Sutton last month indicating she needed documentation that she no longer owns the home she lived in at White Oak. Mr. Sutton mailed her the documents that she requested.

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

Enchanted Acres - This community is being sold. DEMHRA sent out Right of First Offer Letters on 2/5/2020 as there is no HOA. We haven't heard anything yet.

Canterbury Crossing - This community is being sold. DEMHRA sent out Right of First Offer Letters on 2/5/2020 as there is no HOA. We haven't heard anything yet.

J&J MHP - Mr. Case sold the park to his grandmother who needs to register with the Division of Revenue and set up her own Trust Fund Account.

The Village of Cool Branch - Sold to Hometown America. Settlement is scheduled for 3/5/2020.

Leisure Point Resort - Sold to Sun Communities on 9/3/19. They were contacted and requested to register with the Division of Revenue to set up a Trust Fund Account.

Lynch's MHP - Right of First Offer sent 6/3/19. As of 2/24/2020 the park has not been sold. DEMHRA will follow up in May.

Vanessa MHP - This park was sold but they have not reached a settlement agreement yet.

White Oak MHP - Closed. Still waiting for Lot #1 home to be demolished.

C. Update on Changes to the Quarterly Assessment Payments:

Mr. Sutton received phone calls from landowners regarding the new form posted on the DEMHRA website asking which form is to be used. They were instructed to begin using the new forms as of January 1, 2020 for beginning with the first quarter of 2020. The changes reflect the new amounts the landowners be paying (\$2.00 per rented lot). The tenants will still pay \$2.50 per rented lot.

VIII. New Business:

A. Signature Cards signed at WSFS Bank. This was previously discussed.

B. Relocation of DEMHRA Office - This was previously discussed.

C. Request for Records Sent to Superior Court for Rehoboth Bay vs. Hometown America, Docket 07-2016 and Docket 08-2016 (Combined). This was previously discussed.

B. Action Items:

New Office Location - Will discuss at April Board Meeting.

Annual Registration Form - Revised and will be posted on DEMHRA Website in September.

Leisure Point MHP Sale - New Owner has been contacted and instructed to set up Trust Fund Account.

FAQ-s for DEMHRA Website - Mr. Sutton will present draft at April Board Meeting.

Minquadale Assessment Fees – Ms. Rhoads will file suit.
Woodside Assessment Fees – They have paid and are up to date.

IX. Public Comments:

Ms. Tuthill from Pot Nets Bayside attending the meeting for the first time and was introduced to the members of the Board.

Ms. Fuchs will be resigning as she has sold her home and will be moving to New York. She will be here for the April meeting. She has been in touch with DMHOA regarding her recommendation for her replacement. Mr. Crane asked her to send an official resignation letter to the Governor's office so that the search for her replacement can go forward once she leaves.

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 April 23, 2020 at 1:30 p.m. Mr. Meldrum made a motion to adjourn the meeting which was seconded by Ms. Fuchs. The motion carried 5-0.

The meeting was adjourned at 2:25 p.m.

Respectfully submitted,

Gregg Sutton
Executive Director