

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

**1979 S. State St.
Dover, DE 19901**

Pursuant to 29 Del. Code 10004, the Board of Directors of the Delaware Manufactured Home Relocation Authority convened a meeting on **September 30, 2021**, commencing at **1:30 P.M.** at 1979 S. State Street, Dover, Delaware 19901.

Minutes of September 30, 2021 Board Meeting

IN-ATTENDANCE:

Authority: Mitch Crane
George Meldrum
William Dunn - Absent
Richard Hrycyshyn
Andy Strine
Pat Malone (Non-Voting Member) – Via Zoom

Gregg Sutton (Executive Director)
Lorraine Hrycyshyn (Office Assistant)

Legal Counsel: Melissa Rhoads

Other: William Kinnick, President, Delaware Manufactured
Homeowner's Association
Jen Allen, First State Manufactured Housing Association
Michael O'Connor – Impark Builders
Jerry Heisler – Reybold
Lisa Norden - Guest

I. Call to Order:

As there was a quorum, Mr. Crane called the hybrid Zoom meeting to order at 1:31 p.m.

II. Review and Approval of Minutes:

A motion to approve the September 2, 2021 minutes was made by Mr. Hrycyshyn, and seconded by Mr. Strine. The motion passed 4-0.

III. Chair's Report:

- It was discussed with legislators at last month's meeting that a committee should be formed to review Chapter 70 and revise/update changes.
- This action is still in progress.

IV. Executive Director's Report:

Mr. Sutton noted that since the last regular Board Meeting on September 2, 2021, the following has occurred:

There was an abnormally high number of delinquent parks on the September delinquent report. It was determined that most of these delinquencies were a result of the new MHR Tax Form (payment coupon), used when submitting payments, not being completed correctly. DEMHRA will make sure that in the future, this will be one of the areas to be checked prior to submitting a delinquency to our legal counsel.

- Reybold Homes submitted a request for a business license and certificate of insurance to be a mobile home mover and will be added to DEMHRA's list of certified home movers.
- Pine Point Park manager was contacted to encourage the tenants to complete applications in a timely manner. The one year to vacate Pine Point Park is April 30, 2022.
- Mr. Kinnick from DMHOA submitted a FOIA Request requesting copies of letters of communities having rent increases over the CPI-U from 1/1/18 to present.

V. Legal Counsel Report:

Ms. Rhoads provided an update on delinquent park accounts. Since her last report on September 2, 2021, the following has occurred:

- Cases still pending in the Court of Common Pleas are Hartly MHP, Sussex Manor MHP, and Oakway MHP. Magnolia Estates has paid and that lawsuit was dismissed.
- Letters sent in early June with no response are Dackerg MHP, Lakeside Homes, and The Crossings at Oak Orchard. Lawsuits have been filed.
- Of the 24 delinquent parks from the September 2, 2021 meeting, it was found that payments were made by Countryside Mobile Estates, Dover Air Park, Holly View Gardens MHP, Homestead MHC, Hub Court, Leisure Point Park, Maple Square MHC, Mobile Gardens MHP and Knoll's, and they are up to date.
- Parks remaining outstanding or have not responded to the demand letters are Enchanted Acres. Fishhook MHP, Forest Park, Laurel Village, Laws MHP, Love Creek Park & Marina, Pine Haven, Spring Creek Rentals, Stage Village, Summer Patch, THP LLC and Timber Acres.

VI. Approval of Financial Matters:

A. Recent Financial Activity and Report (Information Only):

The August 2021 Financial Report was reviewed, and has been posted on the DEMHRA website.

B. DOJ Legal Fund Transfer (Informational Purposes Only):

The September report was reviewed. The amount transferred to the Legal Fund for August, 2021 was \$3,721.46.

C. Approval of Legal Counsel Invoices:

The Board reviewed the August invoices from Tighe and Cottrell in the amount of \$1,403.00.

D. Approval of Arbitrator Invoices:

- Arbitrator Invoices from Reger/Rizzo/Darnall (Mary Sherlock) for Docket 02-2021, Ridgewood Manor, in the amounts of \$9,940 and \$7,350.
- Court Reporter Invoices for Docket 01-2021, Shady Park in the amounts of \$4,832.50, \$1,850.00, \$1,752.50, and \$582.50. Mr. Gibbs requested the transcript; therefore, DEMHRA will pay it.

A motion to approve the above invoices collectively was made by Mr. Meldrum and was seconded by Mr. Hrycyshyn. The motion passed 4-0.

VII. Reports:

A. Compliance Matters (Executive Director):

1. Compliance Investigator Report:

None

2. Delinquent Parks Report:

This was previously discussed in the Legal Counsel Report.

B. Arbitration:

Dockets for Arbitration Matters and Costs:

Wild Meadows HOA vs. RHP Wild Meadows MHC (Docket 07-2018):

Mr. Robert Cahill is waiting for a briefing hearing date.

Wild Meadows HOA vs. Wild Meadows LLC (Docket 04-2019):

Hearing was postponed until November 1, 2021.

Winterset Farms HOA vs. Winterset Farms MHC (Docket 01-2020):

Mr. Stoner has filed briefs in Superior Court and is awaiting action from the court.

Wild Meadows HOA vs. Wild Meadows LLC (Docket 04-2020):

The hearing is scheduled for October 21st & 22nd.

Shady Park HOA vs. Shady Park MHC LLC (Docket 01-2021):

Oral arguments are scheduled for September 14, 2021. Mr. Gibbs anticipates he will need another month to draft.

Ridgewood Manor HOA vs Ridgewood Manor II MHC, LLC (Docket 02-2121):

According to the arbitrator, Ms. Sherlock, the increase above the CPI-U was denied. An appeal must be filed within 30 days.

Canterbury Crossing HOA vs Canterbury Crossing MHP (Docket 03-2021):

Hearing is scheduled for 11/16/21 and 11/17/21.

VIII. Unfinished Business:

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

Parks for Sale:

- Update on Sale of Lynch's MHP – New owner is having trouble paying on-line. Ms. Hambleton advised her to mail her payment.
- Update on Sale of Silver Oaks Trailer Park – No update. Ms. Rhoads will follow-up.
- Update on Sale of Towers MHP – Nothing filed per Ms. Rhoads.
- Update on Upcountry MHP - Sale is still being negotiated.
- Update on Sale of Vanessa MHP – Still in settlement.
- Update on Sussex Manor – No update.
- Update on Ford's MHP – HOA must be formed by 9/26/21.
- Update on Sale of Summer Patch - This park was purchased in January 2021 and DEMHRA was not notified. Mr. Sutton informed them that they must register with DEMHRA and the Division of Revenue.

B. Change in Use:

- Update on Timberlane – Three-month update letter must be sent by 10/1/21 by Reybold.
- Update on Pine Point – Six-month letter to be sent by 11/1/2021. Only two (2) applications out of 12 affected tenants have been submitted for approval.

C. Applications for Relocation Assistance:

1. **Christine Brnik: 18 Holly Tree Circle, Newark, DE (Timberlane)**
Double-wide approved in the amount of \$13,500.
2. **Michelle Hall: 171 Sassafras Tree Circle, Newark, DE (Timberlane)**
Single-wide approved in the amount of \$9,500.

3. **Henry & Ellen Larouche: 129 Hickory Tree Circle, Newark, DE (Timberlane)** Single-wide approved in the amount of \$9,500.
4. **Sherry Finlaw & Erika Graham: 10 Holly Tree Circle, Newark, DE (Timberlane)** Single-wide approved in the amount of \$9,500.
5. **David Worrell: 178 Sassafras Tree Circle, Newark, DE (Timberlane)** Single-wide approved in the amount of \$9,500.
6. **Phillip & Janet Blottin: 36 Elm Tree Circle, Newark, DE (Timberlane)** Single-wide approved in the amount of \$9,500.
7. **June Bliss: 4 Pine Point Park, Millsboro, DE (Pine Park)**
Single-wide: requesting \$11,840. Since the appraiser's quote of \$9,500 was less than the amount she requested, and in light of the maximum relocation benefits being increased to \$12,000 for a single-wide mobile home and \$16,000 for a double-wide, the Board approved the application on the condition that the tenant resubmits another quote that is consistent with the requested amount of \$11,840.

D. Minquadale Proposal to Settle Delinquent Assessment Fees:

If Minquadale is willing to accept that they fall under our jurisdiction, and pay all assessments going forward, a settlement of unpaid assessment fees should be considered. Mr. Strine made a motion that we counter-offer at 50% of what they owe (\$4,320) to settle, and beginning January 1, 2022, they will pay their normal assessment fees. The motion was seconded by Mr. Meldrum. The motion passed 4:0. Ms. Rhoads will prepare the settlement documents.

X. New Business:

A. Relocation Costs Proposal from Mr. Heisler to Increase Relocation Benefits for Single Wide and Double Wide Homes:

Inflation has increased the cost to move homes. Based on the proposals on recent applications received, it was suggested that the maximum relocation allowance for single-wide homes be increased from \$9,500 to \$12,000, and the maximum allowance for double-wide homes be increased from \$13,500 to \$16,000.

A motion was made by Mr. Strine to increase the relocation amounts as noted above, and to make it effective as of 1:30pm on September 30, 2021, The motion was seconded by Mr. Meldrum. The motion passed 4-0.

With regard to non-relocatable homes, Mr. Strine proposed that the maximum non-relocatable benefit for a single-wide also be increased to \$12,000 and the maximum for a double-wide be increased to \$16,000.

Mr. Strine rescinded his motion and made a new motion that the maximum non-relocation benefits should be \$7500 for a single-wide and \$11,500 for a double-wide, or the appraised value, whichever is lower. The motion was seconded by Mr. Meldrum. The motion passed 4-0.

Regarding the maximum benefit for the demolition of a single-wide or double-wide home, Mr. Strine made a motion to increase the maximum amount from \$3,000 to \$4,500. The motion was seconded by Mr. Meldrum. The motion passed 4-0.

The new allowances will be posted on the DEMHRA website.

B. Legal Counsel's Opinion on Proposal from Mr. Heisler for the Following;

1. Appraisals for Non-Relocatable Homes
2. Recent Investments Made by Tenants for Non-Relocatable Homes
3. Alternate Housing Stipend for Tenants of Non-Relocatable Homes

After our solicitor's legal opinion on the above, it was agreed that this could be implemented via policy changes, and that it should be tabled until the next meeting. Mr. Strine will work with Mr. Kinnick & Heisler and prepare a proposal to be discussed at the next meeting.

C. Update on CPI-U:

The new CPI-U as of September 14, 2021 is 2.452%. This has been posted on the DEMRHA Website.

D. Action Items:

- Our Compliance Investigator will visit Mason-Dixon Community in November to determine if anyone is residing there.
- Bree Street Refund – Complete
- Spanish translation of certain documents on the DEMHRA website - Four agencies were contacted by Mr. Sutton. He recommended an agency from California.. Mr. Strine made a motion to engage in a trial period for translation with the California Company. The motion was seconded by Mr. Hrycyshyn. The motion passed 4-0.

- Mr. Sutton will contact the California company to translate two or three documents on a trial basis. The translated documents will be available at the next meeting.
- Mr. Sutton has written confirmation that there is no conflict by either side for Mr. Sharp to arbitrate Docket 03-2021.
- Paradise Cove's attorney was consulted regarding the status of whether the park was seasonal or not. The park has never been policed to determine whether residents were utilizing the park during the winter months. There was concern about the people living there full-time not being able to access the park year-round. DEMHRA will apprise the Board of the Compliance Investigator's findings after he visits the park in November.

X. Public Comments:

Mr. Kinnick contacted DNREC and the Governor's office on the sewer issues Donovan Smith has been having. Efforts are being made to coordinate with the various agencies to resolve the violation issues and protect the residents of the community. Rent cannot be raised above the CPI-U since they are in violation of the law. DNREC will work with the DOJ Ombudsman's office and DEMHRA will be notified of the outcome.

XI. Executive Session:

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

XII. Next Meeting Date: Adjournment:

The regular meeting was adjourned at 2:51 p.m. The Board set the next meeting date as October 28, 2021 at 1:30 p.m.

Respectfully submitted,

Gregg Sutton
Executive Director