

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 2, 2021**, commencing at **1:30 P.M.** at 1979 S. State Street, Dover, Delaware 19901.

Minutes of September 2, 2021 Board Meeting

IN-ATTENDANCE:

Authority:	Mitch Crane George Meldrum William Dunn Richard Hrycyshyn Andy Strine Pat Malone (Non-Voting Member) – Absent 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 Senator Brian Townsend (Via Zoom) Representative Medinah Wilson-Anton (Via Zoom) Vincent Harris, Department of Justice John Jones, DEMHRA Compliance Investigator Jerry Heisler, Reybold

I. Call to Order:

Mr. Crane called the hybrid Zoom meeting to order at 1:30 p.m.

II. Review and Approval of Minutes:

A motion to approve the July 22, 2021, minutes was made by Mr. Hrycyshyn and seconded by Mr. Strine. The motion carried 5-0.

III. Chair's Report:

- Mr. Crane stated that the minutes as written were too lengthy. The Board's attorney,
- Ms. Rhoads was asked to check the Statue to be sure there were no legal issues. No other board member objected to reducing the content of the minutes.

IV. Executive Director's Report:

Mr. Sutton noted that since the last regular Board Meeting on July 22, 2021, the following has occurred:

- In addition to Pine Point Park, Timberlane is going through a change in use.
- Mr. Sutton was asked about having certain forms on the DEMHRA website being translated into Spanish.
- Mr. Crane requested a proposal for the Board to review. Mr. Sutton will submit a proposal at the next Board Meeting.

V. Legal Counsel Report:

Ms. Rhoads provided an update on delinquent park accounts. Since her last report on July 22, 2021, the following has occurred:

- There are four remaining actions pending in the Court of Common Pleas. Those four are Hartly MHP, Sussex Manor MHP, Magnolia Estates, and Oakway MHP.
- Bowers MHP has been dismissed as they made a payment.
- Delinquent Parks that continue to be delinquent even after the series of demand letters that were sent in early June as follows:
 - Dackerg MHP, Hilltop MHP, Lakeside Homes LLC, Sandhill MHP, The Crossings at Oak Orchard, Quality Homes, and Sea Air Village. Sea Air Village has a large Credit on their account showing on the delinquent report as of August 3, 2021. Ms. Rhoads called Ms. Hambleton regarding application of the credit. Mr. Sutton added that it is DEMHRA's responsibility to contact those communities with credits to let them know they need to contact Ms. Hambleton. Mr. Sutton will call Sea Air to let them know they must contact Ms. Hambleton.

VI. Approval of Financial Matters:

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

The July 2021 Financial Report was reviewed and has been posted on the DEMHRA Website.

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

This July report was reviewed. The amount transferred to the Legal Fund for July was \$18,676.51.

C. Approval of Legal Counsel Invoices:

The Board reviewed the June and July invoices from Tighe and Cottrell in the amounts of \$3,520.01 and \$2,788.60 respectively. A motion to approve these invoices was made by Mr. Hrycyshyn and seconded by Mr. Meldrum.

D. Approval of Arbitrator Invoices:

- Court Reporter Invoice for Dockets 07-2016/08-2016, Rehoboth Bay, in the amount of \$225.00.
- Arbitrator Invoice for Docket 01-2021, Shady Park, in the amount of \$8,757.71.
- Book & Associates Invoice in the amount of \$9,600.

A motion to approve the above invoices collectively was made by Mr. Strine and seconded by Mr. Hrycyshyn. The motion carried 5-0.

- Court Reporter Invoice for Docket 01-2021, Shady Park

The Court Reporter invoice in the amount of \$8,578.50 for the transcript fee for Shady Park. The arbitrator, Mr. Gibbs, will be contacted to find out who requested the transcript. If he does not know we will contact the court reporter. Payment will not be made until we know who requested the transcript.

VII. Reports:

A. Compliance Matters (Executive Director):

1. Compliance Investigator Report:

Mr. John Jones, DEMHRA Compliance Investigator, was sent to Timberlane to verify the number of abandoned homes as reported by Reybold. He found that of the 14 homes he audited, 5 were occupied, 6 appeared to be abandoned, and 3 were questionable.

2. Delinquent Parks Report:

There were 24 parks that are now two quarters behind. The Board deferred voting to refer for legal action at this time.

A motion was made by Mr. Meldrum and seconded by Mr. Dunn to contact those parks and give them a deadline to comply. The motion carried 5-0.

B. Arbitration:

1. Open Dockets for Arbitration Matters and Costs:

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

Mr. Young has scheduled October 21st and October 22nd for oral arguments.

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

Mr. Robert Cahill is waiting for a court date.

Murray Manor vs. RHP Properties (Docket 03-2019):

Closed. Email from Mr. Lawson's paralegal indicates the HOA no longer wishes to re-open the arbitration.

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

Pending. Hearing scheduled for September 9th & 10th. **Winterset Farms HOA vs. Winterset Farms MHC (Docket 01-2020):**

Mr. Stoner has filed briefs in Supreme 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.

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

Ms. Sherlock informed us that her decision is due by October 2, 2021

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

Jamie Sharp agreed to arbitrate this docket. Mr. Sharp informed both parties of a possible perception of a conflict of interest, however neither party objected to him serving as an arbitrator. Mr. Crane would like the attorneys representing both sides to submit something in writing that they do not object to Mr. Sharp arbitrating this case.

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 has registered with the Division of Revenue
- Update on Sale of Silver Oaks Trailer Park – Attorney Rago will get back to us when he has a settlement date
- Update on Sale of Towers MHP – This park never registered with DEMHRA. Ms. Rhoads provided an update and there has not been anything filed
- Update on Upcountry MHP -Sale is still being negotiated
- Update on Sale of Vanessa MHP – Per Attorney Gouge, still in settlement. He won't know anything for another month
- Update on Sale of Sussex Manor – They had until 8/23/21 to form an HOA and they have not
- Update on Ford's MHP – Pending, they have until 9/26/21 to form an HOA

Change in Use:

- Update on Pine Point Park Change of Use – Six-month letter to be sent by 11/1/21 by attorney Michael Morton's office
- Update on Timberlane – Three-month update letter to be sent by 9/30/21 by Reybold

B. Update on Bree Street – Refund to Ms. Pritchett:

Ms. Pritchett submitted all the required documentation of all the payments she made. The vote to reimburse Ms. Pritchett was deferred at the July 22, 2021, Board Meeting until today's meeting, when everyone was present. The Board

discussed this, and the consensus was that she had paid under protest all these years and she should be reimbursed. A motion was made by Mr. Strine and seconded by Mr. Meldrum to reimburse Ms. Pritchett \$6,400.50. the full amount she paid into the Trust Fund. The motion carried 5-0. Mr. Sutton will notify Ms. Pritchett of the amount of the check she will be receiving.

C. Update on Mason-Dixon – Compliance Investigator Inspection in November:

Our compliance investigator will visit the park in November to verify that utilities have been cut off and no one is actually living there.

D. Update on Book & Associates Audit:

They have agreed to an in-person audit on a yearly basis at no additional cost.

X. New Business:

A. Timberlane Change in Use of Land:

Jerry Heisler, the owner of Timberlane MHC, discussed three issues regarding the change in use for Timberlane.

Appraisals:

He proposed that one appraiser be contracted, whereby a price could be negotiated that would save money and the appraisals would be more consistent. He would like to propose that the Authority manage the appraisals for reimbursements for the tenants. He would be willing to manage it if the Authority could not or would not take on that task.

Alternate Housing Transition for Tenants of Non-relocatable Homes:

He would like to propose that those tenants be given a \$1,000 stipend for those Having difficulty transitioning to another location.

Clarity on Recent Improvements Made to Non-relocatable homes when recent improvements have been made such as new floors, windows, heaters, etc. He asked if it would be possible for those items that could be salvaged and sold before demolition, and that money be refunded to the previous homeowner.

Mr. Heisler cautioned that homes slated for demolition must be demolished and cannot be re-sold.

Following discussion on the above, the consensus was that it would be a good idea to hire one contractor to do appraisals for Timberlane. Since DEMHRA is not set up to manage this, Mr. Heisler will manage it. Tenants are asked to pay for appraisals up-front.

If there are legitimate costs incurred in the transition of moving from one place to another, possibly the cap should be increased to include those legitimate costs associated with moving from one place to another.

The recent improvements to non-relocatable homes is not addressed in the Statute. We should try to facilitate what can be done to help with recouping costs for recent improvements, possibly through policy change. Mr. Heisler and Mr. Strine will collaborate and come up with some numbers at the next Board Meeting. It was suggested that maybe Mr. Heisler could contact the legislators in January session to propose they clarify if some of these decisions are in the Authority's jurisdiction, and if so, make it retroactive for recent change in use communities.

Ms. Rhoads was asked to provide her opinion on Mr. Heisler's issues.

B. Applications for Relocation Assistance:

Michelle Smith, in the amount of \$9,500 for her single-wide to be relocated. A motion to approve was made by George Meldrum and seconded by Mr. Hrycyshyn. The motion carried 5-0.

Steven Brnik, in the amount of \$9,500 for his single-wide to be relocated. A motion to approve was made by Mr. Dunn and seconded by Mr. Meldrum. The motion carried 5-0.

It was questioned why Social Security numbers are necessary on the applications. All agreed that this should not be on the application but if it is, it should be blacked out.

C. Letter Sent to DEMHRA's List of Certified Appraisers and Movers Requesting Credentials:

This was previously discussed.

D. Action Items:

Mason Dixon – previously discussed

Arbitrators to provide monthly updates. This responsibility will be included the letter they are sent when they agree to arbitrate.

Bree Street - previously discussed.

Mr. Crane asked Senator Townsend and Representative Wilson-Anton if they had any questions or concerns. Senator Townsend asked when there will be a decision rendered regarding Mr. Heisler's proposed ideas. He was informed that our solicitor was asked to give her opinion and that will be shared with the Board Members. They will make an informal decision that will be ratified at the next Board Meeting.

X. Public Comments:

Mr. Kinnick, the President of the Delaware Manufactured Homeowners Association (DMHOA), requested copies of all rent increase notices for change in use communities before they are sent out to the residents. He also requested the letters be translated into Spanish. He expressed a concern that different information was discussed at the two meetings that were held for Timberlane and that the presentations should be consistent, so everyone gets the same information.

XI. Executive Session: The Board discussed, in Executive Session, pending arbitration cases, personnel matters, and litigation for the purpose of receiving legal advice relating to such matters.

The Board returned to regular session and a motion was made and seconded to grant pay increases. The motion passed 4-0 with one abstention.

XII. Next Meeting Date: Adjournment

The regular meeting was adjourned at 3:20 p.m. The Board set the next meeting date as September 30, 2021 at 1:30 p.m.

Respectfully submitted,

Gregg Sutton
Executive Director