

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 **December 16, 2021**, commencing at **1:30 P.M.** at 1979 S. State Street, Dover, Delaware 19901.

Minutes of December 16, 2021, Board Meeting

IN-ATTENDANCE:

Authority:	Mitch Crane George Meldrum William Dunn Richard Hrycyshyn Pat Malone (Non-Voting Member) Gregg Sutton (Executive Director) Lorraine Hrycyshyn (DEMHRA Office Assistant)
Legal Counsel:	Melissa Rhoads
Other:	Jen Allen, First State Manufactured Housing Association Kevin Reinike, Reybold Homes (Via Zoom) Gerald Heisler, Reybold Homes (Via Zoom) Oscar Martinez, Timberlane Resident (Via Zoom)

I. Call to Order:

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

II. Review and Approval of Minutes:

A motion was made and seconded to approve the October 28, 2021 minutes. The motion passed 4-0.

III. Chair's Report:

- Mr. Dunn's term expired on December 1, 2021. Mr. Crane sent an email to Senator David Sokola, the President Pro Tempore. He asked if Mr. Dunn was going to be reappointed to the Board or if there was going to be a new appointee. He is still waiting to hear from Senator Sokola's office.
- Mr. Crane thanked the Executive Director and Legal Counsel for managing their duties in a prompt manner, and for the job they are doing.

IV. Executive Director's Report:

Since the last meeting on October 28, 2021, the following has occurred:

- The CPI-U has increased from 2.45% to 2.790%, effective November 13, 2021.
- The community owners are now allowed to recommend a certified appraiser. In the past, the tenant was responsible for finding and paying for an appraiser. DEMHRA will now pay the appraisal fee.
- Mr. William Denman, the former DEMHRA legal counsel, informed Mr. Sutton that his Dover office was moving, and he has several DEMHRA files in his possession. Mr. Sutton will schedule a time when he can pick up the files, and the Board and legal counsel will decide what should be retained.
- Several tenants from Timberlane and Pine Point Park contacted Mr. Sutton to let him know that they have been unsuccessful in finding a mover. He sent them the list of DEMHRA certified movers and informed the community owners of the same. Mr. Sutton also contacted these movers informing them that we are in dire need of certified movers. He informed them of the increase in relocation allowances for moving single and double-wide homes.
- The minutes of the September 30, 2021, have been translated into Spanish and are posted on the DEMHRA website. All future minutes will be translated and posted as well.

V. Legal Counsel Report:

- Last month there were thirteen new delinquent accounts that were assigned to be sent demand letters. Driftwood Village, Glasgow MHP, and Twin Maples MHP have since paid their delinquent assessments. There are still parks that have not responded to our demand letters (County Seat Gardens MHP, Delaware City MHC, Mt. Pleasant MHP, Pepper Ridge Park, Waterford Estates and Winterset Farms). They will be referred for potential legal action filing suit. Matters still pending in the Court of Common Pleas are Sussex Manor, Hartly MHP, and Oakway. By the next meeting, legal counsel should have deadlines and progress on these cases. The newer ones filed within the last two months are Lakeside Homes, The Crossings at Oak Orchard, Fishhook MHP, Forest Park, Laws MHP, Love Creek Park & Marina, Pine Haven, Spring Creek Rentals, THP, Timber Acres and Dackerg MHP. By the next meeting legal counsel should have an update on service. Big Oaks Trailer Park was sent a demand letter in December of 2020 but the certified green card was never returned so there is no proof that they ever received the certified mail. Minquadale made their settlement payment, but it was \$112.75 short. They have agreed to send in what is owed. They also need to sign and return the settlement agreement to DEMHRA for our files.

VI. Approval of Financial Matters:

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

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

B. Approval of Legal Counsel Invoices:

The Board reviewed the October summary invoice from Tighe and Cottrell in the amount of \$2,696.25. The detailed invoice was previously approved by Mr. Meldrum and Mr. Strine.

C. Approval of Arbitrator Invoices:

- Morris James, Docket 01-2021 Shady Park, in the amount of \$3,562.50
- Sergovic, Carmean & Weidman, Docket 06-2021, in the amount of \$225.00

- Moore & Rutt, Docket 03-2021, in the amount of \$210.00
- Moore & Rutt, Docket 03-2021, in the amount of \$5,890.00

D. Approval of Staples Invoice:

Two invoices for a purchase made by Computerization 1 on 1 (DEMHRA IT Services) in the amount of \$649.99 and \$849.97 respectively for two laptops and WIFI range-finder.

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

VII. Reports:

A. Compliance Matters (Executive Director):

1. Compliance Investigator Report:

Compliance investigators were sent to Paradise Cove and Mason-Dixon MHP in November and December to verify that there were no tenants in the parks as both parks allege that they are seasonal.

The compliance investigator reported that when he audited Paradise Cove in November, there were cars parked in front of several residences whose leases stated that they must vacate by October 31st. This was referred to our legal counsel.

Mason Dixon MHP was audited in early December. This park is on two separate tax parcels owned by two separate families. One section of the park has thirty homes and has never registered with DEMHRA. The other section has six homes and are registered with DEMHRA, but still allege that they are seasonal. Of the six homes, only one family resides there year-round and pays assessment fees. This was verified by our compliance investigator. The section with six homes still needs to produce the seasonal leases for all residents.

When the section with the thirty homes was audited, the compliance investigator observed that there were four cars parked at four residences. Mr. Sutton has only one lease from that section of the park. That lease states that all residents must vacate by November 30th. Since this section with the 30 homes has never registered with DEMHRA, they need to either register, or provide the seasonal leases for all of their tenants. Ms. Rhoads will follow up.

2. Delinquent Parks Report:

This was discussed in the Legal Counsel Report. The following communities are now two quarters late and have been referred for legal counsel to send demand letters: Delaware City, Love Creek Park & Marina, Pepper Ridge Park, Sandhill MHP, Sweetbriar, The Crossings at Oak Orchard, and Timber Acres.

A motion was made to send demand letters to the above parks. The motion carried 4-0.

A motion was made and seconded to initiate legal action against Waterford Estates and

Winterset Farms. The motion carried 4-0.

B. Arbitration:

Open Dockets - Arbitration Status and Costs:

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

Written decision will be made within the next 3-4 weeks.

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

Hearing was held 11/2/21 and 11/3/21. Briefings are due by January 28, 2022.

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 on how the newly appointed judge wants to oversee the arbitration. Legal Counsel will investigate this and provide an update at our next meeting.

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

The hearing is scheduled for December 14, 2021, and December 15, 2021. The arbitrator will be contacted for an update prior to our next meeting.

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

11/4/21 Appealed to Superior Court. Mr. Gibbs was sent email for an update on 12/6/21, but has not responded.

Ridgewood Manor HOA vs Ridgewood Manor II MHC, LLC (Docket 02-2021):

Rent increase above the CPI-U was denied. 12/1/21 Letter received from Superior Court. Briefing scheduled for January 24, 2022.

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

Hearing was scheduled for November 16, 2021, and November 17, 2021. Waiting for decision from arbitrator.

Pot Nets Lakeside HOA vs Pot Nets Communities Docket #04-2121):

11/17/21 Parties request a 60-day extension due to holidays. Tentative hearing date 2/1/22 and 2/2/22.

Dover Air Park Affected Tenants (Dave Luna) vs Dover Air Park (Docket 05-2021)

Remote hearing scheduled for 1/14/22.

Willow Tree Affected Tenants (Daphne Carmen) vs Willow Tree Properties (Docket 06-2021):

Arbitration scheduled for 1/4/22.

Mr. Sutton reported arbitration costs for 2021 total \$85,218.71.

VIII. Unfinished Business:

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

Parks for Sale:

Update on sale of Silver Oaks Trailer Park – This park was sold. Legal Counsel is collaborating with the new owner to complete what is required by DEMHRA

and the DOR. Mr. Crane asked Mr. Sutton to inform the new owner of their responsibilities to register with DEMHRA, giving a deadline to do so.

- Update on sale of Towers MHP – This community will be removed as the lots are on separate tax parcels
- Update on Up Country MHP – Email received 12/8/21 that sale is still pending.
- Update on sale of Vanessa MHP – Settlement occurred 10/27/21. The name of the park is being changed to Peachtree Run Mobile Home Park. The previous owner, Mr. Gibbs, is delinquent in Trust Fund account because he did not collect rent from his tenants. An escrow account was set up for those delinquent payments.
- Update on Sussex Manor – Pending. No HOA was formed.
- Update on Ford's MHP – Park is now going through a change in use.
- Update on Driftwood Village – Pending. Sale should be completed by the end of December 2021.

Change in Use:

Ford's MHP – Notification of change of use sent to tenants 12/9/21. There is no HOA. They have until 1/2/21 to form an HOA. There are four mobile homes in the park. One of the tenants is being evicted.

Pine Point Park Relocation Benefits:

The following applications were received:

Lot #1 – Francis Carden, 1 Pine Point Park, Millsboro, DE 19966

Double-wide non-relocatable benefit in the amount of \$25,000. Mr. Sutton noted that taxes are not paid. Payment will be contingent upon taxes being paid. A motion was made and seconded to approve application contingent upon taxes being paid. The motion passed 4-0.

Lot #17 – Karen Jensen, Warwick Road, Millsboro, DE 19966

Demolition benefits in the amount of \$2,595. A motion to approve the application was made and seconded. The motion passed 4-0.

Timberlane Relocation Benefits

The following applications for relocation benefits were received:

Rex and Kay Ann Glaspey, 1 Holly Tree Circle, Newark, DE 19702

Double-wide non-relocatable benefits in the amount of \$15,013.00 and a \$200 appraisal fee. A motion was made and seconded to approve the application and the appraisal fee. The motion passed 4-0.

Ruth and Austin McMillion, 169 Sassafrass Tree Circle, Newark, DE 19702

Single-wide non-relocatable benefit in the amount of \$6,703.00 and a \$200.00 appraisal fee. A motion was made and seconded to approve the application and the \$200.00 appraisal fee. The motion passed 4-0.

Charles Rossiter, 59 Sycamore Tree Circle, Newark, DE 19702

Single-wide non-relocatable benefit approved in the amount of \$12,200 and \$200 appraisal fee to be paid. A motion was made and seconded to approve the application and the \$200 appraisal fee. The motion passed 4-0.

John Scarpaci, 60 Willow Tree Lane, Newark, DE 19702

Single-wide non-relocatable benefit approved in the amount of \$12,000 and \$200 appraisal fee. A motion was made and seconded to approve the application and the \$200 appraisal fee contingent upon clarification of proof of payment of taxes. The motion passed 4-0.

Noremi Aviles-Diaz, 98 Willow Tree Drive, Newark, DE 19702

Single-wide non-relocatable benefit approved in the amount of \$10,000 and a \$200 appraisal fee. A motion was made and seconded to approve the application and the \$200 appraisal fee. The motion passed 4-0.

B. Re-address Mr. Heisler's Relocation Proposal to Reimburse Tenants for Home Improvement Investments Made to Non-Relocatable Homes:

This was previously discussed. The homeowner is permitted to remove anything they wish from their home before it is demolished. Any improvements would be addressed in the appraised value of the home.

C. Update on Minquadale Proposal to Settle Delinquent Assessment Fees:

This has been resolved and will be removed from future agendas.

D. Update on Mason-Dixon (Audit and Request for Leases):

Mr. Crane stated that if this Board determines that a community is seasonal, and they no longer fall under Chapter 70, the Board can take action to inspect the community from time to time to verify that they remain seasonal. If they are not in compliance, the Board has an obligation to discuss whether legal action should be taken. This is separate from what legal action that the Department of Justice (DOJ) may take legal action on, but it is DEMHRA's duty to report it to the DOJ. DEMHRA must continue to monitor the seasonal communities to ensure they are in compliance.

IX. New Business:

A. DOJ Legal Fund Transfer:

This is for information purposes only. The year-to-date amount transferred was \$113,612.60. Going forward, this information will be included with the Financial Report.

B. Magna Legal Services Proposal (Court Reporter):

The contract was sent to our legal counsel for vetting. As of January 1, 2022, we will begin using this service. Arbitrators will no longer be engaging the services of court reporters after January 1, 2022.

C. The Spanish Group (Translation Services):

Mr. Sutton will be the person who is listed on invoices for the purpose of payment

approval. We have already posted some documents translated into Spanish on the DEMHRA Website.

D. Impact of the New Maximum Relocation Benefits on Applications Approved Prior to September, 2021:

Several applications have been approved for Timberlane and Pine Point Park residents prior to the Board approving the increase in relocation benefits. Some of those homeowners could not find a mover, or the mover they found backed out. Mr. Sutton would like the Board to reconsider making the new relocation benefits retroactive to August 1st. A motion was moved and seconded to make the benefits retroactive to the original date on the application. The motion carried 4-0.

E. Shortage of Mobile Home Movers for Timberland and Pine Point Park:

Ms. Jen Allen informed the attendees that efforts are being made to contact colleges and trade schools to promote manufactured housing movers and installers. This is a whole different trade and there are only a handful of certified installers left in the business. Mr. Reinike will be contacting New Castle County to discuss certification for movers.

F. MHR Tax Form Completion Instructions:

Some community owners were completing the form incorrectly which resulted in the payments not being processed. Mr. Sutton contacted Ms. Hambleton from the Division of Revenue who provided instructions on how to complete the forms correctly. All communities were sent an email or letter with the instructions on how to complete this form.

G. List of Certified Demolition Contractors:

Mr. Sutton will be putting together a list of demolition contractors. We have a list of certified movers and appraisers on file.

X. Public Comments:

Mr. Reinike requested clarification of liens on titles. He was told that the lienholder must be contacted to determine what is owed. Once DEMHRA pays the lien, the release would be sent to our office. He also questioned clarification on how long it takes for benefit checks to be disbursed. Mr. Sutton sends the check requests to the Division of Revenue when the applications are approved. It takes up to 7-10 days to receive the checks from the Division of Revenue after that.

Mr. Hrycsyhyn proposed setting a schedule for board meetings next year. He created a sample schedule for review for 6-week intervals for 2022. Since this was not on the agenda, no action was taken. Mr. Crane asked Mr. Sutton to email Mr. Hrycsyhyn's proposed schedule to all the board members to review prior to the next meeting. It will be placed on next month's agenda for discussion.

XI. Executive Session:

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

XII. Next Meeting - Adjournment:

The Board set the next meeting date as January 20, 2021, at 1:30 p.m.

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

Respectfully submitted,

Gregg Sutton
Executive Director