

**DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY**

**1979 S. State Street**

**Dover, DE 19901**

Pursuant to 29 Del. Code 10004, the Board of Directors of the Delaware Manufactured Home Relocation Authority shall convene a Board Meeting on **March 2, 2023**, commencing at **1:30 P.M.** at 1979 S. State Street, Dover, DE

**Minutes of the March 2, 2023 Board Meeting**

**IN-ATTENDANCE:**

**Authority:**

Mitch Crane  
William Dunn (Absent)  
Andy Strine  
George Meldrum (Absent)  
Richard Hrycyszyn  
Patrick Malone (Non-Voting Member)  
  
Gregory Sutton (Executive Director)  
Jane Sabo (Assistant to the Executive Director)

**Legal Counsel:**

Melissa Rhoads

**Other:**

William Kinnick – DMHOA  
Henry Clum – DMHOA  
Jen Allen, FSMHA  
Dietmar Panzig- Southern Meadow  
Terry Saunders – Donovan Smith  
Sam Saunders – Donovan Smith  
Carol Parsons – Donovan Smith

**I. Call to Order – 1:30 P.M.**

Mr. Crane called the meeting to order at 1:30 p.m. All members were present except Mr. Dunn and Mr. Meldrum. There was a quorum.

**II. Review and Approval of Minutes:**

A motion was made and seconded to approve the January 19, 2023. The motion carried 3:0. The minutes will be posted on the DEMHRA Website.

**III. Chair's Report:**

- HB61, the bill to allow \$100 compensation to five (5) board members for each meeting they attend, is now at the Comptroller's office for approval. This \$100 compensation does not include the ex-officio board member appointed by the Attorney General's office. There is a meeting scheduled for the week of March 6<sup>th</sup> before the Housing Committee. Mr. Crane asked that Mr. Strine and Mr. Sutton attend, and encouraged all of the board members to reach out to their representatives to let them know they support this bill.
- A meeting has been scheduled for March 9, 2023 at 1:00 p.m. with Mr. Crane, Mr. Sutton, DEMHRA solicitor, Mr. Clarke and Mr. Malone from the DOJ, and Paradise Cove's solicitor. The purpose of the meeting is to come to a resolution on Paradise Cove.

#### **IV. Executive Director's Report:**

- The Canon copier purchased by the previous Executive Director was making copies with black streaks because the toner cartridges were "after-market" brand. The cost to purchase canon cartridges from Staples was \$345.00. Mr. Sutton decided it would be more cost-effective to lease a new copier. He discovered that he could lease a Canon copier from the State on a 3-year lease of \$110 per month. He also contacted Excel Business Systems and found he could lease a Hewlett-Packard (HP) copier for \$89 per month. Both options covered the cost of toner cartridges. Since the HP copier cost less to lease than the Canon copier, Mr. Sutton leased the HP copier from Excel Business Systems at a cost of \$89.00 per month for 24 months.
- Mr. Sutton received a call from a resident of Pine Haven who was informed she had to move because the park was a seasonal property. Pine Haven was recently purchased by Blue Beach Bungalows, LLC. Mr. Sutton informed her that DEMHRA had not received a change in use notification. A reporter from the Delaware State News also called him inquiring about this as well. Mr. Sutton told the reporter that he could not confirm this allegation. The very next day, DEMHRA received the change in use notice from Pine Haven's attorney. Mr. Sutton called the resident and informed her that we just received the change in use notice and she could apply for relocation benefits.

#### **V. Legal Counsel Report:**

- Delinquent Accounts: Six communities were referred for legal action at the last meeting. Forest Park paid but Hecker Properties did not respond to our letter and is still delinquent. Minquadale will be sending a payment per their attorney. Up Country's payment was keyed incorrectly into the system. This was corrected and payment will be applied. Sussex Manor's new owner contacted Ms. Rhoads admitting that she has been having difficulty navigating the on-line process. Ms. Hambleton of the Division of Revenue has been working with her and gave the owner all the information she needs to pay on-line. Ms. Rhoads recommends filing suit to move this along. The former owner of Sussex Manor is delinquent one quarter from 2019 for an amount around \$300. Ms. Rhoads recommends filing suit to move the process along. A motion was made and seconded to file suit for Hecker Properties and the two Sussex Manor delinquencies. The motion carried 3-0.
- Letters were sent to all organizations in the three counties that were identified at the last meeting, who are responsible for issuing violations to parks (not the final violation that prohibits or changes the process for requesting rent increases), just so that we would be aware of properties to watch that are on the path to a final violation. She is receiving some follow-up to those letters. A letter is going out today providing a summary of who we are, what we do, and what the change to Chapter 70 means as far as violations are concerned. The letter directs the organizations to notify Mr. Sutton when any violation notices are issued. Mr. Sutton and Mr. Kinnick suggested letters be sent to the Department of Health & Social Service and the Office of Drinking Water (not affiliated with DNREC). Mr. Crane offered his assistance to follow-up with those organizations not responding by the next meeting.

#### **VI. Approval of Financial Matters:**

##### **A. Recent Financial Activity & Report:**

Mr. Sutton discussed the January Financial Report. It will be posted on the DEMHRA website. Mr. Crane indicated that the Authority has been granted an extension of its existence for three or four years and this eliminates the need to go before the Joint Sunset Committee.

##### **B. Approval of Legal Counsel Invoice:**

The February legal counsel invoice in the amount of \$1,960.35

##### **C. Other Invoices:**

The Spanish Group invoice in the amount of \$96.22

W. B. Mason invoice in the amount of \$178.47

Amazon Invoice for Toner Cartridges in the amount of \$125.99

A motion to approve the above invoices collectively was made and seconded. The motion carried 3-0.

#### **VII. Reports**

##### **A. Compliance Matters (Executive Director):**

##### **1. Compliance Investigator Report**

Mr. Sutton sent our compliance investigator to audit County Seat Gardens as there was a discrepancy in the number of homes they last reported. The audit was within the margin of error of 5. A check for payment of assessment fees was sent directly to our office. The Division of Revenue was contacted and we were told by Ms. Hambleton that they wouldn't accept the check since it was made out to pay multiple quarters. Mr. Sutton will mail the check back along with new MHR-Tax forms and an explanation of how to complete the forms correctly.

**2. Community Owner Registration Update:**

We mailed 175 registration forms to the communities in September and they were due by December 31, 2022. There are 45 communities who did not respond. Mr. Sutton will contact them again and send our compliance investigator to verify the number of homes. Mr. Crane requested a list of those who have not sent in their forms at the next meeting.

**3. Delinquent Parks Report**

Blanton's has since paid. Email was sent to Bon Ayre was emailed on 1/20/23 and did not respond. Changing Fates was emailed on 1/23/23 and has not responded. A motion was made and seconded to file suit against Bon Ayre and Changing Fates.

**B. Arbitration:**

**1. Update on Status of Open Dockets:**

04-2019 Wild Meadows – Oral arguments being heard. Decision within the next 90 days.

04-2020 Wild Meadows – Oral arguments being heard. Decision within the next 90 days.

01-2021 Shady Park – Attorney did not respond to our inquiry.

02-2021 Ridgewood Manor – Oral arguments being heard. Decision within the next 90 days.

04-2021 Pot Nets Lakeside – Citation received and documents sent to Sussex County

**2. Arbitrator Costs**

No new costs incurred.

**VIII. Unfinished Business:**

**A. Update on Parks for Sale**

Bay City – No change

Canterbury Crossing – No longer for sale

Country Acres – No change

Enchanted Acres – No longer for sale

Pine Haven MHP – Previously discussed

Pleasant Valley – Tenants purchased the park on 1/6/23 and will continue to pay into the Trust Fund

Peachtree MHP – Sold 1/20/23 to First State Rentals. They have registered with the DOR

Silver Oaks – Email sent to attorney – no response

Winterset Farms – No longer for sale

**B. Update on Parks Going Through Change in Use**

1. Timberlane – 117 affected homes, as of today 82 are complete. Eight more to approve today.

2. Lynch's MHP – No update

3. Ford's MHP – Four homes have been demolished. Ms. Ford provided documentation that she paid for the demolitions and requested reimbursement.

4. Pine Haven – Previously discussed

5. Paradise Cove – Will be discussed later in this meeting

**C. Approval of Applications**

**Timberlane:**

**Adam Alonzo, 103 Willow Tree Lane, Newark, DE 19702**

Non-relocatable payment for single-wide in the amount of \$6,500 minus \$207.55 in unpaid taxes

**Jazmin Contreras, 51 Sycamore Tree Circle, Newark, DE 19702**

Non-relocatable payment for single-wide in the amount of \$6,800 minus \$1,735.00 in unpaid taxes

**Juana Lopez deLara, 61 Willow Tree Lane, Newark, DE 19702**

Non-relocatable payment for a single-wide in the amount of \$5,500 minus \$257.15 in unpaid taxes

**Carrie Hill, 86 Willow Tree Lane, Newark, DE 19702**

Non-relocatable payment for a single-wide in the amount of \$8,300

**Renie Lloyd, 7 Holly Tree Circle, Newark, DE 19702**

Non-relocatable payment for a single-wide in the amount of \$7,900 minus \$4,448.07 in unpaid taxes

**Bolivar Domingo Medina, 25 Elm Tree Lane, Newark, DE 19702**

Non-relocatable payment for a single-wide in the amount of \$6,500 with a request that taxes not be paid directly to county but deducted from the benefit of \$6,500 for a total of \$6,497.69 in benefit payment

**George Sheridan, 158 Sassafras Tree Circle, Newark, DE 19702**

Non-relocatable payment for a single-wide in the amount of \$12,000 minus \$10,316.00 in unpaid taxes

**Steven Sygowski and Jennifer Tarr Sygowski, 48 Persimmon Tree Lane, Newark, DE 19702**

Non-relocatable payment for a single-wide in the amount of \$11,200

**Kevin Reinike, 114 E. Scotland Drive, Bear, DE 19701**

Reimbursement for Appraisals paid @ \$200 each for all 8 homes above in the amount of \$1,600

A motion was made and seconded to approve the above applications under the conditions that the delinquent taxes be deducted from their benefits payment. The motion carried 3:0.

#### **Fords MHP:**

All applications were approved and will be ratified at the next Board Meeting.

**Rose Marie Ford, 98 Frazier Street, Kenton, DE 19955**

Demolition payment for a single-wide in the amount of \$4,100

**Rose Marie Ford, 90 Frazier Street, Kenton, DE 19955**

Demolition payment for a single-wide in the amount of \$4,300

**Rose Marie Ford, 70 Frazier Street, Kenton, DE 19955**

Demolition payment for a single-wide in the amount of \$4,300

#### **D. Policies and Procedures Update**

The following entries were entered to the Policies and Procedures manual: Demhra must certify all rent Increases; community owners are sent a letter to verify there are no violations in the previous 12 months prior to the rent increase being certified. These changes were also updated on the DEMHRA website.

#### **E. Paradise Cove Update:**

Community Owner's Legal Counsel, Bob Valihura requested a meeting with DEMHRA Chair, Solicitor and Executive Director to discuss a settlement agreement. Mr. Crane added that this meeting will not result in any decision, but he will report back to the DEMHRA board if anything must be voted upon and that will be done at the next board meeting.

According to the DOJ, Mr. Valihura and the park owner believe that the change in use plan is complete; however, DEMHRA did not receive third quarter update letter, and no applications have been submitted. Therefore, Mr. Crane does not agree that it is complete. Mr. Strine added that the change of use is to make Paradise Cove a seasonal community and that would be predicated upon everyone living there would have to agree to a seasonal lease or move. By the next meeting, it will be determined if the tenants received the third quarter update, and if not, the original one-year deadline to move will be extended by one month.

#### **F. Mr. Strine's Report on the Possibility of Increasing Demolition Benefits:**

Mr. Strine researched costs for demolition benefits in the past. Typically, the cost to demolish a single-wide home is \$4,500, but could go as high as \$5,500 when there are attachments to the home, or the home contains

items to be disposed of. The lowest price is realized when the home is hauled off-site for demolition. He has

seen as high as \$5,500 and as low as \$4,350 for on-site demolition. Our current benefit for both a single and double-wide home is \$4,500. He suggested increasing the benefit for a SW to \$5,000 and benefits for DW capped at \$7,000. A motion to approve Mr. Strine's suggestion to increase benefits for SW and DW homes was made and seconded. The motion carried 3-0.

## **IX. New Business**

### **A. Comparison of Manhours for Rent Increases Prior to SB317 and After SB317:**

Mr. Crane requested a comparison of duties and the amount of time spent to complete the rent increase process prior to the passage of SB317 and the six months after the passage of SB317. He wanted this information for future reference so everyone can be made aware of the time involved. The end result was that DEMHRA staff has spent more manhours certifying rent increase request since the passage of SB317 six months ago than they did under SB33 in the previous six months. He added that his term expires in September of this year and since DEMHRA and its Board are a specialized organization, the replacement, if he does not seek to renew his appointment on the DEMHRA Board, should understand what is involved.

### **B. Sale of Peachtree:** Previously discussed

## **X. Public Comments:**

Ms. Saunders asked if benefits were available to a resident who was told by the owner of Donovan Smith MHP that their home had to be demolished because it was abandoned. She was informed that no benefits are available unless there is a change in use. She asked if DEMHRA could attend an upcoming Donovan Smith resident meeting to explain the change in use process. Mr. Crane agreed to attend an upcoming meeting. Ms. Saunders asked if homeowners could still arbitrate if a rent increase was above the CPI-U. She was informed that if a rent increase is above the CPI-U present cap of 7 percent, DEMHRA could not certify the rent increase. Mr. Crane suggested she contact DEMHRA or DMHOA if she has more questions. Ms. Saunders asked if future DEMHRA meetings could be held via Zoom. Mr. Crane informed her that only in-person meetings will be held unless there is a state mandate passed or if DEMHRA could not accommodate a large number of attendees.

Mr. Kinnick asked if Lynch's MHP received any applications for relocation benefits. The former owner sold the park and five or six do not have the DMV titles. Only one relocation application has been received to date.

## **XI. Executive Session:**

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

## **XII. Next Meeting**

The next meeting will be held on Thursday, March 30, 2023 at 1:30 P.M.

## **XII. Adjournment**

The meeting was adjourned at 2:41 p.m.

Respectfully submitted,

Gregory Sutton  
Executive Director

Pursuant to 29 Del. Code Section 10004(e)(2), this Agenda may be changed to include additional items (including executive sessions) or the deletion of items (including executive sessions) which arise at the time of the Authority's meeting

