

**DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY**  
**1979 S. State Street**  
**Dover, DE 19901**

**Minutes of the August 17, 2023 Board Meeting**

**IN-ATTENDANCE:**

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

Gregory Sutton (Executive Director)  
Jane Sabo (Assistant to the Executive Director)

Legal Counsel: Melissa Rhoads

Other: Jen Allen - FSMHA  
Dietmar Panzig – Southern Meadow Community

**I. Call to Order – 1:32 P.M.**

Mr. Crane called the meeting to order at 1:32 p.m. All members were present except Mr. Strine.

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

A motion was made and seconded to approve the July 14, 2023 meeting minutes. The motion passed 4-0 with one absent.

**III. Chair's Report:**

- There was no report; however, Mr. Crane announced that the board will convene an Executive Session following the meeting to discuss personnel matters.

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

Since the last meeting, the following has occurred:

- At the request of our landlord, a copy of our renter's insurance policy from L&W Insurance was sent.
- A resident from Paradise Cove sent an email to Mr. Sutton indicating that the landowner gave them only one option, either pay a \$100 increase in rent or move out. Mr. Sutton knew this was not true because the Department of Justice (DOJ) met with the landowner and was informed that all of the residents were given three options. The first was to sign a year-round lease at a higher rent rate; the second was to sign a seasonal lease, and the third was to apply for relocation assistance. As of today, no one has applied for relocation assistance. Mr. Sutton gave the resident Mr. Clark's contact information at the DOJ if she had further questions. Mr. Clark was copied on the email. Mr. Malone added that the DOJ spoke to the owner of Paradise Cove and their legal counsel, to make sure everyone is on the same page. They did not believe that the tenants were given only one option.
- Yearly evaluations were given to DEMHRA staff. This year they were asked to write down their goals and objectives that will be completed before next year's evaluation. He also suggested they keep a "to do" daily list.
- It was discovered that some invoices and a rent increase notification were sent to Mr. Sutton and wound up in his "Junk Mail" folder in his email. Staff was instructed to check their "Junk Mail" folder daily.

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

- Hecker Properties and Bon Ayre have paid and are dismissed.
- The former owner of Sussex Manor (Kamm Properties) has moved out of state and the entity is no longer active or valid. The mail sent to them was returned. Ms. Rhoads will make an effort to contact them with the new information received to track them down.
- The Crossings at Oak Orchard has responded, indicating the person responsible for payment of the assessments was out of the country and we are waiting for their response.
- Blue Beach Bungalows, the new owner of Pine Haven, has established an account with the Division of Revenue. They are having difficulty with the payment portal. Ms. Hambleton apprised them that if they are unable to use the portal by this Friday, they can send paper coupons with their payment.
- Oakway now has more than two tenants year-round and is responsible for paying assessments again. The landowners are elderly and the family members have been trying to make sense of everything to resolve the issue. Ms. Rhoads requested copies of the seasonal leases. They have not been sent, so she contacted Attorney Faries, Oakway's legal representative, who informed her that many tenants were never given leases and that she needs more time to investigate this. They understand that they must begin paying assessments.
- Paradise Cove completed the change in use at the beginning of August. Their legal counsel reported that there are 41 total lots, and of those, 7 are vacant. Seasonal leases will be issued to any future tenant. Of the remaining tenants, 15 signed seasonal leases. The remaining 19 tenants, who took year-round leases at the higher rent rate, are responsible for paying assessments as of June 1, 2023. No one requested relocation assistance. This was all worked out with the landowner and tenants and there are records of those taking year-round leases. The woman who contacted Mr. Sutton about the choices the tenants would be given has not signed or agreed.

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

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

The July report was reviewed by Mr. Sutton. This will be posted on the DEMHRA website.

### **B. Approval of Invoices:**

July Legal Counsel Invoice in the amount of \$2,040.35

The Spanish Group for the translation of the June Minutes in the amount of \$224.40

First Citizen's Bank for copier rental in the amount of \$90.77

L&W Insurance for Liability Policy in the amount of \$2,291

Mr. Crane requested the above invoices be voted on. A motion to approve the above invoices collectively was made and seconded. The motion carried 4-0.

Hampton Inn invoice in the amount of \$798.00 was submitted by Ms. Reynolds and Ms. Chestnut of Pine Haven for their stay at the hotel while their home was being moved and set up. Mr. Crane questioned reimbursement for the hotel stay. He added that there is no standard, other than the \$1,000 maximum hotel reimbursement for an interim housing allowance. We should confirm with the owner and mover when they moved out, verify that the length of hotel stay coincides with the time the home was prepped for the move, the date the home was actually moved off the lot, then set up for occupancy. Mr. Sutton added that he assigns a compliance investigator who verifies that the home was moved off the lot and set up at the new location. Mr. Dunn added that there could be a delay since that home must be inspected and a certificate of occupancy is received. Mr. Crane suggested a verification process for relocated homes when a hotel stay is involved. A motion to approve the Hampton Inn invoice was made and seconded. The motion carried 4-0. Mr. Crane suggested that a verification process as outlined above will be followed going forward. A motion was made and seconded to approve the Marshall Bailey invoice in the amount of \$12,000. The motion carried 4-0.

## **VII. Reports:**

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

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

Per Mr. Strine's request at the last meeting, Mr. Sutton will be assigning compliance investigator audits of Pine Haven to assure homes are moved off lots and moved to the new location.

**2. Delinquent Parks Report:**

Quarter 2 payment was due by July 20, 2023. Emails were sent to all who did not pay quarter 2 reminding them that they are now considered 1 quarter delinquent and to send in their payment at their earliest convenience. Those parks who have not paid Quarter 1 are now two quarters late and will be referred for legal action. Those parks are: Countryside Mobile Estates, Dackerg MHP, Dove Estates, Driftwood Village, Noll's MHP, Stage The Crossings at Oak Orchard Village, THP MHP, and Woodland MHP.

**B. Arbitration (Update on Status of Open Dockets):**

There is no change in the status of the open arbitrations with the exception of Docket 04-2020 (Wild Meadows) whose arguments will be heard in Superior Court on 9/22/23.

**C. Rent Increase Certification Requests:**

There were 42 rent certifications done in July.

**VIII. Unfinished Business:**

**A. Update on Parks for Sale:**

**Country Acres:** As of 8/10/23 – No update per Attorney Faries

**Daltons MHP:** As of 8/10/23 – No update per Attorney Faries

**Silver Oaks:** ROFO Letter sent 11/12/20. Still for sale as of 7/11/23 per Mr. Turner

Mr. Sutton asked Ms. Allen from the Housing Authority for assistance when we do not know who purchases a park.

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

**1. Timberlane** – 104 affected tenants, 15 relocatable, 64 non-relocatable, 7 abandoned, 86 Applications received, 18 remaining

**2. Lynch's MHP** – 8 affected tenants, 2 relocatable, 0 non-relocatable, 0 Abandoned, 2 applications received, 6 remaining

**3. Pine Haven** – 37 affected tenants, 0 relocatable, 6 non-relocatable, 0 abandoned, 7 applications received, 30 remaining

**4. Paradise Cove** – 37 homes. Per settlement agreement, change in use is complete

**C. Approval of Applications:**

**2. Pine Haven:**

**Joseph William Constantino, 8662 Lincoln Drive, Lincoln, DE 19960**

-non-relocatable benefit in the amount of \$8,600 plus \$200 reimbursement for appraisal fee, for a total Amount of \$8,800. A motion was made to approve Mr. Constantino's nonrelocatable benefit. The motion carried 4-0.

**IX. New Business:**

**A. Policies & Procedures Update of Section 10 and Other Changes:**

Updated Policies & Procedures were emailed to all board members for their review prior to the meeting.

A motion was made and seconded to accept the changes relating to rules to follow when 1) there is a change in use and there are no titles, and 2) two or more tenants must be paying rent to be eligible to go through a change in use. The motion carried 4-0.

**B. Error in CPI-U Computation/Methodology:**

A resident contacted Mr. Sutton citing an error in the computation of the July 14<sup>th</sup> CPI-U report. Mr. Sutton contacted the DE State Housing Authority and it was corrected. Then another resident called to say that the calculation was correct the first time. This was again corrected. Mr. Sutton contacted the DE State Housing Authority and requested an explanation of how the CPI-U is calculated. It was agreed that they would list this information under the "Information About the CPI-U" section of the form.

Mr. Dunn added that he spoke to Mr. Sutton regarding the CPI-U calculation. He looked at the way the CPI-U is calculated and thought there is a different way it could be calculated utilizing the federal calculations from the Meeting Minutes August 17, 2023 (FINAL)

BLS which issues 6 different reports for every calendar year, and that could benefit the tenants. Mr. Crane stated even if Mr. Dun's assertions are accurate, DEMHRA has no authority over how these calculations are computed. All DEMHRA can do is have Mr. Sutton contact DSHA to let them know when we think it is incorrect. Mr. Crane added that it is important for all to understand that the CPI-U is released by the DE State Housing Authority who reports this information the DEMHRA. Mr. Dunn discussed the idea of having a separate calculation specific to the report given to DEMHRA. Mr. Dunn will research this and report back to the board at the next meeting.

**C. Address Mixed Use Communities (Board's Opinion) – Add to Policies & Procedures:**

Mr. Sutton brought this up since it is not addressed in Chapter 70, and it will be acknowledged in DEMHRA's Policies & Procedures.

**D. FOIA Request:**

A FOIA request was received by Ms. Joyce O'Neal of DMHOA. She wanted the physical addresses and owners of all of the communities, as well as the number of lots in each community. The information was sent to her.

**E. Engagement Letter (Board Member Stipend):**

This was distributed to all board members, so Mr. Crane saw no reason to discuss it any further.

**X Public Comments:**

Ms. Allen of the FSMHA made a request that someone from DEMHRA look at the CPI-U report ahead of Publishing it on their website. Errors were made in the past. When she receives phone calls about the CPI-U, her response is that her office does not compile the report. It is the DE State Housing Authority who compiles the report.

**XI. Executive Session:**

At this time, Mr. Crane announced that the board will be convening an Executive Session to discuss personnel matters. A motion was made and seconded to adjourn the regular meeting and go into Executive Session. The motion carried 4-0. The Board did not return to regular session.

**XII. Next Meeting:**

The Board set the next meeting for September 28, 2023 at 1:30 PM.

**XIII. Adjournment:**

The meeting was adjourned at 1:32 p.m., and the Board went into an Executive Session.

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.