

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

**Minutes of the September 28, 2023 Board Meeting**

**IN-ATTENDANCE:**

Authority: Mitch Crane  
Andy Strine  
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: Jerome Rogers (Incoming Board Member)  
Jen Allen - FSMHA  
Dietmar Panzig – Southern Meadow Community

Prior to the beginning of the meeting, Mr. Strine presented Mr. Crane with a plaque recognizing his outstanding dedication during his ten years of service on this board. On behalf of the board members, Mr. Strine expressed appreciation all that Mr. Crane has done.

**I. Call to Order – 1:33 P.M.**

Mr. Crane called the meeting to order at 1:33 p.m. All members were present except Mr. Dunn. There was a quorum.

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

A motion was made and seconded to approve the August 17, 2023 meeting minutes. Mr. Crane had a minor change to the minutes indicating that when a board member is absent, they should not be listed in the attendance section, but should be addressed in the call to order section.

**III. Chair's Report:**

- At the August 17, 2023 meeting an executive session followed the meeting to discuss the possibility of hiring a consultant. The board did not return to the meeting afterwards. This will be addressed later in this meeting.
- Mr. Crane's resignation was accepted by the Governor and is effective at 4:00 p.m. today. Mr. Jerome Rogers has been appointed to the board as the Governor's Personal Representative, effective September 29, 2023. Code allows a sitting member on this board to be appointed by the governor, unless it is contested by any of the board members. No one from the board opposed Mr. Rogers' appointment.
- Appointment of an interim Chair will be addressed later in this meeting.
- Mr. Crane briefly discussed the history of his past service on DEMHRA's board and his re-appointment for the last four years of his term, totaling ten years. Mr. Crane was going to retire earlier, but due to the personnel change when Mr. Sutton resigned, he stayed on to ensure stability of the board until the newly appointed Executive Director learned the job. This did not work out and the position became available again. Mr. Sutton returned as Executive Director in January, 2023. Another reason he stayed on was that he wanted to ensure that the bill was enacted that would pay DEMHRA board members a stipend of \$100 for each board meeting attended.

- Mr. Crane's advice to the board members and the incoming Executive Director was that it is DEMHRA's job to interpret and apply Chapter 70, Title 25 off the Delaware Code, and to confer with our solicitor when unsure. Sometimes the legislators will ask for our opinion. Everyone has the right to give a personal opinion as long as it is stated that it is their opinion. No one has the authority to speak for the board except the chair, and sometimes the executive director if he is directed to do so when the board has a position on an issue. Legislators call from time to time. We should never offer them advice unless asked. There needs to be a relationship with all the elected officials of the legislature. They have constituents in manufactured home communities and we have a responsibility to get back to them quickly with an answer. He advised Mr. Sutton and the new chair to meet with the legislators to introduce themselves and let them know what DEMHRA is and does. Many do not know. When legislation is passed without DEMHRA's participation, we need to let them know the possible ramifications that may occur. The rent justification bill is a good example.
- It was discussed in an informal meeting with Mr. Crane and Mr. Strine that the home owners do not want rent increases and the land owners need to make enough profit so they can stay in business. Mr. Strine represents the interest of the land owners and does so within the framework of the law. Mr. Hrycyshyn represents the home owners and does the same. Mr. Meldrum represents the Speaker of the House and has always had wise and sage advice when consulted. There has to be a balance and that is not an easy thing to do. We must respect each other. Mr. Crane is concerned that the home owners will be priced out of the market because they can't afford rent increases, and if the land owners do not make enough profit to stay in business, they may opt to go through a change in use. Manufactured housing is affordable housing and is finally being recognized as such. Sussex County has the majority of people living in manufactured housing. Mr. Crane lives in Sussex County. No one on the board lives in Sussex County, and the board must pay attention to what is going on there. The board should work with the Sussex County legislators and county council representatives to do what is best for the communities.
- Mr. Crane stated that he enjoyed working with everyone and has respect for all the board members. He thanked Mr. Sutton, Ms. Sabo and Ms. Hrycyshyn for the work they do, their diligence and integrity.

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

Since the last meeting, the following has occurred:

- With three staff processing invoices there can be uncertainty of who did what. Therefore, a spreadsheet was created to log the date invoices are received, when they are ratified by the board, and when they are sent to the accountant for payment. An invoice for the copier lease was not processed in August. To avoid this in the future our accountant will set up automatic electronic payments so this does not happen again.
- We continue to monitor the number of copies made each month for the leased copier, and we have remained
- There were ongoing problems with procuring a credit card through WSFS bank. At the direction Mr. Crane, Mr. Sutton procured a M&T bank credit card. Mr. Sutton proposed moving the operating account from WSFS bank to M&T bank. This is something for the board to consider since WSFS has provided unsatisfactory customer service.
- A tenant from Lynch's MHP contacted Mr. Sutton indicating she is having problems getting an appraisal and amount of taxes she owes. She was informed that this documentation is needed before her application can be submitted for approval.
- Mr. Kinnick, past DMHOA president, is now home from the hospital. Mr. Sutton sent a get-well card from our staff.

Mr. Crane wanted to wait until after Mr. Sutton's report to let the board know that Mr. Sutton, Ms. Sabo and Ms. Hrycyshyn work very hard. They are diligent, complete whatever tasks are required, and he does not question their integrity. He was very grateful that Mr. Sutton returned as executive director in January, 2023. He also was grateful to Ms. Sabo, who assumed the role of acting executive director, and Ms. Hrycyshyn for assisting during that time.

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

- Demand letters were sent to Countryside MHP, Dove Estates and Stage Village. None have responded and Ms. Rhoads recommends further legal action.
- Forest Park, Holly Hill Estates, Knolls MHP and Woodland have responded to the demand letters and have paid
- Demand letters have been sent to Dackerg MHP, Driftwood Village, and THP, and are in the process of paying

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- A motion was made and seconded to pursue further legal action against Countryside MHP, Dove Estates and Stage Village. The motion carried 4-0 with one absent.

At this time Ms. Rhoads told Mr. Crane she hates to see him go, it was a pleasure working with him and she appreciated the opportunity to be appointed to this board. Mr. Crane said she has done excellent work, has been responsive and has gotten the delinquent accounts off the dockets very quickly. He thanked her for everything she has done and that she made his job easier.

## **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. Mr. Sutton requested that a running total of the board member stipend expenses be listed and deducted from the allotted \$6,000. The petty cash and operating accounts were replenished.

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

A motion was made and seconded to approve the August Legal Counsel Invoice in the amount of \$1,840.70. The motion carried 4-0 with one absent.

## **VII. Reports:**

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

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

Mr. Sutton sent our compliance investigator to verify that a home from Lynch's was moved to Magnolia Estates. There was a discrepancy in the mileage reported by the compliance investigator. Mr. Sutton contacted Mr. Crane about this and was advised to ask the compliance investigator to explain. If there is no response, Mr. Sutton should use the Google map mileage amount.

#### **2. Delinquent Parks Report:**

There was no change since the August report.

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

Docket 02-2021 was in Superior Court and that judge reversed the decision. The arbitrator ruled in favor of the tenants but the court determined that the arbitrator failed to consider evidence that the community owner presented. It was sent to the Supreme Court and they had not made a final determination. This required that another arbitrator had to be assigned. Mr. Sutton is in the process of assigning another arbitrator.

### **C. Rent Increase Certification Requests:**

There were 58 rent certifications done in August.

Mr. Crane discussed an issue where Driftwood's legal representative did not realize that a community requesting a rent increase to bring the homes up to market value had to be certified by DEMHRA. Certification by DEMHRA is required to be sure there are no violations and per the Code, it must be certified. Per Mr. Sutton, the community must contact DEMHRA to approve a date and time for a meeting with the tenants. After the meeting they have 30 days to request an arbitrator. There was no such request within the 30 days.

Mr. Malone asked about safety violations for parks and how it relates to rent increases. Mr. Crane explained that the draft of the law to change it to take out the word "final" and redefine it has not been done. We don't know if it will be enacted in January of 2024. It was also discussed with a number of legislators and they realized that there was an issue with it. We must decide if a violation that is being investigated and processed should stay any rent increase but nothing has been decided.

Mr. Sutton had a call from a resident stating that her community has many violations. He referred her to the DOJ since DEMHRA doesn't enforce the Code.

Mr. Crane discussed the situation with Donovan-Smith's ongoing safety violations. They sent their rent increase certification to the Bureau of Public Works, and they responded to Mr. Sutton that they received the certification form Donovan-Smith.

Mr. Sutton discussed changing the way violation certifications are done. As of now, the community is sent the violation certification letter by DEMHRA and they return it with their sign-off that there are no violations. We have to take their word that there are none. He proposed we present to the legislators the Bureau of Public Works would be responsible to certify that there are no safety violations and assure that the community is compliant.

Mr. Crane referred to Donovan-Smith MHP safety violations and explained that the problem is the filing for the final determination. The violations are ongoing, and determining a final violation could take more than a year. In the case of Donovan-Smith, there has not been a final determination, so they can continue to request rent increase certifications.

## **VIII. Unfinished Business:**

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

**Country Acres:** No update from owner per Attorney Faries

**Daltons MHP:** No change per Attorney Faries

**Silver Oaks:** We were unsuccessful in determining whether it is still for sale. The father says it is not and the son says that it is. Until we receive an update it will be taken off the report.  
purchases a park.

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

1. **Timberlane** – 104 affected tenants, 86 applications received. Of those 15 were relocatable, 64 were non-relocatable, 7 were abandoned, and the number remaining is 18.
2. **Lynch's MHP** – 8 affected tenants, 4 applications were received. Of those, 4 were relocatable, 0 were abandoned, and the number remaining is 4. Those 4 can apply but it is the board's decision to approve. They have had more than a year to apply.
3. **Pine Haven** – 37 but two are not eligible. The first because they moved out prior to the change in use Notification and the second because that person bought a home a few months ago but they were not Included in the original change in use notification. Mr. Strine added that they will probably receive a 3 month update next time it is due.

Mr. Malone added that the DOJ was contacted by a tenant who received a change in use letter from the owner of Pine Haven informing him that he must move by October 31, 2023 or his home would be demolished. Many tenants received those letters and ignored them. This tenant was afraid he may be arrested so he contacted the DOJ and this is what prompted the new owner Blue Beach Bungalows to begin the change in use process. The tenant completed his application for non-relocatable benefits previously and it was approved at the March 2023 board meeting. Mr. Crane questioned the legality of the first change in use letter and Mr. Malone said that the DOJ is investigating this. Mr. Malone will send Mr. Sutton documentation on this case and it will be placed on the next meeting agenda. Mr. Sutton will compile a list of the number of RV's and manufactured homes remaining to apply for benefits.

Ms. Faries asked Mr. Sutton for the original titles to the homes. DEMHRA does not have the original titles since they only receive them from the tenants when they apply for abandonment benefits or non-relocation benefits. Ms. Faries also informed Mr. Sutton that Blue Beach Bungalows would pay the remaining tenants' taxes, and that they would not be applying for any demolition benefits. As it seems there is some sort of agreement between the tenants and Blue Beach Bungalows, that would not be DEMHRA's concern. Mr. Crane insisted it must be in writing that they will not be applying for demolition benefits.

Mr. Malone added that there may be a delay pending the outcome of the DOJ's investigation.

4. **Paradise Cove** – Change in use is complete and we are waiting for copies of the leases so we can determine if they are seasonal or year-round.

### **C. Approval of Applications:**

#### **1. Timberlane – Henry LaRouche, 129 Hickory Tree Circle, Newark, DE 19702**

Relocatable single-wide in the amount \$12,000. Note: this application was previously approved when the maximum amount allowed was \$9,500. Marshall Bailey was going to move the home but then informed the owner that they could not. Reybold was contacted and they were able to move the home.

#### **2. Lynch's – Melissa Kramer, 116 Lynch Road, Milford, DE 19963**

Relocatable single-wide in the amount of \$12,000.

A motion was made and seconded to collectively approve relocation benefits for the above. The motion carried 4-0 with one absent.

#### **D. New Community Owner Orientation Update:**

Mr. Sutton discussed the community annual registration that has always been sent in September per protocol of the previous executive director. This didn't make sense so we will be sending out the information in late December and the registration form will be dated 2024. In addition, letters will be enclosed regarding annual registration and right of first offer. Also enclosed will be a checklist to follow when a community is going through a change in use, and per SB317, a checklist to follow for rent increase certification requests. Before we send the letters we will ask Ms. Jen Allen to look over the information and offer any suggestions.

#### **IX. New Business:**

##### **A. Policies & Procedures Update:**

###### **1. Mixed use Communities Assessment Fees:**

Because mixed communities exist, this defines what a mixed community is. This also includes information on the MHR-Tax Form.

###### **2. Interim Housing for Tenants Being Relocated:**

Change interim housing allowance to give displaced tenants \$100 per day for a maximum of seven days, capped at \$1,000. Of note, hotel invoices are checked for accuracy of the stay coinciding with when the home was moved and was able to be occupied. Confirmation will be obtained from the mover that the home was moved. Hotel invoices must be submitted to DEMHRA within 30 days. A motion was made and seconded to approve the policies and procedure revisions. The motion carried 4-0 with one absent.

The updated policies and procedures will be posted on the DEMHRA Website.

##### **B. Consider Retaining an Acting Chair During a Vacancy in the Position of DEMHRA Chair:**

Mr. Crane expressed concerns that until the incoming chair is brought up to speed in the duties of the position, there needs to be someone who can make decisions when necessary. Mr. Crane added that we have a right, and there is precedent to appoint an acting chair. The Governor's office also made a request to have an acting chair appointed by the board. Mr. Crane believes that Mr. Strine should be that person. Mr. Strine was asked and he accepted. Mr. Strine assured the board that as the land owners' representative, he would be extremely cautious and unbiased, and would not abuse the board member's trust. He also suggested that his temporary assignment not be open-ended, and asked the members to suggest a timeframe. Mr. Meldrum suggested six months. The Code allows the governor to appoint any sitting board member. At this time Mr. Crane asked if anyone on the board wanted to take on the acting chair responsibilities. No one expressed any interest. A motion was made and seconded to appoint Mr. Strine as the acting chair. The motion carried 3-0 with one absent and Mr. Strine abstaining.

##### **C. Consider Retaining the Departing Chair in the Consulting Role at \$200/Hour:**

In order to facilitate a smooth transition, Mr. Strine proposed having Mr. Crane available on a consulting Basis. He suggested a period of time rather than an open-ended commitment. He asked the board members what timeframe they would consider and it was suggested to be six months, with an extension should it be necessary. A motion was made and seconded to engage Mr. Crane in a consulting role on an as-needed bases for six months at the rate of \$200 per hour. The motion carried 3-0 with one absent and Mr. Crane abstaining.

##### **D. FOIA Requests:**

###### **1. Pine Ridge Park (Crystal Long):**

A request to send all documentation on Pine Ridge Park was received. Per FOIA requirements, information requested must be specific. Since the request was not specific, Mr. Sutton notified her that she must resubmit the request. She has not responded.

###### **2. Out of State Requests:**

A request was received from a resident in California. Mr. Sutton contacted Mr. Crane and Ms. Rhoads for direction and was informed that per case law, we are not required to comply with out-of-state requests.

##### **E. Change of Date to Send Annual Community Registration Letters:**

#### **X Public Comments:**

Mr. Dietmar Panzig congratulated Mr. Strine on his appointment as acting chair, and thanked Mr. Crane for his service on this board.

**XI. Executive Session:**

As there were no items to discuss, the board did not convene an executive session.

**XII. Next Meeting:**

The Board set the next meeting for Tuesday, October 31, at 1:30 PM.

**XIII. Adjournment:**

The meeting was adjourned at 2:45 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.