

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

Minutes of the October 31, 2023 Board Meeting

IN-ATTENDANCE:

Authority: Andy Strine (Acting Chair)
 George Meldrum
 Richard Hrycyshyn
 William Dunn
 Jerome Rogers
 Patrick Malone (Non-Voting Member)
 Gregory Sutton (Executive Director)
 Jane Sabo (Assistant to the Executive Director)

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

I. Call to Order – 1:30 P.M.

Mr. Strine called the meeting to order at 1:30 p.m. All board members were present. The DEMHRA counselor, Melissa Rhoads was absent, but she sent in her report.

II. Review and Approval of Minutes:

Mr. Rogers pointed out that there was an error on page 1, Chair's Report, second bullet item where his first name was spelled Jeremy. This has been corrected to "Jerome," and on page 3, B. Arbitration, next to last line reads: "was ten sent out," and should read "was sent out." It was determined that Mr. Rogers was reading from a version of the minutes that were emailed to him and his name was corrected. A motion was made and seconded to approve the minutes with the recommended corrections. The motion carried 5-0. The minutes will be corrected before being posted on the DEMHRA website.

III. Chair's Report:

- Mr. Strine reported that an information packet is being developed by Mr. Sutton and his staff for new and current community owners in order to minimize errors that sometimes occur. The information packet will contain information and instructions on how to file quarterly trust fund assessment fees, explain the rent increase certification process, the steps to take in going through a change in land use, and Right Of First Offer (ROFO), in a clear and easy to understand format. We will ask Ms. Jen Allen to review of the packet prior to submitting it to the Board for approval.

IV. Executive Director's Report:

Since the last meeting, the following has occurred:

- We received desk name plates for all board members.
- Mr. Sutton was experiencing a problem procuring an M&T credit card. Since he received a credit card from WSFS bank recently, he and Mr. Strine discussed and agreed that the trust fund operating account with M&T bank be canceled and the WSFS account be re-opened.
- The WSFS account was reopened and the checking account information has been re-entered in the Supplier portal at the Division of Accounting

- Mr. Sutton attended a 2-hour long FOIA Coordinator's training class on October 25, 2023. He thought it was very informative. The presentation also included information on holding open meetings and conducting executive sessions. He will develop a document for the board members on the role of the FOIA Coordinator.
- A resident from a mobile home community in Ellendale contacted Mr. Sutton about his high rent. At the direction of Mr. Strine, staff researched the property and it was discovered that there are 18 homes, each on separate tax parcels; therefore, they do not fall under Chapter 70.

V. Legal Counsel Report:

In Ms. Rhoads's absence, Mr. Sutton discussed her report.

- Suit has been filed for Countryside MHP, Dove Estates and Stage Village. They were referred for legal action at the September 28, 2023 board meeting. She will provide an update at the next meeting.
- Ms. Rhoads has been in contact with Dackerg MHP, Driftwood Village, and THP MHP. All three have promised to pay. She will follow-up with Ms. Hambleton before the next meeting for an update.
- If they still have not paid by the next board meeting, she recommended legal action be taken.

VI. Approval of Financial Matters:

A. Recent Financial Activity & Report:

The September report was reviewed by Mr. Sutton. This report was informational purposes only. This report will be posted on the DEMHRA website.

B. Approval of Invoices:

Mr. Sutton presented the following invoices to the Board for approval: September legal counsel invoice in the amount of \$2,180.35; the Spanish Group invoice for the translation of the August 2023 board meeting minutes in the amount of \$173.49; Mr. Crane's invoice for consulting fees in the amount of \$400.00; and the Hartford Insurance invoice for the renewal of the general liability insurance policy in the amount of \$631.00 (up from last year's amount of \$596). Mr. Hrycyshyn added that at a recent DMHOA meeting, a question came up regarding where the money would come from to pay Mr. Crane for his consulting services. He was reminded that at the September 28, 2023 board meeting, Mr. Crane was approved to provide consulting services, however it was not addressed where the money to pay for this was coming from. It was clarified that it would not come from the State of Delaware funds but out of the operating account maintained by DEMHRA and his services would be for no more than six (6) months. A motion was made and seconded to approve Mr. Crane being paid for his consulting services from the operating account and that his services not exceed 6 months. The motion carried 5-0.

VII. Reports:

A. Compliance Matters (Executive Director):

1. Compliance Investigator Report:

Mr. Sutton sent our compliance investigator to verify that two homes were moved. They were verified and we received the certificate of occupancy.

2. Delinquent Parks Report:

There was no change since the September report and those parks on that report that were two quarters late were referred for legal action.

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

Docket 04-2019 (Wild Meadows): Case remains stayed in Superior Court pending determination in the DE Supreme Court in the Shady Park 2021 appeal.

Docket 04-2020 (Wild Meadows): As of 10/24/23, case is fully briefed and argument was held before the Superior Court on 10/22/23. The matter is now under submission.

Docket 01-2021 (Shady Park): As of 10/24/23, case is still awaiting a decision from Supreme Court

Docket 02-2021 (Ridgewood Manor): As of 10/24/23, case has a new arbitrator, James Sharp. Mr. Sutton added that Attorney Sherlock retired so a new arbitrator had to be appointed to take over the case. Mr. Hrycyshyn questioned why this case was sent back to the arbitrator. Mr. Sutton stated that he was informed by CLASI that the Superior Court reversed the arbitrator's decision. After a notice of appeal was filed with the Supreme Court, the Supreme Court ruled that such an appeal would be interlocutory because the decisions were not final.

Therefore, it was sent back to the arbitrator. Since the arbitrator of record had retired, Jamie Sharp was assigned this docket.

Docket 03-2021 (Canterbury Crossing): As of 10/24/23, case is stayed by the Superior Court until after the Supreme Court issues its decision in Shady Park 2021 appeal.

Docket 04-2021 (Pot-Nets Lakeside): As of 10/24/23, case is scheduled for briefing on the Superior Court appeal starting in January, 2024.

Mr. Strine clarified that two of the dockets related to Shady Park are awaiting on a decision from the court. The others are separate from Shady

C. Rent Increase Certification Requests:

There were 58 violation letters and rent certifications done in September. Mr. Sutton explained that rent increases cannot be certified until we sign the certified violation letter that there are no violations per code. Mr. Strine questioned how the number of certification requests was arrived at and if a community having tenants paying different amounts in rent would receive more than one certification letter. It was clarified that as long as they all fell under the same choice on the certification letter, then one certification letter would cover them all.

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

Law's MHP: New owner is in the process of setting up a trust fund account with Ms. Hambleton. He will be responsible for paying assessment fees from the date of purchase.

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.

We received a hotel bill for interim housing allowance for one resident, but no application. Reybold was notified that we cannot do anything until we receive an application.

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. All remaining tenants were notified by the owner of Lynch's that they no longer have to pay lot rent or into the trust fund. They no longer fall under Chapter 70 and are not responsible for anymore quarterly reports

There was a question raised by Mr. Dunn regarding manufactured homes having VIN numbers. Mr. Strine explained that there is a HUD sticker but it does not have a VIN number. It is on the certificate of origin from the manufacturer of the home and that transfers over to the DMV title. That unique number is only on a piece of paper, not on the house. Once the home is set on the lot, all that information is given to the DMV who tracks the number. That is the paper trail that is followed when the house is moved or demolished. Unless the change in ownership is registered with the DMV, it is difficult to determine who owns the home. When residents do not do what they are supposed to do, the board makes a decision on whether benefits will be approved.

3. **Pine Haven** – 37 affected tenants (one sold her home but new owner is not eligible for relocation benefits), leaving 36. Six applications were received, of which 6 are non-relocatable and 0 abandoned.

Mr. Shearn had moved prior to the notification of change in use.

Mr. Shearn paid for the move out of his own pocket. There are 29 remaining. Mr. Strine added that they will probably receive a 3-month update next time it is due.

C. Approval of Applications:

1. **Pine Haven – Jeremy Suloff, 8688 Nelson Drive, Lincoln, DE**

Non-relocatable single-wide appraised at \$6,000. Mr. Suloff asked to be reimbursed \$200 he paid of appraisal fee. He also signed a waiver authorizing DEMHRA to deduct the outstanding taxes owed in the amount of \$352.12 to be paid, leaving \$5,842.88 payment to Mr. Suloff. A motion was made and seconded

to pay Mr. Suloff \$5,842.88 and pay Sussex County tax office \$352.12, the money deducted from Mr. Suloff's non-relocation benefits. The motion carried 5-0.

2. Pine Haven – Kenneth Shearn, 8646 Luella Drive, Lincoln, DE

Relocatable single-wide. Mr. Shearn paid the mover \$9,156.91 prior to the change in use notification. Mr. Malone from the DOJ added that Blue Beach Bungalows (new owner) is being sued for illegally evicting tenants.

Had they followed the correct process, Mr. Shearn would not have had to pay the mover. Since it was not his fault, he wants to be reimbursed the \$9,156.91. All documentation is in order and a motion was made and seconded to approve benefits in the amount of \$9,156.91. The motion carried 5-0.

Per Mr. Malone, a brief was filed on October 30, 2023 for closing arguments. Blue Beach Bungalows will probably appeal an unfavorable decision. Per Mr. Sutton, he was asked at the last meeting to provide the number of RV's and mobile homes. This information was provided to him by Attorney Faries and there are 7 RV's and 29 mobile homes left.

D. New Community Owner Orientation Update:

This was previously discussed. Staff will work on information packet that will be sent to Ms. Jen Allen for her review.

IX. New Business:

A. Policies & Procedures Update:

1. Article III – Executive Director:

The employee evaluation choice of unsatisfactory has been changed to needs improvement.

2. Article IV – Assistant to the Executive Director:

This is a new position that was created when Mr. Sutton resigned. Mr. Sutton went over the duties of the position indicating the difference between this position and the Demhra Assistant position.

3. Article IV (A) – Demhra Assistant:

Mr. Sutton went over the duties of the position.

4. Homeowner Attorney Fund:

Mr. Sutton received a phone call from a homeowner who wanted an interpretation of the Attorney Fund. He explained that Section 7046 of Chapter 70 explains what the fund is for. This will be incorporated into our policies and procedures. **The Board determined that no vote was required to approve these new entries into the policies and procedures.**

X Public Comments:

There were no public comments.

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 Thursday, December 7, 2023 at 1:30 PM.

XIII. Adjournment:

The meeting was adjourned at 2:34 p.m.

Respectfully submitted,

Gregory Sutton

Gregory Sutton

Executive Director

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

Meeting Minutes October 31, 2023 (FINAL)