

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

**Minutes of the July 25, 2024 Board Meeting**

Authority: Jerome Rogers  
Richard Hrycyshyn  
George Meldrum  
William Dunn  
Andy Strine  
Patrick Malone (Non-Voting Member)

Legal Counsel: Melissa Rhoads  
  
Gregory Sutton – Executive Director  
Jane Sabo (Assistant to the Executive Director)

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

**I. Call to Order:**

Mr. Rogers called the meeting to order at 1:30 p.m. There was a quorum.

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

The June 20, 2024 minutes were reviewed. A motion to accept the minutes as written was made by Mr. Dunn and seconded by Mr. Meldrum. The motion passed 5-0. The minutes will be posted on the DEMHRA website.

**III. Chair’s Report:**

- An executive session will be convened later in this meeting to discuss personnel issues.

**IV. Executive Director’s Report:**

Since the last meeting, the following has occurred:

- A request was sent to the DE Department of Finance to replenish the board member stipend account. The amount allocated for the account was decreased by the Department of Finance from \$6,000 to \$4,000, as the amounts drawn from the account this past year have been under \$3,000.
- Items stored in the office that will be used for a future restroom have been tagged for removal and/or disposal.
- Policies and Procedures have been updated on our website.

**V. Legal Counsel Report:**

Ms. Rhoads reported that there is nothing new to report. Communities are up-to-date with their assessments and nothing new has been assigned.

**VI. Approval of Financial Matters:**

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

Mr. Sutton reviewed the June report. This report is for informational purposes only and will be posted on the DEMHRA website.

The Falcidian Engagement letter has been fully executed and returned. The board members received a copy as a handout in their board packet.

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

The following invoices were presented for approval:

Tighe & Cottrell for legal services for June in the amount of \$840.00

The Spanish Group for the transcription of May minutes in the amount of \$172.13. A request was made by The Spanish Group to have their invoices paid by auto-pay. The board had no objections with this change.

DTI Contract for FY23 through FY25 for DEMHRA's use of State email addresses in the amount of \$952.32.

WSFS Visa credit card for June in the amount of \$271.36. Mr. Sutton was notified that there was a suspicious charge on the account. He verified that it was not made by DEMHRA. The account was credited, and a new credit card was issued.

A motion was made by Mr. Hrycyshyn and seconded by Mr. Meldrum to approve the above invoices collectively. The motion carried 5-0.

## **VII. Reports:**

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

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

The six (6) communities that had not sent their annual community registration forms for the past two years were audited. Work orders were assigned, and completed and all communities are compliant for 2024, leaving just random audits for the remainder of the year.

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

Silver Oaks has paid, and there were no new delinquencies to refer for legal action.

#### **3. Community Owner Annual Registration Forms Returned:**

This was previously discussed.

### **B. Arbitration:**

#### **Docket 04-2019 (Wild Meadows HOA vs. Wild Meadows LLC):**

In Superior Court. As of 6/11/24, the judge remanded this case to the current arbitrator, Mr. Stoner, who was unable to continue the arbitration. Mr. Sutton assigned Attorney Robert Cahall to continue with this arbitration. Mr. Cahall is in the process of reviewing the documentation.

#### **Docket 04-2020 (Wild Meadows HOA vs. Wild Meadows LLC):**

In Superior Court. As of 6/11/24, the arbitrator's decision was upheld, and this docket is closed.

#### **Docket 02-2021 (Ridgewood Manor vs. Ridgewood Manor II LLC):**

In Superior Court. As of 6/11/22, Mr. Sharp is conferring with the attorneys and is awaiting their response.

#### **Docket 03-2021 (Canterbury Crossing):**

In Superior Court - Briefing was completed on July 19, 2024. There is no update.

#### **Docket 04-2021 (Pot-Nets Lakeside HOA vs. Lakeside Community):**

In Superior Court – The arbitrator's decision was upheld. The judge denied the owner's request for a rent increase because the maintenance costs incurred did not meet the criteria for a capital improvement. This case is closed.

### **C. Rent Increase Certification Requests (June):**

There were 37 rent increase certifications processed during the month of June. There were no health or safety violations according to the DNREC website.

## **VIII. Unfinished Business:**

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

Country Acres - No response to the letter sent on 6/5/24 notifying them if the park is still for sale. If it is no longer for sale, they need to notify DEMHRA and their tenants that it is no longer for sale.

Dalton's MHP - ROFO letter sent 5/22/23, as of 6/7 DEMHRA notified all tenants the park is still for sale.

Hedgerow Hollow - As of 7/16/24, park is still for sale.

Mt. Pleasant – Park has been sold. Awaiting new owner contact information.

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

**Pine Haven:** Of the 15 applications submitted for benefits, there is one pending approval of benefits at today's meeting, and the others have not submitted all of the documentation.

**Timberlane:** Of the 87 applications, there are 17 remaining to apply for relocation benefits.

**C. Approval of Applications:**

**Pine Haven:**

**Jeanette Blades – 8618 Louella Drive, Lincoln, DE 19960**

Non-Relocatable Benefits in the appraised amount of \$6,300 for her single-wide home.

Reimburse Ms. Blades \$200 for the appraisal fee that she paid.

Mr. Dunn proposed that consideration should be given to increasing the appraisal fee allowance to \$300 to meet the current going rate. Mr. Strine suggested placing this on the agenda so it can be voted on at the next meeting.

A motion was made by Mr. Strine and seconded by Mr. Dunn to approve non-relocatable benefits to Ms. Blades in the amount of \$6,300, and to reimburse her \$200 for the appraisal fee she paid. If the board approves the increase in the appraisal fee allowance, she will be sent an additional \$100. The motion passed 5-0.

**D. Follow-up on Audit Proposal:**

Our auditor (Savant), still has not returned the request for proposal (RFP), that Mr. Sutton sent to them in May. Mr. Sutton was informed that they do not want to prepare requests for proposals every three years. Mr. Sutton added that we could get around this by requesting an engagement letter each year, the same as we do for our accountant.

Mr. Rogers questioned whether there is a legal requirement for DEMHRA to solicit multiple requests for proposals for auditing services. He asked our legal counsel to check into this. He added that procuring multiple proposal requests may be beneficial so we can compare costs. This will be placed on the next meeting agenda for further discussion.

**E. Renewal Request to DE Department of Finance to Replenish Board Member Stipend:**

This was previously discussed.

**F. Trust Fund Reduction of \$1.00 Each for Tenants and Community Owners:**

**1. Emails sent to all communities informing them that DEMHRA will vote on this issue:**

Emails/letters were sent to all communities after the June meeting notifying them of DEMHRA's intent to reduce the tenant and community owner portions for the monthly assessment fees each by \$1.00 per month.

Mr. Sutton distributed a copy of a document he received from Mr. Hrycyshyn that was prepared by DMHOA. They proposed that the \$1.00 earmarked to reduce the tenant portion of the monthly assessment fees get transferred into the DOJ attorney fund instead. CLASI has been using up the money in the fund and could use additional funding. The landowner \$1.00 reduction would not be affected. This initiative requires legislative action.

Mr. Strine indicated he wants to go on the record that he strongly opposes this, and that in his opinion, DMHOA pushes landowners too far with legal action against them. He further state that they shouldn't be surprised if there are more parks closing.

Mr. Dunn made a motion that was seconded by Mr. Meldrum to reduce the monthly assessment fees by \$1.00 each for the tenants and landlords. The motion passed 4-1, with one opposed.

DMHOA's proposal was rejected by the DEMHRA board at this time and Mr. Hrycyshyn indicated that DMHOA will be taking this up with the legislators in January when they are back in session. If it becomes a law, it will be effective when signed by the Governor sometime in 2025.

**2. Effective date of proposed change is January 1, 2025:**

Mr. Strine suggested notifying all communities in August, letting them know that at the July 25, 2025 meeting, the DEMHRA board voted on, and approved reducing the tenant and landlord monthly assessment fee portion each by \$1.00, effective January 1, 2025. This gives them ample time to prepare their January 2025 rent increase notifications to reflect the new monthly assessment fees. He suggested that the information should also be posted on the DEMHRA website.

**G. Continue Discussion for Streamlining Operational Functions:**

Annual Community Registration: Send out every three years instead of yearly. Mr. Strine added that communities pay the assessments quarterly for the number of homes required to pay the assessment fees. If blatant discrepancies are noticed, compliance investigators can audit those communities. Mr. Sutton added that random audits will be scheduled every three months.

Mr. Dunn questioned if this change requires legislative approval. Mr. Sutton added that if it is in our policies and procedures, and it does not. Mr. Strine added that he thought that annual community registrations are required yearly per the Statute.

Mr. Rogers will research the electronic version of Chapter 70 to determine if the communities are required to register annually.

Mr. Dunn suggested that Mr. Sutton and DEMHRA staff get together and compile a list of things that can be operationally streamlined. There should be a comparison of what is in place now, and whether legislative approval is required to implement the changes. This will be placed on the agenda for the next meeting.

**IX. New Business:**

**A. Personnel Matters – Salary Increases DEMHRA Staff:**

Discussed in Executive Session.

**B. Pending Legislation:**

Copies of two bills were distributed and discussed. Senate Bill 247 addresses unsafe conditions in manufactured home communities, and House Bill 442 addresses affordable housing. The bills are on the Governor’s desk for signature when the legislators return from recess.

Mr. Sutton would like to be informed of upcoming legislation notifications. Mr. Hrycyshyn will get Mr. Sutton the legislation notifications.

**C. CPI-U Update:**

The current CPI-U is 3.363%, and was effective on July 15, 2024.

**X. Public Comments:**

Mr. Panzig thought the meeting was very interesting today.

**XI. Executive Session:**

A motion was made by Mr. Dunn and seconded by Mr. Meldrum to suspend the regular meeting and go into Executive Session to discuss DEMHRA staff salary increases. The motion passed 5-0 and the executive session began at 2:27 p.m.

The board returned from the Executive Session and resumed the regular meeting at 2:40 p.m.

Mr. Dunn made a motion that was seconded by Mr. Meldrum to approve the salary increases for the DEMHRA staff. Mr. Strine suggested they become effective the next pay period. The motion passed 5-0 for two staff members, and 4-0-1 for the third staff member, with one board member, Mr. Hrycyshyn abstaining.

**XII. Next Meeting - Adjournment:**

The Board set the next meeting for Thursday, September 5, 2024, at 1:30 PM. A motion to adjourn the meeting was made by Mr. Dunn and seconded by Mr. Hrycyshyn. The meeting was adjourned at 2:44 p.m.

Respectfully submitted,

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 meeting.