

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

**Minutes of the November 14, 2024 Board Meeting**

Authority: Jerome Rogers (Board Chairperson)  
Richard Hrycyshyn  
George Meldrum  
Andy Strine  
William Dunn

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

Other Attendees: Jen Allen - FSMHA

**I. Call to Order:**

Mr. Rogers called the meeting to order at 1:30 p.m. Mr. Pat Malone (Non-Voting Member) was absent. There was a quorum.

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

The October 17, 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:**

The November CPI-U has not been received yet. Mr. Sutton should receive it today. HB 212 has passed both the House and the Senate and addresses two key issues:

**1. Rent Increases:**

- Rent increases will be capped at 5%. If a rent increase is 5% for the preceding year, the following year's rent cannot exceed 3%.
- We will no longer use the CPI-U to calculate rent increases, and DEMHRA will revise the rent increase certification letters to reflect the new changes.
- DEMHRA will disseminate this information to the community owners.

**2. Lot Rent Assistance Program:**

- The Department of Justice Ombudsman will hold two meetings per year per county to explain the lot rent assistance program.
- The cost for rent reduction for qualified tenants is borne by the community owners. They do not receive any subsidies. They determine eligibility based on specific criteria. Enrollment is open year-round.
- **DEMhRA has one year from the signing of the Bill** to create a form for the community owners to complete for each tenant who wants to enroll for lot rent assistance. The purpose of the form is to ensure they are following the law. These forms

will be posted on the DEMHRA website and will be set up so the information can easily be entered into a template to make it easier to complete.

- Once a year, community owners must provide data to DEMHRA on tenant participation in the program. Mr. Strine suggested that DEMHRA create a form to be sent to the community owners annually to report the following: specific data on how many tenants receive lot rent assistance, the amount of rent reduction they are receiving; the number of people in the home; income; and the number of tenants that have been deemed ineligible that were eligible the previous year.
- It is DEMHRA's responsibility to ensure that community owners are compliant.
- DEMHRA will create a spreadsheet to log and track the data submitted by the community owners.

DEMHRA's attorney, Ms. Rhoads will assist in creating a form for the community owners.

Mr. Rogers would like Mr. Sutton to provide him with how these changes will impact the workload of DEMHRA staff.

Mr. Sutton will work with Ms. Jenn Allen, First State Manufactured Housing Authority (FSMHA) to provide DEMHRA with required information that falls under FSMHA's purview.

The logistics on how to disseminate this information to be determined (via email, letters, and/or website postings).

Mr. Rogers will meet with the board members to create the actual documents needed, processes, etc.

Ms. Rhoads will review the information before it is presented to the General Assembly.

DMHOA will be kept informed of changes/revisions to rent increases and lot rent assistance.

Mr. Strine suggested developing a template or spreadsheet that the community owners could use to enter the information needed to calculate the amount of the lot rent assistance.

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

Since the last meeting, the following has occurred:

- On Tuesday, October 29, 2024, Mr. Sutton attended the first meeting of the Manufactured Housing Subcommittee held in the Senate Hearing Room on the second floor of Legislative Hall.
- The first item on the agenda was to review and discuss the purpose and mission of the subcommittee which resulted from the passage of HB442. This legislation was written to investigate, make findings, and make recommendations to the Governor and General Assembly on how the State and local governments can increase the production of affordable homes in Delaware.
- In reviewing housing production needs in Delaware, DSHA Chief Strategy Advisor, Ms. Caitlin Del Collo shared information about projected housing needs from the 2023 Housing Needs Assessment.
- The subcommittee was tasked with a brainstorming exercise to prioritize the following topics:
  1. An overview of **Barriers to considering MH** as a means of home ownership
  2. **Financial options**, including resident-owned communities (ROCs)
  3. **Review of information** provided by City Councilman, Fred Neil
  4. **Chattel vs Real Property**: Chattel is property that is moveable between one place to another such as manufactured homes
  5. **Entitlements/Design Based Regulations: Can MHC be used for Infill Housing?** Mr. Heisler discussed architectural standards and discussed concerns about "equal treatment" laws pertaining to regulatory structures
  6. **Mechanisms for the Purchase of MH Communities: Positive or negative Impacts?**

Mr. Strine had concerns about the definition of “chattel.” He thought that “chattel” should be changed to DMV Title so that there would be no issues with loan procurement.

Mr. Sutton suggested that if any board members saw any ambiguity or areas that needed to be explained in more detail, or changed in any section of Chapter 70, that they bring it to his attention so that he could introduce those recommended changes at subsequent MH subcommittee meetings.

Mr. Rogers asked the members to email this information to Mr. Sutton.

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

- No new delinquencies were assigned in October. Everything is resolved or in the process of resolving.
- Spring Creek Rentals is still delinquent and we will go forward with litigation.
- Countryside Hamlet remains delinquent. A teleconference is scheduled to see what can be done to get the account caught up. The owner needs to show some good faith effort by paying some of those delinquent quarters.
- J&J remains delinquent. Ms. Hambleton from the Division of Revenue, informed Ms. Rhoads that **the owner** has been sending in one payment to cover the whole year. If the owner does this again this December, they will no longer be delinquent for 2024.
- Some of the parks that just came off the list now appear on the list again for payment of Quarter 3, but they are not 2 quarters late.
- If community owners are taken to court, they are responsible for the legal fees.

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

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

Mr. Sutton reviewed the October report. These reports are for informational purposes only and will be posted on the DEMHRA website.

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

The following invoices were presented for approval:

L&W Insurance for General Liability Policy Renewal in the amount of \$631.00.

Tighe & Cottrell for legal services for September and October in the amounts of \$2,250.35 and \$4,665.30 respectively. A motion was made by Mr. Strine and seconded by Mr. Hrycshyn to approve the above invoices collectively. The motion passed 5-0.

#### **VII. Reports:**

##### **A. Delinquent Parks Report:**

Emails were sent reminders to send in payment to all communities that are one quarter late.

Parks that are two quarters late: Bowers Beach, Peachtree, Upcountry.

A motion was made and by Mr. Hrycshyn and seconded by Mr. Strine to refer the above parks for legal action.

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

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

As of 11/12/24, Mr. Cahall reported that the parties have agreed on terms of settlement but are working out the exact terms to finalize those details.

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

As of 11/12/24, Mr. Sharp reported that he is still waiting for confirmation from the attorneys as to the contents of the docket.

**Docket 03-2021 (Canterbury Crossing HOA vs Canterbury Crossing MHP):**

As of 11/12/24, Mr. Panicola reported that the case is awaiting action as to the proper filing of The record. Ms. Rhoads' role in this case is complete. The record has been received.

**C. Rent Increase Certification Requests (October):**

There were 36 rent increase certifications processed during the month of October.

**VIII. Unfinished Business:**

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

Holly Oak – 10/10/24 Park is still for sale.

Country Acres – Park has been taken off the market.

Dalton's MHP – As of 10/10/24, park is still for sale.

Hedgerow Hollow – Sold. Owner has registered with the Division of Revenue.

Mt. Pleasant MHP– Sold. Settlement is scheduled for 12/16/24.

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

1. Timberlane – There are 16 applications remaining.

2. Pine Haven – There are 2 remaining.

3. Lazy Pine Retreat – There are 6 remaining.

4. Lakeland – No applications have been received.

**C. Approval of Applications:**

**Timberlane: Andy Reyes-Hernandez, 37 Elm Tree Circle, Newark, DE**

Non-Relocatable Single-Wide Home in the amount of \$10,894.84 (unpaid taxes were deducted from the allowable \$12,000 benefit), and to Reybold Homes in the amount of \$200 for reimbursement of appraisal fee they paid.

**Lazy Pine Retreat: Fred Wolfe, 33912 Lazy Lane, Lewes, DE 19958**

Non-Relocatable Single Wide Home in the amount of \$12,000 plus a \$300 reimbursement for appraisal.

A motion to approve the above applications collectively was made by Mr. Strine and seconded by Mr. Hrycyshyn to approve the above relocation benefits collectively. The motion passed 5-0.

**D. Legislative Update**

This was previously discussed.

**IX. New Business:**

**A. Board Members' Recommendations for Chapter 70:**

There was a document about 4 years ago when the Board outlined their recommendations for changes to Chapter 70. These are some of the items that they would like to take to the subcommittee task force. The document will be reviewed and updated by the next meeting since it was done so long ago. Mr. Rogers requested that the board members email their suggestions or present them at a special meeting tentatively scheduled for next week.

**B. Reappointments for Mr. Meldrum and Mr. Hrycyshyn:**

Both of their terms expired in October. We received the letter for Mr. Meldrum from the appointing authority but it had the wrong date. A corrected copy has been requested. Mr. Hrycyshyn was informed that it is his responsibility to request re-appointment from the Governor.

**C. Policies & Procedures Update:**

**1. DEMHRA Must Notify Arbitrators When Arbitrations are Appealed:**

At the present time, Arbitrators are not notified if an arbitration is appealed. Going forward, we will notify them as soon as we find out.

**2. Update H.R. Functions (What DEMHRA Accountant's Responsibilities Include):**

This has been taken care of.

**D. Wild Meadows HOA Letter to Wild Meadows MHP Regarding Rent Increase:**

A meeting via Zoom was held to discuss the tax pass through that was included as part of the rent increase.

**X. Public Comments:** None

**XI. Executive Session:**

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

At this time Mr. Rogers asked the board members if they had any comments or suggestions. At the last meeting Sussex Manor's delinquency was discussed. Mr. Hrycyshyn, on behalf of DMHOA thought that non-payment of **the assessments** would set a precedent and this should have been settled at closing. Ms. Rhoads explained that the former owner did not pay, and the business is now defunct in Delaware. Her legal recommendation was that if you are pursuing less than \$1,000 it may not be feasible to sue to collect since the legal fees would probably be more than what is owed. She doesn't know if we have grounds to ask for payment from the new owner. We also don't have grounds to intercede in the closing to see if this is on the settlement sheet. Unfortunately, Chapter 70 doesn't give us the power associated with these situations. We aggressively pursue the community owners to pay so this shouldn't be a problem in the future.

Mr. **Rogers** appreciated DMHOA's concern, but it is not feasible to pursue this further.

Mr. Strine apprised the members that they are moving forward with the Lakeland change in use.

**XII. Next Meeting - Adjournment:**

The Board set the next meeting for Thursday, December 12, 2024. Mr. Hrycyshyn made a motion to adjourn that was seconded by Mr. Meldrum. The motion passed 5-0 and the meeting was adjourned at 2:45 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.