

BOARD OF MANUFACTURED HOUSING

April 15, 2020



Arizona Department of Housing

AGENDA



A G E N D A
BOARD OF MANUFACTURED HOUSING
Arizona Department of Housing

Date: **Wednesday, April 15, 2020; 1:00 P.M.**

Teleconference

602-753-1025, Passcode 330208

1:00 P.M.

- I. Call to Order (Chairman)
- II. Roll Call (Secretary)
- III. Call to the Public
Public Comments - Those wishing to address the Board need not request permission in advance; however, they must complete a form available at <https://housing.az.gov/manufactured-housing/board-manufactured-housing> or at the meeting. Each person addressing the Board will be limited to five minutes on any one issue. Pursuant to A.R.S. § 38-431.02(H), the Board may only take action on matters listed on the agenda. Action taken as a result of public comments will be limited to directing staff to review a matter or ask that a matter be placed on a future agenda.
- IV. Review and Action on Abbreviated Minutes of February 26, 2020 meeting
- V. Rule Change Update
- VI. Fee Structure – pursuant to A.R.S. §41-4010 (A) (4). Determine fees for Fiscal Year 2021 beginning July 1, 2020 and ending June 30, 2021.
 - a. Presentation by Department
 - b. Review, discussion and possible action
- VII. Adjournment

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the general public that the members of the Board of Manufactured Housing will hold a regular meeting open to the public at the Board’s office, at 1110 West Washington, Suite 280 (2nd Floor), Phoenix, Arizona, and may appear via the teleconference number set forth above. The Board, upon a majority vote of a quorum of the members, may, when necessary, hold an Executive Session to obtain legal advice regarding any of the agenda items, pursuant to A.R.S. § 38-431.03(A)(3).

The agenda is subject to change up to 24 hours prior to the meeting, in which case a new agenda will be prepared and distributed in the same manner as the original agenda. You may also call **602-364-1433** or email Ayde.Sanchez@azhousing.gov for any changes. Agenda items are noted by number and letter for convenience and reference. The Board may address the agenda items in any order within the time frame indicated, and may set over matters to a later time when necessary. The Board reserves the right to change the order of items on the agenda, except for matters set for a specific time.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Ayde Sanchez at 602-364-1433 or email Ayde.Sanchez@azhousing.gov. Requests should be made as early as possible to allow time to arrange the accommodation.

February 26, 2020
ABBREVIATED
MINUTES



DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

February 26, 2020 TELECONFERENCE BOARD MEETING

CALL TO ORDER

Assistant Deputy Director Brunetti called the meeting to order at 10:00 a.m.

ROLL CALL

Board Members present: Chairman David Roe, Jan Doughty, Terry Gleeson, Everette Hoyle, Gregory Johnloz, Wayne Syrek and Michael Young. Absent: Cody Pearce

Arizona Department of Housing (“Department”) Staff: Assistant Deputy Director, Tara Brunetti (Brunetti); Assistant Attorney General Valerie Marciano; Board Secretaries Ayde Sanchez and Amanda Duncan.

Public Present: No public present or on phone

APPROVAL OF JANUARY 15, 2020 BOARD MINUTES

Chairman Roe (“Roe”) entertained a motion to accept the prior Board Meeting Minutes; Board member Gleeson made motion to accept; motion seconded by Board member Johnloz and the Board voted unanimously to accept.

RULE CHANGE PROPOSAL

The Department and Board members reviewed and discussed proposed amended changes to Rule 102 and 502. Board member Johnloz entertained a motion to accept the proposed Rule changes; motion seconded by Board member Doughty and the Board voted unanimously to accept.

ANNOUCEMENTS

No announcements.

NEXT BOARD MEETING DATE

Wednesday, April 15, 2020. This is the meeting to review financial data and set annual fees beginning July 1, 2020.

ADJOURNMENT

Chairman Roe thanked the Board members for their attendance. The meeting adjourned at 10:12 a.m.

FINANCIAL REPORTS



**ARIZONA DEPARTMENT OF HOUSING
MONTHLY SUMMARY REPORT**

FEBRUARY 2020

PLAN REVIEW:						
	Reviews Completed	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD
PLAN REV. - FBB	47	334	367	\$7,025.00	\$66,500.00	\$68,404.00
PLAN REV. - MH	16	108	81	\$3,500.00	\$21,325.00	\$15,019.00

INSTALLATION PERMITS:						
	Permits Issued	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD Fees Generated
MH	119	1065	914	\$42,840.00	\$383,400.00	\$329,337.00
FBB	43	264	264	\$12,756.00	\$110,411.00	\$96,109.50

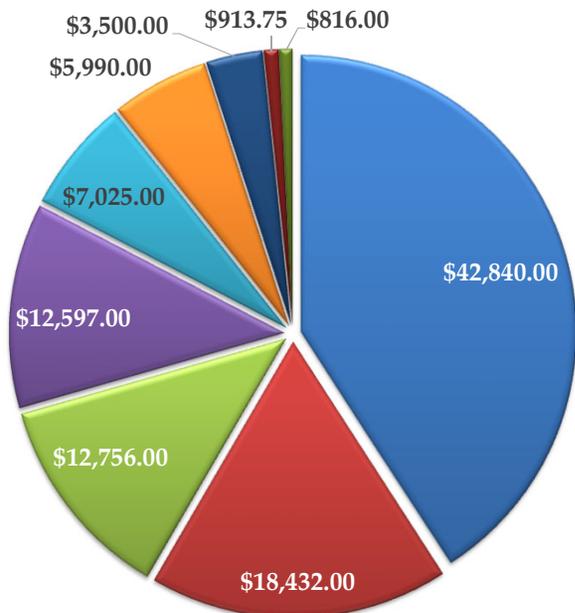
IN PLANT INSPECTION:						
	Plant Inspections	Current Total of Inspections	Current Total of Violations Sited	Prior YTD Total Violations	**Current Total Fees Generated	YTD Total Fees Generated
MH MFG.	12	116	15	146	\$913.75	\$ 6,523.75
Number of Homes Labeled	Single	Double	Triple	Quad	Five	TOTAL
	72	195	3	0	0	270
PRODUCTION TREND:	2020	2019	2018	2017	2016	2015
January	289	264	192	221	173	162
February	270	239	215	220	178	148
March		281	268	236	201	160
April		261	224	197	210	193
May		310	250	219	218	181
June		272	256	242	244	189
July		243	195	177	153	196
August		291	267	260	215	171
September		249	231	225	220	168
October		315	254	247	196	185
November		237	252	223	206	164
December		197	193	189	212	150
YTD TOTAL	559	3159	2797	2656	2426	2067

CERTIFICATES:								
	Certificates Issued	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD	Certificates Reported	YTD
INSTALLATION	599	3829	3208	\$5,990.00	\$38,290.00	\$32,080.00	281	3155
FBB MFG.	16	392	203	\$816.00	\$19,992.00	\$10,353.00	14	215

LICENSING:						
	New Licenses Issued	YTD Lic. Issued	Current Total Fees Generated	YTD Fees Generated	Current Total Licensees	Prior Year Total Licensees
MANUFACTURERS	4	14	\$3,456.00	\$13,084.00	82	72
DEALERS	7	22	\$4,260.00	\$14,404.00	270	271
SALES PERSONS	18	118	\$3,708.00	\$24,308.00	680	695
INSTALLERS	2	5	\$1,173.00	\$3,396.00	101	96
	Renewal Licenses Issued	YTD	Current Total Fees Generated	YTD		
<i>*Includes late renewals</i>						
MANUFACTURERS	5	47	\$2,870.00	\$22,896.75		
DEALERS	24	166	\$7,589.25	\$55,067.25		
SALES PERSONS	50	325	\$5,690.75	\$36,668.00		
INSTALLERS	7	66	\$2,282.00	\$22,095.50		

AUDITS:			
	With Violations	With Out Violations	Unlicensed Activity Investigations
Trust Account Audits	2	1	0

COMPLAINTS			
	New Received	YTD	Prior YTD
	3	18	17



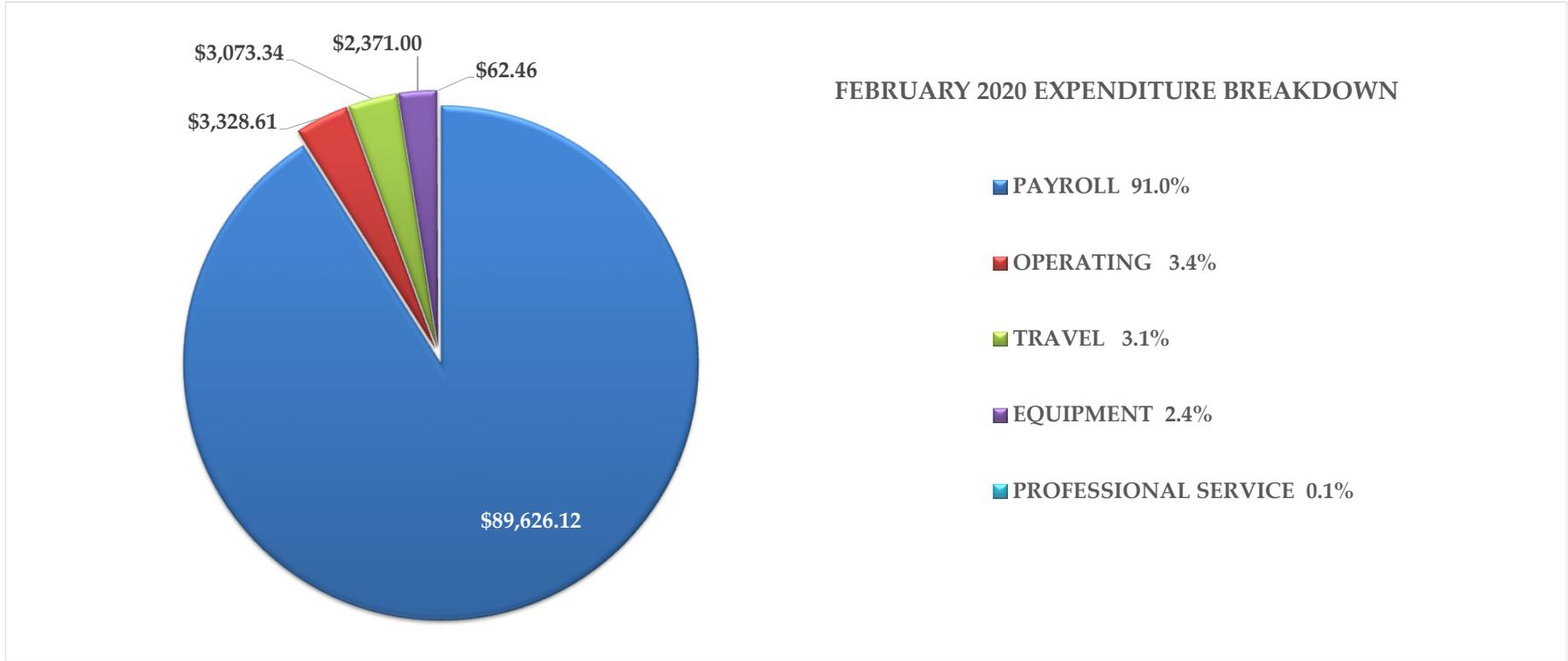
FEBRUARY 2020 REVENUE BREAKDOWN

- MH PERMITS 40.9%
- RENEWED LICENSES 17.6%
- FBB PERMITS 12.2%
- NEW LICENSES 12.0%
- FBB PLAN REVIEW 6.7%
- INST. CERTIFICATES 5.7%
- MH PLAN REVIEW 3.3%
- MH INSPECTIONS 0.9%
- FBB MFG. CERTIFICATES 0.8%

EXPENSE & REVENUE REPORT:								
	OMH Fee's Generated	YTD Revenue	Prior YTD Revenue	Current Expenditures	YTD Expenditures	Prior YTD Expenditures	Estimated Annual Revenue	Estimated Annual Expenditures
	\$ 104,869.75	\$ 838,361.25	\$ 734,616.75	\$ 98,461.53	\$ 1,020,687.88	\$ 932,486.31	\$ 1,257,541.88	\$ 1,531,031.82

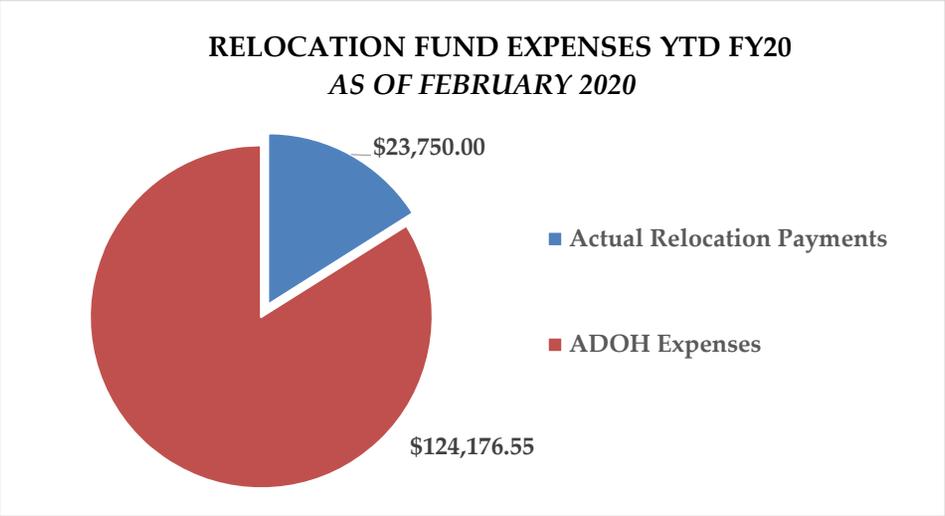
CONSUMER RECOVERY FUND				
	Monthly Deposit	Monthly Claims Paid	Monthly Interest Earned	Fund Balance
	\$ 4,050.00	\$0.00	\$ 750.10	\$ 567,900.94

CONSUMER & LICENSING EDUCATIONAL EXPENDITURES			
	Recovery Fund Ending Balance	Interest Earned	Available for Grants (75% of Interest)
FY 19	\$ 763,421.82	\$ 12,841.07	\$ 9,630.80



RELOCATION FUND SUMMARY

BEGINNING BALANCE		YTD EXPENDITURES		ENDING BALANCE	
As of 02/01/2020	\$7,739,241.81		AMOUNT	As of 02/29/2020	\$7,726,654.44
		Actual Relocation Payments	\$23,750.00		
		ADOH Expenses	\$124,176.55		
		Total Expenses	\$147,926.55		



FY 21 FEE RECOMMENDATION



MANUFACTURED HOUSING - BOARD FEE PRESENTATION

Plan A

FY2021 FORECASTED	BUDGET	% of Total	BOARD APPROVED FEES	Total Budget
Installation Inspections	\$ 804,960.00	42%	\$ -	\$ -
IPIA Plant Inspections	\$ 616,250.00	33%	\$ -	\$ -
Licensing	\$ 286,448.62	15%	\$ 238.31	\$ 238.31
Plan Review	\$ 126,525.00	7%	\$ -	\$ -
Insignias	\$ 60,310.00	3%	\$ -	\$ -
Operations Support			\$ -	
	\$ 1,894,493.62	100%		\$ 238.31

FY2020 EXPENSE	FORECASTED
Payroll & ERE	\$ 1,181,024.67
Professional Services	\$ 47,541.79
Travel	\$ 254,405.95
Capital	\$ 1,243.28
Non-Capital Exp	\$ 313,365.12
Operations Support	\$ 109,669.49
	\$ 1,907,250.29

Plan B

	FY20 PROJECTED FEE REVENUE	Plan B	
		FY21 BUDGET 105%	Adjusted Fee
Installation Inspections	\$ 745,794.00	\$ 845,208.00	\$ 378.00
IPIA Plant Inspections	\$ 129,427.13	\$ 647,062.50	\$ 89.25
Licensing	\$ 286,447.89	\$ 300,771.05	N/A
Plan Review	\$ 126,884.63	\$ 132,851.25	\$ 183.75
Insignias	\$ 573,576.00	\$ 63,325.50	\$ 10.50
Operations Support		\$ -	
	\$ 1,862,129.65	\$ 1,989,218.30	97.63%

Plan C

Plan C	
FY21 BUDGET 95%	Adjusted Fee
\$ 764,712.00	\$ 342.00
\$ 585,437.50	\$ 80.75
\$ 272,126.19	N/A
\$ 120,198.75	\$ 166.25
\$ 57,294.50	\$ 9.50
\$ -	
\$ 1,799,768.94	

FY20 Projection

Current Fees

	FY20 Projection		Current Fees
Installation Inspections	2,236	12.82%	\$ 360.00
IPIA Plant Inspections	7,250	41.57%	\$ 85.00
Licensing	1,202	6.89%	\$ 238.31
Plan Review	723	4.15%	\$ 175.00
Insignias	6,031	34.58%	\$ 10.00

Lump Sum Average; not by license class

FEE SCHEDULE





**STATE OF ARIZONA
DEPARTMENT OF HOUSING**

1110 WEST WASHINGTON, SUITE 280
PHOENIX, ARIZONA 85007

PHONE: 602771-1000 FAX: 602-771-1002
WWW.AZHOUSING.GOV

FEE SCHEDULE FOR 2020 FISCAL YEAR

FEES ARE EFFECTIVE JULY 1, 2019 through JUNE 30, 2020

Fees charged by the Department are not included in Rule and are exempt from the State Rule procedures (Arizona Revised Statutes § 41-4010(C)).

LICENSING FEES				
	Class	Class Description	New License	Renewal License
MANUFACTURER	M-9A	Factory-built-buildings (FBB) and subassemblies	\$ 864.00	\$ 432.00
	M-9C	Manufactured (MFG) Homes	\$ 864.00	\$ 432.00
	M-9E	Master, includes M-9A and M-9C	\$ 1,358.00	\$ 679.00
RETAILER/ DEALER/ BROKER	D-8	Retailer Mobile/MFG Homes	\$ 566.00	\$ 283.00
	D-8B	Broker Mobile/MFG Homes	\$ 432.00	\$ 216.00
	D-10	Retailer FBB or FBB Subassemblies	\$ 566.00	\$ 283.00
	D-12	Master, includes D-8, D-8B, and D-10	\$ 864.00	\$ 432.00
INSTALLERS	I-10C	General Installer	\$ 432.00	\$ 216.00
	I-10D	Installer of Attached Accessory Structures	\$ 432.00	\$ 216.00
	I-10G	Master, includes I-10C and I-10D	\$ 741.00	\$ 370.00
SALESPERSON	NA	Employee of a licensed Retailer/Dealer/Broker	\$ 206.00	\$ 103.00

PLAN FEES	
DESCRIPTION	FEE
Application Submittal and Plan Review	\$ 175.00 Includes up to 1 hour of plan review time
Plan Review	\$ 125.00 hour Each additional hour

MOBILE HOME LANDLORD TENANT PETITION	
DESCRIPTION	FEE
Complaint A landlord or a tenant of a Mobile Home Park may file a complaint administratively through the Department to obtain a hearing at the Office of Administrative Hearings on alleged violations of the Arizona Mobile Home Landlord and Tenant Act.	\$ 50.00

INSTALLATION TRAINING	
DESCRIPTION	FEE
Installation Training OMH Installer and Registrar of Contractor: Qualifying Party or Corporate Officer	\$ 100.00

PERMIT FEES		
DESCRIPTION	STATE ISSUED PERMIT FEE	IGA FEE
Mobile/MFG Home	\$ 360.00 each <i>Includes 3 Inspections</i>	Up to \$ 360.00 each
FBB – residential	\$ 450.00 per story <i>Includes 3 Inspections</i>	\$ 450.00 per story
FBB – commercial	\$ 4.50/LF per story <i>Includes 3 Inspections</i>	\$ 4.50/LF per story
FBB – classroom	\$ 2.25/LF per story <i>Includes 3 Inspections</i>	\$ 4.50/LF per story
6 Month Extension on Permit (MFG and FBB)	\$ 82.00 each	
FBB Special Event	\$ 120.00 each	
Rehabilitation – Mobile Home	\$ 49.00 if income below Area Median Income (AMI); \$306.00 if income at or above AMI <i>Includes 2 Inspections</i>	

INSPECTION FEES	
DESCRIPTION	FEE
MFG facility	\$ 85.00 per HUD Label
Installation re-Inspection or additional not covered by permit (MFG, FBB, Rehabilitation, and Special Event)	\$ 120.00 each
Other MFG facility	\$ 85.00 per hour
No Cancel by 7:30 a.m. of scheduled inspection	\$ 120.00 each

CERTIFICATE (INSIGNIA) FEES	
DESCRIPTION	FEE
Installation Certificate	\$ 10.00 each
Modular Manufacturer Certificate	\$ 51.00 each
Reconstruction Certificate	\$ 51.00 each

ADMINISTRATIVE FUNCTION FEES	
DESCRIPTION	FEE
Change on installation permit	\$ 10.00 per item
Change name of license	\$ 10.00 each
Change license location	\$ 10.00 each
Change license telephone number	\$ 10.00 each
Add or delete branch location	\$ 10.00 each
Reinstate bond	\$ 10.00 each
Change status of license to inactive	\$ 10.00 each
Process returned check	\$ 50.00 each
All refunds are subject to a fee of	\$ 59.00 each
Copies	\$.50 each

2020
BOARD MEETING
SCHEDULE



2020 MH BOARD MEETING SCHEDULE



All meetings are tentatively scheduled the 3rd Wednesday of each calendar quarter, beginning at 1:00 p.m.

Date and time is subject to change at the discretion of the Chairman of the Board.

- *January 15, 2020***
- *February 26, 2020 (Teleconference)***
- *April 15, 2020 (Teleconference)***
- *July 15, 2020***
- *October 2020***