

# DRAFT

## ARIZONA BOARD OF MANUFACTURED HOUSING

### ABBREVIATED MINUTES

August 10, 2016 BOARD MEETING

#### CALL TO ORDER

Chairman Baird called the meeting to order at 1:00 pm.

#### ROLL CALL

Board Members present: Chairman Sam Baird, Jan Doughty, Terry Gleeson, Everette Hoyle, Gregory Johnloz, Cody Pearce, Joseph Stegmayer, Lloyd Strode and Wayne Syrek.

Arizona Department of Housing (“Department”) Staff: Director, Michael Traylor (Traylor) ; Deputy Director, Debra Blake (Blake); Assistant Attorney Generals Frankie Shinn-Eckberg and Valerie Marciano; and Board Secretary, Ayde Sanchez.

Public Present: Ken Anderson, Manufactured Housing Industry of Arizona (MHIAZ)

#### APPROVAL OF APRIL 20, 2016 BOARD MINUTES

Chairman Baird entertained a motion to accept the prior Board Meeting Minutes; Board member Johnloz made motion to accept; motion seconded by Board member Stegmayer; and the Board voted unanimously to accept.

#### DEPARTMENTAL UPDATES

Blake provided an overview of the following highlights:

1. Department working with Coconino County to support its cost recover concerns as our Intergovernmental partner for installation inspections.
2. HUD’s On Site Rule in effective for all homes going into production as of September 7, 2016. Clarification received from HUD on what appliances are included in the Rule. Question still remains on venting for gas appliances. Department finalizing contracts with 3<sup>rd</sup> Party vendors to inspect these homes at the site.
3. Department of Energy’s (DOE) proposed rule is open for public comments. Manufactured Housing Consensus Committee drafted comments regarding the affordability as costs will rise to meet compliance, enforcement is not addressed in proposed Rule, indoor air quality seals the home with potential adverse health effects, and the elasticity value as costs increase, demand decreases.

4. HUD and its monitoring contractor, IBTS, will be visiting Arizona the last week in September for a plant visit and meeting with Arizona manufacturers and the Department.
5. Arizona will be the host site for a West and Mid-West regional HUD meeting for State Administrative Agencies in February 2017.

Board discussed the cost increases related to HUD's On Site Rule and DOE's proposed Rule. Traylor commented that decent, safe housing is important and the possibility of manufacturers partnering with a nonprofit dealing with affordability. Chairman Baird shared information about the industry's lobbyist, Manufactured Housing Institute. Mr. Stegmayer commented that today's manufactured homes are already energy efficient and the DOE changes add low or no benefit to consumers.

### **FINANCIAL REPORT**

Blake presented the March, April, May and June 2016 financial reports. She reported that the June 2016 financial report is not final at this time because a final report from Central Services Bureau, another State Agency, is not available at this time. Blake stated that the Department will provide the information as soon as it becomes available, including the final pro ratio of revenues to expenditures via email to all Board Members.

### **RECOVERY FUND**

Blake provided an update on the Recovery Fund balance as of June 30<sup>th</sup>. At this time there are no claims pending hearing and no claims waiting to be scheduled to go to hearing. She also reviewed the complaint summary provided in the Board packet.

### **FEE STRUCTURE**

Blake presented the new fee schedule for 2017 fiscal year. All fees remain the same compared to fiscal year 2016; the only change was clarification added for the cost of factory built building installation permit for classrooms.

### **CALL TO PUBLIC**

No requests to address the Board were submitted or heard.

### **NEXT BOARD MEETING DATE**

Wednesday October 19, 2016

### **ADJOURNMENT**

Chariman Baird thanked the Department for their attendance at the MHIAZ Chapter Meetings in support of on-going communication.

Mr. Johnloz commented that Fannie Mae may pilot a 2<sup>nd</sup> market for chattel loans for manufactured homes which would be good for the industry and Parks.

The meeting was adjourned at 2:13 p.m.