

DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

April 26, 2017 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, and Wayne Syrek. Absent: Lloyd Strode

Arizona Department of Housing (“Department”) Staff: Director, Michael Traylor (Traylor); Deputy Director, Debra Blake (Blake); Assistant Attorney General Valerie Marciano; Josh Tucker, Legislative Liaison; and Board Secretary, Ayde Sanchez.

Public Present: Ken Anderson (“Anderson”), Manufactured Housing Industry of Arizona (MHIAZ) and Susan Brenton, Manufactured Housing Communities of Arizona (MHCA)

APPROVAL OF APRIL 20, 2016 BOARD MINUTES

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

DEPARTMENTAL INFORMATION

Blake provided an overview of the following highlights:

1. Update on Arizona Management System deployment for Housing;
2. Legislative Updates;
3. Collaborative Meeting with Installers and other industry members;
4. HUD’s meeting in Arizona with State Administrative Agencies and PIAs;
5. 30th Annual Convention for Arizona Association of Manufactured Home Owner; and
6. Staff Changes.

CALL TO PUBLIC

Anderson commented on the collaboration meeting with the industry and the Department and thanked the Department for providing that opportunity.

Anderson also referenced the Agenda Item on Recovery Fund and requested information on the procedure from receipt of a consumer complaint to how parties get a hearing. Blake explained the process in general terms.

RULE PACKET REVIEW

Blake provided information on the Five Year Rule Review due by the Department in June 2017, and a status update on the Rule packet previously approved by the Board.

INTERGOVERNMENTAL AGREEMENT REPORT

Blake presented reports for December 2016 through February 2017 showing that as of November 2016 there were agreements with 62% of cities and towns and 73% of counties.

FINANCIAL REPORT

Blake presented the monthly financial reports for December 2016 through February 2017, and a Relocation Fund Summary as of the end of February 2017.

EDUCATIONAL GRANT REQUEST FOR ANNUAL CONFERENCE

Baird directed Board members to the educational grant request from MHIAZ and MHCA for their joint annual conference scheduled for June 22 and 23, 2017. The grant amount was \$5,157 to cover the cost of printing, binders, and mobile app for registrants to the conference. Board member Hoyle made motion to accept; motion seconded by Board member Gleeson; and the Board voted unanimously to approve the request.

RECOVERY FUND

Blake provided an update on the Recovery Fund balance as of February 27, 2017 is \$525,025.37. However, two pending complaint cases have the potential for claims in the total amount of \$258,952.26, which would reduce the current balance by about 50%. She also reviewed the complaint summary provided in the Board packet.

FEE STRUCTURE

Baird reminded Board members this was the date and time to review and approve fees for the Office of Manufactured Housing for the next fiscal year – FY18.

Blake discussed the presentation made available to Board members and the public previously. The presentation provided actual costs for fees based on current staffing levels and volumes, and a recommendation for a subsidized fee budget for FY18.

Board members discussed the fee recommendations. Board member Syrek suggested modifications be made to the new Installation Inspection Cancellation Fee as follows:

Installation cancellation fee applies:

1. Fee applies if cancellation not made by 7:30 a.m. on the date of the scheduled inspection; and

2. Fee applies if Inspector arrive at site to inspection and the work is not ready for inspection; and
3. No final approval will be given on the permit until the cancellation fee has been paid in full.

Board member Gleeson made a motion to approve the subsidized fee based budget recommendations made by the Department with the modifications suggested by Board member Syrek; motion seconded by Board member Hoyle; and the Board voted unanimously to approve the motion.

Board member Syrek suggested that the fees identified in the Department's fee recommendation did not address all current fees. Board member Gleeson modified his motion to accept the fee based budget to include the current fee schedule, fee recommendations made by the Department to include the modification suggested by Board member Syrek; modified motion seconded by Board member Hoyle; and the Board voted unanimously to approve the motion.

Board members discussed the scenario of setting fees for FY18 if the outcome of the current Legislative session is approval of a General Fund appropriation for the Department instead of a fee-based budget. Board member Gleeson made a motion to allow the Department to reset the fees for a General Fund budget to remain within the 95 – 105% statutory requirement; motion seconded by Board member Hoyle. Board discussed setting a specific date to review the General Fund budget recommendations. Board member Gleeson modified his motion to schedule a tentative General Fund fee meeting for the Board on Wednesday, May 10, 2017, beginning at 1:00 p.m. depending on the Legislative Session outcome; modified motion seconded by Board member Hoyle; and the Board voted unanimously to approve the motion.

NEXT BOARD MEETING DATES

- Tentative meeting scheduled for Wednesday, May 10, 2017 beginning at 1:00 p.m., if needed to review and discuss fees proposed for fiscal year 18 IF the budget approved for the Department is based on a General Fund appropriation
- Regularly scheduled next meeting is Wednesday, July 19, 2017.

ADJOURNMENT

Chairman Baird thanked the Board members for their attendance the Department for the Board packet and reporting. The meeting adjourned at 3:16 p.m.