

DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

JANUARY 27, 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, Joseph Stegmayer, Lloyd Strode and Wayne Syrek.

Board Members absent: Michael Minnaugh.

Department of Fire, Building and Life Safety (“Department”) Staff: Interim Director, Debra Blake; Assistant Attorney General, Frankie Shinn-Eckberg and Board Secretary, Ayde Sanchez.

INTRODUCTION OF NEW BOARD MEMBERS

Chairman Baird introduced all new Board members:

Wayne Syrek (“Syrek”) – Syrek is an owner and operator of an insurance agency that specializes in manufactured housing; he has been in the manufactured housing insurance industry for the last 20 years. *(Public Member Representative)*

Joseph Stegmayer (“Stegmayer”) –Stegmayer is President and CEO of Cavco Industries and served on the Board of Manufactured Housing a few years ago. *(Manufacturers Representative)*

Lloyd Strode (“Strode”) –Strode is a financial planner and most of his clients are business owners. This is the first time Strode has served on a Board. *(Financial Institution Representative)*

Jan Doughty (“Doughty”) –Doughty is a manufactured home owner and has been in the insurance industry since 1973. Doughty has served on several State and City of Tempe Boards. *(Public Member who lives in a manufactured home Representative)*

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DEPARTMENTAL UPDATES

Blake informed the Board that the Department as it exists today will no longer be a state agency by January 2017 or sooner. The functions, roles, responsibilities and all of the staff of the Office of Manufactured Housing (“OMH”) are not changing but will be moving as a separate division under Arizona Department of Housing (“ADOH”). ADOH is not a regulatory agency. Michael Traylor (“Traylor”) will continue to be the Director of ADOH and Blake will move to ADOH as a Deputy Director for the OMH division. There is a 50/50 chance that the physical location of the Department will not be moving.

The Office of the State Fire Marshal, the other division of the Department, will be consolidated with the State Foresters. Both agencies have the same customer base; work with fire departments; protect properties and lives.

As part of the consolidations the Homeowner Association (“HOA”) Complaints will be moved to the Department of Real Estate.

There are still a lot of details to work out in terms of consolidating. All the statutes and rules will have to have some conforming language changes.

HUD’s Final Rule for On-site Construction:

Blake provide a brief summary of the new federal regulation going into effect in March 2016 for on-site construction. This would allow a HUD home to ship from the factory substantially compliant with the HUD code and with the remaining construction work to be performed on-site at the home’s new location. There are many questions about the implementation of this new law and HUD is granting a 6 month extension for implementation.

Mohave County ordinance in review:

Mohave County is reviewing an ordinance that would strictly limit the age of a manufactured home that can be installed within their jurisdiction and they are setting that at seven years. Blake obtained a legal opinion from the Attorney General’s office which supports her believe that it is a violation of HUD preemption. If a manufactured home has a HUD label on it, it says it conforms to all of the standards for construction. The exception should be if a local jurisdiction determines that the home is no longer habitable. Blake contacted Pamela Danner, Program Administrator for HUD about the situation and their attorneys are looking into the matter. Ken Anderson (“Anderson”) and the Manufactured Housing Association are also working with Blake hoping to encourage Mohave County to do something different.

Town of Eagar ordinance in review:

The Town of Eagar is reviewing an ordinance that bans mobile and manufactured homes from its jurisdiction, period. Blake made Anderson aware of the ordinance in review and are both looking into encouraging that not happen.

Yavapai County Inter Government Agreement (IGA) termination:

Yavapai County has decided to terminate their IGA with the Department effective February 1st. Yavapai County's site built volume has increased making it difficult to support additional volume and the County is unable to hire additional staff due to the hiring freeze. The Department is committing to a two-day-a-week inspection schedule in Yavapai County to not delay any installation activity.

APPROVAL OF AUGUST 26, 2015 BOARD MINUTES

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

FINANCIAL REPORT

Blake presented the July, August, September, October, November and December 2015 financial reports.

RECOVERY FUND

Blake provided an update on the Recovery Fund balance of \$411,000 as of December 30th. At this time there are no claims pending hearing and no claims waiting to be scheduled to go to hearing.

DFBLS Action Item: Add to the upcoming Board meeting Agenda the recovery fund process and license bond amounts.

FEE STRUCTURE

Blake presented the current fee schedule for the 2016 fiscal year. 2017 fiscal year fees will be discussed in the upcoming April meeting.

CALL TO PUBLIC

No public present.

NEXT BOARD MEETING DATE

Wednesday, April 20, 2016

ADJOURNMENT

The meeting was adjourned at 2:23 p.m.