# BOARD OF MANUFACTURED HOUSING

**April 20, 2016** 



Arizona Department of Fire, Building and Life Safety

### **AGENDA**

### AGENDA

### BOARD OF MANUFACTURED HOUSING Department of Fire, Building and Life Safety

Date: **Wednesday, April 20, 2016; 1:00 P.M.**Department of Fire, Building and Life Safety
1110 West Washington, **Room 3100B (3<sup>rd</sup> Floor)** Phoenix, AZ 85007

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, Room 3100B (3<sup>rd</sup> Floor), Phoenix, Arizona. 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).

Those wishing to address the Board need not request permission in advance; however, the Board suggests that no more than three (3) people address the Board during the "Call to the Public" on any one issue. Pursuant to A.R.S. § 38-431.02(H), the Board can only take action on matters listed on the agenda. If appropriate, actions on public comment matters that are not listed on the agenda will be limited to directing staff to study the matter or schedule the matter for further discussion at a later date.

The agenda is subject to change up to 24 hours prior to the meeting. Please call **602-364-1433** or email **Ayde.Sanchez@dfbls.az.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 <a href="mayeredge-sanchez@dfbls.az.gov">Ayde Sanchez@dfbls.az.gov</a>. Requests should be made as early as possible to allow time to arrange the accommodation.

### 1:00 P.M.

- I. Call to Order (Chairman)
- II. Roll Call (Secretary)
- III. Welcome and Introduction of new Board member (Chairman)
- IV. Introduction of Michael Trailor, Director of Arizona Department of Housing (Debra Blake)
- V. Review and Action on Court Reporter Transcript and Abbreviated Minutes of January 27, 2016, meeting
- VI. <u>Departmental Information</u> discussion only; no Board action required *Standing Item* (Additional discussion topics may include: personnel updates, procedural changes, action items from previous Board Meetings, and/or industry news)
- VII. <u>Call to the Public</u>

<u>Public Comments</u> (Consideration and discussion of comments from the public. Those wishing to address the Board need not request permission in advance; however, must complete a form available at <a href="http://www.dfbls.az.gov/omh/board.aspx">http://www.dfbls.az.gov/omh/board.aspx</a> or at the meeting. Action taken as a result of public comments will be limited to directing staff to study the matter or scheduling the matter for further consideration and decision at a later date.)

VIII. Request for Educational Grant from Manufactured Housing Industry of AZ and Manufactured Housing Communities of AZ

- IX. <u>Legislative Update</u> discussion only; no Board action required
- X. Financial Report review, discussion, and possible action. Standing Item
- XI. Recovery Fund review, discussion, and possible action Standing Item
  - a. Recovery Fund Summary: Credits, debits, balance
  - b. Complaints Verified Inspections Summary
  - c. Recovery Fund payment process.
    - a. Surety bond recovery priority
    - b. Review statutory requirements
- XII. Fee Structure review, discussion, and possible action Standing Item
  - a. FY17 fee recommendation presentation
  - b. Fees for Charter Schools
  - c. Bond amounts for licensees
- XIII. <u>Announcements</u> of future meeting dates and other information concerning the Board.
- XIV. Adjournment

### January 27, 2016 ABBREVIATED MINUTES



### 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)

### **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 Trailor ("Trailor") 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 Eager 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 1<sup>st</sup>. 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 30<sup>th</sup>. At this time there are no claims pending hearing and no claims waiting to be scheduled to go to hearing.

**<u>DFBLS Action Item:</u>** 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.

# Court Transcript available on line: www.dfbls.az.gov

# DEPARTMENT UPDATES

Governor



DEBRA BLAKE
Interim Director

### DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

1110 W. Washington, Suite 100 Phoenix, AZ 85007 (602) 364-1003 OFFICE (602) 364-1067 FAX

### ARIZONA'S MANUFACTURED HOUSING INSTALLATION PROGRAM 2016 TRAINING REQUIREMENTS

### **DFBLS Installer Licensees and New DFBLS Installer Applicants:**

All new Installer Applicants must complete the Manufactured Housing Institute's on-line course for Installers to ensure a comprehensive overview of installing manufactured homes and pass the on-line test. Applicants must also successfully complete a technical skills/business management training test at the Department's Office and pass the written test.

Each current DFBLS licensee (Qualifying Party) must acquire **three (3)** on-going installation-related training credits on or before **November 30, 2016** as a condition of licensure.

### **Registrar of Contractor (ROC) Licensees:**

**Effective January 1, 2015** –All ROC licensees (Qualifying Party/Corporate Officer) who perform installation work on residential FBB's and/or mobile/manufactured homes must attend an installation-related training course as offered in this announcement. The training requirement is a pre-requisite for purchasing insignia/certificates required to be affixed to these homes.

The annual training requirement is waived for all ROC Contractors who perform work on <a href="mailto:commercial use FBBs">commercial use FBBs</a>; an installation certificate is still required to be affixed to the building.

Training options are detailed on page 2, below.

### **Installation Training Registration**

Please submit your registration form and payment for classes offered by the Department of Fire, Building and Life Safety to:

Department of Fire, Building and Life Safety,
Installer Training
1110 W. Washington, Suite 100
Phoenix, AZ 85007

Seating at these sessions may be limited, so please register early

Low registration for a scheduled class may result in cancellation of that class

### ALL DFBLS Installer licensees and Residential Registrar of Contractors Licensees must complete the on-going training requirements by November 30, 2016.

204C ADDDOVED TO AINING	Number
2016 APPROVED TRAINING	of Credits
Department Fire, Building and Life Safety's (DFBLS) Installation Training Classes \$100.00 www.dfbls.az.gov	3
Attend monthly Manufactured Housing of Arizona's Chapter meetings  Arizona Housing Association Chapter meeting information can be obtained via its website <a href="http://azhousing.org/events">http://azhousing.org/events</a> or email <a href="mailto:info@azhousing.org">info@azhousing.org</a>	1
Manufactured Home Installation Course through Manufactured Housing Institute (MHI)  *\$255.00  Please contact MHI to confirm cost.  http://mhei.myicourse.com	3
Modular Building Institute 2016 World of Modular Annual Convention &Tradeshow – San Diego, CA March 17 - 20, 2016  Please contact Modular Building Institute to confirm cost. Proof of attendance will satisfy the annual installer training requirements.  http://www.modular.org/HtmlPage.aspx?name=2016_world_of_modular_welcome	3
MHI 2016 National Congress & Expo –Caesars Palace, Las Vegas, NV May 3 - 5, 2016 *\$499.00  Please contact MHI to confirm cost. Proof of attendance will satisfy the annual installer training requirements. <a href="http://www.congressandexpo.com">http://www.congressandexpo.com</a>	3
Manufactured Housing of Arizona's Annual Convention & Golf Tournament  Please contact Arizona Housing Association to confirm date and cost. <a href="http://azhousing.org/events">http://azhousing.org/events</a>	3

Each licensee is responsible to submit proof of attendance at the approved training option(s) to the Department's Licensing Department by **November 30, 2016**. The proof of attendance must be in the form of a certificate of completion from a State-approved training course or a receipt verifying attendance for Chapter meetings or an MHI or AHA event.

Governor



**DEBRA BLAKE**Interim Director

### DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

1110 W. Washington, Suite 100 Phoenix, AZ 85007 (602) 364-1003 OFFICE (602) 364-1067 FAX

### ARIZONA'S MANUFACTURED HOUSING INSTALLATION PROGRAM 2016 TRAINING REGISTRATION FORM

NAME			
(QU	ALIFYING PARTY NAME)		
COMPAN	Y NAME		
LICENSE #	<b>+</b>	PHONE #	
E-MAIL			
 ADDRESS			
	(Please include City, State, Zip Code)		
	I HAVE ENCLOSED T	THE FEE AND REQUEST ENROLLMENT IN THE	
	FOLLOWING D	OFBLS INSTALLATION TRAINING CLASS:	
	Date	Time	

	2016 INST	ALLATION TRAINI	ING SCHEDULE
FF	DATES:	TIME:	LOCATION:
GSTA	Friday, May 27, 2016	12:00 pm to 3:00 pm	*City Hall
AGS	(*New Location)		211 W. Aspen Ave
FLA			Flagstaff, AZ 86001
Z	DATES:	TIME:	LOCATION:
KINGMAN	Friday, July 8, 2016	12:00 pm to 3:00 pm	*Mohave County Public Works
NG	(*New Location)		3715 Sunshine Drive
×			Kingman, AZ 86409
×	DATES:	TIME:	LOCATION:
ENI	Friday, April 22, 2016	9:00 am to Noon	AZ Industrial Commission Auditorium
PHOENIX	Friday, October 21, 2016	9:00 am to Noon	800 W. Washington St.
4	Friday, October 21, 2016	1:30 pm to 4:30 pm	Phoenix, AZ 85007

Training Schedule continues next page

	2016 INSTAL	LATION TRAINING	SCHEDULE
Ь	DATES:	TIME:	LOCATION:
PINETOP	Friday, September 16, 2016	12:00 pm to 3:00 pm	Game & Fish
INE			2878 E. White Mountain Blvd.
4			Pinetop, AZ 85935
7	DATES:	TIME:	LOCATION:
TUCSON	Friday, June 10, 2016	9:00 am to Noon	*North State Building
חַכ	Friday, October 7, 2016	9:00 am to Noon	400 W. Congress, Suite 158
	(*New Location)		Tucson, AZ 85701
	DATES:	TIME:	LOCATION:
⊴	Friday, August 12, 2016	12:00 pm to 3:00 pm	Department of Development
YUMA	111004), 7105051 12, 2010	12.00 pm to 3.00 pm	Services
_			2351 W. 26th Street
			Yuma, AZ 85364

The cost for the Installation Training is \$100.00 and must be attended by the Licensee THE DEPARTMENT HIGHLY RECOMMENDS ENTIRE CREWS ATTEND AT NO EXTRA COST

# EDUCATIONAL REQUEST



### RECEIVED

Date: March 9, 2016

MAR 14 2016

To:

Debra Blake, Director

Fire, Building & Life Safety

Arizona Department of Fire, Building, and Life Safety

1110 West Washington, Suite 100

Phoenix, AZ 85007

From: Ken Anderson, President, MHIA & Susan Brenton, Executive Director, MHCA

RE:

Educational Grant Request for Annual Conference

The Manufactured Housing Industry of Arizona (MHIA) and Manufactured Housing Communities of Arizona (MHCA) would like to formally request a grant of \$5,775 from the Consumer Recovery Fund educational monies to help provide special industry educational programs being presented at our joint conference, the 2016 Arizona Manufactured Housing Conference on June 8 - 9, 2016.

The purpose of this conference is to provide interactive, educational workshops to help reduce consumer complaints, to improve compliance with state statutes & department regulations, comply with HUD regulations, and to promote a higher standard of professional ethics among dealer licensees, contractors, and installers.

We expect approximately 250 industry leaders to attend this year's annual conference, most of which will be licensed dealers and installers who are members of MHIA and/or MHCA. Although the total cost of presenting this very important conference far exceeds the requested amount, a grant of \$5,775 will help defray our expenses, specifically the cost of providing the educational materials to the attendees (250 1-inch 3-ring binders = \$650 + 250 sets of 15-Dividers = \$1,625 + Printing 250 copies of all handouts = \$3,500, for a total cost of \$5,775, just for the materials).

I'd like to take this opportunity to thank the Department and the Board of Manufactured Housing for their previous support to improve the industry through professional education and ask for your and the Board's approval for this educational grant request.

Sincerely.

Ken Anderson, President

Manufactured Housing Industry of AZ

Susan Brenton, Executive Director

Manufactured Housing Communities of AZ

# LEGISLATIVE UPDATES

### **Mobile Home Parks**

### H2259: Mobile Home Removal; Licensure; Noncompliance

### Summary:

Various changes relating to mobile home regulations. A person is prohibited from entering a mobile home park and beginning work on the removal of a mobile home from the park without first satisfying the requirements for a clearance for removal from the landlord. A person who has not satisfied the requirements for clearance for removal who refuses to leave the remove their removal equipment from the park upon request from the landlord commits criminal trespass in the third degree, a class 3 (lowest) misdemeanor. Does not apply if the landlord refuses to provide the clearance for removal if the requirements in statute are satisfied. The doing of any wrongful or fraudulent act by a Department of Fire, Building and Life Safety licensee in conjunction with the sale, transfer or relocation of a mobile home in Arizona is grounds for disciplinary action.

### **Legislative History:**

1/21 referred to House com.

2/25 passed house 59-0; ready for Senate

3/30 passed Senate 29-0; ready for House action on Senate amendments

### Outcome:

Moving will likely be sent to the Governor; passed both House and Senate; since it was amended in Senate Rules it must pass through House again for final passage vote.

### H2304: Mobile Home Parks; Tree Maintenance

### **Summary:**

Unless specifically provided in a written rental agreement executed before January 1, 2017, a mobile home park landlord is responsible for maintenance of any trees located on the mobile home space before the tenant took possession. For rental agreements executed beginning January 1, 2017, rental agreements must specifically disclose any requirements that the tenant maintain one or more existing trees located on the mobile home space.

### **Legislative History:**

3/30 Senate COW approved

2/9 passed House 47-11; ready for Senate

1/21 referred to house com

### **Outcome:**

Moving will likely be sent to the Governor; waiting on 3<sup>rd</sup> read in Senate; will go back to the House for Final passage vote.

### S1362: Mobile Home, RV Parks; Prohibition

### **Summary:**

The list of prohibited provisions for mobile home park or recreational vehicle rental agreements and park rules or regulations is expanded to include that the tenant agrees to place any person's name on the title to the mobile home as a condition of tenancy or residency for that additional person or pay a fee or other form of penalty for failing to place an additional person's name on the title to the mobile home.

### **Legislative History:**

3/14 from House rules okay. To House consent calendar

2/22 passed Senate 30-0

1/28 referred to Senate Com-work dev

### **Outcome:**

Moving; Waiting for 3<sup>rd</sup> read in House.

### H2116: Tech Correction; Mobile Home Parks

### **Summary**

Minor change in Title 33 (Property) related to mobile home parks. Apparent Striker bus.

### **Legislative History**

No Actions posted for this bill within the requested time frame.

### **Outcome**

Bill is dead.

### H2200: Mobile Home Parks; Use Change

### **Summary**

If a mobile home park change in use requires the enactment, adoption or approval of the proposed change in use by the municipal governing body, the 180 days notice that landlord is required to provide the tenant being terminated due to the change must be provided after final action by the municipal governing body. Landlords are prohibited from increasing rent within the 180 day notice period, instead of within 90 days before giving notice of a change in use. The maximum payment amount a tenant who is required to move due to a change in use may collect from the Mobile Home Relocation Fund is increased to \$7,500 for a single section mobile home, from \$5,000, and to \$12,500 for a multisection mobile home, from \$10,000, and the dollar amounts must be increased each calendar year by three percent. The list of moving expenses that the payment may be used for is expanded. The amount the landlord is required to pay to the Fund for each tenant filing for relocation assistance is increased to \$1,000 for each single section mobile home, from \$500, and to \$1,200 for a multisection mobile home, from \$800, and the dollar amounts must be increased each calendar year by three percent. Landlords are prohibited from accepting or soliciting any new contracts for mobile homes or recreational vehicles on the property that is the subject of the proposed change in use, beginning on the initiation of change in use proceedings with the municipality. Landlords are required to maintain the grounds and services on the property until all tenants have vacated, and a landlord who by "intimidation or subterfuge" (defined) knowingly causes the tenant to vacate the property before or during the change in use process is guilty of a class 6 (lowest) felony.

### **Legislative History**

No action posted for this bill within the requested time frame.

### Outcome

Bill is dead.

### H2257: Mobile Homes; Abandonment Procedures

### **Summary**

Establishes circumstances under which a mobile home is considered abandoned, and prohibits a landlord from beginning landlord lien sale procedures on a mobile home unless it is abandoned according to these circumstances. After determining that a mobile home has been abandoned, the landlord is permitted to serve a notice on the legal owner that states the termination of any right to keep the home on the space and demanding payment of monies due to the landlord for rent and utilities. If all monies owed are not paid in full within 72 days after the notice is sent, the landlord may sell the mobile home. Establishes circumstances under which the legal owner has the right to recover possession of the mobile home or the tenant has the right to reoccupy the mobile home. If a sale is held, the landlord is required to distribute the proceeds of the sale to specified persons in a specified order.

### **Legislative History**

1/21 referred to House com.

### **Outcome**

Bill is dead.

### H2258: Mobile Home Landlord Tenant; Amendment

### **Summary**

Various changes to the Mobile Home Parks Residential Landlord and Tenant Act. For utilities that are billed through one or more master meters, a municipality, county or other political subdivision cannot assess or collect a tax on the landlord's utility charges to the tenant if the landlord pays all applicable taxes at the time the landlord purchases the utility through the master meter. A tenant who has a person with a disability as an approved member of the tenant's household is permitted to request that the landlord provide a reasonable accommodation to pet or other restrictions to allow an "assistive animal" (defined), and a landlord is required to grant a tenant's reasonable accommodation request unless it would cause the landlord an undue burden. If a tenant who was sole owner of the mobile home dies during the term of the rental agreement, the tenant's heirs or other legal representative has the right to become a tenant if qualified and approved, and has the right to sell the mobile home in compliance with the rental agreement. After a writ of restitution or writ of execution is executed, the landlord is required to allow the tenant to have access to the tenant's mobile home to recover personal possessions during reasonable business hours for 21 days after the writ is executed.

### **Legislative History**

1/26 referred to House Gov-higher ed 2/18 House gov-higher ed HELD

### **Outcome:**

Bill is dead.

### **HOAS**

### H2106 - HOAS; Enforcement Grace Period

### **Summary:**

A homeowners' association or condominium association member has 21 calendar days, increased from 10 business days, after the date of a written notice of violation to provide a written response to the HOA. An HOA cannot prohibit the installation or use of an evaporative cooler on the roof.

### **Legislative History:**

3/30 House refused to concur in Senate amendments and named Lovas, Alston and Thorpe to a FREE Conference Committee. Senate named Kavanagh, Lesko and Quezada. 3/17 passed Senate 18-11; ready for House action on Senate amendments 2/16 passed House 47-13; ready for Senate.

### **Outcome:**

Moving; because this House bill was amended on the Senate floor, it must go back to conference committee to agree upon the amended changes. There are some issues with Swamp coolers. Apparently some HOA's don't like them and would like to be able to prohibit the use of.

### S1496: Homeowners' Associations; Director Removal

### **Summary:**

On removal of a majority of the members of a condo or HOA board of directors, the HOA is required to hold an election for the replacement of the removed directors at a separate meeting of the members, which must be held no later than 30 days after the day of the meeting at which the directors were removed. A director who is removed is ineligible to serve on the board again until after the expiration of the director's term, unless the HOA documents specifically provide for a longer period of time.

### **Legislative History:**

3/24 from House rules okay. House COW approved

3-1 passed Senate 29-0; ready for House

2/2 referred to Senate Gov.

### Outcome:

Appears to be moving; Waiting for House 3<sup>rd</sup> read.

### S1498: Homeowners' Association; Fees; Hearings; Elections

### **Summary:**

Condo and homeowners' associations (HOAs) are only authorized to impose charges for late payment of assessment after the HOA has provided notice that the assessment is overdue or is considered overdue after a certain date. The HOA is required to give the unit owner or homeowner written notice of the person's option to petition for an administrative hearing on an enforcement action in the Department of Fire, Building and Life Safety. If an HOA provides for absentee ballots or ballots provided by some other form of delivery, the completed ballot and envelope and any related materials must contain the name, address and signature of the person voting, unless the HOA documents permit secret ballots, in which case only the envelope must contain that information. The ballots,

envelopes and related materials must be retained and made available for unit owner or member inspection for at least one year after completion of the election.

### **Legislative History:**

3/30 passed House 57-0; ready for Senate action on House amendments

3/1 passed Senate 29-0; ready for House

2/2 referred to Senate gov.

### **Outcome:**

Appears to be moving; needs to pass back through the Senate for final vote.

### <u>S1497: Homeowners' Association; Board conflicts</u>

### **Summary:**

Expands the list of reasons a condo or HOA board member is required to declare a conflict of interest to include any contract, decision or other action for compensation taken by the board that would benefit any employer or employee of that member. For all circumstances where a condo or HOA board member declares a conflict of interest, the board member is prohibited from playing a part directly or indirectly in the board's deliberations or vote on that issue, instead of being permitted to vote after the declaration.

### **Legislative History:**

2/29 retained on Senate COW calendar

2/23 stricken from Senate consent calendar by Farnsworth, Yarbrough

2/2 referred to Senate gov.

### **Outcome:**

Appears to be dead. Has not crossed chambers and therefore will not be heard in the House.

# INTER GOVERNMENT AGREEMENT (IGA) REPORT

- October 2015
- November 2015
- December 2015
- January 2016

### MONTHLY FINANCIAL REPORTS

- JANUARY 2016
- FEBRUARY 2016

### DEPARTMENT OF FIRE, BUILDING, & LIFE SAFETY MONTHLY SUMMARY REPORT

	JANUARY Reviews Completed	YTD	Prior YTD	Current Total Fees Generated	YTD	Prior YTD			
ENG. REPORT - FBB	35	246	245	\$4,159.00	\$50,021.00	\$49,332.00			
ENG. REPORT - MH	15	98	84	\$2,038.00	\$17,473.00	\$14,656.00			
PERMIT REPORT:	JANUARY Permits Issued	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD Fees Generated			
м/н	72	519	404	\$25,200.00	\$181,650.00	\$141,400.00			
FBB	33	154	292	\$8,341.00	\$59,161.52	\$75,425.75			
INSPECTIONS REPORT:	JANUARY Plant Inspections	Current Total of Inspections	Current Total of Violations Sited	Prior YTD Total Violations	**Current Total Fees Generated	YTD Total Fees Generated			
м/н	14	89	8	64	\$7,573.35	\$ 51,914.46			
FBB	5	36	0	1	\$375.69	\$ 2,730.37			
CERTIFICATE REPORT (INSIGNIA) :	JANUARY Insignias Issued	YTD	Prior YTD	Current Total Fees Generated	YTD	Prior YTD			
INSTALLATION	254	2368	1901	\$2,540.00	\$23,680.00	\$19,010.00			
FBB MANUFACTURER	91	369	251	\$4,641.00	\$18,819.00	\$12,801.00			
LICENSING REPORT:	JANUARY New Licenses Issued	YTD	Current Total Licensees	Prior Year Total Licensees	Current Total Fees Generated	YTD			
MANUFACTURERS	0	3	65	63	\$0.00	\$2,592.00			
DEALERS	1	16	226	228	\$864.00	\$8,446.00			
SALES PERSONS	6	114	622	609	\$1,236.00	\$23,484.00			
INSTALLERS	1	3	87	87	\$741.00	\$2,223.00			
RENEWAL LICENSING REPORT: includes late renewals	JANUARY Renewal Licenses Issued	YTD	Current Total Fees Generated	YTD					
MANUFACTURERS	3	34	\$1,296.00	\$16,293.00					
DEALERS	23	127	\$7,801.50	\$41,180.75					
SALES PERSONS	32	216	\$3,553.50	\$24,565.50					
INSTALLERS	14	51	\$4,556.50	\$15,544.50					İ
	JANUARY OMH FEES	YTD REVENUE	PRIOR YTD REVENUE	CURRENT EXPENDITURES	YTD EXPENDITURES	PRIOR YTD EXPENDITURES	ESTIMATED ANNUAL REVENUE	ESTIMATED ANNUAL EXPENDITURES	
EXPENSE & REVENUE REPORT:	\$74,916.54	\$539,778.10	\$490,194.88	\$67,879.01	\$576,311.73	\$508,394.93	\$925,333.89	\$987,962.97	
Consumer Recovery Fund	Monthly Deposit \$ 6,563.89	Monthly Claims Paid	Monthly Interest Earned \$ 230.65	Fund Balance \$ 417,726.91					
Educational Grants	Education Fund Balance Forward from prior FY	75% of Prior Year's Recovery Fund Interest	Education Fund Balance Available for Grants	Checks Issued for Grants	REC FUND Balance	Amount Available for Grants		Educational Grants	Prior Year Interest
FY 07	NA	NA	NA	NA	\$ 939,154.13	\$ 2,550.00		FY 07	NA
FY 08	\$ 2,550.00	\$ 11,759.25	\$ 14,309.25	\$ 13,000.00	\$ 14,396.87	\$ 1,309.25		FY 08	\$ 15,679.0
FY 09	\$ 1,309.25		\$ 12,438.50	\$ 5,000.00		\$ 7,438.50		FY 09	\$ 14,839.0
FY 10	\$ 7,438.50		\$ 21,174.00	\$ 0	\$ 52,381.62			FY 10	\$ 18,314.0
FY 11	\$ 21,174.00		\$ 264,098.25	\$0	\$ 46,320.63	\$ 46,320.63		FY 11	\$ 323,899.0
FY 12	\$ 264,098.25		\$ 266,878.65	\$0	\$ 142,998.62			FY 12	\$ 3,707.2
FY 13	\$ 266,878.65		\$ 270,992.93	\$0	\$ 153,654.09	· · · · · · · · · · · · · · · · · · ·		FY 13	\$ 5,485.7
FY 14	\$ 270,992.93		\$ 274,745.64	\$0	\$ 248,636.20	\$ 248,636.20		FY 14	\$ 5,003.6
FY 15	\$ 274,745.64	\$ 3,783.92	\$ 278,529.56	\$0	\$ 363,368.48	\$ 278,529.56		FY 15	\$ 5,045.2

### NOTE:

\$323,899.00 includes \$315,911.00 that was transferred over from the Cash Bond Fund for all prior years' interest

### **JANUARY 2016**

PRODUCTION REPORT:	Single	Double	Triple	Quad	Five	Inspection Visits	Violations Cited
Number of Homes Labeled	43	127	2	1	0	14	8

PRODUCTION TREND:	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
January	173	162	142	92	112	99	81	126	286	374	723
February		148	127	84	111	80	87	112	281	349	739
March		160	120	98	115	107	106	119	290	389	825
April		193	151	149	117	86	99	108	321	354	595
May		181	161	156	135	108	108	116	304	400	740
June		189	146	159	130	123	126	124	254	419	762
July		196	147	141	109	78	117	102	243	334	486
August		171	182	143	140	110	108	118	275	397	663
September		168	148	140	99	90	123	135	247	308	490
October		185	175	181	145	90	90	146	251	342	522
November		164	135	148	83	110	92	119	184	312	463
December		150	124	129	111	115	88	100	147	241	377

AUDITS:	With Violations	With Out Violations	Unlicensed Activity Investigations	
Trust Account Audits	5	1	2	
COMPLAINTS:	Current	YTD	Prior	
New Received	1	38	18	
Closed/Reopened	0	1	1	
Closed for the Month	2	33	15	

23 open/active complaints

Certificates (Insignias) Reported As Affixed	INSTALLATION MBL/MFG FBB 2016	INSTALLATION MBL/MFG FBB 2015	INSTALLATION MBL/MFG FBB 2014	INSTALLATION MBL/MFG FBB 2013	FBB Manufacturer 2016	FBB Manufacturer 2015	FBB Manufacturer 2014	FBB Manufacturer 2013
January	282	266	277	185	90	35	35	37
February		266	220	156		17	17	59
March		272	203	159		20	10	44
April		290	243	176		44	22	38
May		268	238	194		34	85	44
June		244	253	248		21	18	31
July		332	223	200		20	35	56
August		326	232	221		6	46	96
September		284	258	181		49	58	95
October		325	268	226		60	16	85
November		328	224	251		96	22	35
December		295	231	196		13	33	43

### DEPARTMENT OF FIRE, BUILDING, & LIFE SAFETY MONTHLY SUMMARY REPORT

	FEBRUARY Reviews Completed	YTD	Prior YTD	Current Total Fees Generated	YTD	Prior YTD			
ENG. REPORT - FBB	41	287	270	\$8,478.00	\$58,499.00	\$56,305.00			
ENG. REPORT - MH	10	108	92	\$1,707.00	\$19,180.00	\$16,363.00			
PERMIT REPORT:	FEBRUARY Permits Issued	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD Fees Generated			
м/н	66	585	468	\$23,100.00	\$204,750.00	\$163,800.00			
FBB	29	183	327	\$11,251.00	\$70,412.52	\$88,862.75			
INSPECTIONS REPORT:	FEBRUARY Plant Inspections	Current Total of Inspections	Current Total of Violations Sited	Prior YTD Total Violations	**Current Total Fees Generated	YTD Total Fees Generated			
M/H	12	101	23	77	\$6,695.50	\$ 58,609.95			
FBB	5	41	1	1	\$400.30	\$ 3,130.67			
CERTIFICATE REPORT (INSIGNIA) :	FEBRUARY Insignias Issued	YTD	Prior YTD	Current Total Fees Generated	YTD	Prior YTD			
INSTALLATION	334	2702	2276	\$3,340.00	\$27,020.00	\$22,760.00			
FBB MANUFACTURER	56	425	301	\$2,856.00	\$21,675.00	\$15,351.00			
LICENSING REPORT:	FEBRUARY New Licenses Issued	YTD	Current Total Licensees	Prior Year Total Licensees	Current Total Fees Generated	YTD			
MANUFACTURERS	0	3	62	62	\$0.00	\$2,592.00			
DEALERS	3	19	226	230	\$1,564.00	\$10,010.00			
SALES PERSONS	13	127	636	611	\$2,678.00	\$26,162.00			
INSTALLERS	1	4	87	87	\$741.00	\$2,964.00			
RENEWAL LICENSING REPORT: includes late renewals	FEBRUARY Renewal Licenses Issued	YTD	Current Total Fees Generated	YTD					
MANUFACTURERS	5	39	\$2,160.00	\$18,453.00					
DEALERS	16	143	\$4,695.75	\$45,876.50					
SALES PERSONS	46	262	\$5,381.75	\$29,947.25					
INSTALLERS	7	58	\$2,128.00	\$17,672.50					1
	FEBRUARY OMH FEES	YTD REVENUE	PRIOR YTD REVENUE	CURRENT EXPENDITURES	YTD EXPENDITURES	PRIOR YTD EXPENDITURES	ESTIMATED ANNUAL REVENUE	ESTIMATED ANNUAL EXPENDITURES	
EXPENSE & REVENUE REPORT:	\$77,176.30	\$616,954.39	\$564,823.34	\$80,412.30	\$651,267.03	\$585,986.07	\$925,431.59	\$976,900.55	
C	Monthly Deposit	Monthly Claims Paid	Monthly Interest Earned	Fund Balance					
Consumer Recovery Fund	\$ 2,620.70	\$ -	\$ 109.35	\$ 420,347.61					
Educational Grants	Education Fund Balance Forward from prior FY	75% of Prior Year's Recovery Fund Interest	Education Fund Balance Available for Grants	Checks Issued for Grants	REC FUND Balance	Amount Available for Grants		Educational Grants	Prior Year Interest
FY 07	NA	NA	NA	NA	\$ 939,154.13			FY 07	NA
FY 08	\$ 2,550.00							FY 08	\$ 15,679.
FY 09	\$ 1,309.25							FY 09	\$ 14,839.
FY 10 FY 11	\$ 7,438.50 \$ 21,174.00		\$ 21,174.00 \$ 264,098.25	\$ 0 \$ 0	\$ 52,381.62 \$ 46,320.63	\$ 21,174.00 \$ 46,320.63		FY 10 FY 11	\$ 18,314.0 \$ 323,899.0
FY 12	\$ 21,174.00		\$ 264,098.25	\$ 0 \$ 0	\$ 46,320.63 \$ 142,998.62	\$ 46,320.63 \$ 142,998.62		FY 11 FY 12	\$ 323,899.
FY 13	\$ 266,878.65		\$ 270,992.93	\$0	\$ 153,654.09	\$ 153,654.09		FY 12	\$ 3,707.
FY 14	\$ 270,992.93		\$ 274,745.64	\$0	\$ 248,636.20	\$ 248,636.20		FY 14	\$ 5,003.
	T	T 3,732.71	· 2/7,/73:04	\$0	- 2-0,030.20	- 270,030.20		FY 15	\$ 5,005.

### NOTE:

\$323,899.00 includes \$315,911.00 that was transferred over from the Cash Bond Fund for all prior years' interest

### **FEBRUARY 2016**

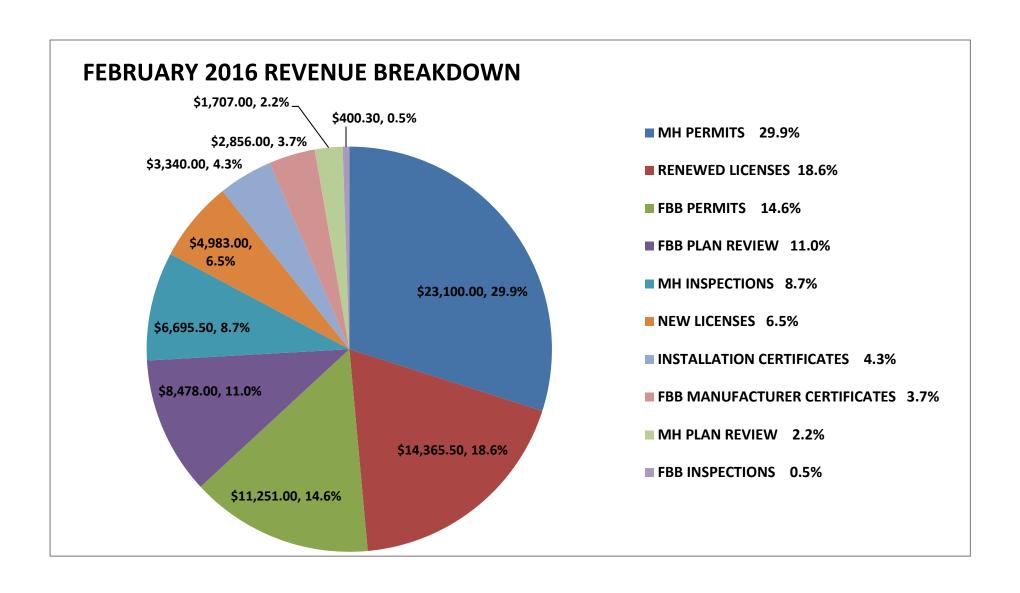
PRODUCTION REPORT:	Single	Double	Triple	Quad	Five	Inspection Visits	Violations Cited
Number of Homes Labeled	43	130	5	0	0	12	23

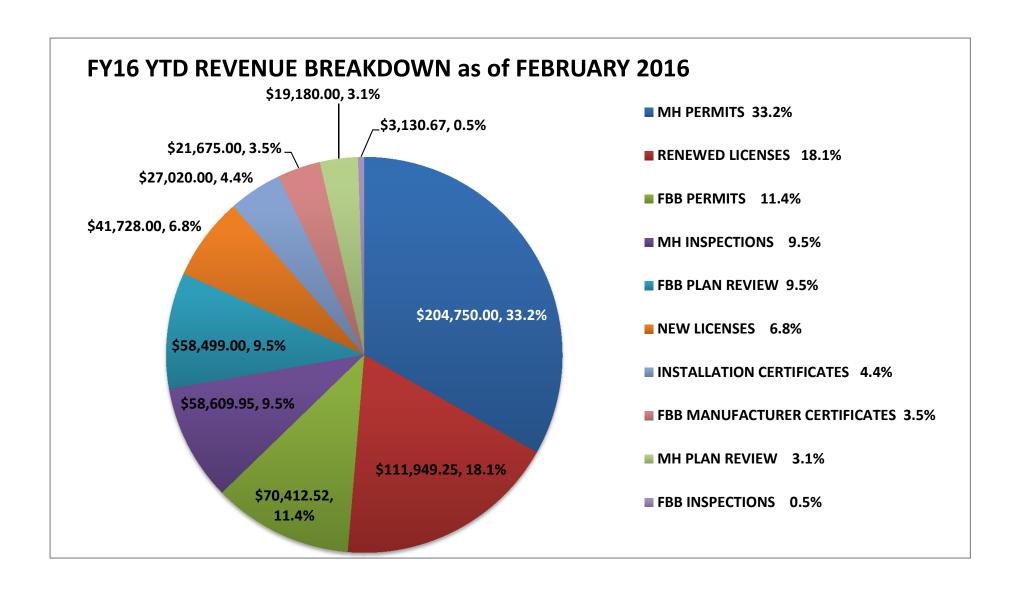
PRODUCTION TREND:	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
January	173	162	142	92	112	99	81	126	286	374	723
February	178	148	127	84	111	80	87	112	281	349	739
March		160	120	98	115	107	106	119	290	389	825
April		193	151	149	117	86	99	108	321	354	595
May		181	161	156	135	108	108	116	304	400	740
June		189	146	159	130	123	126	124	254	419	762
July		196	147	141	109	78	117	102	243	334	486
August		171	182	143	140	110	108	118	275	397	663
September		168	148	140	99	90	123	135	247	308	490
October		185	175	181	145	90	90	146	251	342	522
November		164	135	148	83	110	92	119	184	312	463
December		150	124	129	111	115	88	100	147	241	377

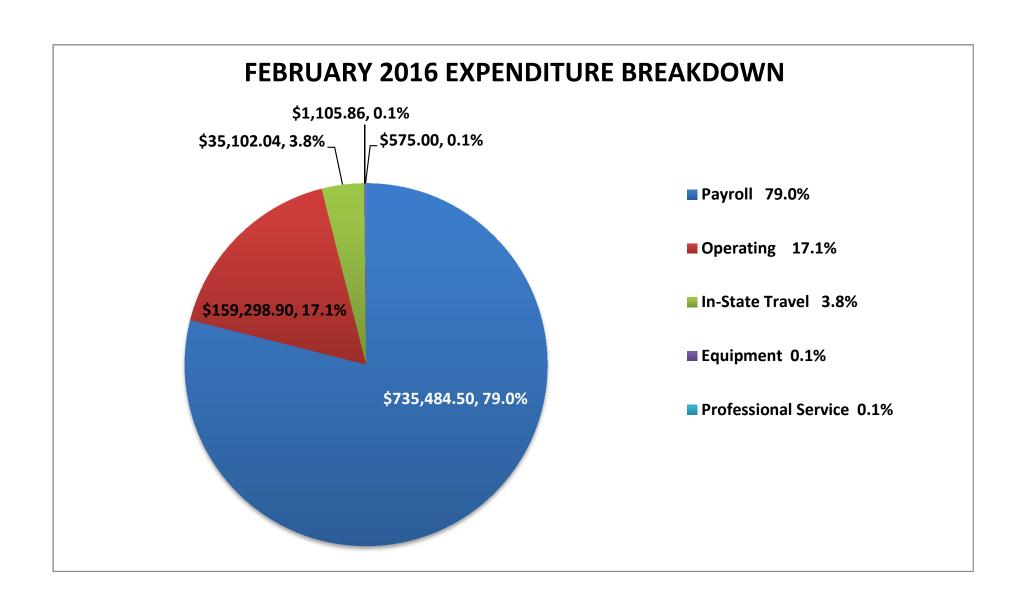
AUDITS:	With Violations	With Out Violations	Unlicensed Activity Investigations	
Trust Account Audits	1	1	2	
COMPLAINTS:	Current	YTD	Prior	
COMPLAINTS: New Received	<b>Current</b> 0	YTD 38	Prior 20	
	<b>Current</b> 0 0		_	

22 open/active complaints

Certificates (Insignias) Reported As Affixed	INSTALLATION MBL/MFG FBB 2016	INSTALLATION MBL/MFG FBB 2015	INSTALLATION MBL/MFG FBB 2014	INSTALLATION MBL/MFG FBB 2013	FBB Manufacturer 2016	FBB Manufacturer 2015	FBB Manufacturer 2014	FBB Manufacturer 2013
January	282	266	277	185	90	35	35	37
February	276	266	220	156	39	17	17	59
March		272	203	159		20	10	44
April		290	243	176		44	22	38
May		268	238	194		34	85	44
June		244	253	248		21	18	31
July		332	223	200		20	35	56
August		326	232	221		6	46	96
September		284	258	181		49	58	95
October		325	268	226		60	16	85
November		328	224	251		96	22	35
December		295	231	196		13	33	43







### RECOVERY FUND

### **RECOVERY FUND SUMMARY**

CREDITS		DEBITS		BALANCE			
Balance as of 3/30/16	\$431,260.12	ACTUAL CLAIM	CLAIM AMOUNT	New Balance	\$431,369.47 \$0.00		
Prior Month's Cash Bond Interest Earned	\$109.35	Claims that have been to hearing and are awaiting payment	\$0.00	Minus Actual and Potential Claim Amounts			
New Balance \$431,369.47		POTENTIAL CLAIMS	CLAIM AMOUNT	Remaining Balance	\$431,369.47		
		Claims that have been scheduled for hearing and are awaiting hearing date	\$0.00				
		Claims not yet scheduled for hearing	\$0.00				
		TOTAL	\$0.00				

### **Complaints Verified Inspections Summary**

Date Complaint Filed	Date Verified	Complaint Number	Complainant Name	City	Verified to Mfg.	Verified to Dlr	Verified to Installer	Possible Recovery Fund?	Purchase Agreement Amount if Recovery Fund Claim filed	Recovery Fund NOTE
11/20/2015	2/2/2016	2016-034	Danalewich	Marana	Cavco Industries Durango Division Lic. 8022	Homes Direct of Arizona LLC Lic. 8493	U.S. Mobile Home Transport Lic. 7218 & 7781	Yes	\$97,447.53	Dealer license is valid STATUS: Correction period in process
12/23/2015	3/24/2016	2016-035	Knight	Yuma	Cavco Industries Durango Division Lic. 8022	Fairbrook Homes LLC Lic. 8112	Gary Skaggs Trucking Lic. 8518	Yes	\$138,506.16	Dealer license is valid STATUS: Correction period in process

Complaints Verified Inspections Detailed Summary									
Date Complaint Filed	Date Verified	Complaint Number	Complainant Name	City	Verified to: Manufacturer, Dealer and/or Installer	Possible Recovery Fund?	Contract Amount	Recovery Fund NOTE	
11/20/15	2/2/16	2016-034	Danalewich	Marana	Verified to Manufacturer: Cavco Industries Durango Division, Lic. #8022	Yes		Dealer license is valid STATUS: Inspection report issued 2/29/16	
					Dining Room floor crowned				
					Seams in underlayment in dining room & kitchen				
					Floor squeeks in 2 locations				
					Cracks in siding at bottom corner at kitchen window and bottom corner of back door				
					Sliding door does not close into frame without using excessive force				
					Verified to Installer: U.S. Mobile Home Transport, Lic. 7218 & 7781				
					Floor squeeks in 2 locations				
12/23/15	3/24/16	2016-035	Knight	Yuma	Verified to Dealer: Fairbrook Homes LLC Lic. 8112	Yes	\$138,506.16	Dealer license is valid STATUS: Inspection report issued 3/30/16	
					No drawers under main bath vanity				
					No lazy susan turntable at kitchen corner cabinet				
					Did not receive wide drawers under cook top for pots and pans				
					Island between kitchen and living room not yet installed				
					Connection for TV not in correct location				
					No chandelier over dining room table				
					Incorrect type closet at hallway - s/g guest closet ILO linen closet				
					Corner cabinet in master bedroom only has 2 drawers and 2 doors.				
	_				No upper corner cabinet area to set TV in master bedroom,				
		_			Verified to Installer:				
					Gary Skaggs Trucking, Lic. 8518				
					Concrete cracked from heavy trucks				
					Guest bath toilet does not drain properly				

### RECOVERY FUND STATUTES

#### REGISTRAR OF CONTRACTORS

<u>32-1154. Grounds for suspension or revocation of license; continuing jurisdiction; civil penalty; recovery fund award</u>

. . .

G. Notwithstanding any other provisions in this chapter, if a contractor's license has been revoked or has been suspended as a result of an order to remedy a violation of this chapter, the registrar may order payment from the residential contractors' recovery fund to remedy the violation. The registrar shall serve the contractor with a notice setting forth the amount claimed or to be awarded. If the contractor contests the amount or propriety of the payment, the contractor shall respond within ten days of the date of service by requesting a hearing to determine the amount or propriety of the payment. Failure by the contractor to respond in writing within ten days of the date of service shall be deemed a waiver by the contractor of the right to contest the amount claimed or to be awarded. Service may be made by personal service to the contractor or by mailing a copy of the notice by registered mail with postage prepaid to the contractor's latest address of record on file in the registrar's office. If service is made by registered mail, it is effective five days after the notice is mailed. Except as provided in section 41-1092.08, subsection H, the contractor or injured person may seek judicial review of the registrar's final award pursuant to title 12, chapter 7, article 6. An applicant to the residential contractors' recovery fund pursuant to this subsection must show that the applicant has proceeded against any existing bond covering the residential contractor and has not collected on the bond in an amount of thirty thousand dollars or more.

#### DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

## 41-2190. Recovery from fund; claim against licensee; subrogation; appeal; statute of limitations

A. If any consumer who is buying or selling the consumer's home uses the services of a licensed dealer or broker of manufactured homes, mobile homes or factory-built buildings designed for use as residential buildings and is damaged as a result of an act or omission by a licensed dealer or broker of manufactured homes, mobile homes or factory-built buildings designed for use as residential buildings that constitutes a violation of section 41-2180, or rules adopted pursuant to that section, and the sale is subject to section 41-2180, subsection D, that consumer may file a claim with the office for payment from the consumer recovery fund. The claim shall be verified by the office.

- B. If any consumer of manufactured homes, mobile homes or factory-built buildings designed for use as residential buildings is damaged by the failure of the principal to perform a sales agreement or to perform repairs under a warranty the consumer may file a claim with the office for payment from the consumer recovery fund. The claim shall be verified by the office.
- C. On verification of the claim for payment, the deputy director shall provide for a hearing pursuant to chapter 6, article 10 of this title.
- D. The board shall pay from the consumer recovery fund whatever sum the administrative law judge finds payable on the claim. A decision granting a claim shall include an order suspending the license of the licensee on whose account the claim was filed. Such a license shall remain on suspension until the licensee has repaid in full, plus interest at the rate of ten per cent per year, the amount paid from the consumer recovery fund on the licensee's account.
- E. Any party aggrieved by the administrative law judge's decision may apply for a rehearing by filing with the deputy director a motion in writing pursuant to chapter 6, article 10 of this title. The filing of a motion for rehearing shall suspend the operation of the administrative law judge's order pending the decision of the director on the rehearing.
- F. Except as provided in section 41-1092.08, subsection H, any person aggrieved by a final administrative decision may seek judicial review pursuant to title 12, chapter 7, article 6.
- G. The consumer recovery fund has a claim against the licensee on whose account a claim was granted or any other person who caused or contributed to a claim paid by the consumer recovery fund for the amount paid plus costs, necessary expenses and reasonable attorney fees.
- H. The deputy director is subrogated to the claim of the consumer recovery fund against the bond and other assets of the licensee. The deputy director shall deposit any amount recovered into the consumer recovery fund.
- I. If, at any time, the money deposited in the consumer recovery fund is insufficient to satisfy any duly authorized claim or portion of a claim, the board, when sufficient money has been deposited in the consumer recovery fund, shall satisfy such unpaid claims or portions of claims in the order that such claims or portions of claims were originally filed.
- J. A consumer pursuant to subsection A or B of this section is barred from commencing an application for payment from the consumer recovery fund later than two years from the date of sale or date of installation, whichever is later.

## FEE SCHEDULE



#### DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

1110 W. WASHINGTON, SUITE 100 PHOENIX, AZ 85007 (602) 364-1003 OFFICE (602) 364-1052 FAX www.dfbls.az.gov

#### **FEE SCHEDULE FOR 2016 FISCAL YEAR**

#### **FEES ARE EFFECTIVE JULY 1, 2015**

Fees charged by the Department are not included in Rule and are exempt from the State Rule procedures (Arizona Revised Statutes § 41-2144(C).

LICENSING FEES				
	Class	Class Description	New License	Renewal License
MANUFACTURER	M-9A	Factory-built-buildings (FBB) and subassemblies	\$ 864.00	\$ 432.00
MANUFACTURER	M-9C	Manufactured (MFG) Homes	\$ 864.00	\$ 432.00
	M-9E	Master, includes M-9A and M-9C	\$ 1,358.00	\$ 679.00
	D-8	Retailer Mobile/MFG Homes	\$ 566.00	\$ 283.00
RETAILER/ DEALER/ BROKER	D-8B	Broker Mobile/MFG Homes	\$ 432.00	\$ 216.00
	D-10	Retailer FBB or FBB Subassemblies	\$ 566.00	\$ 283.00
BROKER	D-12	Master, includes D-8, D-8B, and D-10	\$ 864.00	\$ 432.00
	I-10C	General Installer	\$ 432.00	\$ 216.00
INSTALLERS	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
Standard Plan Review	
Application Submittal and Plan Review	\$150.00 Includes up to 1 hour of plan review time
Plan Review	\$119.00 hour Each additional hour
EXPEDITED Plan Review	
Expedited Application and Plan Review	\$269.00 Includes up to 1 hour of plan review time
Expedited Plan Review	\$238.00 hour  Each additional hour

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

PERMIT FEES		
DESCRIPTION	STATE ISSUED PERMIT FEE	IGA FEE
Mobile/MFG Home	\$350.00 each Includes 3 Inspections	Up to \$ 350.00 each
FBB – residential	\$ 450.00 per story Includes 3 Inspections	\$ 450.00 per story
FBB – commercial	\$ 4.50/LF per story Includes 3 Inspections	\$ 4.50/LF per story
6 Month Extension on Permit (MFG and FBB)	\$ 82.00	
FBB Special Event	\$ 67.00	
Rehabilitation – Mobile Home	\$ 49.00 Includes 2 Inspections	

INSPECTION FEES	
DESCRIPTION	FEE
MFG facility	\$ 51.00 per hour, plus mileage @ 0.445/mile
Installation Re-Inspection	\$ 82.00 per hour,
(MFG, FBB, Rehabilitation)	plus mileage @ 0.445/mile
Technical Service	\$ 82.00 per hour

INSTALLATION TRAINING	
DESCRIPTION	FEE
Installation Training OMH Installer: Qualifying Party or Corporate Officer Registrar of Contractor; Participant in the Installation Certificate Program: Qualifying Party or Corporate Officer	\$ 100.00

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 branch location	\$ 10.00 each	
Delete branch location	\$ 10.00 each	
Reinstate bond	\$ 10.00 each	
Process returned check	\$ 10.00 each	
Change status of license to inactive	\$ 10.00 each	
Copies	\$ .50 each	
All refunds are subject to a fee of	\$ 59.00 each	

## Office of Manufactured Housing

A division of



# Office of Manufactured Housing Change from DFBLS to ADOH

#### WHEN

Beginning July 1, 2016, the Department of Fire, Building and Life Safety (DFBLS) will cease to be a State Agency in Arizona.

Also, beginning July 1, 2016, the Office of Manufactured Housing (OMH) will join the Arizona Department of Housing (ADOH) as one of its divisions.

#### WHERE

Building location will remain at 1110 W Washington, Phoenix, Arizona

Suite location will change from the  $1^{st}$  floor (Suite 100) to the  $2^{nd}$  floor (Suite 280)



# Office of Manufactured Housing Change from DFBLS to ADOH

#### WHO

All current staff members will transfer to Department of Housing to serve stakeholders and customers in the areas of front counter support, licensing, plan review, permits, complaints, and inspection without any disruptions in those services. We will add one installation inspector to maintain the same service levels as volumes have increased.

Contact telephone numbers will remain the same.

Email contact information will change from suffix of @dfbls.az.gov to @azhousing.gov.

Website address will change from www.dfbls.az.gov to www.azhousing.gov



## About ADOH

The Arizona Department of Housing administers programs for Housing Partners who apply to the department for funding. The majority of the agency's programs are federally funded and the agency receives no State General Fund support. The agency is also home to the Arizona Housing Finance Authority and the Arizona Home Foreclosure Prevention Funding Corporation.

ADOH does not own or build housing but rather manages funding for the programs through for profit and non-profit developers, faith based organizations, service organizations, and state, county and city entities who apply for funding and meet criteria developed by state and federal law.



## **Financials**

DFBLS was an Agency that depended on State General Fund support primarily due to its State Fire Marshal and Administrative Divisions.

The Board of Manufactured Housing is statutorily required to set manufactured housing fees to cover expenditures within the range of 95 – 105% of its revenues. The information provided to the Board for the past few years appeared to result in a 99.5% cost recovery rate in fiscal year 15.

With the consolidation, OMH must manage its finances annually through a feebased structure to cover its costs at 100%.



## Fee Recommendation for FY17

With the changes in operating costs related to the consolidation and other considerations, there are no recommendations to adjust fees for fiscal year FY17. Based on FY16 cash flow and projections, the sum total of all current fees appears to result in a sufficient amount to cover costs next year and allow the addition of one installation inspector.

This next year will allow for a better financial tracking and review of the individual fee categories and position us to make accurate recommendations next year. We will provide quarterly information at upcoming Board meetings.

## FY17 Budget

Total anticipated expenditures: \$ 1,219,034.00

#### Revenue Source:

<ul> <li>Federal Grant</li> </ul>	171,037.00
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• Relocation Fund 96,509.00

• Fees \$ 951,488.00

TOTAL \$ 1,219,034.00



## Thank you



#### § 41-2179. Bonds, cash deposits; requirements; fund

- A. Before granting an original license, the deputy director shall require of the applicant, except an applicant for salesperson or broker of manufactured homes, mobile homes or factory-built buildings designed for use as residential buildings, a surety bond in a form acceptable to the deputy director or a cash deposit pursuant to this section. A separate bond or cash deposit shall be required for each branch location of any licensed manufacturer or installer. No license shall be renewed unless the applicant's surety bond or cash deposit is in full force and effect. A change of location of a licensee's principal place of business requires a rider or endorsement to the existing bond and payment of the administrative function fee. The rider or endorsement shall indicate the new location and acceptance of claims for the previous location.
- B. The bonds or cash deposit shall be in amounts prescribed by the board.
- D. The bond or deposit required by this section shall be in favor of the state for the benefit of any person covered by this subsection. The bond or deposit shall be subject to claims by:
- 1. Any consumer of a unit regulated by this chapter who enters into an agreement with any licensee, except a salesperson or broker of manufactured homes, mobile homes or factory-built buildings designed for use as residential buildings, and is damaged by the failure of the principal to perform a sales or installation agreement or to perform repairs under a warranty.
- 2. The deputy director, if the principal fails to pay any of the fees or costs which the principal owes the office.
- E. Any person claiming against the bond or deposit, except the department, may maintain an action against the principal and the surety. Such principal's bond or deposit may be sued upon in successive actions until the full amount is exhausted. No suit may be commenced on the bond or deposit after the expiration of two years after the date of sale or installation of the unit, whichever is later, on which the suit is based, except that the time for purposes of the claim for fraud shall be measured pursuant to § 12-543.

#### R4-34-502. License Bond Amounts

A. An applicant shall submit the applicable license bond amount listed for each license class.

License Class	Bond Amount
M-9A	\$ 10,000.00
M-9C	65,000.00
M-9E	100,000.00
D-8	25,000.00
D-10	25,000.00
D-12	25,000.00
I-10C	2,500.00
I-10D	1,000.00
I-10G	5,000.00

#### R4-34-202. Manufacturers

The Department shall place a manufacturer's license application into one of the following license classes, based on the listed activities that limit the scope of each class:

### 1. M-9A Manufacturer of Factory-Built Buildings and FBB Subassemblies:

- a. Manufactures factory-built buildings and FBB subassemblies, or
- b. Reconstructs factory-built buildings and FBB subassemblies.

#### 2. M-9C Manufacturer of Manufactured Homes:

- a. Manufactures manufactured homes.
- b. Reconstructs manufactured homes.

#### 3. M-9E Master Manufacturer:

Performs work within the scope of classes M-9A and M-9C.

#### R4-34-203. Retailers

The Department shall place a retailer's license application into one of the following license classes, based on the listed activities that limit the scope of each class:

#### 1. D-8 Retailer of Manufactured Homes or Mobile Homes:

- . Buys, sells, or exchanges new or used manufactured homes, mobile homes, or accessory structures;
- b. Acts as an agent for the sale or exchange of used manufactured homes, mobile homes, or accessory structures;
- c. Makes alterations to new manufactured homes before a sale to a purchaser under R4-34-604; or
- d. Contracts with properly licensed installers or contractors for the installation of manufactured homes, mobile homes, or accessory structures.

#### 2. D-8B Broker of Manufactured Homes or Mobile Homes:

- a. Acts as an agent for the sale or exchange of used manufactured homes or mobile homes, or
- b. Contracts with properly licensed installers or contractors for the installation of manufactured homes, mobile homes, or accessory structures.

#### 3. D-10 Retailer of Factory-Built Buildings and FBB Subassemblies:

- a. Buys, sells, or exchanges new or used factory-built buildings and FBB subassemblies;
- b. Acts as an agent for the sale or exchange of new or used factory-built buildings and FBB subassemblies;
- c. Makes alterations to new factory-built buildings and FBB subassemblies before a sale to a purchaser; or
- d. Contracts with properly licensed installers or contractors for the installation of factory-built buildings, FBB subassemblies, and residential single-family factory-built buildings, or accessory structures.

#### 4. D-12 Master Retailer:

Performs work within the scope of classes D-8, D-8B, and D-10.

#### R4-34-204. Installers

A. The Department shall place an installer's license application into one of the following license classes, based on the listed activities that limit the scope of each class:

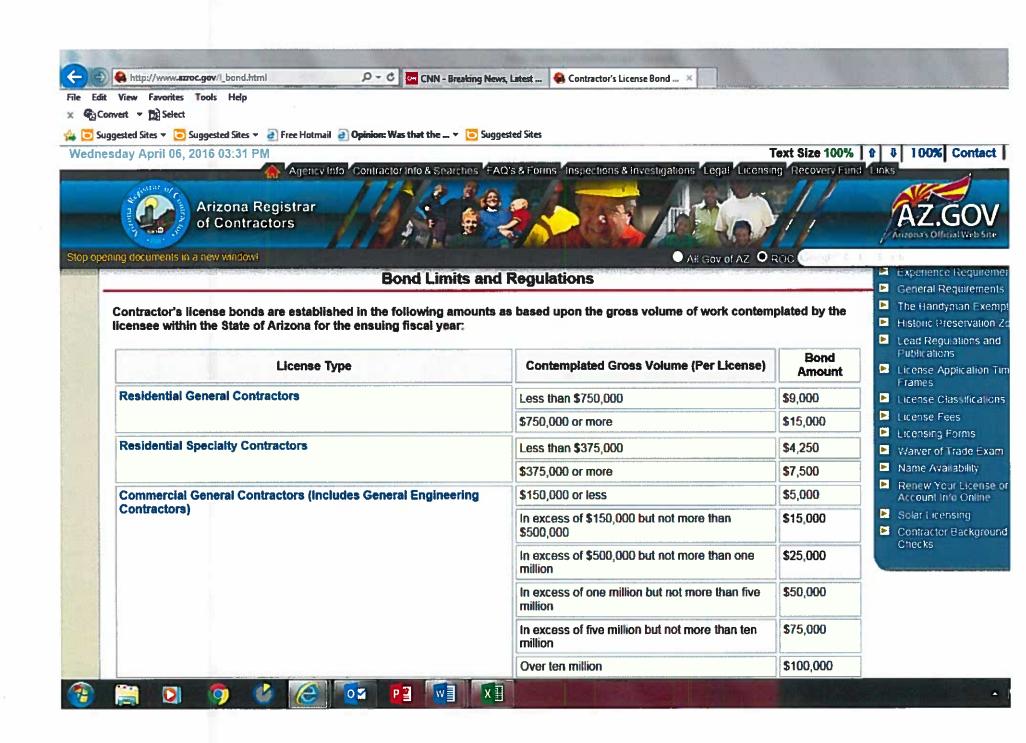
## 1. I-10C General Installer of Manufactured Homes, Mobile Homes, or Residential Single-Family Factory-Built Buildings:

- a. Installs manufactured homes, mobile homes, or residential single-family factory-built buildings on foundation systems;
  - b. Installs ground anchors and tie down manufactured homes or mobile homes;
- c. Connects water, sanitary waste, gas, and electrical systems of all amperages to the proper onsite utility terminals provided by others;
- d. Installs evaporative coolers and cooler systems on manufactured homes, mobile homes, or residential single-family factory-built buildings;
  - e. Installs roof jack to cooler ducts;
  - f. Installs duct work:
  - g. Provides electrical service and controls to cooler from nearest supply source;
  - h. Provides water to the cooler from the nearest fresh water source; or
  - i. Performs work as indicated under manufacturer's warranty for the unit.

## 2. I-10D Installer of Accessory Structures attached to Manufactured Homes, Mobile Homes, or Residential Single-Family Factory-Built Buildings:

- a. Installs prefabricated accessory structure units,
- b. Constructs accessory structures on site.
- c. Places concrete footings or slabs for accessory structures, or

- d. Contracts with properly licensed contractors for the installation of plumbing, electrical, and mechanical equipment as part of an accessory structure and subcontracts all or any part of the items within this subsection to properly licensed installers or contractors.
  - 3. I-10G Master Installer of Manufactured Homes, Mobile Homes, or Residential Single- Family Factory-Built Buildings:
  - a. Performs work within the scope of classes I-10C and I-10D,
  - b. Installs evaporative cooling units and refrigeration air conditioning units, or
  - c. Subcontracts with properly licensed installers or contractors.





## New U.S. Dept. of HUD Bond Requirement -Manufactured Home Installation

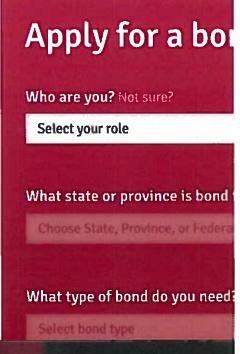
November 30, 2015

#### New U.S. Dept. of HUD Bond Requirement – Manufactured Home Installation

The U.S. Department of Housing and Urban Development (HUD) has enforced a new bond requirement in 13 states for Manufactured Home Installation. Integrity Surety is a great market for the \$10,000.00 Surety Bond.

The purpose of the Manufacured Home Installation Program is to implement regulations 24 CFR Part 3285 and 24 CFR Part 3286 to ensure that states have in place a minimum standard and an operating installation program. The law was passed in 2000 but is being enforced in 2015.

In states where HUD will administer the Manufacured Home Installation Program, HUD will ensure that trainers of installers planning to work in HUD-administered states are registered with HUD and that persons planning to install in HUD-administered states are licensed by HUD.





















# 2016 BOARD MEETING SCHEDULE

## 2016 OMH BOARD MEETING SCHEDULE

All meetings are tentatively scheduled the 3<sup>rd</sup> 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 20, 2016

Rescheduled to January 27, 2016

- April 20, 2016
  - •July 20, 2016
- October 19, 2016