

BOARD OF MANUFACTURED HOUSING

April 17, 2019



Arizona Department of Housing

AMENDED AGENDA



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

Date: **Wednesday, April 17, 2019; 1:00 P.M.**

Teleconference

602-753-1025, Passcode 330208

1:00 P.M.

- I. Call to Order (Assistant Deputy Director, Manufacturer Housing)
- II. Roll Call (Secretary)
- III. Selection of Interim Chairman (Assistant Deputy Director, Manufactured Housing)
- IV. Review and Action on Abbreviated Minutes of January 16, 2019 meeting
- V. Request for Educational Grant - requests from Manufactured Housing Industry of Arizona and Manufactured Housing Communities of Arizona – review, discussion and possible action
- VI. Fee Structure – pursuant to A.R.S. §41-4010 (A) (4). Determine fees for Fiscal Year 2020 beginning July 1, 2019 and ending June 30, 2020.
 - 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.

January 16, 2019
ABBREVIATED
MINUTES



DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

January 16, 2019 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, Gregory Johnloz, Cody Pearce, David Roe, Wayne Syrek, Absent: Richard Boles and Everette Hoyle

Arizona Department of Housing (“Department”) Staff: Director Carol Ditmore (Ditmore); Assistant Deputy Director, Tara Brunetti (Brunetti); Assistant Deputy Director, Reginald Givens (Givens); Assistant Attorney General Valerie Marciano; and Board Secretary, Ayde Sanchez.

Public Present: Ken Anderson (“Anderson”), Manufactured Housing Industry of Arizona (MHIAZ); Marci Mitchell, Ameri-Fab

APPROVAL OF October 17, 2018 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 Gleeson; and the Board voted unanimously to accept.

CHAIRMAN SELECTION

Board member Gleeson made a motion that Sam Baird be re-elected as Chairman; seconded by Board Member Roe; Board voted unanimously to approve the motion. Chairman Sam Baird will serve for calendar year 2019.

DEPARTMENTAL INFORMATION

Department provided an overview of the following highlights:

Brunetti made a personal introduction to Board members. She is now the new Assistant Director for Manufactured Housing Division.

1. Department staff changes:
 - Amanda Duncan –Administrative Assistant
 - Esperanza Padilla –Complaints Manager
 - Donna Grant –Promoted to oversee licensing dealer sales audits, investigations and complaints.

2. Collaborative meeting with Installers took place in December 2018 and will be meeting in February 2019.

CALL TO PUBLIC

Ken Anderson addressed the Board members in regards to the possibility of extending the timeframe on Installation Permit expiration date.

FEE SCHEDULE

Brunetti presented the current fee schedule for the 2019 fiscal year. 2020 fiscal year fees will be discussed in the upcoming April meeting.

Action Item: Review 6 Month Extension Request fee.

Action Item: Provide via email two weeks prior to the April meeting fee recommendations for fiscal year 2020

FINANCIAL REPORT

Brunetti presented the monthly financial reports for September, October and November 2018, and Relocation Fund Summary as of the end of November 1, 2018.

Action Item: Board member Doughty requested clarification on the Educational Fund balance increase for fiscal year 2018.

Action Item: Board member Roe requested a brief explanation on violation items on Dealer Audits.

Action Item: Chairman Baird requested for Relocation Fund Summary be removed from Board packet.

Action Item: Chairman Baird requested for Recovery Fund current balance.

ANNOUNCEMENTS

Chairman Baird announced Board member Boles has retired and his seat will need to be filled.

NEXT BOARD MEETING DATE

Wednesday, April 17, 2019.

ADJOURNMENT

Chairman Baird thanked the Board members for their attendance. The meeting adjourned at 1:33 p.m.

CONSUMER GRANT REQUEST





Date: February 12, 2019

To: Carol Ditmore, Director
Arizona Department of Housing
1110 West Washington, Suite 280
Phoenix, AZ 85007

From: Ken Anderson, President, Manufactured Housing Industry of Arizona

RE: Educational Grant Request for Annual Conference

Dear Director Ditmore,

The Manufactured Housing Industry of Arizona (MHIA) would like to formally request a grant of \$3,000 from the interest earned on the Consumer Recovery Fund help to provide special industry educational programs being presented at our annual conference on July 14 – 16, 2019 in Sedona, Arizona.

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 70 - 90 industry leaders to attend this year's annual conference, most of which will be licensed dealers, installers and manufacturers who are members of MHIA. Although the total cost of presenting this very important conference far exceeds the requested amount, a grant of \$3,000 will help defray our expense of providing the educational programs to the attendees.

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

Sincerely,

Ken Anderson, President
Manufactured Housing Industry of AZ



April 1, 2019

Tara Brunetti, Assistant Deputy Director - Manufactured Housing
Arizona Department of Housing
1110 W Washington, #280
Phoenix, AZ 85007

Deputy Director Brunetti:

Manufactured Housing Communities of Arizona, Inc., a non-profit organization representing the owners of manufactured and mobile home rental communities, would like to request a grant of \$2,800 from the Consumer Recovery Fund educational monies to help provide educational programs for industry members at our Annual Conference, May 15 - 17, 2019.

As you are aware, many of the communities we represent are also licensed as retailers. This year we will be offering special classes on the future of our industry, how to sell homes, cybersecurity, screening and numerous other topics.

The grant money would be used to help pay for the following:

On-Line Mobile App which includes all info on Conference	\$ 1,100
Printing of materials	4,000
Speaker Expenses	<u>700</u>
Total Expenses	\$ 5,800
MHCA's Grant Request (48.3% of total)	\$ 2,800

Thank you for your consideration.

Sincerely,

Susan L. Brenton
Executive Director

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 2019 FISCAL YEAR

FEES ARE EFFECTIVE JULY 1, 2018 through JUNE 30, 2019

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

FY20 FEE RECOMMENDATION



MANUFACTURED HOUSING - BOARD FEE PRESENTATION

Plan A

FY2020 FORECASTED	BUDGET	% of Total	BOARD APPROVED FEES	Total Budget
Installation Inspections	\$ 646,920.00	40%	\$ -	\$ -
IPIA Plant Inspections	\$ 534,735.00	33%	\$ -	\$ -
Licensing	\$ 280,000.00	17%	\$ -	\$ -
Plan Review	\$ 121,100.00	7%	\$ -	\$ -
Insignias	\$ 49,560.00	3%	\$ -	\$ -
Operations Support	\$ -		\$ -	\$ -
	\$ 1,632,315.00	100%		\$ -

FY2019 EXPENSE	FORECASTED
Payroll & ERE	\$ 1,063,131.97
Professional Services	\$ 98,281.16
Travel	\$ 220,310.63
Capital	\$ 1,943.99
Non-Capital Exp	\$ 10,758.65
Operations Support	\$ 102,697.55
	\$ 1,497,123.95

Plan B

	FY19 PROJECTED FEE REVENUE
Installation Inspections	\$ 664,280.00
IPIA Plant Inspections	\$ 463,000.00
Licensing	\$ 269,800.00
Plan Review	\$ 121,293.00
Insignias	\$ 63,649.50
Operations Support	\$ -
	\$ 1,582,022.50

	FY20 BUDGET 105%	Adjusted Fee
	\$ 679,266.00	\$ 378.00
	\$ 561,471.75	\$ 89.25
	\$ 294,000.00	
	\$ 127,155.00	\$ 183.75
	\$ 52,038.00	\$ 10.50
	\$ -	
	\$ 1,713,930.75	

Plan C

	FY19 BUDGET 95%	Adjusted Fee
	\$ 614,574.00	\$ 342.00
	\$ 507,998.25	\$ 80.75
	\$ 266,000.00	
	\$ 115,045.00	\$ 166.25
	\$ 47,082.00	\$ 9.50
	\$ -	
	\$ 1,550,699.25	

FY2019 Projection

Installation Inspections	1,797
IPIA Plant Inspections	6,291
Licensing	
Plan Review	692
Insignias	4,956

Current Fees

\$ 360.00
\$ 85.00
<i>Lump Sum; not by license class</i>
\$ 175
\$ 10.00

2019
BOARD MEETING
SCHEDULE



2019 OMH 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 16, 2019**
- **April 17, 2019**
- **July 17, 2019**
- **October 16, 2019**