

BOARD OF MANUFACTURED HOUSING

April 20, 2022



Arizona Department of Housing

AGENDA



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

Date: **Wednesday, April 20, 2022, 1:00 P.M.**

Virtual link:

Dial in phone number: +1 669 900 9128

Meeting ID: 890 9587 8494

Passcode: 337499

Meeting Link: [Manufactured Housing Board Meeting April 20, 2022](#)

1:00 P.M.

- I. Call to Order (Chairman)
 - II. Roll Call (Secretary)
 - III. Director Simplot, comments and conversation with Board Members
 - IV. Call to the Public
Public Comments - Those wishing to address the Board need not request permission in advance; however, they must complete a form available at <https://housing.az.gov/manufactured-housing/board-manufactured-housing> or at the meeting. Each person addressing the Board will be limited to five minutes on any one issue. Pursuant to A.R.S. § 38-431.02(H), the Board may only take action on matters listed on the agenda. Action taken as a result of public comments will be limited to directing staff to review a matter or ask that a matter be placed on a future agenda.
 - V. Review and Action on Abbreviated Minutes of January 19, 2022 meeting
 - VI. Financial Report – review and discussion
 - VII. Rule Update (Assistant Deputy Director)
 - VIII. Legislative Proposal Update (Assistant Deputy Director)
 - IX. e-Licensing Solution Update (Assistant Deputy Director)
 - X. Fee Structure – pursuant to A.R.S. §41-4010 (A) (4). Determine fees for Fiscal Year 2023 beginning July 1, 2022 and ending June 20, 2023.
 - XI. Adjournment
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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 via the virtual link 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 19, 2022
ABBREVIATED
MINUTES



DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

January 19, 2022 BOARD MEETING via Zoom

CALL TO ORDER

Chairman Roe called the meeting to order at 1:01 p.m.

ROLL CALL

Board Members present: Chairman David Roe, Jay Daniels, Jan Doughty, Terry Gleeson, Everette Hoyle, Kory Beickel, Gregory Johnloz and Michael Young.

Arizona Department of Housing (“Department”) Staff: Director Tom Simplot (Simplot); Assistant Deputy Director, Tara Brunetti (Brunetti); Board Secretaries Ayde Sanchez, Amanda Duncan and Evelyn Estrella.

Director Simplot Comments and Conversation:

Director Simplot introduced himself and discussed importance of Manufactured Housing to the housing industry. Director Simplot announced the Department will be hiring a new Liaison to follow bills pertaining to the Department.

CALL TO PUBLIC

No comment from Public.

CHAIRMAN SELECTION

Board member Johnloz entertained a motion to elect David Roe as the Chairman for the Arizona Board of Manufactured Housing; seconded by Board Member Gleeson; Board voted unanimously to approve the motion. Chairman David Roe will serve as Chairman for calendar year 2022.

APPROVAL OF January 19, 2022 BOARD MINUTES

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

FINACIAL REPORTS:

Board Members Johnloz and Doughty questioned the amount for estimated annual revenue and annual expenditures. Brunetti explained the amounts will adjust as the estimates do not account for HUD subsidies and the carry over set aside for new e-licensing system.

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RULE UPDATE:

Brunetti informed the Board that every 5 years GRRC requests agencies to review their rule package as a whole. In the course of 5 years the Department has requested and submitted three waivers for a rule change to the Governor and GRRC for approval. The rule changes addressed updates to the definitions, building codes and installer license classifications. The due date for the Departments 5 year review was set for February 2022; however the Department requested an extension. The extension was granted and the review is due June 2022.

LEGISLATIVE PROPOSAL UPDATE:

Brunetti informed the Board that Representative Kaiser agreed to sponsor a bill that includes changes to Manufactured Housing and Building Division legislation. Changes are attached to House Bill 2165. The proposed updates are meant to clarify the language in the statutes for three different areas.

The first change is to modify the language for factory built buildings to coincide with the new license classification description.

The second update is for the language involving the civil penalties applied by the Department. As a State Administrative Agency (SAA) the Department has the authority to act on behalf of HUD with regards to HUD manufactured products. The proposed update will state any civil penalty amount applied per HUD's guidelines would be applied by the State of Arizona.

The third proposed update involves the fingerprint requirement for the licensing section. Currently the Department requires applicants to submit a physical fingerprint card. The Department is requesting be placed on the list of agencies who require applicants to obtain a DPS Level One Clearance Cards prior to applying for licensure. This change will allow our licensing section to process the applications for efficiently.

E-Licensing Solution & Digital Plan Review

Brunetti provided an update on the new system that will streamline the online licensing, permitting, inspection and plan review processes. The go-live date is tentatively scheduled to take place mid-February 2022. User guides will be provided on the Department's website to assist all users in navigating the new system.

In October the Department announced plan review's transition to digital format. Brunetti is pleased to report effective January 2022 plan review is only accepting digital plans.

ANNOUCEMENTS

No announcements.

NEXT BOARD MEETING DATE

The next meeting has been tentatively scheduled for April 20, 2022.

ADJOURNMENT

Chairman Roe thanked the Board members for their attendance. The meeting adjourned at 1:45 p.m.

FINANCIAL REPORTS



**ARIZONA DEPARTMENT OF HOUSING
MONTHLY SUMMARY REPORT**

FEBRUARY 2022

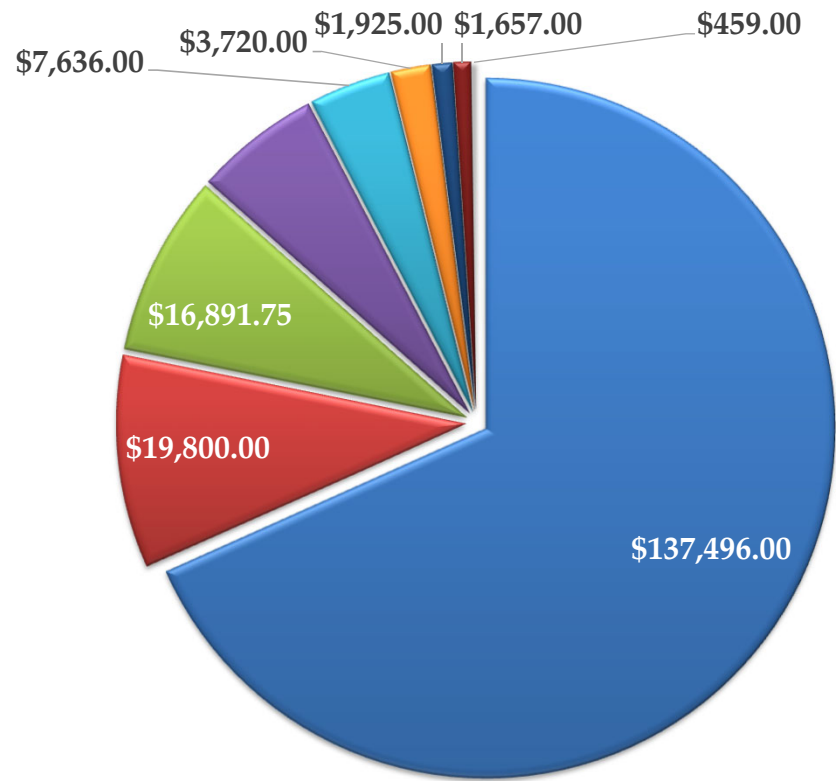
PLAN REVIEW:						
	Reviews Completed	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD
PLAN REV. - FBB	40	359	295	\$11,700.00	\$113,550.00	\$71,550.00
PLAN REV. - MH	13	144	106	\$1,925.00	\$21,838.00	\$23,759.00

INSTALLATION PERMITS:						
	Permits Issued	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD Fees Generated
MH	55	859	851	\$19,800.00	\$309,240.00	\$306,360.00
FBB	20	219	198	\$137,496.00	\$259,536.00	\$82,683.00

IN PLANT INSPECTION:						
	Plant Inspections	Current Total of Inspections	Current Total of Violations Sited	Prior YTD Total Violations	**Current Total Fees Generated	YTD Total Fees Generated
MH MFG.	13	99	14	146	\$1,657.00	\$ 11,672.35
Number of Homes Labeled	Single	Double	Triple	Quad	Five	TOTAL
	39	184	4	0	0	227
PRODUCTION TREND:	2022	2021	2020	2019	2018	2017
January	194	224	289	264	192	221
February	227	222	270	239	215	220
March		248	275	281	268	236
April		240	255	261	224	197
May		233	200	310	250	219
June		239	225	272	256	242
July		205	191	243	195	177
August		243	204	291	267	260
September		235	221	249	231	225
October		233	262	315	254	247
November		213	212	237	252	223
December		208	187	197	193	189
YTD TOTAL	421	2743	2791	3159	2797	2656

CERTIFICATES:								
	Certificates Issued	YTD	Prior YTD	Current Total Fees Generated	YTD Fees Generated	Prior YTD	Certificates Reported	YTD
INSTALLATION	372	3151	3172	\$3,720.00	\$31,510.00	\$31,720.00	318	2243
FBB MFG.	9	737	804	\$459.00	\$37,587.00	\$41,004.00	9	286

LICENSING:						
	New Licenses Issued	YTD Lic. Issued	Current Total Fees Generated	YTD Fees Generated	Current Total Licensees	Prior Year Total Licensees
MANUFACTURERS	1	13	\$864.00	\$11,726.00	98	86
DEALERS	8	32	\$4,692.00	\$15,938.00	306	277
SALES PERSONS	8	89	\$1,648.00	\$18,334.00	591	643
INSTALLERS	1	14	\$432.00	\$7,902.00	127	113
<i>*Includes late renewals</i>	Renewal Licenses Issued	YTD	Current Total Fees Generated	YTD		
MANUFACTURERS	9	52	\$4,382.00	\$24,269.75		
DEALERS	24	169	\$7,371.25	\$55,826.75		
SALES PERSONS	25	279	\$2,678.00	\$30,874.25		
INSTALLERS	10	69	\$2,460.50	\$19,533.50		



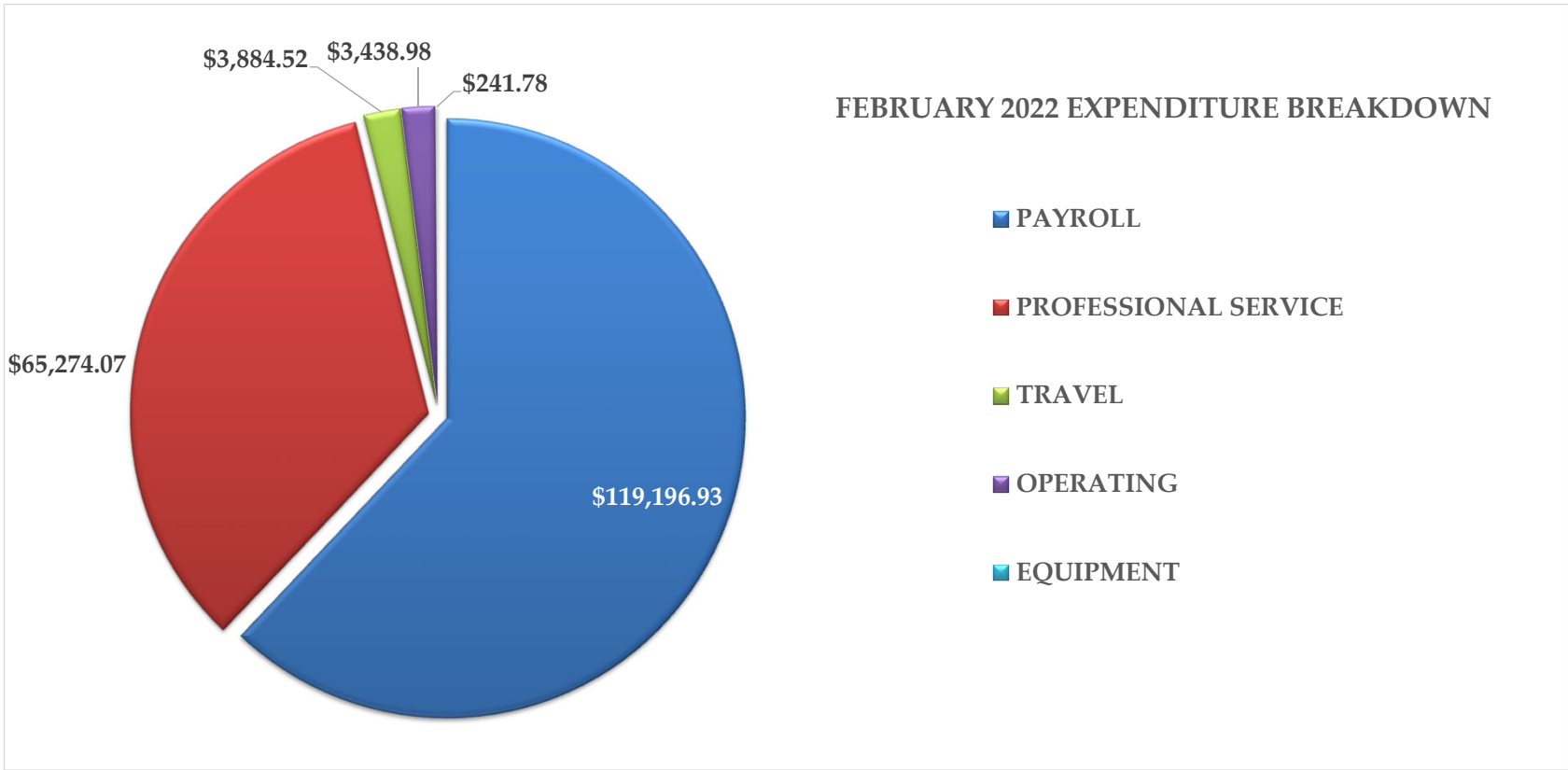
FEBRUARY 2022 REVENUE BREAKDOWN

- FBB PERMITS
- MH PERMITS
- RENEWED LICENSES
- FBB PLAN REVIEW
- NEW LICENSES
- INST. CERTIFICATES
- MH PLAN REVIEW
- MH INSPECTIONS
- FBB MFG. CERTIFICATES

EXPENSE & REVENUE REPORT:						
	OMH Fee's Generated	YTD Revenue	Prior YTD Revenue	Current Expenditures	YTD Expenditures	Prior YTD Expenditures
	\$ 201,284.75	\$ 969,337.60	\$ 754,255.00	\$ 192,036.28	\$ 1,590,423.32	\$ 1,047,423.01

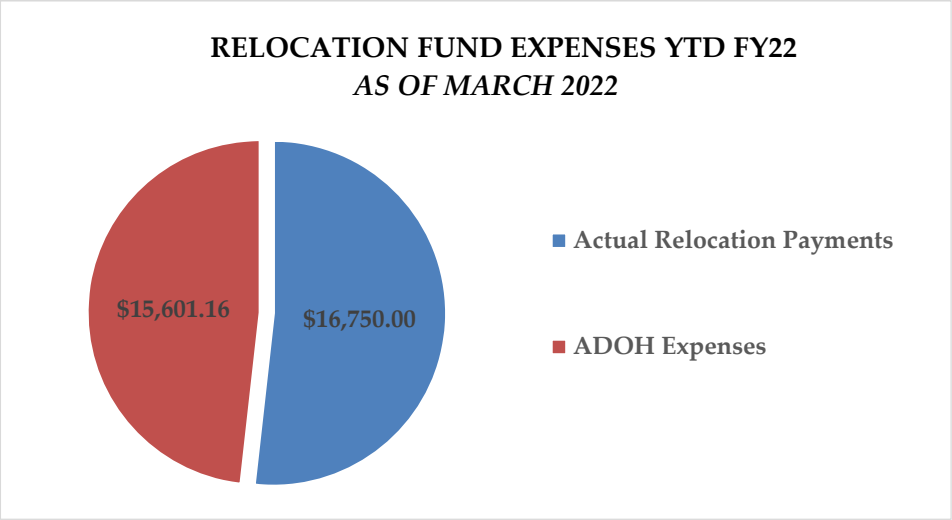
CONSUMER RECOVERY FUND				
	Monthly Deposit	Monthly Claims Paid	Monthly Interest Earned	Fund Balance
	\$ 3,176.00	\$0.00	\$ 131.03	\$ 694,829.59

CONSUMER & LICENSING EDUCATIONAL EXPENDITURES			
	Recovery Fund Ending Balance	Interest Earned	Available for Grants (75% of Interest)
FY 20	\$ 661,020.76	\$ 2,325.23	\$ 1,743.92



RELOCATION FUND SUMMARY

BEGINNING BALANCE		YTD EXPENDITURES		ENDING BALANCE	
As of 03/01/2022	\$7,650,694.74		AMOUNT	As of 3/31/2022	\$7,649,713.66
		Actual Relocation Payments	\$16,750.00		
		ADOH Expenses	\$15,601.16		
		Total Expenses	\$32,351.16		



FY23 FEE RECOMMENDATION



MANUFACTURED HOUSING - BOARD FEE PRESENTATION

FY2023 FORECASTED	BUDGET	% of Total	BOARD APPROVED FEES	Total Budget
Installation Inspections	\$ 618,120.00	32%	\$ -	\$ -
IPIA Plant Inspections	\$ 555,220.00	29%	\$ -	\$ -
Licensing	\$ 332,081.60	17%	\$ 281.43	\$ 281.43
Plan Review	\$ 137,550.00	7%	\$ -	\$ -
Insignias	\$ 59,850.00	3%	\$ -	\$ -
Operations Support	\$ 208,234.00	11%	\$ -	\$ -
	\$ 1,911,055.60	100%		\$ 281.43

FY2023 EXPENSE	FORECASTED
Payroll & ERE	\$ 1,481,401.67
Payroll & ERE (3 New Positions)	\$ 227,500.00
Professional Services	\$ 94,912.75
Travel* (FY19 FIGURES)	\$ 51,320.64
Capital	\$ -
Non-Capital Exp	\$ 106,368.08
Operations Support	\$ 150,377.71
	\$ 2,111,880.85

	FY23 PROJECTED FEE REVENUE		Plan A	
			FY23 BUDGET 100%	Adjusted Fee
Installation Inspections	\$ 618,120.00		\$ 766,604.79	\$ 446.48
IPIA Plant Inspections	\$ 555,220.00		\$ 688,594.95	\$ 105.42
Licensing	\$ 332,081.60		\$ 411,854.24	N/A
Plan Review	\$ 137,550.00		\$ 170,592.26	\$ 217.04
Insignias/Certificates	\$ 59,850.00		\$ 74,227.17	\$ 12.40
Operations Support	\$ -		\$ -	
	\$ 1,702,821.60	80.63%	\$ 2,111,873.40	

Plan B	
FY23 BUDGET 95%	Adjusted Fee
\$ 729,381.60	\$ 424.80
\$ 655,159.60	\$ 100.30
\$ 391,856.29	N/A
\$ 162,309.00	\$ 206.50
\$ 70,623.00	\$ 11.80
\$ -	
\$ 2,009,329.49	

Plan C	
FY23 BUDGET 105%	Adjusted Fee
\$ 803,556.00	\$ 468.00
\$ 721,786.00	\$ 110.50
\$ 431,706.08	N/A
\$ 178,815.00	\$ 227.50
\$ 77,805.00	\$ 13.00
\$ -	
\$ 2,213,668.08	

	FY23 Projection		Current Fees
Installation Inspections	1,717	10.60%	\$ 360.00
IPIA Plant Inspections	6,532	40.32%	\$ 85.00
Licensing	1,180	7.28%	\$ 281.43
Plan Review	786	4.85%	\$ 175.00
Insignias/Certificates	5,985	36.94%	\$ 10.00

Lump Sum Average; not by license class

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 2022 FISCAL YEAR

FEES ARE EFFECTIVE JULY 1, 2021 through JUNE 30, 2022

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

2022
BOARD MEETING
SCHEDULE



2022 MH 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 19, 2022***
- ***April 20, 2022***
- ***July 20, 2022***
- ***October 19, 2022***