

**VIRGINIA MANUFACTURED HOUSING BOARD
MEETING
March 19, 2009
RICHMOND, VIRGINIA**

Board Members Present : Michael C. Nickell, Chairman
Ava Lewis, Vice Chairman
James W. Roncaglione
Walter K. Hughes, Sr.
William H. Moody
Eric Anderson
Ben Flores
William B. Toombs
Gina M. Burgin
Lorenzo E. Dyer, Secretary to the Board

Board Members Absent : None

Public Representation :	James W. Hopper	<u>Staff</u>
	Eric Olsen	
	Adrea Bales	Clinton Wallace
	Emory Rodgers	Larry Brock
	Dinia Pizzino	Eric Leatherby
	Patricia-Braxton Kelley	Valrae Negley
	Josephine Crews	Richard Potts
		Debra Winston-Bowles

A. Call to Order/Roll/Determination of a Quorum.

The Virginia Manufactured Housing meeting was held in Richmond, Virginia, Thursday, March 19, 2009. Chairman Nickell called the meeting to order at 10:00 a.m. Lorenzo E. Dyer, Secretary to the Board performed the Roll Call and a Quorum was present.

B. Approval of the Minutes.

A motion was made by Eric Anderson and seconded by Vice-Chairman Lewis to accept the Minutes from the Board's meeting of January 15, 2009. The Minutes were accepted as written by a unanimous vote.

C. Public Comment.

Staff introduced to the Board, Mr. Hopper representing the Office of the Attorney General. Mr. Hopper is filling in for the Assistant Attorney General who is unable to attend today.

Thomas W. Nesbitt, Assistant Attorney General, is no longer serving as the Assistant Attorney General to this Board. Mr. Steven Jack has been appointed as the Assistant Attorney General for the Virginia Manufactured Housing Board.

Legislation: Ron Dunlap announced the language in the Bill presented by the Manufactured Housing Association was passed by the General Assembly and awaiting the Governor's signature. Only one change was made to the Bill which included the minimum amount of the fund from \$500,000 to \$300,000.

Fleetwood Corporation declared Chapter 11 bankruptcy. The Plant located in North Carolina, Plant 41 is closed. Fleetwood will honor the warranty for Plant 41 in North Carolina.

Chairman Nickell: Under Public Comment, Agenda Item E-7 Bertha Peppenger c/o Dinia Pizzino v Fleetwood Homes of VA & Crews Mobile Home & Transport. This is not a Board issue at this point.

Dinia Pizzino made comments to the Board during the public comment period about her concerns with the condition of her mother's house.

Josephine Crew, Crews Mobile Home & Transport, is willing and available to correct any dealer-related problems addressed by Ms. Pizzino.

Patricia-Braxton Kelley spoke to the Board during the Public Comment Period concerning the condition of her house

D. Committee Reports.

1. Educational Program Committee. The Educational Program Committee meeting was held on March 9, 2009 at 10:00. After much discussion and review, additional information concerning the Educational Program will be presented at the next board meeting.

E. Report of the Secretary/Associated Director/Deputy Director Reports.

1. Licenses and Recovery Fund Reports.

Report of the Manufactured Housing Licensing Program. The number of regulants that did not renew licenses between January 1, 2008 – January 28, 2009 read as follows: manufacturers 4, brokers 0, dealers 26, and salespersons 183. Additional information of closed businesses that have not renewed their licenses for dealers, salespersons, manufacturers, and brokers is enclosed in the Board package.

Currently licensed are 3 brokers, 267 dealers, 43 manufacturers and 721 salespersons.

2. Budget Report.

A letter from Emory Rodgers, Deputy Director DHCD, was read into the record concerning the state of the budget.

The regular Budget Report sheet will be provided at the next Board meeting as requested by the Board.

The cash balance for the Licensing and the Transaction Recovery Fund Account will be provided at the next scheduled Board meeting.

A report of the state fiscal budgetary as preparation for DHCD for FY 2009 – 2010 was presented to the Board.

3. Update of proposed changes to the Manufactured Housing Licensing and Transaction Recovery Fund Regulations.

Need to amend the section on Page 10 in the proposed regulations. Thomas Nesbitt of the Attorney General's office objected to the language in the last sentence of the paragraph, "DMV should transfer above inspection/administrative fee to DHCD". This line needs to be removed from the proposed Regulations. The Board's approval is required to amend this section.

James W. Roncaglione made a motion that we amend the proposed Regulations to delete only the portion that "DMV shall transfer the above inspection/administrative fee to the DHCD". Walter K. Hughes, Sr. seconded the motion. After some discussion, Chairman Nickell called the question and the motion carried by six votes, one opposed, and two abstained.

The Board reviewed the Regulatory Change Schedule for the Virginia Manufactured Housing Board for amended changes to the Manufactured Housing Licensing and Transaction Recovery Fund Regulations.

Virginia Acts of Assembly – A copy is included in the package for review. The Bill will be incorporated into our Regulations, effective month July 2009.

4. HUD's Manufactured Home Installation Program.

Proposed changes in the Manufactured Home Installation Program are still pending. Additional information will be presented at the next scheduled Board meeting.

Eric Olsen, Director, DPOR regulatory changes are in executive review. As soon as training and educational classes are completed, DPOR is ready to assist to do their part to enforce requirements of the Manufactured Home Installation Program.

5. Change in office procedures.

Office Procedures and Fact Findings. Staff is in the process of implementing policy changes, improving board packages, summarizing case decisions and fact-findings by providing full support to the Board in an efficient and timely manner. The Board submitted to staff, procedures for consumer complaints, alleged violations of the regulations and claims to the transaction recovery fund which included informal fact-finding conferences. Staff will incorporate parts of the document into a workflow process that is currently being developed by staff. Once completed staff will present workflow to the Board.

6. FEMA Manufactured Housing sold as scrap. Units were used in regions for victims of flooding during Katrina. The units are being sold as scrap or qualified as scrap. In some cases the HUD labels are being removed and the units are retailed back to the public. HUD needs the help from SAA to help solve the problem. No units have been seen in Virginia but other states have come in contact with these units. FEMA consider these homes unsafe due to formaldehyde. SAA's will have to inspect these units to see if they comply with HUD regulations.

Discussion was held concerning procedures when persons present themselves as representatives of another person.

It was stated that the Board and staff might permit person(s) presenting themselves as representative of another person be accepted practice so long as the representative is not practicing law.

Vice-Chairman Lewis made a motion to have staff together with the Attorney General' Office provide the documentation of what the relationship has to be for someone to represent another. Walter K. Hughes, Sr. seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

F. Old Business

1. Case-David and Sarah Burleson v Fleetwood Homes of Virginia.

The service has not been complete. The Third Party Inspector has not inspected the structural support system. All parties were notified of the conditions of service and reports needed to complete required service within 60 days. The Consent Order was receive from Pat' Manor Homes only. The dealer, Pat' Manor Homes was involved in the replacement of improper parts that had been installed by a welder. Walter K. Hughes, Sr. made a motion for staff to contact Fleetwood to sign the Consent Order and completed all required services order by the Board and within 30 days staff will report back to the Board at the next Board meeting. Ben Flores seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

Ms. Gina Burgin left the Virginia Manufactured Housing Board Meeting at 12:00.

2. Case-Keith and Rosalyn Whitaker v Colonial Homes Center.

Dealer out of business; claim submitted to be paid from the Transaction Recovery Fund.

No action necessary.

3. Special recognition to the family of deceased Board member.

Letter presented to the Board for review and comments. Letter was approved by the Board and signed by the Chairman.

G. New Business. IFF Conference Case-Findings – Recommendations/Decisions.

1. Russell and Marshal Davis v C&K Mobile Homes & Commodore Homes of VA.

Findings and Recommendation:

This case submitted by Russell and Marsha Davis against C&K Homes and Commodore Homes of Virginia be reviewed and continue in investigation procedures in the State Building Code Administrative Office according to applicable provisions of the Manufactured Housing Safety Regulations and/or the Federal Standards of HUD.

This complaint was not submitted in a timely manner and there would be no citing of any violations against the regulants concerning the Virginia Manufactured Housing Regulations.

2. Larry & Patty Heffner v Fleetwood Homes of Ashland & Fleetwood Homes of VA.

Discussion: Walter K. Hughes, Sr. excused himself from the room. Mrs. Heffner requested a continuance due to not receiving the letter in a timely manner and was not able to attend at such a short notice.

Eric Anderson made the motion to table this case until the next Board meeting since the Heffner's were not available. Vice-Chairman Lewis seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

3. Barbara W. Williams c/o For The Six, Inc./dba TurnKey Homes.

An email was read to the Board received from Ms. Williams indicating she was not able to attend the Board meeting due to medical problems and appreciate the Board's assistance. Please inform me of your findings and if I need to provide additional information, I certainly hope I will be allowed to have my licenses reinstated soon. A dealer lot inspection was performed and it was discovered that Ms. Williams was acting as a salesman for a period of approximately twelve to sixteen months unlicensed. The license expired in December 2007. We conducted an IFF to obtain additional information. A Consent Order was sent to Ms. Williams but Ms. Williams did not want to sign the Order. Staff recommendation is to have a letter placed in her file stating of the incident and noted by the Board; and, in the future if any prohibited actions occur, then action will be taken. After further discuss, James W. Roncaglione made a motion to accept staff's recommendations to place a letter in Ms. Williams' file. After further discussion, James W. Roncaglione withdrew the motion. Walter K. Hughes, Sr. made a motion to fine Ms. William a \$350.00 penalty; and, for Ms. Williams to send in her application with money for the license; and, be placed on probation for a year; and, for Ms. William to stay consistence with the probationary licenses procedures. The motion was seconded by Ben Flores. Chairman Nickell called the question and the motion carried by a unanimous vote.

The Board thanks the staff for their diligent work and preparations.

The Board meeting will not take place in conjunction with the Virginia Manufactured/Modular Housing Association meeting held in Virginia Beach in July 2009 of this year.

H. Future Meeting Date and Location.

The next meeting date and location of the Virginia Manufactured Housing Board is scheduled for Thursday, May 14, 2009 at 10:00 a.m., 501 N. Second Street, Richmond, Virginia 23219.

I. Adjournment.

The Virginia Manufactured Housing Board Meeting adjourned at 2:00 p.m. on a motion made by William H. Moody and seconded by Eric Anderson. The motion carried by a unanimous vote.