

Final Minutes
HUD Manufactured Housing Consensus Committee
Conference Call
April 5, 2004

1. Chairman Roberts called the meeting to order at 11:00 a.m. Mr. Solomon called the roll; a quorum was present. Mr. Roberts asked the guests to introduce themselves.

Mr. Roberts reviewed the agenda. He indicated that a discussion of the HUD proposed rule on minimum payments to states will be added to the agenda. With that addition, the agenda was approved.

There were no opening remarks from the DFO.

There were no requests to present public testimony.

2. Mr. Roberts asked for HUD feedback on the draft preemption policy statement. HUD had submitted a re-draft of the February 25 draft. Mr. Matchneer noted that the 2000 Act does not create new preemption authority for HUD. Mr. Ghorbani noted that the draft policy does not apply to zoning but rather to local code requirements that preclude siting of manufactured homes. Mr. Roberts reviewed the changes from the 2/25 draft. Mr. Ghorbani noted that the MHCC should formally submit the proposed policy to HUD and let HUD respond.

Mr. Walter suggested that the recent HUD draft be modified by the MHCC and be formally submitted to HUD. Mr. McHale agreed. Mr. Berger suggested that “may” be deleted prior to “unfairly limit”. Mr. Weinert indicated that “may” was appropriate because it might not be true in all cases. Mr. Farish noted that HUD has suggested the current draft and it should be considered. Ms. Cocke noted that HUD provided the draft solely for the purpose of discussion, not to direct the MHCC decision. After further discussion, Mr. Roberts called for a roll call vote on whether the first paragraph should be submitted to HUD as drafted. The vote failed 6 in favor, 7 opposed.

Mr. Berger moved that “may” in the second sentence of the first paragraph be deleted and the paragraph be approved, Mr. Bryant seconding. Mr. Roberts called for a roll call vote. Motion carried, 12 in favor, 1 opposed (Mr. Weinert).

The first sentence of the second paragraph was approved unanimously. The second sentence was amended to read “... states and localities ~~should~~ shall not preclude ... aesthetically the same and meet other non HUD code requirements (foundation, size, roof pitch, etc) as any...”; approved unanimously. The last sentence was approved unanimously.

Mr. Berger moved that the policy statement be formally submitted to HUD, Mr. Portz seconding. Approved unanimously. . It was noted that the accompanying statement

drafted at the February meeting should be included in the transmittal letter from the AO to HUD. Motion approved unanimously.

3. Mr. Gorman reported that the Regulatory Enforcement Subcommittee had met by conference call on March 24, 2004. It developed 16 draft "principles for amending Subpart I" which have been distributed to the full MHCC for review. The Subcommittee will use these principles in developing its proposed revisions to Subpart I. Although MHCC approval of the principles will be held until the final document is developed, all members were encouraged to review them now and submit comments to the Subcommittee.

Mr. Gorman reported that the Subcommittee is using the draft proposed revisions prepared by MHARR as the base document. The Subcommittee is part way through the draft. Mr. Gearan indicated that AARP has a concern regarding the process being followed in developing the proposed revisions to Subpart I. He noted that the consumer members have requested that they visit an installation site before the document has progressed too far.

Mr. McHale noted that the Dispute Resolution Subcommittee is exploring possibilities to advance the understanding of the consumer members. Mr. Matchneer noted that while it is important that efforts be made to bring consumers up to speed, the Subcommittee should also keep working. Mr. Gearan cautioned against any process that doesn't allow for full understanding and participation by consumers. Ms. Cocke noted that Mr. McHale and Ms. Draughn, HUD, have been developing a list of areas where consumers need more understanding that will be forwarded to the AO for implementation.

Mr. Gearan noted that it is more important that a process of good faith be observed than to get hung-up on procedure. Mr. Gorman agreed and indicated that he did not want to develop a document that would get bogged down at the full MHCC because of lack of understanding. Mr. Weinert offered to arrange visits for members in the west. Mr. Ghorbani indicated that MHARR would help in any way necessary. Mr. McHale indicated that the Dispute Resolution Subcommittee would review the documents and provide feed back prior to the August meeting of the MHCC so that members would have a better understanding of the issues being discussed.

Mr. Gearan disagreed with the process. He indicated that Mr. Leven expressed a concern that the cart was before the horse. Mr. Walter urged consumer members to read the "history packet" he has provided. Mr. Gorman indicated that the Subcommittee goal is to have a document for consideration by the MHCC at the August meeting. The next Regulatory Enforcement Subcommittee conference call is scheduled for May 12, 2004.

4. Mr. Roberts noted that MHI and MHARR have submitted comments to HUD on the proposed rule on minimum payments to states (69FR9739). MHI had also sent a copy to the AO. Mr. Solomon noted that the AO was not the vehicle for distribution of such

documents without direction from HUD. Ms. Cocke noted that she and Mr. Matchneer will discuss how the AO should handle such documents. Ms. Kayagil indicated that the issue should also be reviewed with the FACA Secretariat at OMB.

Mr. Gorman reported that the Regulatory Enforcement Subcommittee had reviewed the issue and proposed that the MHCC submit a letter to HUD addressing three points: - objecting to the process of not submitting the proposal to the MHCC prior to its issuance as required by MHIA 2000; by violating the process mandated in MHIA 2000, the proposal is void; and, the proposal should be withdrawn and submitted to the MHCC for the 120 day review stipulated in the Act. Mr. Lagano noted that the fundamental question is whether the HUD action is in violation of the Act. Mr. Roberts indicated that he believed it is.

Mr. Portz moved, McHale seconding, that the first two points be approved; passed unanimously by roll call vote.

Mr. Roberts noted that the rule is counter to the philosophy of the states that there should be a minimum funding level for each state. He also noted that the original proposal was filed that same day as the appointment of the MHCC.

Mr. Walter moved, Ghorbani seconding, that the third point be approved; passed unanimously by roll call vote.

Mr. Roberts will send a letter to the HUD Secretary indicating these concerns of the MHCC.

Mr. Roberts indicated that the MHCC should have a full discussion of the draft proposed rule on fees. Mr. Gorman indicated that the Regulatory Enforcement Subcommittee has appointed a Task Group consisting of Messrs. Berger, Ghorbani (leader), Youse, Vogt, Walter, and Weinert to draft comments on the proposal. Mr. Ghorbani recommended that a state representative lead the Task Group. Mr. Weinert accepted the lead.

5. Mr. Solomon reported that the model installation program has been submitted to HUD. He indicated that the proposed standards changes are being worked on and thanked Mr. Ziemann for his assistance in the review. Transmittal to HUD is anticipated by April 9. Mr. Toner reported that the revised Planning and Prioritization Subcommittee procedures for evaluating proposals have been submitted for posting on the website.

Mr. Roberts noted that a conference call for the full MHCC has been scheduled for June 7, 2004 at 11:00 EDT. The next meeting of the MHCC will be August 8-12, 2004 in Alexandria, VA.

The call adjourned at 1:10 p.m.

**HUD MANUFACTURED HOUSING CONSENSUS COMMITTEE
ATTENDANCE SHEET
TELECONFERENCE
April 5, 2004**

STATUS: M=MEMBER; NVM=NON VOTING MEMBER; AO= ADMINISTERING ORGANIZATION *SEC=SECRETARY*

NAME	STATUS	ORGANIZATION
Dana Roberts	M	Oregon Manufactured Homeowners Assoc.
Jack Berger	M	Berger Reconstruction
Karl Braun	M	NAMH – MHOAA
Ed Bryant	M	Champion Enterprises
William Farish	M	Fleetwood Homes
Danny Ghorbani	M	MHARR
Doug Gorman	M	Home – Mart, Inc.
William J. Lagano	M	Commonwealth Consulting Corp.
Ronald V. LaMont	M	Alpine Engineering Products
Jerome L. McHale	M	Federation of Manufactured Home Owners of Florida
Bryan Portz	M	Chase
Frank Walter	M	MHI
Richard Weinert	M.	State of CA
Mike Zieman	M	RADCO
William Matchneer III	NVM/DFO	HUD
Pat Toner	AO/SEC	NFPA
Robert Solomon	AO	NFPA

HUD MANUFACTURED HOUSING CONSENSUS COMMITTEE

TELECONFERENCE

April 5, 2004

GUEST ATTENDANCE SHEET

NAME	ORGANIZATION
Elizabeth Cocke	HUD
Rick Mendlen	HUD
Sean McKee	HUD
John Stevens	HUD
Elsie Draughn	HUD
Frank Quigley	HUD
Joan Kayagil	HUD
Timothy Gearan	AARP
Lon Larson	Oliver
Mark Nunn	MHI
Todd Uhlick	Fleetwood