

**FACTORY BUILT STRUCTURES ADVISORY BOARD
VIDEOCONFERENCE MEETING**

Tuesday – February 11, 2020 – 9:30 a.m. (MST)

**Division of Building Safety
1090 East Watertower Street, Suite 150, Meridian
1250 Ironwood Drive, Suite 220, Coeur d'Alene
155 North Maple Street, Blackfoot**

DRAFT MINUTES OF THE FEBRUARY 11, 2020 MEETING

NOTE: The following report is not intended to be a verbatim transcript of the discussions at the meeting, rather to record the significant features of those discussions.

Chairman Markus Alley called the meeting to order at 9:34 a.m. (MST)

Board Members Present:

Markus Alley, Chairman
Jeff Chrisman, Vice-Chairman
Ken Roche
Spencer McLean
Kenna Draper
Michael Hampton
Mike Jensen
Brian Mattson

DBS Staff Members Present:

Chris L. Jensen, Administrator
Ron Whitney, Deputy Administrator
Larry Jeffres, Regional Manager, Region 1
Patrick J. Grace, Regional Manager, Region 2
Adam Bowcutt, Regional Manager, Region 3
Jeff Egan, Building Program Manager
Lisa Stover, Building Program Supervisor
Renee Bryant, Administrative Assistant 2

◆ **Open Forum**

Name Change – The Idaho Housing Alliance’s name has been changed to the Idaho Manufactured Housing Association (IMHA).

Modular Industry – Chairman Alley stated the relevance of the Board is to help regulate rules to the modular industry; which is the third or fourth largest industry in Idaho that produces over a half billion dollars of manufacturing exports a year.

◆ **Approval of the February 11, 2020 Agenda, July 9, 2019 Meeting Minutes, August 15, 2019 Special Meeting Minutes and October 2, 2019 Special Meeting Minutes**

MOTION: Mike Jensen made a motion to approve the agenda and minutes as presented. Michael Hampton and Kenna Draper seconded. All in favor, motion carried.

◆ **Authorize Notice of Adoption of Temporary Rule Regarding IDAPA 07.03.03 and 07.03.11**

At the adjournment of the 2019 Legislative Session, a concurrent resolution to extend the current administrative rules was not approved; therefore, all agencies with governing boards/commissions had to approve the re-adoption of their rules. In anticipation of the possibility of it happening again, the Board has been asked by the Governor’s office to approve the re-adoption of their rules. The temporary rules are conditional and will only

become effective at sine die if the pending rules are not approved or rejected by the 2020 Legislature. Based on the memorandum provided by the Division, and specifically the Governor's findings concerning the adoption of temporary rules, the following motion was made.

MOTION: Ken Roche made a motion that upon sine die of the 2020 session of the Idaho Legislature, and conditioned upon the Board's rules not otherwise being approved by the Legislature or not extended pursuant to the Idaho Administrative Procedure Act, the Board adopt as temporary and proposed rules the Board's rules in IDAPA 07.03.03, 07.03.09, 07.03.11, 07.03.12 and 07.03.13 related to the Factory Built Structures presented to the 2020 Idaho Legislature, and that the Board delegate to the Administrator the authority to make and approve all notices and filings under the rulemaking process. Mike Hampton seconded. All in favor, motion carried.

◆ **2019 Installers and Inspectors Training Report**

Training – Teri Ottens, IMHA Representative, addressed the 2019 Installer and Inspector Training report. Under the manufactured housing rule, installers and inspectors are required to obtain eight hours of continuing education once every three years with the three-year period ending January 1, 2021. With lack of participation in the Lewiston and Twin Falls areas, training will only be provided in Boise, Pocatello, and Coeur d'Alene the last two weeks in September.

CE Broker – DBS is working with CE Broker, online continuing education tracking system, on the following issues for manufactured housing training: 1) Approve/authorize credit every time a trainee takes the same class, which rarely changes, provided by IMHA several times a year, every year; 2) No renewal button, which means IMHA must reapply every year for the same course to be approved; and 3) Get class approval every time a date is set for multiple classes throughout the year. Once changes have been made, IMHA will try to backload to January 1, 2018 to ensure everyone gets the proper credits to renew their licenses.

◆ **Rule Issues with Idaho Tax Commission on Factor Built Structures**

During the temporary rule process in 2019, Jack Lyman, IMHA Representative, was approached by the Idaho State Tax Commission (ISTC) to ensure its rules related to manufacturing housing were appropriate. During the review/revision procedure, it was noted modular buildings were defined in two different sections of Idaho Code; Title 39 Health and Safety and Title 63 Tax Code. The practical impact of two different codes is office trailers; which are not considered modular buildings under the tax code definition and is subject to sales tax. Stating modular buildings should be defined consistently in Idaho Code, Mr. Lyman recommended the Board direct DBS to engage in negotiated rulemaking or discussion with ISTC to possibly reach a commonality of the definition and implement through legislation. Understanding it takes a lot of effort and can be difficult for agencies to get legislation through, Mr. Lyman offered the support of IMHA and to carry the bill to the legislature should the Board feel it is important enough to pursue. Upon further discussion, it was determined this is a tax issue, not the jurisdiction of this Board.

◆ **Review Amendments to the Idaho Manufactured Home Installation Standard**

As a follow-up to the July 2019 Board meeting, there has been some ongoing negotiations relative to the Manufactured Home Installation Standards; however, nothing drastic or critical to be presented at this time.

◆ **Administrator Report**

Budget – On February 24, 2020, the budget will be presented to the Joint Finance-Appropriations Committee. One major item in the budget is the purchase of the Division’s new office in Blackfoot, Idaho.

Construction – Construction throughout the state of Idaho does not seem to be slowing down and is estimated another five years with the current construction cycle. The Idaho National Laboratory, Idaho Falls, is expecting to hire 5,000 people to work on the small-scale modular reactor project; starting in 2021. Northgate project, Pocatello, has broken ground and will be a community; adding jobs, as well as homes, a technology park and a shopping district. In Chubbuck, there is a massive development in construction involving the construction of up to 1,200 homes, and in Rexburg, there are several new housing developments as well.

Housing – The median price for a single-family home in Ada County is \$350,000; 11% over last year and 17% over the year before. The new record is attributed to an increasing share of new home sales and a lack existing homes being sold. In 2011, there were 4,500 single-family home-starts in Idaho. In 2020, there will be a little over 16,000 homes, with an increase of 1,000 homes every year for the next five years.

◆ **Adjournment**

MOTION: Ken Roche made a motion to adjourn the meeting. Jeff Chrisman seconded. All in favor, motion carried.

The meeting adjourned at 10:37 a.m. (MST)

MARKUS ALLEY, CHAIRMAN
FACTORY BUILT STRUCTURES
ADVISORY BOARD

CHRIS L. JENSEN, ADMINISTRATOR
DIVISION OF BUILDING SAFETY

DATE

DATE

These DRAFT minutes are subject to possible correction and final approval by the Factory Built Structures Advisory Board.
04/06/2020rb