

LLR - SOUTH CAROLINA MANUFACTURED HOUSING BOARD
Synergy Business Park, Kingstree Building
110 Centerview Drive, Kingstree Building, Room 108
Columbia, South Carolina 29210

MINUTES

Tuesday, March 13, 2018

10:00 A.M.

Mr. Randall Altman, Board Chairman announced that the meeting was held in accordance with §30-4-80 of the South Carolina Freedom of Information Act and, by notice, mailed to all requesting persons, organizations, and news media. In addition, notice was posted on the bulletin boards at the main entrances of the Kingstree Building.

WELCOME AND CALL TO ORDER:

Chairman Altman called the regular meeting of the South Carolina Manufactured Housing Board to order at 10:00 a.m. Other board members present for the meeting included: W. Marion Moore, Arthur Newton, David Randall, Adam Reese and Patrick Smith.

Staff members participating in the regular meeting included: Hardwick Stuart, Advice Counsel, Kyle Tennis, Disciplinary Counsel, Todd Bond, Chief Investigator, Roger Lowe, Administrator and Crystal Varn, Program Assistant.

Others present, participating in the meeting, included Mark Dillard, Manufactured Housing Institute of South Carolina Shell Suber, Manufactured Housing Institute of South Carolina, Con Eargle, South Carolina Manufactured Housing Academy and Kathy L. Young, Court Reporter.

Approval of Agenda:

Tuesday, March 13, 2018

MOTION:

Mr. Moore made a motion to accept the Tuesday, March 13, 2018 Agenda. Mr. Newton seconded the motion, which carried unanimously.

Approval/Disapproval of Absent Members:

MOTION:

Mr. Randall made a motion to accept the absence of Ms. Dorothy Edwards and Mr. Wayne Iseman. Mr. Moore seconded the motion, which carried unanimously. Time was given for other absent members to attend to the meeting.

MOTION:

Mr. Randall made a motion to accept the absence of Mr. Richard Bagwell and Mr. Michael Levy. Mr. Newton seconded the motion, which carried unanimously.

Election of Officers

MOTION:

Mr. Randall made a motion to nominate Mr. Randall Altman for Chairman of the South Carolina Manufactured Housing Board. Mr. Smith seconded the motion, which carried unanimously.

MOTION:

Mr. Newton made a motion to nominate Mr. David Randall for Vice Chair of the South Carolina Manufactured Housing Board. Mr. Moore seconded the motion, which carried unanimously.

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Approval of Minutes:

Tuesday, December 12, 2017

MOTION:

Mr. Moore made a motion to accept the Tuesday, December 12, 2017 Minutes. Mr. Reese seconded the motion, which carried unanimously.

Chairman's Remarks:

No remarks.

Administrator's Remarks:

No Remarks at this time.

Office of Investigations and Enforcement (OIE):

Todd Bond, Chief Investigator

OIE Status Report – There was a total of 19 cases received since January 1, 2017. There are 25 active investigations and 20 closed cases.

MOTION:

Mr. Randall made a motion to accept the OIE Report as presented. Mr. Newton seconded the motion, which carried unanimously.

IRC Status Report – There are currently 6 cases recommended for dismissal. 1 case of dismissal with a Cease and Desist and 3 formal complaints with citations.

MOTION:

Mr. Randall made a motion to accept the IRC Report as presented. Mr. Newton seconded the motion, which carried unanimously.

Office of Disciplinary Counsel (ODC):

Kyle Tennis, Disciplinary Counsel

ODC Report – There is 1 open case, 1 pending new OIE case and 6 closed cases.

MOTION:

Mr. Randall made a motion to accept the ODC's Report as presented. Mr. Moore seconded the motion, which carried unanimously.

New Business:

Regulation 79-42 Update: Board members reviewed the draft of the new language of Reg. 79-42 presented at the December 2017 meeting. The language removed the requirement to use the HUD National Installation Program in South Carolina for used manufactured homes and apply it only to new homes. The notice of drafting can be submitted by April 2018 to the State Register and presented to the legislature during the first session of 2019. In that case, the earliest date that this would be implemented would be May 2019 which coincides with the next HUD Audit Review in July 2019. There were very few changes made to update the information. The language removed stated, 'The South Carolina Manufactured Housing Board may approve methods other than those specified herein.' The decision to remove this language was based on discussions with engineers and architects that felt like they could be instrumental in designing systems if the Board can

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design their own with the way it is written, if it doesn't meet the requirements of this section, an engineer or architect can design an alternate system in the same way the board can.

MOTION:

Mr. Randall made a motion to accept the language as presented and move forward in getting it put on the docket for the first session in 2019. Mr. Newton seconded the motion, which carried unanimously.

Mr. Randall addressed the staff with concerns/complaints he received regarding unlicensed salespeople buying three or more manufactured homes at the county tax sales. As far as a new business, Mr. Randall request that staff look into the matter before the next meeting. His concern is that with it being a county tax sale are people allowed to disregard the law that states if you sell three or more manufactured homes within a twelve month period you have to be licensed. Mr. Lowe clarified that the a Dealer's License is required if a person sells two or more homes within a twelve month, with the exception of a licensed Real Estate salespersons or brokers. Staff can take disciplinary action against someone who is disregarding this law if it is brought to the attention of the staff. Mr. Randall also requested that staff notify the counties that if someone is purchasing more than two homes they need to be licensed by our agency.

Unfinished Business:

South Carolina Building Code Council:

Mr. Lowe reported that the Emergency Modification Hearing was held on January 10, 2018 of the South Carolina Building Code Council. The meeting was called to look at the request to adopt Appendix Q of the 2018 Code which addresses Tiny Homes. The Building Codes Council decided that this was not an emergency since they are in the process of adopting the 2018 Building Codes. The request was denied.

SC Manufactured Housing Board - Regulation for Real Estate Agents:

Mr. Lowe and Mr. Ron Atkinson, Administrator for the South Carolina Real Estate Commission, addressed the board in response to Vice Chair Mr. Al Randall request at the December 12, 2017 meeting. The purpose is to get clarification on what a licensed Real Estate salesperson or broker can do with manufactured housing. Mr. Atkinson provided the definition, found in Title 40 Chapter 57, from the South Carolina Real Estate Practice Act, of a Real Estate broker which is the same definition for a salesperson and other classifications. Mr. Atkinson discusses Section 40-6-250-Auctions or Officers to Auction Act which included broker price opinions, list of referral fees, Real Estate consultants, counselors or transaction managers, sub-agents under Real Estate Broker firms to represent clients in Real Estate transactions. The Real Estate Commission does not have a specific reference for manufactured housing in their Practice Act.

Mr. Lowe informed the board that Statue 40-29-200 (C) states that, "a manufactured housing license is not required for a licensed real estate salesman or licensed real estate broker who negotiates or attempts to negotiate for any legal entity (can be a person), the listing, sale, purchase, exchange, lease or other disposition of a used manufactured or mobile home in conjunction with the listing, sale, purchase, exchange, lease or other disposition of real estate upon which the used manufactured home or mobile home is located." The staff has always interpreted that to mean they can sell the home if it is on leased property, but the lease would also need to be negotiated

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is located. Can sell if on lease property, but The Manufactured Housing Board interprets this Regulation that salesperson/brokers can sell the home if it is on leased property, but the leased property would also need to be negotiated. The board was left with a better understanding of what a real estate salesperson or broker is authorized to do with regard to manufactured housing. **The staff will put together a FAQ section on its website to address such concerns.**

HUD Regulation 3285 Update:

Mr. Lowe informed the board that Regulation 3285 has been withdrawn.

Public Comments:

Mark Dillard, Manufactured Housing Institute of South Carolina, stated the discussion was beneficial to him. He also stated that he agreed with the board that something should be provided to the Real Estate Commission to send to their licensees emphasizing the sale of manufactured homes in parks.

Next Meeting: Mr. Chair announced the next meeting of the Manufactured Housing Board to be scheduled for Tuesday, June 12, 2018.

Adjournment:

MOTION:

Mr. Randell made a motion to adjourn the meeting. Mr. Newton seconded the motion, which carried unanimously. There being nothing further, the meeting adjourned at 11:12 am.

(These proceedings were recorded by a court reporter in order to produce a verbatim transcript, if requested, in accordance with the law.)