

**MINUTES
LOAN APPROVAL BOARD
DIVISION OF COMMUNITY DEVELOPMENT
CITY OF LAKEWOOD
12650 DETROIT AVENUE
PLANNING CONFERENCE ROOM
JANUARY 11, 2023
8:00 A.M.**

Meeting was called to order at 8:08 a.m.

1. ROLL CALL

Members Present:

Rob Cheffins
Maureen Dostal
Maureen Koopman, Chair
Jon Watts

Others Present:

Martin Castelletti, Programs Manager
Michelle Nocht, Senior Planner
Johanna Schwarz, Recording Secretary

A motion was made by Ms. Dostal, seconded by Ms. Koopman to **EXCUSE** the absence of Jodi Barnes. All the members voting yea, the motion passed.

2. APPROVE MINUTES OF THE DECEMBER 14, 2022 MEETING

A motion was made by Ms. Dostal, seconded by Mr. Cheffins to **APPROVE** the minutes of the December 14, 2022 meeting. All the members voting yea, the motion passed.

3. ELECTION OF 2023 CHAIR AND VICE CHAIR

A motion was made by Mr. Watts, seconded by Mr. Cheffins to **ELECT Ms. Koopman as Chair** for 2023. All the members voting yea, the motion passed.

A motion was made by Mr. Watts, seconded by Mr. Cheffins to **ELECT Ms. Barnes as Vice Chair** for 2023. All the members voting yea, the motion passed.

4. FINANCIAL REVIEW

Mr. Castelletti explained the Financial Review.

A motion was made by Mr. Cheffins, seconded by Ms. Dostal to **ACCEPT** the Financial Review. All the members voting yea, the motion passed.

5. MOVE INTO EXECUTIVE SESSION

In accordance with Ohio Revised Code Section 121.22(g)(5), move the meeting into Executive Session as the Board will consider confidential information regarding loan applications that are prohibited from being made public under Federal and State and Laws.

A motion was made by Ms. Dostal, seconded by Mr. Cheffins, to **Move into Executive Session at 8:13 a.m.** All the members voting yea, the motion passed.

6. LOW INTEREST LOAN PROGRAM (LIL)

a. NEW APPLICATIONS

There were no new applications.

b. AMENDMENTS/REPEALS

- **Repeal File No. HRP21-000024;** Res. No. 21-2014; porch, roof, tuckpointing, windows, foundation, furnace, hot water tank; Victoria Ave.; LIL 0% Deferred; \$25,125.00.

A motion was made by Mr. Cheffins, seconded by Mr. Watts to **ACCEPT Res. No. 23-2000** in the repealed amount of \$25,125.00. All the members voting yea, the motion passed.

7. DELINQUENT REVIEW

Mr. Castelletti explained the Delinquent Review.

A motion was made by Mr. Cheffins, seconded by Ms. Dostal to **ACCEPT** the Delinquent Review. All the members voting yea, the motion passed.

8. REPAIR, ACCESSIBILITY MAINTENANCE PROGRAM (RAMP)

a. NEW APPLICATIONS

There were no new applications.

b. AMENDMENTS AND/OR REPEALS

There were no amendments or repeals.

9. WEATHERIZATION

a. NEW APPLICATIONS

There were no new applications.

b. AMENDMENTS AND/OR REPEALS

There were no amendments or repeals.

10. HOME IMPROVEMENT GRANT (HIG)

a. NEW APPLICATIONS

There were no new applications.

b. AMENDMENTS AND/OR REPEALS

- **Repeal File No. HIR21-000013;** Res. No. 21-5011; porch, roof, tuckpointing, windows, foundation, furnace, hot water tank; Victoria Ave.; HIG Grant/Rebate; \$10,000.00.

A motion was made by Mr. Cheffins, seconded by Mr. Watts to **ACCEPT Res. No. 23-5000** in the repealed amount of \$10,000.00. All the members voting yea, the motion passed.

11. HOME RENTAL RESTORATION PROGRAM (HRR)

a. NEW APPLICATIONS

There were no new applications.

b. AMENDMENTS AND/OR REPEALS

There were no amendments or repeals.

12. RETURN FROM EXECUTIVE SESSION

A motion was made by Mr. Cheffins, seconded by Mr. Watts to **Return from Executive Session at 8:49 a.m.** All the members voting yea, the motion passed.

13. COMMERCIAL PROPERTY REVITALIZATION PROGRAM (CPR)

a. NEW APPLICATIONS

There were no new applications.

b. AMENDMENTS AND/OR REPEALS

There were no amendments or repeals.

14. OTHER

There was no further discussion.

15. ADJOURN

A motion was made by Mr. Watts, seconded by Mr. Cheffins to **ADJOURN** the meeting at 8:51 a.m. All the members voting yea, the motion passed.

Maureen Koopman
Signature

02.08.2023
Date

From: [Michelle Nochta](#)
To: [Allison Urbanek](#)
Cc: [Christopher Parmelee](#); [Martin J. Castelletti](#)
Bcc: [Shawn Leininger](#); [David Baas](#)
Subject: 1622 Victoria - LAB request to repeal and action items for porch repairs
Date: Wednesday, January 4, 2023 2:05:00 PM
Attachments: [image003.png](#)

Allison,

Thanks for meeting with us today. I have reviewed past emails between Wesley November(Hammer and Nails) and Bill Wagner, the comments below relate to an inspection in July 2022, and the request for payment submitted by Hammer and Nails. These comments are excerpted from those emails and should not be considered a complete list of remaining work. The indication from the building department and the contractor were that the majority of the work was complete and that with some adjustments the columns and joist work could pass inspection.

- Bearing issues on 2nd floor main headers/beams over the posts- needs minimum 1-1/2" bearing to create actual beams as they were separated and fastened to the sides of 6"x 6" posts
- Issue with fan boxes needs to be rated to minim NEC requirements. (boxes installed were not fan boxes as shown on approved plans)
- CMU has to be carried to the foundation as on the first floor CMU was sitting on wood which is not allowed(see existing plans) CMU issues have a multitude of solutions.
- Mounting brackets were covered, unable to inspect. Must be 6"x 6" mounting brackets
- Second-floor shake and railing have been installed
- Stairs, handrails and second-story decking were not finished. Brick veneer not installed. (must be products specified in approved plans)
- NOTE: Some roof work was completed by Absolute Roofing- this was not through the city program. We know this occurred because Absolute Roofing placed a mechanics lien on the property for just under \$8,000 and the lien had to be removed before the application could be reviewed at LAB.

As discussed in our meeting this morning, any contractor bidding on the work must review the previously approved plans and visit the site. Previous ABR approvals and building permit approvals have expired, the homeowner/contractor will need to apply for a new ABR approval and new permits. The city is recommending the repeal of all remaining approved resolutions for this project at the LAB meeting on January 11, 2023. The homeowner settled with Hammer and Nails back in July after mediated payment of \$5,000(grant). The tenant/son Garvin Yeung has stated he is applying for a personal loan to complete the work, he notified us that he began the application process in September of 2022.

Let me know if you have any questions,

Michelle Nochta, AICP
Senior Planner and ADA Coordinator- Planning & Development

City of Lakewood

Lost first contractor – reasons unknown

Plans already approved by ABR at time of application

Applicants stated that they had already spent \$35,000 on the project before applying

They stated they needed approximately \$25,000 to complete the project

Applicants are Paul and Shirley Yeung

Most communication is with Garvin Yeung who is their son but we have not received a power of attorney document

Approved for 0% Deferred Loan of \$25,125, Home Improvement Grant for \$10,000, and a \$5000 RAMP Grant in December of 2021

Signed a work contract in February 2022 with Hammer and Nails to complete the project and all work was to be completed by March 2022.

Allowed the contractor to make changes to the original ABR approved plans without notifying DCD

Disputed work done by the Hammer and Nails and entered into mediation with the City at which time the contractor agreed to settle for \$5000 which the city paid using the RAMP Grant funds

Disclosed that they had a side contract for an additional \$10,000 with the same contractor during the mediation process

Did not complete the project in the required timeframe and let the ABR approval and building permits expire

Have poorly communicated during the entire project process and failed to complete code required repairs as requested by the building department

Is currently 10 months past the original completion date and is seeking additional funding through a personal loan above and beyond the funding the city approved

To the Members of the Loan Review Board:

My name is Garvin Yeung, and I am writing appealing the recommendation to revoke the Lakewood Home Loan to my parents Paul and Shirley Yeung. I have power of attorney over their finances and am speaking on their behalf. In short, we did not receive much in the way of communication from the Department of Development and Planning regarding their desire to terminate the loan. While we acknowledge that we had chosen poor contractors to complete the porch at 1622 Victoria Ave. First out of inexperience and the second because we were left with few choices, and they were the ones available to take the job with pressure from the city. My parents have spent over \$80,000 to repair and maintain the house and have spent easily over \$60,000 to get to the porch to this current state. My parents need that money to complete the project and we have contractors that have local experience that have submitted quotes for the job.

When our original contractor bailed on the porch project at 1622 Victoria Ave we were left with few choices to find a contractor we scrambled to find a contractor this was how we found Hammer and Nails (the second contractor) he was given the last set of approved documents with the ABR. We spent in the realm of \$36,000 to have the porch base built and framed up and roof supported. We contracted him to do the work in September of 2021. He started work in late October and finished in late November 2021. We did not have enough money to finish the project, so we applied for the Lakewood HOME loan to help pay for the remainder of the project.

My parents signed off on the Lakewood Home Loan in Late January 2022. We had contracted Hammer and Nails to complete the porch as specified by the approved ABR plans. We also gave them 10,000 as a down payment to start the project. The contractors did not start work until April and was working in earnest in May and was trying to push to complete the project in early June. However Mr. November of Hammer and Nails created Heavy Slabs of concrete which he said would work as a substitute for brick veneers, we had thought he would show us what he meant before putting them up on our porch. Mr. November also did not seek approval with the Building department about using this material either. It was now when we asked for the contractors to not put these slabs up as we felt they were unsafe (this was proven true as one of these veneer slabs fell off the porch) and continue with all the other aspects of the project except for the "veneers" that he created. The contractor refused to do the other aspects of the project demanded payment and verbally threaten legal action against my parents. Because of this impasse the contractor stopped work on our property. We had gone into mediation and went out having to spend \$5,000 of the Home Loan to pay Hammer and Nails for the work they have done for a total of \$15,000 and a cumulative total of \$51,000 on the project which we had paid \$46,000 of and we still did not have an intact porch.

During the summer I had talked with various individuals that have construction experience in these conversations I had discovered that a significant redo of the work done by Hammer and Nails is necessary including.

1. The block work surrounding the base of the porch is poorly done and is up to the edge of the foundation which makes it difficult for veneers to be applied because there is nothing underneath to support the weight of the veneers.
2. The 1st floor porch is not supported properly and is supported by temporary materials

3. Improper materials were used to try to marry the porch with the brick of the house
4. Steel jacks are used to support the weight of the roof on the 2nd floor porch.
5. Supports are not aligned properly between 1st and 2nd floor
6. Hammer and Nail did a poor job of following the plans approved by ABR

In order to address these issues significant amounts of work done by Hammer and Nail will need to be remediated so that we can get the porch done according to the approved ABR plans.

I had made efforts to find reputable contractors to complete the project and was fruitless. I made many calls and left many messages few serious responses were returned; I had many say the porch looked okay call us next year. I now do have 2 quotes for work and the recommendation to revoke the Home Loan has actually hindered my moves to get a contract signed. This put in uncertainty to how much I had to borrow to complete the project.

We have been in the process of applying for the Cuyahoga County HELP loan to pay for completion of the porch as we had talked to various people, and they had said that I would need to spend 40-50 thousand dollars to complete the project given the issues discovered. We were working with Nick Isvarian of Key Bank to apply for the loan. I had communicated to Michelle Nochta in late September regarding applying for the loan. Unfortunately we had some paperwork issues that delayed the completion of the loan evaluation process. The house did not have a high enough valuation for the secured Help loan we would have started the application process for the unsecured Help loan (the loan would require a higher interest rate to be paid back), and we are in contact with Kara Giardina of the Lakewood branch of Key Bank. We know that Mr. Isvarian had tried to contact Mr. Castelletti but did not get any responses back. It feels like that the city is no longer interested in helping my parents finish this project in the last gasp. My parents have never received any communication from the Department of Planning and Development regarding their loss of patience with progress.

As of the end of December 2 quotes for work ranging from 40 to 52 thousand dollars to complete the porch there is a difference between having to borrow 20,000 dollars vs. 50,000 dollars and my parents are on a limited income which makes it difficult for them to pay for this work. We had refinanced the home mortgage and had expended my parent's savings to get the project all completed my parents were anticipating access to the remainder of the Lakewood Home Loan and money from the unsecured Cuyahoga Help Loan to pay for this construction. We are ready to decide on a contractor we would like for the building department to look at the porch and identify any hidden issues so we can collaborate with our contractor before we finalize a contract, but my parents really need the money from the Home Loan to complete the porch.

Sincerely

Garvin Yeung

On behalf of Paul and Shirley Yeung



Oath

(You need not give an oath if you object. If you object to giving an oath, please notify the hearing officer or secretary before signing below.)

I, the undersigned, hereby solemnly swear that the testimony I give at this proceeding will be the truth, the whole truth and nothing but the truth:

PRINT NAME:

SIGN NAME:

1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
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11.	_____	_____

Prepared by: The City of Lakewood Law Department, 12650 Detroit Ave., Lakewood, Ohio 44107

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Lakewood Administrative Procedure: ABR/BBS Citizens Advisory Civil Svc. Dangerous Dog Income Tax Appeals Loan Approval Nuisance Abatement Appeals Parking Planning Zoning Appeals Other:

Date of Proceeding: Wednesday, January 11, 2023