

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
BOARD OF RESIDENTIAL BUILDERS AND
MAINTENANCE AND ALTERATION CONTRACTORS

In the Matter of

DETROIT PROPERTY IMPROVEMENT
& INVESTMENT, LLC,
License No. 21-02-201308,

Complaint No. 21-17-332913

Respondent.

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

A formal complaint was filed on November 15, 2017 charging Detroit Property Improvement & Investment, LLC (Respondent) with having violated sections 604(c), (d), (h), 2404a, 2411(2)(a), (c), (g), and (j) of the Occupational Code, MCL 339.101 *et seq.* and Mich Admin Code, R 338.1536 and Mich Admin Code, R 338.1526(5).

The parties have stipulated that the Board may enter this consent order and that the facts alleged in the Formal Complaint are true and constitute a violation of sections 604(c), 2411(2)(g), and 2411(2)(j) of the Occupational Code and Mich Admin Code, R 338.1536. The Board has reviewed the stipulation contained in this document and agrees that the public interest is best served by resolution of the outstanding complaint.

Accordingly, for these violations, IT IS ORDERED:

Respondent is FINED \$1,250.00 to be paid by check, money order or cashier's check made payable to the State of Michigan (with complaint number 21-17-332913 clearly indicated on the check or money order), and shall be payable within 60 days. If Respondent fails to timely pay this fine, its license shall be suspended. The timely payment of the fine shall be Respondent's responsibility. Respondent shall mail the fine to: Department of Licensing and Regulatory Affairs, Bureau of Professional Licensing, Enforcement Division, Compliance Section, P.O. Box 30189, Lansing, Michigan 48909.

If Respondent petitions for reinstatement of his license, the petition shall be in accordance with section 411(5) of the Occupational Code. Under this provision, Respondent shall file an application on a form provided by the department, pay the application processing fee, and file a petition to the department and the appropriate board stating reasons for reinstatement and including evidence that the person can and is likely to serve the public in the regulated activity with competence and in conformance with all other requirements prescribed by law, rule, or an order of the department or board.

Counts II, III, IV, V and VI of the complaint, alleging a violation of sections 604(c), (d), (h), 2404a, 2411(2)(a) and (c) of the Occupational Code, and Mich Admin Code, R 338.1526(5), are DISMISSED.

Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.

Respondent shall be responsible for the timely compliance with the terms of this consent order, including the timely filing of any documentation. Failure to comply within the time limitations provided will constitute a violation of this order.

If Respondent violates any term or condition set forth in this order, Respondent will be in violation of section 604(k) of the Occupational Code.

This order shall be effective on the date signed by the Chairperson or the Chairperson's designee, as set forth below.

Signed on May 15, 2018

MICHIGAN BOARD OF RESIDENTIAL
BUILDERS AND MAINTENANCE AND
ALTERATION CONTRACTORS

By 
Chairperson

STIPULATION

The parties stipulate as follows:

1. The facts alleged in the complaint are true and constitute a violation of the Occupational Code.
2. The Director of the Bureau of Professional Licensing, or her designee, must approve this consent order and stipulation before it is submitted to the Board for final approval.
3. Respondent understands and intends that, by signing this stipulation, it is waiving the right under the Occupational Code, rules promulgated under the Occupational Code, and the Administrative Procedures Act of 1969, MCL 24.201 *et*

seq., to require the Department to prove the charges set forth in the complaint by presentation of evidence and legal authority, and to present a defense to the charges. Should the Board reject the proposed consent order, the parties reserve the right to proceed to hearing.

4. This matter is a public record required to be published and made available to the public pursuant to section 11(1)(a) of the Michigan Freedom of Information Act, 1976 PA 442, as amended.

5. The parties considered the following factors in reaching this agreement:

A. Respondent asserts that it attached a copy of its license to the contract.

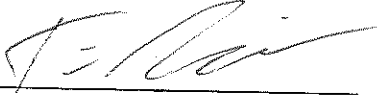
B. Respondent submitted proof that it provided an accounting to the homeowner.

C. Respondent provided a statement from a licensed electrician who states that the homeowner terminated Respondent from the job, but continued the business relationship with the electrician.

D. Individuals related to Respondent have submitted applications to the Department to begin the process of obtaining proper licensure under Article 24 of the Occupational Code.

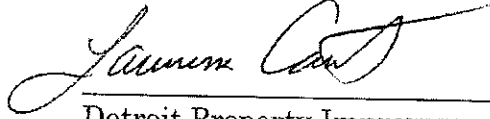
By signing this stipulation, the parties confirm that they have read, understand and agree with the terms of the consent order.

AGREED TO BY:



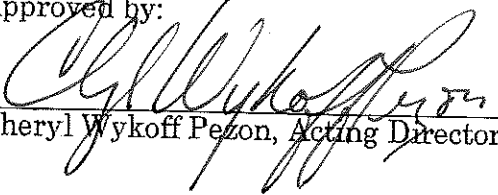
Timothy C. Erickson (P72071)
Assistant Attorney General
Attorney for Complainant
Dated: 2/13/2018

AGREED TO BY:



Detroit Property Improvement and
Investment, LLC, Respondent
by: Lawrence Carter
Dated: 2-13-2018

Bureau of Professional Licensing
Approved by:



Cheryl Wykoff Pezon, Acting Director

2/15/18
Date

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
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FORMAL COMPLAINT

NOW COMES Attorney General Bill Schuette, through Timothy C. Erickson, Assistant Attorney General, on behalf of the Department of Licensing and Regulatory Affairs, Bureau of Professional Licensing, Complainant, pursuant to the Occupational Code, as amended, MCL 339.101 *et seq*, and its rules promulgated thereunder, and files this Formal Complaint against Detroit Property Improvement & Investment, Respondent, upon information and belief alleges as follows:

1. The Board of Residential Builders and Maintenance and Alteration Contractors is an administrative agency established under Article 24 of the Occupational Code, MCL 339.2401 *et seq*.
2. Beginning on July 25, 2011, Respondent was licensed as a Residential Builder and/or Maintenance and Alteration Contractor pursuant to Article 24 of the Code, and was continually licensed until September 25, 2017 when the license was placed in "No Qualifying Officer" status. Sometime later, Respondent recorded a new qualifying officer, Asia Margaret Denson.

3. Section 604(c) of the Code subjects a licensee to sanction for violating a rule of conduct of an occupation.

4. Section 604(d) of the Code subjects a licensee to sanction who demonstrates a lack of good moral character, meaning “the propensity on the part of the person to serve the public in the licensed area in a fair, honest, and open manner,” as defined by MCL 338.41.

5. Section 604(h) of the Code subjects a licensee to sanction who “[v]iolates a provision of this act or a rule promulgated under this act for which a penalty is not otherwise prescribed.”

6. Section 2404a of the Code requires a licensee to “provide information relating to his or her individual license and to any license issued that person as a qualifying officer of another entity” in the contract.

7. Section 2411(2)(a) of the Code subjects a licensee to sanction for “[a]bandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee.”

8. Section 2411(2)(c) of the Code subjects a licensee to sanction for failing “to account for or remit money coming into the person’s possession that belongs to others.”

9. Section 2411(2)(g) of the Code subjects a licensee to sanction for failing to notify the Department of a change in control or direction of the business within 10 days.

10. Section 2411(2)(j) of the Code subjects a licensee to sanction for “[a]iding or abetting an unlicensed person to evade this article, or knowingly combining or conspiring with, or acting as agent, partner, or associate for an unlicensed person, allowing one’s license to be used by an unlicensed person, or acting as or being an ostensible licensed residential builder or licensed residential maintenance and alteration contractor for an undisclosed person who does or shall control or direct, or who may have the right to control or direct, directly or indirectly, the operations of a licensee.”

11. Mich Admin Code, R 338.1536 prohibits “[a]cceptance or performance of a contract procured by a salesperson not licensed under a builder or contractor, or acceptance or performance of a contract, other than the sale of real property, procured by anyone not licensed under the act”

12. Mich Admin Code, R 338.1526(5) states that “[w]hen a qualifying officer ceases to act as the qualifying officer, and the company intends to continue to operate, the remaining officer, owner, member or partner of the company shall submit a written request to the department to allow the company time to obtain a new qualifying officer.”

13. Section 514 of the Code authorizes the Board to sanction licensees based on an administrative law hearing examiner’s hearing report.

14. Section 602 of the Code requires the Board to sanction licensees who have violated the Code.

FACTUAL ALLEGATIONS

15. In or around 2016, Lonnie Kamau Zaid served as the qualifying officer for Respondent.

16. In or around September 2016, Mr. Zaid notified Respondent, through Mr. Lawrence Carter, that Mr. Zaid no longer wished to be recorded as the qualifying officer of Respondent.

17. The home of Christine , located at : Detroit suffered fire damage.

18. On or about April 5, 2017, Ms. contracted with Respondent, through Mr. Lawrence Carter, to repair her home for the total contract price of \$37,500.

19. In the contract, Respondent agreed to “provide all of the material and labor required . . .” to perform the work at . Respondent also agreed to “pay for all materials, tools, and equipment required for . . .” the project.

20. Respondent used the name “Detroit Property Improvement” in the contract and failed to provide Respondent’s license information or the license information of Respondent’s qualifying officer.

21. Neither Detroit Property Improvement nor Mr. Carter are licensed under Article 24 of the Occupational Code.

22. Ms. made a payment of \$12,500 to Respondent on or about April 5, 2017. She initially had made the cashier’s check out to “Detroit Property

Improvement,” but Respondent had her provide a replacement check made out to Respondent.

23. Respondent began work on the home on or about April 5, 2017.

24. In or around April 2017, Respondent requested an additional some of \$20,000 to be added to the contract price.

25. Ms. then asked for an accounting and a partial refund. Respondent failed to provide and accounting and did not refund any money.

26. On or about April 28, 2017, Respondent abandoned the job and performed no additional work for Ms. i

27. On or about September 22, 2017, Mr. Zaid notified the Department that he was no longer the qualifying officer for Respondent as of May 14, 2017. Respondent never informed the Department of this change.

COUNT I

28. Respondent’s conduct, as described above, is contrary to Mich Admin Code, R 338.1536, in violation of section 604(c) of the Code.

COUNT II

29. Respondent’s conduct, as described above, is contrary to Mich Admin Code, R 338.1526(5), in violation of section 604(c) of the Code.

COUNT III

30. Respondent’s conduct, as described above, constitutes a lack of good moral character in violation of section 604(d) of the Code.

COUNT IV

31. Respondent's conduct, as described above, constitutes a failure to include license information in the contract, contrary to section 2404a of the Code, in violation of section 604(h) of the Code.

COUNT V

32. Respondent's conduct, as described above, constitutes abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee, in violation of section 2411(2)(a) of the Code.

COUNT VI

33. Respondent's conduct, as described above, constitutes a failure to account for money coming into a person's possession that belongs to others, in violation of section 2411(2)(c) of the Code.

COUNT VII

34. Respondent's conduct, as described above, constitutes a failure to notify the Department of a change in control of the licensee, in violation of section 2411(2)(g) of the Code.

COUNT VIII

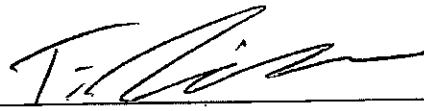
35. Respondent's conduct, as described above, constitutes aiding and abetting the unlicensed practice of a residential builder or maintenance and alterations contractor, in violation of section 2411(2)(j) of the Code.

WHEREFORE, Complainant, Department of Licensing and Regulatory Affairs, hereby commences proceedings pursuant to the Administrative Procedures

Act of 1969, as amended, MCL 24.201-328 and the Occupational Code, *supra*, to determine whether disciplinary action should be taken by the Department of Licensing and Regulatory Affairs, pursuant to the Occupational Code, for the reasons set forth herein.

Respectfully submitted,

BILL SCHUETTE
Attorney General

By  _____

Timothy C. Erickson (P72071)
Assistant Attorney General
Licensing & Regulation Division
P.O. Box 30758
Lansing, MI 48909
Phone (517) 373-1146; Fax (517) 241-1997

Dated: November 15, 2017