



**Department of City Development**  
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## **MEMORANDUM**

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DATE: December 12, 2012  
TO: Loan Board of Review  
FROM: Brian F. O'Connell, Director  
SUBJECT: Zavala Home Improvement Loan, 842 Hayes Avenue

In March 2012, the Board approved a loan for Moises and Celerina Zavala. In May 2012, as part of the improvement project, the Zavala's contracted with Raymond Roberts (dba R.R. Contracting) for a new roof. Mr. Roberts received an initial payment of \$3,060.00 for materials. On August 24, Mr. Zavala terminated the contract with Mr. Roberts because of failure to begin work in a timely manner. On September 5, Mike Lechner sent Mr. Roberts a letter confirming the termination of the contract and demanding the return of the \$3,060.00. To date, the funds have not been returned.

The Board has monitored this situation as part of its monthly reports. I am asking that the Board confirm the course of action discussed at those meetings, specifically

- That the City initiate small claims action against Raymond Roberts to recover the \$3,060.00.
- That the Board provide up to \$3,060.00 in funds to Moises and Celerina Zavala for the completion of their roof.
- That the funds be in the form of a conditional grant. The conditions are:
  - The Zavalas provide such authorization as the City Attorney may determine to be necessary to allow the City to pursue the small claims action.
  - The Zavalas cooperate in the City's effort to recover the funds from Raymond Roberts.
  - Any funds recovered be kept by the City to reduce the amount of the grant.

Please review this summary for accuracy. If you agree, I will ask that we adopt a motion at tomorrow's meeting confirming the course of action.

C: Housing Department Staff  
File