

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

FINE HOME RENOVATIONS INC.
Gregory Zakucia, Qualifying Officer
License No. 21-02-209118

Complaint No. 21-16-329695

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

A first superseding formal complaint was filed on November 7, 2016, charging Fine Home Renovations Inc. (Respondent) with having violated sections 601(1), 604(b), (c), (d), (e), and (h), 2404a, 2411(2)(a), (b), (c), and (e) of the Occupational Code, MCL 339.101 *et seq.* and Mich Admin Code, R 338.1536.

Based on the formal complaint and an accompanying affidavit from Stephanie Williams, the Department summarily suspended Respondent's license to practice as a residential builder by order dated November 16, 2016.

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 601(1), 604(b), (c), and (h), 2404a, and 2411(2)(e) 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:

The order of summary suspension previously issued is DISSOLVED.

Respondent's license is REVOKED. Respondent may not file a petition for reinstatement until 5 years after the date of revocation, or until the restitution ordered below is paid in full, whichever is later.

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, 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.

Within 2 years of the effective date of this order, Respondent shall pay RESTITUTION in the amounts of \$10,000 to Lawrence Fegert, \$10,000 to Brian Thiel and Kristine Mako (jointly), and \$10,000 to Arinpaul Gill. Respondent shall mail restitution to Mr. Fegert, Mr. Thiel and Ms. Mako, and Mr. Gill at the addresses provided to Respondent in a separate document by the Office of Attorney General, Licensing and Regulation Division at the time he signed this stipulation. The total sum of restitution due and owing for complaint nos. 21-16-329697, 21-16-329695, and 21-15-328140 is \$40,000, and Respondent is jointly and severally liable for paying the total restitution with co-Respondents Gregory Zakucia (complaint no. 21-16-329697) and Plan 2 Finish Inc. (complaint no. 21-15-328140).

Respondent shall submit satisfactory written proof of timely restitution payment to the Department by mail, or other method acceptable to the Department.

Counts III, IV, V, IX, and X of the complaint, alleging a violation of sections 604(d) and (e) and 2411(2)(a), (b), and (c) of the Occupational Code, are DISMISSED.

Respondent shall direct any communications to the Department that are required by the terms of this order to: Sanction Monitoring Unit, Bureau of Professional Licensing, Legal Affairs Division – Compliance Section, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, Michigan 48909.

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

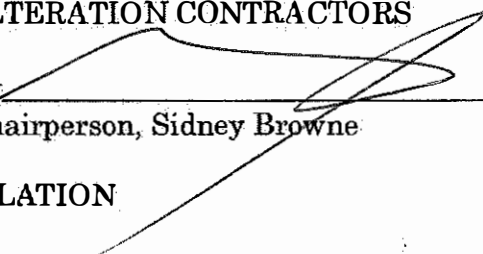
Respondent shall be responsible for the timely compliance with the terms of this consent order, including the timely filing of any documentation. Failure to comply within the time limitations provided will constitute a violation of this order.

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 is the final order resolving this complaint and shall be effective on the date signed by the Chairperson or the Chairperson's designee, as set forth below.

Signed on 3-14-17

**MICHIGAN BOARD OF RESIDENTIAL
BUILDERS AND MAINTENANCE AND
ALTERATION CONTRACTORS**

By 
Chairperson, Sidney Browne

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, he 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, MCL 15.231 *et seq.*

5. The Board may enter the above Consent Order, supported by Board Chair Sidney Browne.

6. Mr. Browne and the parties considered the following factors in reaching this agreement:

- A. During a compliance conference, Respondent represented that he did not abandon the subject contracts, but rather failed to finish the contracted work within a timeframe that was acceptable to the homeowners.
- B. Respondent also represented that there is no evidence that the contracted work was not performed in accordance with the Michigan Residential Code.
- C. No evidence of liens on the subject properties was presented to the Department during its investigations.
- D. Respondent desires to resolve this complaint without the time and expense of an administrative hearing.

(CONTINUED ON NEXT PAGE)

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

AGREED TO BY:

M. Catherine Waskiewicz
M. Catherine Waskiewicz (P73340)
Assistant Attorney General
Attorney for Complainant
Dated: 1-26-17

AGREED TO BY:

Gregory Zakucia
Gregory Zakucia
Authorized Representative for
Respondent
Dated: 1-20-17

John A. Fernandez
John A. Fernandez (P68029)
Attorney for Respondent
Dated: 1-25-17

Bureau of Professional Licensing
Approved by:

Kim Gaedeke 02/02/2017
Kim Gaedeke, Director

LF: 2016-0153650-B/Fine Home Renovations Inc., 329695/Proposed Consent Order and Stipulation - 2017-01-19

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING

DEPARTMENT OF LICENSING AND
REGULATORY AFFAIRS,
BUREAU OF PROFESSIONAL LICENSING,

Complainant,

Complaint No. 21-16-329695

v

FINE HOME RENOVATIONS INC.
Gregory Zakucia, Qualifying Officer
License No. 21-02-209118,

Board of Residential Builders and
Maintenance and Alteration
Contractors

Respondent.

ORDER OF SUMMARY SUSPENSION

A First Superseding Formal Complaint has been issued against Respondent under the Occupational Code, MCL 339.2401 *et seq.*, promulgated rules, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*

After consideration of the documentation obtained in investigating this matter and after reviewing the attached affidavit from Regulation Agent Stephanie Williams, the Department concludes that the public health, safety and welfare requires emergency action, as allowed by section 505(1) of the Occupational Code and section 92 of the Administrative Procedures Act.

THEREFORE, IT IS ORDERED that Respondent's license to practice as a residential builder in the state of Michigan shall be summarily suspended commencing on the date this order is served.

Under MCL 339.505(2), Respondent has the right to petition for the dissolution of this Order of Summary Suspension. This petition shall clearly state that it is a Petition for Dissolution of Summary Suspension and shall be filed with the Department of Licensing and Regulatory Affairs, Bureau of Professional Licensing, P.O. Box 30670, Lansing, Michigan 48909, with a copy served upon the Department of Attorney General, Licensing & Regulation Division, P.O. Box 30758, Lansing, Michigan, 48909. Questions concerning the Order of Summary Suspension may be directed to (517) 373-1146. Upon receipt of such a petition, an

administrative hearing will immediately be scheduled before an administrative law judge, who shall dissolve the Order of Summary Suspension unless sufficient evidence is produced to support a finding that the public health, safety, or welfare requires emergency action and a continuation of the suspension order.

DEPARTMENT OF LICENSING AND
REGULATORY AFFAIRS, BUREAU OF
PROFESSIONAL LICENSING

By 

Kim Gaedeke, Director
Bureau of Professional Licensing

Dated: 11/16, 2016

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING

DEPARTMENT OF LICENSING AND
REGULATORY AFFAIRS, BUREAU
OF PROFESSIONAL LICENSING,

Complainant,

v

FINE HOME RENOVATIONS INC.
Gregory Zakucia, Qualifying Officer
License No. 21-02-209118,

Complaint No. 21-16-329695
(consolidated with 21-15-
327932 and 21-15-328074)

Respondent.

Board of Residential Builders
and Maintenance and
Alteration Contractors

FIRST SUPERSEDING FORMAL COMPLAINT

Attorney General Bill Schuette, through Assistant Attorneys General M.
Catherine Waskiewicz and Timothy C. Erickson, on behalf of Complainant
Department of Licensing and Regulatory Affairs, Bureau of Professional Licensing,
files this First Superseding Formal Complaint against Respondent Fine Home
Renovations Inc., alleging upon information and belief 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. At times relevant to this Complaint, Respondent was not licensed as a
residential builder pursuant to the Code. On or about January 27, 2015, Gregory

Zakucia became licensed as a residential builder. On or about March 3, 2015, Respondent Fine Home Renovations Inc. and Plan 2 Finish Inc. became licensed as residential builder companies, with Gregory Zakucia listed as the qualifying officer. Verification of licensure documents are attached as **Exhibit 1**.

3. Section 2404a of the Code requires a licensee to include information relating to his or her individual license and to any license issued to him or her as a qualifying officer of another entity in the contract.

4. Section 2411(2)(a) of the Code requires the Board to penalize a licensee for abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee.

5. Section 2411(2)(b) of the Code requires the Board to penalize a licensee for diversion of funds or property received for prosecution or completion of a specific construction project or operation, or for a specified purpose in the prosecution or completion of a construction project or operation, and the funds or property application or use for any other construction project or operation, obligation, or purposes.

6. Section 2411(2)(c) of the Code requires the Board to penalize a licensee for failing to account for or remit money coming into the person's possession that belongs to others.

7. Section 2411(2)(e) of the Code requires the Board to penalize a licensee for a willful violation of the building laws of this state or of a political subdivision of this state.

8. Section 601(1) of the Code prohibits a person from engaging in or attempting to engage in the practice of an occupation regulated under the Code without a license.

9. Section 604(b) of the Code requires the Board to penalize a licensee for practicing fraud, deceit, or dishonesty in practicing an occupation.

10. Section 604(c) of the Code requires the Board to penalize a licensee for violating a rule of conduct of an occupation.

11. Section 604(d) of the Code requires the Board to penalize a licensee for demonstrating a lack of good moral character.

12. Section 604(e) of the Code requires the Board to penalize a licensee who commits an act of gross negligence.

13. Section 604(h) of the Code requires the Board to penalize a licensee for violating any other provision of this act or a rule promulgated under the Code for which a penalty is not otherwise prescribed.

14. Mich Admin Code, R 338.1536 prohibits the acceptance or performance of a contract procured by an unlicensed person.

15. After conducting an investigation, the Department may issue an order summarily suspending a license or a certificate of registration issued pursuant to Articles 8 to 25 of the Code based on an affidavit by a person familiar with the facts set forth in the affidavit, or, if appropriate, based upon an affidavit on information and belief, that an imminent threat to the public health, safety, and welfare exists. MCL 339.505(1).

16. Section 514 of the Code authorizes the Board to assess penalties against licensees under section 602 of the Code based on an administrative law hearings examiner's hearing report.

FACTUAL ALLEGATIONS

17. Respondent Fine Home Renovations Inc., Plan 2 Finish Inc., and Gregory Zakucia have exhibited a pattern of contracting for and performing work as a residential builder without being licensed and without building permits, accepting substantial payments for contracted work, and failing to complete the work in accordance with the contract. Thus, they were able to hide their unlicensed activity and possible building code violations from homeowners and local regulators.

18. Months after Mr. Zakucia applied for and obtained residential builder company licenses for Respondent Fine Home Renovations Inc. and Plan 2 Finish Inc., on or about September 4, 2015, he pleaded guilty in Oakland County Circuit Court (case number 15-255032-FH) to unlicensed activity as a residential builder in violation of MCL 339.601(6)(a) for conduct that occurred on or about March 30, 2013 to May 29, 2013. On or about October 9, 2015, the court sentenced Mr. Zakucia to eighteen months' probation.

19. Following the conviction, on or about May 9, 2016, Mr. Zakucia applied for a residential builder company license for a third company, Remodel Inc. The Department issued a license to Remodel Inc. on or about May 18, 2016, with Gregory Zakucia listed as the qualifying officer.

Fegert Home

20. On or about November 3, 2014, Respondent Fine Home Renovations Inc., through Gregory Zakucia, contracted with [REDACTED] to renovate the basement in his home in [REDACTED] Michigan for \$58,000.

21. Respondent and Mr. Zakucia were not licensed as residential builders at the time of the contract or when Respondent commenced work on or about January 5, 2015.

22. The contract stated the homeowner must obtain a permit "if desired," and Mr. Zakucia encouraged [REDACTED] not to obtain any permits. Thus, permits were not pulled for the contracted work.

23. The contract required payments to be made when each phase of the renovation started. Respondent started each phase and collected payments totaling \$52,295 from [REDACTED] between November 2014 and February 2015, but failed to complete the work. Mr. Zakucia instructed [REDACTED] to make the payments to another entity, Plan 2 Finish Inc., rather than the entity he contracted with.

24. After collecting payments from [REDACTED], Respondent was largely absent from the worksite.

25. Mr. Zakucia initially promised [REDACTED] that he would complete the contracted work by April 2015. When this did not occur, Mr. Zakucia projected the project would be completed by July 2015. By the end of August 2015, the contracted work was unfinished.

Thiel/Mako Home

26. On or about October 9, 2014, Respondent Fine Home Renovations Inc., through Gregory Zakucia, contracted with [REDACTED] and [REDACTED] to renovate the basement in their home in [REDACTED] Michigan for \$46,200.

27. Respondent and Mr. Zakucia were not licensed as residential builders at the time of the contract or when Respondent commenced work on or about November 3, 2014.

28. The contract required payments to be made when each phase of the renovation started. Respondent started each phase and collected payments totaling \$40,842.26 from Mr. [REDACTED] and Ms. [REDACTED] between October 2014 and February 2015, but failed to complete the work.

29. After collecting payments from Mr. [REDACTED] and Ms. [REDACTED], Respondent was largely absent from the worksite.

30. Mr. Zakucia initially promised Mr. [REDACTED] and Ms. [REDACTED] that he would complete the contracted work by January 2015. When this did not occur, Mr. Zakucia continually revised projected completion dates. By July 2015, the contracted work was unfinished.

Gill Home

31. On or about November 21, 2012, Respondent Fine Home Renovations Inc., through Gregory Zakucia, contracted with [REDACTED] to renovate the basement in his home in [REDACTED] Michigan for \$27,000.

32. Respondent and Mr. Zakucia were not licensed as residential builders at the time of the contract or when Respondent commenced work in late 2012.

33. Mr. Zakucia falsely represented to Mr. [REDACTED] that he was a licensed contractor, and the contract included the following false license information for Respondent: "General Contractors #45-5326902."

34. Respondent failed to pull permits for the contracted work performed. The contract stated that "a permit will not be procured per Owner request." Mr. Zakucia, however, had informed Mr. [REDACTED] that subcontractors would pull the appropriate permits. Thus, permits were not pulled for the contracted work.

35. The contract required payments to be made when each phase of the renovation started. Respondent started each phase and collected payments totaling \$23,892.34 from Mr. [REDACTED] between November 2012 and March 2013, but failed to complete the work.

36. After collecting payments from Mr. [REDACTED] Respondent was largely absent from the worksite.

37. Mr. [REDACTED] requested an accounting from Mr. Zakucia, but he did not provide one.

38. Mr. Zakucia would not agree to a timeline for completing the work in the contract. He initially promised Mr. [REDACTED] that he would complete the contracted work by February 28, 2013. When this did not occur, Mr. Zakucia continually revised projected completion dates. By 2015, the contracted work was unfinished.

COUNT I

39. Respondent's conduct as described above constitutes engaging in or attempting to engage in the practice of an occupation without a license in violation of section 601(1) of the Code.

COUNT II

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

COUNT III

41. 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, contrary to section 2411(2)(a) of the Code, in violation of section 604(h) of the Code.

COUNT IV

42. Respondent's conduct as described above constitutes diversion of funds or property received for prosecution or completion of a specific construction project or operation, contrary to section 2411(2)(b) of the Code, in violation of section 604(h) of the Code.

COUNT V

43. Respondent's conduct as described in paragraph 37 constitutes a failure to account for money coming into a person's possession that belongs to

others, contrary to section 2411(2)(c) of the Code, in violation of section 604(h) of the Code.

COUNT VI

44. Respondent's conduct as described above constitutes a willful violation of the building laws of this state or of a political subdivision of this state, contrary to section 2411(2)(e) of the Code, in violation of section 604(h) of the Code.

COUNT VII

45. Respondent's conduct as described above constitutes fraud, deceit, or dishonesty in practicing an occupation in violation of section 604(b) of the Code.

COUNT VIII

46. Respondent's conduct as described above constitutes acceptance and performance of a contract procured by an unlicensed person, contrary to Mich Admin Code, R 338.1536, in violation of sections 604(c) and (h) of the Code.

COUNT IX

47. Respondent's conduct as described above demonstrates a lack of good moral character in violation of section 604(d) of the Code.

COUNT X

48. Respondent's conduct as described above constitutes gross negligence in violation of section 604(e) of the Code.

THEREFORE, Complainant Department of Licensing and Regulatory Affairs hereby commences proceedings pursuant to the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, the Occupational Code, MCL 339.101 *et seq.*, and the

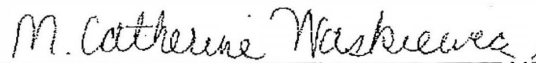
associated administrative rules to determine whether disciplinary action should be taken by the Department of Licensing and Regulatory Affairs, pursuant to the Occupational Code, for the reasons set forth herein.

FURTHER, Complainant requests that pending the hearing and final determination Respondent's license to work as a residential builder in the state of Michigan continue to be summarily suspended pursuant to section 92 of the Administrative Procedures Act and section 505(1) of the Occupational Code for the reason that, based upon the allegations set forth herein, to permit Respondent to continue to practice the profession constitutes a danger to the public health, safety, and welfare requiring emergency action.

FURTHER, the administrative complaints previously filed against Respondent on June 15 and July 13, 2016, are hereby WITHDRAWN and replaced in full by this superseding complaint.

Respectfully submitted,

BILL SCHUETTE
Attorney General



M. Catherine Waskiewicz (P73340)
Timothy C. Erickson (P72071)
Assistant Attorneys General
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Dated: November 7, 2016