

# HASKELL ROW PARTNERS

*A Kansas General Partnership*

Michael Almon \* Jennifer Coker \* James Grauerholz \* Fredrick Sack

Mayor Bob Schumm  
Lawrence City Hall  
6 East 6th St.  
Lawrence KS 66044

6 August 2012

re: Request to rescind Demolition Resolutions 6885 and 6971

Mayor Schumm & Commission:

Since we came before you on 15 May 2012, Haskell Row Partners have made notable progress in rehabilitating the historic Oliver Hanscom Home at 1313 Haskell Avenue. We are significantly closer to the goal that we described at the October 26 2010 Commission meeting, reiterated on January 4 2011 after we had acquired the property, and as is also stated in our formal H.R.P. partnership agreement with the State of Kansas.

As has always been the stated case, the goal of the Haskell Row Partners is to either find a qualified contractor who would bring the structure into Code compliance, or else to convey the property into the hands of new a home owner who would be able to do the same.

Background:

As you know, Haskell Row Partners inherited Demolition Resolution 6885. That resolution was imposed on the previous property owner due to his neglect in bringing 1313 Haskell Ave. into compliance with safety stipulations of City Code. He was faced with “fifteen (15) repair items listed in Resolution No. 6885” consisting of “exterior and structural repairs and conditions that must be completed and corrected”.

We fully recognize that the City has an obligation under the Unsafe and Dangerous Structures and Abandoned Property Act of 1961, K.S.A. 12-1750 *et seq.*, to assure that the public is protected from unsafe properties. And we understand that both Demolition Resolutions for 1313 Haskell Ave. are the means by which City staff attempts to fulfill that obligation. Such resolutions are effective to bring additional pressure on persons who are neglectful of maintaining their property in safe condition.

However, Haskell Row Partners are not the neglectful type, and have in fact been diligently pursuing Code safety compliance continuously since we purchased 1313 Haskell Ave. From January through July of 2011, we cleared tons of detritus from the property, developed architectural feasibility plans, secured additional financing, and began the initial repairs. All this was to get the property to a point that a serious contractor or potential new owner would even consider it. And in mid-July 2011, when talking with various contractors, a potential buyer emerged, an employee of one of the contractors.

During the 5 1/2 months that this buyer, Daniel Hoyt, attempted to get a construction loan from several banks, the City Code Enforcement Manager granted us a hiatus from doing any further work on the property. We all recognized that the banks would not consider making a loan for a price that kept increasing while work continued. Unfortunately, in January of 2012, Mr Hoyt informed us that he was unable to secure a construction loan.

### Recent Developments:

So in January of this year, Haskell Row Partners resumed the work that the Code Enforcement Manager had put on hold for five and one-half months. We informed the Code Enforcement Manager that our potential buyer was unable to get a construction loan. We began approaching contractors again. We advertised for home-owner candidates who might buy the house “as is”. Five parties have inquired, two of which have seriously sought bank loans. We solicited for additional financing to continue where we had left off last July. And we scheduled the rest of the required exterior repairs when Winter had passed.

Here's what we have completed;

- Code compliant foundation anchors are in place, inspected by Building Inspection, and **approved (Repair #15)**.
- Code-compliant west basement foundation wall sided with Hardy Board<sup>®</sup>, inspected by Building Inspection, and **approved (Repair #14)**.
- Code compliant west basement foundation wall framed for load-bearing capacity, inspected by Building Inspection, and **approved (Repair #13)**.
- Though not submitted for a permit, **plans are drawn for a west retaining wall, (Repair #12)**. Instead we (or a future buyer) may prefer to grade the embankment entirely away for drainage. We will not incur this expense without approval from a prospective buyer.
- With the assistance of a professional house painter, **house painting is in process (Repair #11)**. But a palette of final color choices will be left to the discretion of a potential buyer. The previous owner had prime-painted the garage. The Code Enforcement Manager was inconsistent at the City Commission on 15 May 2012 when he claimed the garage must be demolished, which is not one of the fifteen items on this list.
- Not being done at this time are **garage structural options and siding (Repair #10)**. The reason is because the required permit and licensed contractor expenses would add too much to a potential sale price. Meanwhile, the garage is being used for a staging area and materials storage, as per verbal agreement with the Code Enforcement Manager.
- **All windows and doors are secure and locked for public safety (Repair #9)**. Two broken panes of glass have been repaired. Further upgrades of windows will be left to the decision of a prospective buyer because of their personal aesthetics and energy performance preferences, and to avoid undue increase in a potential sale price.
- **Roof repair is not being done at this time (Repair #8)**. The reason is because it does not leak, and because the required permit and licensed contractor expenses would add too much to a potential sale price.
- All deteriorated areas of the **eaves of the house are repaired and painted (Repair #7)**.
- All deteriorated areas of the **porch roof and eaves are repaired and painted (Repair #6)**.
- The porch deck has been built, inspected by Building Inspection, and **approved (Repair #5)**. No railing has been added, to leave the design and aesthetics to the prospective buyer, and to avoid undue increase in a potential sale price.
- 95% of debris has been **removed from front, side and rear yards (Repair #4)**. A forestry contractor was hired to remove 44 tons of brush, logs, and miscellaneous debris.
- After installing all underground utilities in the Summer of 2011, the **front and side yards have been seeded (Repair #3)**. Rear lot area is not done.
- All open **trenches have been filled and graded (Repair #2)**.
- After installing all underground utilities in the Summer of 2011, the **front and side yards have been graded (Repair #1)**.

Final steps:

These accomplishments are the extent of improvements that Haskell Row Partners intend to do. The house is secure, safe, code-compliant, and weather tight. Except for high-dollar or aesthetic elements, whose added costs would deter a buyer, everything on the fifteen item repair list is complete.

But at present, we are at an impasse as a result of an insurmountable obstacle. Preventing us from moving toward our mutually affirmed goal of securing a buyer is the barrier of the Demolition Resolutions #6885 and #6971 themselves. We are suggesting the Commission rethink your position, and we are requesting that you rescind both Resolution 6885 and Resolution 6971.

The following reasons explain why those resolutions are counterproductive. Initially they served a purpose, but they now are preventing both you and us from reaching our goals:

- For any potential buyer, whether contractor or individual, these Demolition Resolutions are a “sword of Damocles” hanging over their head. No one wants to assume that risk.
- The Resolutions are a red flag for any lender, deterring them from extending credit for either a construction loan or a purchase loan.
- We never intended to be a general contractor for the project, but merely to ready the property for someone who is a contractor, or who would be a “do it yourself” builder. Not being a licensed contractor ourselves, we do not qualify for a construction loan from any lending institution.
- The Resolutions require us to continue adding cost to the project, each increment driving up the purchase price and adding unpredictability to any loan application.
- Completion of the remaining unfinished items in the Resolutions would require design and aesthetic choices not likely in keeping with potential buyer's preferences – house colors, porch rail type, window energy performance options, roof type and color, etc. This would lock out those options for buyers, greatly narrowing the range of the market.
- The remaining unfinished big ticket items require a licensed contractor, eliminating an “as is” buyer seeking the less costly approach of “do it yourself” (for which we have had inquiries).

Finally, on 15 May 2012, the Code Enforcement Manager said he applauded the progress we had made, but at the same time he portrayed our work and capabilities incorrectly, putting us in a poor light. This resulted in adoption of the unnecessary Demolition Resolution #6971.

He claimed we were supposed to demolish the garage, the failure of which indicated our avoidance of an easy piece of progress. Garage demolition is not on the list of required repairs, but siding and painting is. In fact, we had agreed to keep the garage for staging and storage. He said “the house is uninhabitable”, but the Resolution objectives are not to reach a point of occupancy; rather, Resolution 6885 requires securing the exterior for reasons of safety, structure, and weather tightness alone. He said we “do not have the funding to continue the project”, yet we had told him we had a \$10,000 loan.

What may have alarmed the Commission most though was his depiction of our project as “stalled” in a “lengthy period of inactivity”. He overlooked telling you that his own e-mail correspondence said that “the City does not need the current owners to complete any work prior to [Mr. Hoyt] purchasing the property”. That discontinuance of work was from July 2011 until January of 2012.

Please consider an accurate picture of what H.R.P has accomplished, and allow us to move on to the final stage of finding a buyer. Please rescind both Resolutions 6885 and 6971.

Thank you,

Michael Almon