

**BEFORE THE CONTRACTORS BOARD**

**STATE OF IDAHO**

In the Matter of the Registration of:

LANZA HOMES, LLC,  
Registration No. RCE-39975,

Respondent.

Case Nos. CON-2022-47  
CON-2022-48

**STIPULATION AND  
CONSENT ORDER**

WHEREAS, the Idaho Contractors Board ("Board") has received information that constitutes sufficient grounds for the initiation of an administrative action against Lanza Homes, LLC ("Respondent"); and

WHEREAS, the parties mutually agree to settle the matter in an expeditious manner in lieu of administrative hearings before the Board; now therefore,

IT IS HEREBY STIPULATED AND AGREED between the undersigned parties that this matter shall be settled and resolved upon the following terms:

**I.  
STIPULATED FACTS AND LAW**

1. The Board regulates the practice of contracting in the State of Idaho in accordance with Title 54, Chapter 52 of the Idaho Code.

2. The Board issued Respondent Registration No. RCE-39975. On July 10, 2022, Respondent's registration expired. Respondent has not renewed this registration but retains the right to renew it for up to five (5) years after cancellation by paying the required fees. *See* I.C. § 67-2614. Respondent's registration is subject to the provisions of Title 54, Chapter 52 of the Idaho Code, and the Board's rules promulgated at IDAPA 24.21.01, *et seq.*

**STIPULATION & CONSENT ORDER - 1.**

## **BACKGROUND**

3. On July 9, 2015, Respondent first registered as a contracting entity with the Board.
4. This case involves two separate complaints homeowners filed against Respondent.

### **CON-2022-47**

5. On or around August 11, 2020, Respondent entered into a \$3,110.00 contract with J. K. ("Complainant 1") to perform specified construction work at his property [REDACTED]. Specifically, Respondent agreed to remove an old pergola, install a new pergola, and prepare a site for paver installation, which included adding gravel and sand.

6. In entering into the contract, Complainant 1 paid Respondent a \$500.00 deposit.
7. Respondent ultimately completed the agreed-upon construction work.
8. Respondent never provided Complainant 1 with statutorily-required consumer disclosures.

### **CON-2022-48**

9. On or around May 14, 2020, Respondent entered into a \$52,500.00 contract with M.O. ("Complainant 2") to remodel his home located at [REDACTED]. Respondent agreed to construct a 310-square-foot addition to the back of the basement; and remodel the master bedroom, master bathroom, guest bedroom, and guest bathroom. The parties' contract stated that Respondent was responsible for obtaining all permits associated with the project.

10. In entering into the contract, Complainant 2 paid Respondent a \$1,500.00 deposit.
11. After signing the contract, Respondent commenced construction work and ultimately completed a majority of the agreed-upon work without obtaining required permits. For

example, Complainant 2 performed or hired subcontractor to perform, among other things, the following work without ever obtaining any permits:

- a. Excavating the property, pouring concrete, and completing all foundation work;
- b. Framing and constructing the 310-square-foot addition;
- c. Installing drywall;
- d. Plumbing work;
- e. Electrical work; and
- f. Installing trusses and constructing a roof over the addition.

12. The parties ultimately terminated their contractual agreement before Respondent completed all the construction work. Complainant 2 paid Respondent \$40,251.00 of the parties' \$52,500.00 contract.

13. At the time the parties terminated their contract, the roof over the addition Respondent constructed leaked. Complainant 2 informed Respondent that its roofing work was substandard and that the trusses were incorrectly placed and installed. As a result, Complainant 2 demanded that Respondent pay for the roofing work to be redone.

14. Respondent refused to issue a refund to Complainant. During a subsequent interview with the Division of Occupational and Professional Licenses, Respondent's managing member, Carlos Lanza, acknowledged that the roof leaked, however, he stated that Respondent was unable to provide a refund to Complainant 2. Mr. Lanza said the funds Complainant 2 had paid Respondent were tied up in other construction projects. For example, Respondent had recently used Complainant 2's payments to issue a \$10,000.00 refund to a different customer.

15. Respondent never provided Complainant 2 with statutorily-required consumer disclosures.

### **COUNT I**

#### **Failing to Provide Complainant 1 with Consumer Disclosures**

16. All facts set forth in this Stipulation are incorporated into Count I.

17. Respondent failed to provide Complainant 1 with a disclosure statement as required by Idaho Code § 45-525, which is a violation of the Idaho Consumer Protection Act, Idaho Code § 48-601 *et seq.* See I.C. § 45-525(4).

18. The allegations set forth in Count I constitute a violation of the following laws governing the practice of contracting in Idaho: Idaho Code §§ 54-5215(2)(b) (violation of Idaho Consumer Protection Act); and 54-5215(2)(a) (violating the Idaho Contractor Registration Act).

### **COUNT II**

#### **Failing to Provide Complainant 2 with Consumer Disclosures**

19. All facts set forth in this Stipulation are incorporated into Count II.

20. Respondent failed to provide Complainant 2 with a disclosure statement as required by Idaho Code § 45-525, which is a violation of the Idaho Consumer Protection Act, Idaho Code § 48-601 *et seq.* See I.C. § 45-525(4).

21. The allegations set forth in Count II constitute a violation of the following laws governing the practice of contracting in Idaho: Idaho Code §§ 54-5215(2)(b) (violation of Idaho Consumer Protection Act); and 54-5215(2)(a) (violating the Idaho Contractor Registration Act).

### **COUNT III**

#### **Failing to Obtain Required Permits**

22. All facts set forth in this Stipulation are incorporated into Count III.

23. Respondent performed a substantial amount of the agreed-upon construction work for Complainant 2 without procuring or posting the required permits in violation of Idaho Code § 39-4111(2).

24. The allegations set forth in Count III constitute a violation of the following laws governing the practice of contracting in Idaho: Idaho Code §§ 54-5209(2) (requiring contractors to post permits at the construction site); 54-5215(2)(a) (violations of the Idaho Contractor Registration Act); and 54-5215(2)(f) (engaging in conduct constituting a violation of public laws or ordinances relevant to contracting).

**COUNT IV**  
**Dishonest or Dishonorable Dealings**

25. All facts set forth in this Stipulation are incorporated into Count IV.

26. At the time the parties terminated their contract, the roof Respondent constructed leaked. As a result, Complainant 2 demanded that Respondent refund a portion of the \$40,251.00 he had paid Respondent.

27. Respondent was unable to issue a refund because Respondent had already spent the funds Complainant 2 had paid Respondent on other construction projects.

28. The allegations set forth in Count IV constitute a violation of the following laws governing the practice of contracting in Idaho: Idaho Code §§ 54-5215(2)(g) (prohibiting dishonest or dishonorable dealings); and 54-5215(2)(a) (violation of Idaho Contractor Registration Act).

**II.**  
**WAIVER OF PROCEDURAL RIGHTS**

In entering into this Stipulation and Consent Order (“Stipulation”), Respondent or Respondent’s legally authorized representative agrees to and acknowledges the following:

29. Respondent understands and admits the allegations pending before the Board as set forth in Section I. Respondent further understands that these allegations constitute cause for disciplinary action upon Respondent's registration or authority to practice contracting in Idaho.

30. Respondent understands that Respondent has the right to a full and complete hearing; the right to confront and cross-examine witnesses; the right to present evidence, call witnesses, or testify; the right to reconsideration of the Board's orders; the right to judicial review of the Board's orders; and all rights accorded by the Administrative Procedure Act of the State of Idaho and the laws and rules governing the practice of contracting in the State of Idaho. Respondent hereby freely and voluntarily waives these rights in order to enter into this Stipulation as a resolution of the pending allegations.

31. Respondent understands that in signing this Stipulation, Respondent is enabling the Board to impose disciplinary action set forth in this Stipulation upon Respondent's right to future registration without further process.

32. Respondent understands and agrees that Respondent may not withdraw or seek to rescind this Stipulation prior to the time the Board considers and acts upon it.

### **III.** **STIPULATED DISCIPLINE**

33. Respondent acknowledges and agrees that the following discipline imposed for the violations set forth herein is reasonable under the circumstances, although not binding upon the Board unless or until it issues an Order accepting this Stipulation.

#### **Scope of Disciplinary Action**

- a. All terms and conditions set forth in this Stipulation, including the stipulated discipline, shall apply to Respondent, all of Respondent's assumed business

names, anyone with an interest in Respondent<sup>1</sup>, all registrations subsequently granted to Respondent, and all registrations subsequently granted to anyone with in an interest in Respondent.

**Fines, Costs, and Fees**

- b. Respondent shall pay to the Board a civil fine in the amount of \$1,750 within one hundred eighty (180) days of the entry of the Board's Order.
- c. Respondent shall pay investigative costs in the amount of \$740.00 and attorney fees in the amount of \$1,190.00 for a total amount of \$1,930.00 within one hundred eighty (180) days of the entry of the Board's Order. All monies paid by Respondent shall be applied towards the costs and attorney fees award first before application to the civil fine.
- d. Respondent shall pay all fines, costs, and attorney fees set forth in this Stipulation directly to the Board as follows:
  - (1) Payments made via check or money order shall be mailed to the following address: P.O. Box 83720, Boise, ID 83720-0063.
  - (2) Payments may be hand-delivered to the following address: 11341 W. Chinden Boulevard, Boise, ID 83714.
  - (1) Payments made via credit card or debit card shall be made online at [dopl.idaho.gov](http://dopl.idaho.gov) Click on Professions & Occupations in the upper left corner to locate the Contractors Board page. There you will find a "Quick Links" tab for Online Disciplinary Actions Payment. Debit and credit card payments will not be accepted over the telephone.
- e. Respondent and anyone holding an interest in Respondent shall be ineligible to renew Registration No. RCE-39975, obtain or renew any other

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<sup>1</sup> The phrase "anyone with an interest in Respondent" refers to interests owned by an individual, firm, partnership, limited liability company, limited liability partnership, corporation, trust, association, or other entity or organization capable of conducting business, or any combination thereof acting as a unit.

registration issued by the Board, or hold an interest in any entity registered by the Board until the fines, costs, and attorney fees set forth in this Stipulation are paid in full.

**Probation**

- f. In the event Respondent renews its registration, it shall be placed on probation for a minimum of two (2) years. The probationary conditions are as follows:
- (1) Respondent shall comply with the terms of this Stipulation and timely and fully pay all of the fines, costs, and fees.
  - (2) Respondent shall comply with all state, federal, and local laws, rules, and regulations governing the practice of contracting in the State of Idaho.
  - (3) Respondent shall inform the Board in writing of any change of place of practice or place of business within fifteen (15) days of such change.
  - (4) Respondent shall cooperate with the Board and its agents and submit any information and documentation within a reasonable period of time upon request.
  - (5) Respondent shall make all relevant files, records, correspondence, or other documents available immediately upon the demand of any member of the Board, the Board's staff, or the Board's agents.
  - (6) If requested by the Board or its agents, Respondent shall provide an executed release authorizing the Board and its agent to obtain any



information, oral or written, as the Board may deem relevant to assist it in adequately reviewing Respondent's compliance with the terms of probation and this Stipulation.

**Miscellaneous Provisions**

- g. Respondent is solely responsible for all costs associated with complying with this Stipulation.
- h. Respondent's violation of any of the terms of this Stipulation may warrant further Board action. The Board, therefore, retains jurisdiction over this proceeding until all matters set forth in this Stipulation are resolved.

**IV.**

**PRESENTATION OF STIPULATION TO BOARD**

34. The Board's prosecutor shall present this Stipulation to the Board so the Board may consider whether to approve it.

35. The Board may accept, modify with Respondent's approval, or reject this Stipulation. If the Board rejects this Stipulation, a formal Complaint may be filed against Respondent with the Board. In the event this Stipulation is rejected and a formal Complaint is filed, Respondent waives any potential right to challenge the Board's impartiality to hear the allegations in the Complaint based on the Board's consideration and rejection of this Stipulation. Respondent does not waive any other rights regarding challenges to Board members.

36. If the Board rejects this Stipulation, with the exception of Respondent's waiver set forth in the preceding paragraph, this Stipulation shall be regarded as null and void, and admissions in this Stipulation and negotiations preceding the signing of this Stipulation will not be admissible at any subsequent disciplinary hearing. Additionally, and with the exception of Respondent's

waiver set forth in the preceding paragraph, this Stipulation shall not become effective until it has been approved by a majority of the Board and a Board member signs the attached Order.

**V.**  
**VIOLATION OF STIPULATION AND CONSENT ORDER**

37. In the event Respondent violates or fails to timely comply with any term or condition of this Stipulation, the Board shall be authorized to take additional disciplinary action pursuant to the following procedures and without regard to any other requirement set forth in the Idaho Code, IDAPA rules, or any other statutory or regulatory provision:

- a. The Board's Executive Officer or the Division of Occupational and Professional Licenses shall serve Respondent with notice of the charges levied against Respondent. Within twenty-one (21) days of service of such notice, Respondent shall submit a response (along with supporting documentation, if any) to the allegations and specifically request a hearing before the Board. If Respondent does not submit a timely response, the charges or alleged violations will be deemed admitted. If Respondent does not submit a timely and specific request for a hearing, Respondent waives any right to such hearing.
- b. At the hearing, the Board and Respondent may submit evidence and present oral argument in support of their positions. Unless otherwise ordered by the Board, oral arguments and the evidentiary record before the Board shall be limited to evidence relevant to whether Respondent has violated this Stipulation. At the hearing, the facts and substantive matters related to the violations described in Section I of this Stipulation shall not be at issue.

- c. At the hearing, the Board may impose additional discipline, including, but not limited to, the revocation or suspension of Respondent's registration, the imposition of civil fines, the recovery of costs and fees (including, but not limited to, attorney fees) incurred by the Board, and other conditions or limitations upon Respondent's practice.

38. This Stipulation and Consent Order is the resolution of a contested case and is a public record.

39. In the event Respondent fails to comply with the terms of this Stipulation, the Board shall be entitled to seek an injunction or order from the district court to enforce the provisions of this Stipulation without further notice or administrative hearing.

40. A faxed or scanned executed copy of this Stipulation shall be sufficient and the same as the original signed document.

41. This Stipulation contains the entire agreement between the parties, and Respondent is not relying on any other agreement or representations of any kind, verbal or otherwise.

**VI.**  
**ACKNOWLEDGMENT**

I have read the attached Stipulation in its entirety and have had the opportunity to discuss it with legal counsel. I understand that, by its terms, I am waiving certain rights accorded me under Idaho law. I understand that the Board may approve this Stipulation as proposed, approve it subject to specified changes, or reject it. I understand that, if approved as proposed, the Board will issue an Order on this Stipulation according to the aforementioned terms, and I hereby agree to the above Stipulation for settlement. I understand that if the Board approves this Stipulation subject to changes, and the changes are acceptable to me, the Stipulation will take effect and an order modifying the terms of the Stipulation will be issued. If the changes are unacceptable to me or the Board rejects this Stipulation, it will be of no effect.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_

Carlos Lanza  
Lanza Homes, LLC

**ORDER**

Pursuant to Idaho Code § 54-5207, the foregoing is adopted as the decision of the Board of Contractors in this matter and shall be effective on the 6th day of April, 2023. IT IS SO ORDERED.

IDAHO CONTRACTORS BOARD

By \_\_\_\_\_

Board Chair

**CERTIFICATE OF SERVICE**

I hereby certify that on the 6th day of April, 2023, I caused to be served, by the method(s) indicated, a true and correct copy of the foregoing upon:

Lanza Homes, LLC  
Attn: Carlos Lanza



U.S. Mail  
 Certified Mail, Return Receipt Requested  
 Fax Transmission

Eric F. Nelson  
Naylor & Hales, P.C.  
950 W. Bannock St., Ste. 610  
Boise, ID 83702

U.S. Mail  
 Hand Delivered  
 Email: [eric@naylorhales.com](mailto:eric@naylorhales.com)  
 Fax Transmission 208-383-9516



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Staff  
Division of Occupational and Professional Licenses