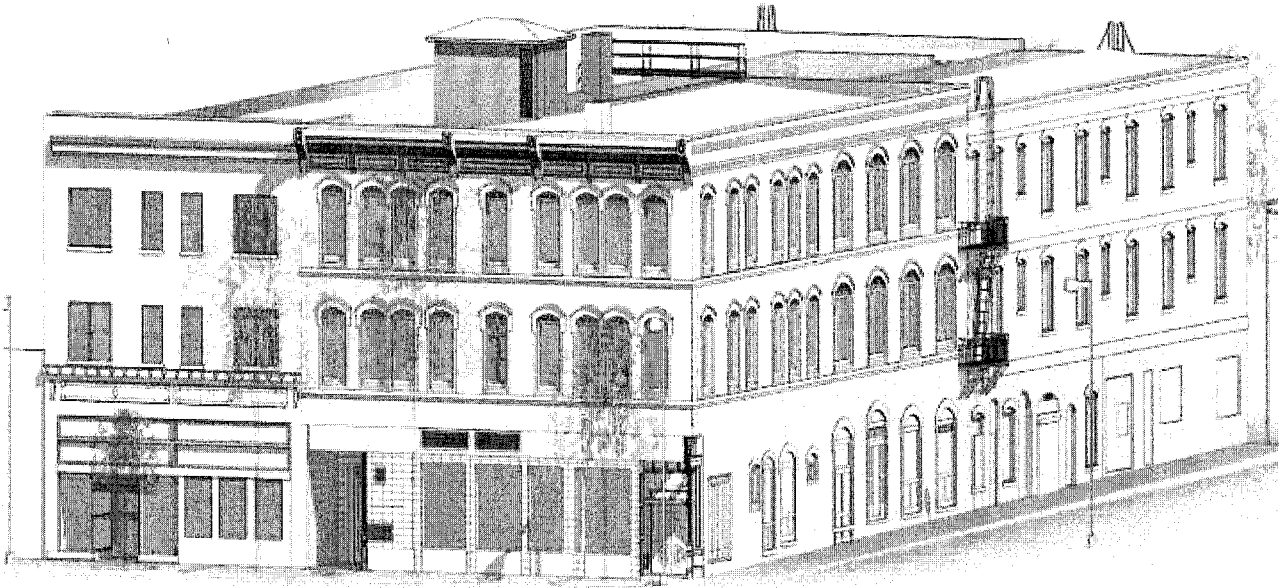


**Twin Investments, LLC's
Plan For Deconstruction
Of Palace Hotel**



December 4, 2023

Background

On November 3, 2023, the Ukiah City Council passed Emergency Resolution 23-23 to remedy Emergency Conditions Affecting property located at 272 North State Street Ukiah APN 002-224-13 (“the Palace Hotel”).

The City Building Official, City Council and City Fire Chief and staff have all found that: *“the Palace Hotels is a dangerous building and public nuisance under Ukiah City Code (“UCC”) Section 3300).*

“Upon inspection of the Palace Hotel on September 29th, 2023 by the Building Official, Fire Chief and two Battalion Chiefs, the Building official determined that the condition of the Palace Hotel has deteriorated to such an extent since the adoption of Resolution 2015-17 that it is no longer stable and poses an imminent risk of damage to persons property due to its instability . . .” (Excerpts from City Resolution 23-35.)

Resolution 23-35 accompanied an order by the building official that read as follows:

“PLEASE TAKE NOTICE that on 09/29/23, an inspection of the interior and exterior of the above- referenced property was performed with the owner representative present. The inspection team was made up of the Chief Building Official, the Fire Chief, and two Battalion Chiefs. The determinations made by the inspection team are as follows.

- 1. The building at 272 N State St. is structurally unsound, deteriorated, and constitutes a menace to public safety. Since the City Council findings adopted by Resolution No. 2015- 07, a true and correct copy of which is attached to this Notice, the condition of the building has deteriorated to such an extent that it poses an imminent risk of collapse endangering life, limb, health, and property of the public.*
- 2. The condition of the above property has been deemed a public nuisance due to its hazardous condition and immediate action is necessary to abate the nuisance to protect public safety.*

As a result of the above- described conditions, the historical significance of this building cannot impede the protection of public safety, which is of paramount importance. You must take all necessary steps to ensure the safe and timely demolition or stabilization of this building.

In accordance with Section 116.1 of the 2022 California Building Code YOU ARE HEREBY NOTIFIED: that the City of Ukiah is hereby issuing a formal order requiring you as the property owner and managing member of the owner to:

- 1. Initiate the demolition or stabilization of the structurally unsound building. Respond to this notice with a permit application and your proposed plan within 30 days.*

2. *Provide pedestrian protection immediately, but no later than within two weeks.*
3. *Provide pedestrian protection plans and specifications no later than one week from the date of this letter. Protection shall be designed to the standard per section 3306 of the 2022 California Building Code.*

If you have not taken steps to abate the violation in the time given above by taking the actions described above, the City will take enforcement action as authorized by law which may include any or all of the following: (1) issuance of a citation for violation of Cal. Health & Safety Code §17995 (which makes violation of the building code a misdemeanor punishable for a first offense by a fine of \$1,000, six months in the county jail or by both a fine and imprisonment with the fine increasing to \$5,000 for a second or subsequent violation); and (2) filing a civil action to enjoin the violation as a public nuisance, to recover from you the costs to demolish the building and to take any other actions necessary to protect public health and safety, to impose the penalties prescribed by Cal. Health & Safety Code §17995, to prevent you from taking a tax deduction for interest, expenses, depreciation or amortization arising from your ownership of the property, or the City can request reinstatement of the receivership recently terminated and the appointment of a receiver to take possession and control of the property, make all repairs, impose those costs as a lien on the property and seek to recover any deficiency from you. In a civil action you may become liable for the City's attorneys' fees and costs in bringing the action. THIS IS THE ONLY NOTICE THE CITY WILL GIVE BEFORE TAKING ENFORCEMENT ACTION."

A copy of the resolution and notice are attached as Appendix A.

Plan for Demolition

In response to the City of Ukiah's ("City") request for a plan "*to initiate the demolition or stabilization of the structurally unsound building*" we have arrived at the conclusion that the building in question has deteriorated to such an extent that it cannot safely be stabilized and therefore must be demolished for the safety and protection of the public. We have arrived at this conclusion after conferring with the City Building Inspector and through independent consultation with various structural engineers, building professionals, and contractors.

The proposed plan for pedestrian protection and demolition of the structure is as follows:

- 1 - Immediately post warning signs at 10' spacing and 5' above the ground surface warning the public that the building is unstable and subject to collapse and to stay away. This notice should also inform the public not to park in the vicinity of the building as well. This has already been done.
- 2 - Immediately disallow all public parking near the building on Smith School and State Street. This temporary removal of parking spaces will require City approval.

3 - Immediately install temporary chain link fencing on State Street, Smith Street and School Street, including blocking off parking spaces to keep public out and safely away from the building and the hazardous conditions. If the building is dangerous enough to receive a demolition order, then the public should be strongly discouraged from walking, standing, or parking anywhere near the building.

4 - As an alternative to fencing off the entire area as described above, install a scaffolding system over the sidewalks on State Street and School Street, and only fence off access to the sidewalk on the North side of the building by blocking off the South sidewalk on Smith Street. This will allow the public to pass under the scaffolding on the walkway on State Street and School Street only. Such scaffolding would stay in place until demolition activities commence, which could be as short as 7-8 weeks from now. Provide additional signage on the scaffolding warning the public of the danger and demanding they keep out. A scaffolding system will protect the public from an occasional brick falling from the building, but it will not protect the public if an entire wall collapses outward. It is the strong preference of the property owner to not install a scaffolding system and instead use the chain link fence barrier (see item 3 above), because scaffolding with a walkway could give the public the misconception that the scaffolding will protect them. Any scaffolding that is mandated by the City will be removed prior to the demolition activities. Please see Appendix B which includes a letter from Deras, Inc., a professional demolition contractor, which addresses the scaffolding and demolition of the building.

5 - Install temporary security cameras to adequately cover the street to monitor the public's compliance with the warnings. This security system would be put in place to reduce the risk of the public trespassing by trespassers climbing into open building windows or other openings at higher levels.

6 - Secure funding to demolish the building and recycle as much of the materials as reasonably possible. The building owner has allowed a third party to apply for grant funds from the CA DTSC to demolish the building, conduct soils testing, and develop a remediation plan to assess and then remediate and/or remove suspected contaminated soils and materials. Should the third party receive the grant funds, then the funds will be used to execute the referenced plan. It is expected that the third party will receive a decision on the grant funding within the next 50 days. In the event that the grant funds are not received, or are delayed, we will inform the City of such an event, and attempt to develop an alternate plan.

7 - Demolition activities can commence once the grant funding is awarded. Further, upon the grant awardee receiving the grant, it is the intention of the owner to sell the property to the grant awardee, or an affiliated entity.

8 - Following a grant award notification, the grant awardee will meet and confer with the City's staff to identify specific concerns, and coordinate logistics around the demolition project, so that the City's perspective can be integrated into the scope of work for the demolition bids. A permit application for demolition of the structure will be submitted to the City following the engagement of a demolition contractor for the project.

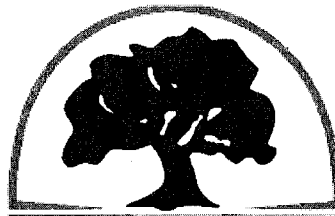
9 – Thereafter, the grant awardee will request bids and contract proposals to demolish the building. Specific steps in the demolition process will vary from contractor-to-contractor, however the scope of work, will at minimum, include the following items:

- Secure Demolition permit from the City.
- Fence the perimeter off the building to the greatest extent possible to keep the public out of the construction area.
- In conjunction with the City, develop an overall plan for demolition on a floor-by-floor basis, beginning with the roof and top floor, by first removing any soft items and debris from the interior, and removing and appropriately disposing of any lead, asbestos or other hazardous materials. This would then be followed by a floor-by-floor demolition of the building.
- Once at grade level, an environmental investigation and remediation plan will be developed to first test for suspected contaminated soils, followed by the removal of any contaminated soils, underground tanks, or other hazardous materials, thereby stabilizing the site for redevelopment.
- Develop a recovery and recycling plan for key materials, such as brick, metal, wood, and plastics. The recoverable historic elements shall be used in the redevelopment of the property.
- Develop and process a work plan with the City to establish traffic patterns, working hours, etc.
- Develop a dust control plan and notice abatement plan.
- It is estimated that demolition work will take 3-4 months from the award of a contract and approval by the City of the various conditions (notice to proceed).

10 – Once the demolition to grade is complete, fence the site to keep the public out, and then begin an entitlement process to redevelop the property.

APPENDIX A

Order by City of Ukiah & Notice



City of Ukiah

COMMUNITY DEVELOPMENT
DEPARTMENT

300 SEMINARY AVENUE
UKIAH, CA 95482

TWIN INVESTMENTS LLC
494 KENWOOD DR
UKIAH CA 95482

DATE POSTED: 11/3/2023

**Subject: NOTICE OF VIOLATION –
HAZARDOUS CONDITION - PUBLIC NUISANCE**

Location of Violation: Entire Property
Address: 272 N STATE ST
Assessor's Parcel Number: 002-224-13
Owner: TWIN INVESTMENTS LLC
Managing Member: JITU ISHAWAR

Dear Owner:

PLEASE TAKE NOTICE that on 09/29/23, an inspection of the interior and exterior of the above-referenced property was performed with the owner representative present. The inspection team was made up of the Chief Building Official, the Fire Chief, and two Battalion Chiefs. The determinations made by the inspection team are as follows.

1. The building at 217 N State St. is structurally unsound, deteriorated, and constitutes a menace to public safety. Since the City Council findings adopted by Resolution No. 2015-07, a true and correct copy of which is attached to this Notice, the condition of the building has deteriorated to such an extent that it poses an imminent risk of collapse endangering life, limb, health, and property of the public.
2. The condition of the above property has been deemed a public nuisance due to its hazardous condition and immediate action is necessary to abate the nuisance to protect public safety.

As a result of the above-described conditions, the historical significance of this building cannot impede the protection of public safety which is of paramount importance. You must take all necessary steps to ensure the safe and timely demolition or stabilization of this building.

300 SEMINARY AVENUE UKIAH, CA 95482-5400
Phone # (707)463-6200 Fax# (707)463-6204 Web Address: www.cityofukiah.com

In accordance with Section 116.1 of the 2022 California Building Code YOU ARE HEREBY NOTIFIED: that the City of Ukiah is hereby issuing a formal order requiring you as the property owner and managing member of the owner to:

1. **Initiate the demolition or stabilization of the structurally unsound building. Respond to this notice with a permit application and your proposed plan within 30 days.**
2. **Provide pedestrian protection immediately, but no longer than within two weeks.**
3. **Provide pedestrian protection plans and specifications no later than one week from the date of this letter. Protection shall be designed to the standard per section 3306 of the 2022 California Building Code.**

If you have not taken steps to abate the violation in the time given above by taking the actions described above, the City will take enforcement action as authorized by law which may include any or all of the following: (1) issuance of a citation for violation of Cal. Health & Safety Code §17995 (which makes violation of the building code a misdemeanor punishable for a first offense by a fine of \$1,000, six months in the county jail or by both a fine and imprisonment with the fine increasing to \$5,000 for a second or subsequent violation); and (2) filing a civil action to enjoin the violation as a public nuisance, to recover from you the costs to demolish the building and to take any other actions necessary to protect public health and safety, to impose the penalties prescribed by Cal. Health & Safety Code §17995, to prevent you from taking a tax deduction for interest, expenses, depreciation or amortization arising from your ownership of the property, or the City can request reinstatement of the receivership recently terminated and the appointment of a receiver to take possession and control of the property, make all repairs, impose those costs as a lien on the property and seek to recover any deficiency from you. In a civil action you may become liable for the City's attorneys' fees and costs in bringing the action. **THIS IS THE ONLY NOTICE THE CITY WILL GIVE BEFORE TAKING ENFORCEMENT ACTION.**

Sincerely,

Matt Keizer
Chief Building Official



Sent Via: Certified Mail
cc: City Attorney

APPENDIX B

Letter From Deras, Inc.

Re: Demo of the Building



29588 Mission Blvd.

Hayward Ca.94544

www.derasinc.com

November 16, 2023

To whom this may concern,

After careful consideration we believe it makes more sense when it comes to pedestrian safety to block off the side walk and or streets instead of installing scaffolding. Scaffolding would need to be removed in the next 30 days to start the demolition of the building. If we went with scaffold instead of blocking off sidewalks it would allow pedestrians to walk next to the building and the walls that we would be demolishing.

We believe that it is safer to keep the pedestrians away from the walls due to the dilapidating conditions of the building.

The process of the demolition in this particular building would be as follows:

We would start by shoring up a few weak framing areas on the third floor in order to safely demo the roof and its structure back to a safe structural point.

We would then take the same precaution on the second floor in order to demo third floor framing to a safe structural point. Once we get to this point we will start to demo the brick exterior walls in sections bringing the sections down into the building footprint. This procedure will avoid the walls to collapse on to the streets.

Due to the state of which this building is in the demolition process will be done by sections and with extreme caution. The good news is that due to the demolition process stated it will make it a bit easier to salvage some of the brick, beams , structural wood supports and elevator equipment making us all feel safer and at the same time we will be taking steps to reuse and repurpose said materials. We at Deras Inc. believe it is our duty to assist in reusing, recycling and repurposing as much as possible.

Thank you

Manny Deras

Deras Inc Demolition