IN OPEN COURT JAN 1 0 2019

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA Superior Court of the District of Columbia CIVIL DIVISION

Washington, D.C.

DISTRICT OF COLUMBIA,)
Plaintiff,) 2018 CA 004448 B
v.	
THOMAS K. STEPHENSON,)
Defendant.)
)

ORDER APPOINTING RECEIVER

This matter is before the Court on the District of Columbia's (the "District") request for the appointment of a Receiver for 711 and 719 49th Street, NE, Washington D.C., 20019 (the "Property"). Based upon the evidence submitted with the District's Complaint and subsequent motions, as well as the evidence presented at the hearings held on January 8 and 10, 2019, at which the Defendant participated and examined witnesses, the Court grants the District's request to appoint a Receiver for an initial period of at least fourteen (14) days after finding that there is probable cause to believe the housing and other code violations that exist at the Property pose an immediate danger to the health, safety, and security of the tenants. See D.C. Code § 42-3651.04(b).

This Court has jurisdiction over the subject matter of this case pursuant to D.C. Code § 11-921. This Court has jurisdiction over Defendant Thomas K. Stephenson pursuant to D.C. Code § 13-423. The court also has jurisdiction over 711 and 719 49th Street NE, a twenty-unit apartment complex located in the northeast quadrant of Washington, D.C., that is owned and operated by the Defendant.

IT IS THEREFORE ORDERED that Karn Green (the "Receiver") is hereby appointed receiver for the Property through January 24, 2019 and shall have all powers and duties as conferred in D.C. Code § 42-3651.06, with directions and authority to accomplish the following, in accordance with the terms of this Order and subject to the supervision of this Court:

- 1. During the term of this Order, the Receiver is the sole person responsible for abating D.C. Code violations and threats to life, health, safety, and security at the Property.
- 2. As part of their duties, the Receiver will ensure compliance with the D.C. Housing Code (1 through 16 of Title 14 of the District of Columbia Municipal Regulations or Titles 12A-12L of the District of Columbia Municipal Regulations), the D.C. indoor mold law (D.C. Code §§ 8-241.01-241.09), and regulations (20 DCMR §§3200-3299) at the Property.
- 3. The Receiver shall make all repairs that are reasonable and necessary to abate violations of the District of Columbia Code that currently exist or may exist in the future at the Property while this

- Order is in effect. These repairs include, but are not limited to, the violations that were cited following the inspection conducted by the Department of Consumer and Regulatory Affairs ("DCRA") on June 8 and 9, 2019.
- 4. The Receiver shall take all actions that are reasonable and necessary to abate threats to life, health, safety, and security that currently exist or may exist in the future at the Property while this Order is in effect. It is understood that for purposes of this Order, "threats to life health, safety, and security" include, but are not limited to, vermin infestation, indoor leaks, faulty electrical wiring, faulty heating, and mold.
- 5. The Receiver and his or her agents are authorized to access any part of the Property while this Order is in effect, as well as to provide the District, or the District's agents, access to the Property.
- 6. The Receiver is authorized to retain and employ such agents, employees, and contractors, including members and employees of the Receiver's firm, as may in the Receiver's judgment be appropriate or necessary to assist in the performance of his or her duties under this Order. All such agents, employees, contractors, and the Receiver shall provide proof of liability and workmen's compensation insurance, naming the Defendants as additional insureds, prior to performing any work at the Property.
- 7. The Receiver is authorized to make such payments and disbursements as may be appropriate under the terms of this Order.
- 8. The Receiver is authorized to collect any and all rents from tenants at the Property and use those rents, in addition to other funds from Defendants called for under this Order, in carrying out his responsibilities under this Order.
- 9. The Receiver is authorized to receive a reasonable compensation, including reimbursement for actual out-of-pocket expenses incurred, for fulfilling his duties under this Order, subject to approval by this Court. The Receiver may apply by noticed motion for payment of his reasonable compensation from the funds provided under this Order by the Defendants. Absent further approval by the Court, such compensation shall not exceed payment at a rate of \$274.00 per hour or for more than 80 hours of work, to conduct an initial assessment for the purposes of completing a plan as described in paragraph (11) of this Order.
- 10. Except for gross negligence or intentional wrongdoing in carrying out the receivership, the Receiver shall not be liable for any loss or damage incurred by the Defendants or their representatives, agents, attorneys, or those persons in active concert or participation with them, by reason of any act performed or omitted to be performed by the Receiver in connection with the discharge of his duties and responsibilities under this Order.

IT IS FURTHER ORDERED that Defendant is directed and ordered to:

- 1. Within two (2) business days of the effective date of this Order, or within such additional time as permitted by the Receiver, deliver over to the Receiver possession and custody all keys or combination to locks required to gain access to the Property as well as copies of any business records the Receiver deems necessary to carry out his responsibilities under this Order; and
- 2. "Deliver to the District relevant financial data to describe the capabilities of the Defendants to financially support the efforts of the Receiver including, but not limited to: 1) 2017 Federal and State tax returns; 2) 2018 bank statements; and 3) 2018 income statements."
- 3. All Parties shall cooperate fully with the Receiver and refrain from doing any act or thing whatsoever to interfere with the Receiver, or to in any way harass or interfere with the duties of the Receiver. Nothing in this paragraph shall limit the Defendants ability to file with the Court any

objection to the Receiver's plan for the rehabilitation of the Property.

4. The Court shall hold a hearing on the continuation of the Receiver's appointment on January 25, 2019 at 3 P.M. No less than five days before that hearing, Defendant shall file any abatement plan he wishes the Court to consider, and the District shall file any response to that plan within two (2) days before that hearing.

SO ORDERED.

January 10, 2019

Judge Hiram E. Puig-Lugo

Superior Court of the District of Columbia