



IN THE SUPERIOR COURT OF THE STATE OF DELAWARE

STATE OF DELAWARE,)	
)	
Plaintiff,)	
)	
v.)	C. A. No.
)	
1110 and 1120 SOUTH COLLEGE)	NON-ARBITRATION
AVENUE, NEWARK, DE 19713;)	CASE
MSL MOTEL CORPORATION;)	
BHAVI MOTEL, LLC)	
("RODEWAY INN");)	
and RAKESH NAIK)	
)	
Defendants.)	

VERIFIED COMPLAINT

The State of Delaware, by and through the Delaware Department of Justice and the undersigned Deputy Attorneys General, brings this action against 1110 and 1120 South College Avenue, Newark, DE 19713 (the "Property"), and the above-identified defendants, pursuant to the *Criminal Nuisance Abatement Act*, 10 *Del. C.* ch. 71, to abate the criminal nuisance occurring on and about the Property.

The criminal activity occurring on and around the Property consists of prostitution, illegal drug activity, the arrest of several guests on the Property for engaging in prostitution and unlawful drug activity, and the arrest and criminal conviction of the former manager of the Property.

JURISDICTION AND VENUE

1. Jurisdiction for this action is provided under 10 *Del. C.* § 7106.

2. Venue is proper in this County under 10 *Del. C.* § 7106(a) because the Property is located within New Castle County.

THE PARTIES AND PROPERTY

3. Plaintiff, the State of Delaware, brings this action through the Delaware Department of Justice. The Attorney General has standing to bring this action under 10 *Del. C.* § 7105(a).

4. The Property is located at 1110 and 1120 South College Avenue, Newark, New Castle County, Delaware, 19713. The Property includes the lot, the parcel of land, and any building(s) erected thereon. The New Castle County Property Tax Parcel Number for the Property is 1804600024. The Property is currently the site of an operating motel, known as Rodeway Inn.

5. The owner of record of the Property is The 896 Trust LLC, a Delaware limited liability company.

6. The registered agent for The 896 Trust LLC is David M. Cantera.

7. Defendant MSL Motel Corporation, a Delaware corporation, leases the Property from The 896 Trust LLC.

8. The registered agent for Defendant MSL Motel Corporation is the Registered Office Service Company, who may be served at 203 NE Front Street, Suite 101, Milford, Delaware, 19963.

9. Defendant Bhavi Motel LLC, a Delaware limited liability company, in turn subleases the Property, with the agreement and consent of the owner, The 896 Trust LLC, from Defendant MSL Motel Corporation. Defendant Bhavi Motel runs and operates Rodeway Inn on the premises of the Property.

10. Upon information and belief, Defendant Bhavi Motel LLC obtained a leasehold mortgage arising from its sublease on the Property in the amount of nine hundred and ten thousand dollars.

11. The registered agent for Defendant Bhavi Motel LLC is Harish Surati, who may be served at 1110 South College Avenue, Newark, Delaware 19713.

12. Defendant Rakesh Naik, a former employee of Defendant Bhavi Motel LLC, formerly managed and operated Rodeway Inn on the Property.

13. Defendant Rakesh Naik may be served at his residence at 128 Chestnut Crossing Drive, Apartment E, Newark, Delaware 19713.

FACTUAL BACKGROUND

14. The Property is located less than 2 miles south of the University of Delaware's Newark campus and across from a Friendly's Family Restaurant on South College Avenue, Newark, Delaware.

I. Criminal Nuisance Activity

15. The Property has been the site of ongoing prostitution, drug overdoses, illegal drug sales, and criminal investigations and arrests related to

persistent prostitution, drug sales, and other criminal activity. The Property is generally known in the surrounding community as a location where crime occurs. Over the past year, for instance, the Newark Police arrested several guests of the Property for engaging in prostitution, drug sales, and other drug-related crimes, as well as the arrest and conviction of the former manager at the Property, Defendant Rakesh Naik, for patronizing a prostitute on the Property.

16. On or about April 27, 2016, The Department of Justice sent certified letters to all Defendants, as well as to The 896 Trust LLC, giving them notice that the constant criminal activity occurring on the Property represents a threat to the public health, safety, and welfare of the surrounding community, and providing notice that the State of Delaware intends to file a criminal nuisance abatement action in Superior Court to abate the criminal nuisance activity.

A. Prostitution Events:

17. On October 23, 2014, the Newark Police Department arrested a female individual, for once again engaging in prostitution at the Property. A few days before, on October 16, 2014, police had arrested the same individual for prostitution, possession of drug paraphernalia, and possession of marijuana. Even after her arrest, the Newark Police Department found that the individual continued to advertise sex for money on a website titled “Backpage.” When the Newark Police Department followed up with the individual, as part of an undercover

investigation, the female individual told the undercover officer that she charged 120 dollars for each half an hour session of sexual activity, and told the officer to meet her in one of the rooms on the Property. Upon arrival to the individual's room on the Property, the undercover officer along with other officers, found drugs and drug paraphernalia in the room. The individual was arrested and taken into custody for prostitution.

18. On or about May 12, 2015, police investigated reports that occupants of Room 244 of the Property were actively engaging in prostitution and drug activity. During their investigation, police arrested three individuals, one of whom admitted to engaging in prostitution, stated that the other two individuals acted as her "pimps," and further stated that she regularly purchased heroin and other drugs from her "pimps." 133 bags of heroin, with a total weight of 1.995 grams, were recovered during the investigation, in addition to marijuana and crack cocaine. A fourth individual, whom the police knew to be a prostitute, was also involved in the incident. The son of the "pimps" was also residing in the room, and it was reported that the son is often present during the drug and prostitution events.

19. On November 19, 2015, two arrests were made in connection with prostitution at the Property. Newark Police were patrolling the Property when an officer observed a person running from the lobby of the Property, who was later apprehended at a nearby gas station. Upon investigation, it was discovered that the

fleeing person was at the Property to meet with a second individual who had solicited the other individual from a website called "Backpage." Both individuals were arrested and charged in relation to this incident. Marijuana was also found among one of the arrested individual's effects, who stated that the marijuana was given as partial compensation for agreeing to engage in sexual acts with the other individual.

20. On or about February 27, 2016, Newark Police arrested two individuals for engaging in prostitution out of Room 133 on the Property. Police made contact with one of the individuals via the webpage "Backpage." Police also recovered drug paraphernalia from the room.

21. On or about March 17, 2016, Newark Police arrested a mother and daughter at the Property for prostitution. Newark Police observed one of the individuals posting an advertisement on the website "Backpage" under escorts, and contacted the individual. The individual agreed to exchange sex acts for money, and instructed the police officer to meet her at Room 139 of the Property. Both women were known to Newark Police for engaging in prostitution. The arrests also resulted in discovery of drug paraphernalia.

22. On or about March 29, 2016, Newark Police conducted a prostitution sting at the Property, which resulted in the arrests of multiple individuals for prostitution and on drug charges. When Newark Police identified the individuals

using the website “Backpage,” the individuals advised the police that they were working out of the Property. One of the individuals arrested stated that Defendant Rakesh Naik had solicited sex acts from her, that Defendant Rakesh Naik solicits sex acts from many of the girls who stay at the Property, and that Defendant Rakesh Naik is aware that the Property is used to facilitate prostitution.

23. On June 2, 2016, another female guest at Rodeway Inn also told police officers that Defendant Rakesh Naik solicited sex from her in exchange for money. She further stated that while she was a guest at Rodeway Inn she has had sex with Defendant Rakesh Naik over ten times.

24. On June 24, 2016, Defendant Rakesh Naik was arrested on ten counts of patronizing a prostitute.

25. On September 2, 2016, Defendant Rakesh Naik was convicted under the City of Newark Municipal Code Section 22-30 for patronizing a prostitute.

26. On September 23, 2016, a female was arrested for prostitution on the Property. Newark Police identified the female through an advertisement featured on the website “Backpage.” The advertisement showed the female, identified as Cece, engaging in sexual acts, listing the location of her services as Newark, Delaware, College Avenue, Hotel. Upon contacting the number listed in the advertisement, the female responding told the undercover police officers of her

rates and further told the officers to meet her at one of the rooms on the Property. Upon arrival, the officers arrested the female for prostitution.

27. On October 19, 2016, police officers found an individual engaging in prostitution on the Property. The Newark Police contacted a female from an advertisement on “Backpage,” who told the undercover officer that she charged one hundred dollars for sex and directed the officer to Room 151 of the Property. Upon arrival, and when questioned by the officer, the individual stated that she sells herself for sexual acts.

28. On November 10, 2016, a female was arrested for prostitution on the Property. From monitoring the website “Backpage” the Newark Police observed an advertisement titled “lexxi. “100\$-21,” After contacting the number listed in the advertisement, the officers were advised by a female of her rates, to bring “a[sic] extra condom,” and to come to Room 140 on the Property. Upon arrival, the officer detected the smell of burnt marijuana in the room. The female in the room appeared identical in appearance to the individual depicted in the advertisement on Backpage. During the female’s arrest, the officers found drug paraphernalia in the room and a substance later confirmed as marijuana.

29. About two weeks later, on November 23, 2016, two individuals, one a minor, were arrested for prostitution on the Property. An undercover officer noticed an advertisement for a “two girl special” on Backpage.com, with a

depiction of a woman in her undergarments. The undercover officer communicated with the two females through the number listed on the advertisement, during which the officer was advised of the rates for two girls and told to contact them when the officer arrived at the Boston Market on S. College Avenue, Newark, Delaware. When the officer arrived at the Boston Market, he was advised by the two females to meet them in Room 120 of the Property. After one of the individual's arrest, she informed an officer that a friend of the other individual arrested had rented the room for them. The manager of Rodeway Inn told the Newark Police that a male individual had rented Room 120.

30. On December 9, 2016, an individual was arrested for prostitution on the Property. From the website Backpage.com and through responding to an advertisement featured on it, an undercover officer was advised by a female individual of her rates and instructed to come to Room 244 of the Property. The female was subsequently arrested for prostitution.

B. Illegal Drug Events:

31. On or about July 28, 2015, police were patrolling the Property when they observed three individuals in a parked vehicle. One of these individuals appeared to be injecting himself intravenously. The officers observed the front seat passenger holding a hypodermic needle, and upon searching the vehicle, the

hypodermic needle was recovered, as well as torn clear plastic bags, a spoon and blue wax paper, and unused bags of heroin. Two of the individuals were arrested.

32. On or about July 31, 2015, two individuals were arrested at the Property in connection with the sale of marijuana. Neither individual was a guest of the Property, and the police suspected that they were present on the Property to sell marijuana. A total of 84.5 grams of marijuana were recovered from the two individuals, along with \$876.40 in suspected proceeds from drug sales, a scale, and plastic sandwich bags suspected of being used to package marijuana.

33. On or about August 21, 2015, two individuals were observed leaving the Property, and the driver was observed smoking what appeared to be a marijuana cigarette. Police observed the driver discard the cigarette, and then stopped the vehicle to investigate. Upon investigation, the police learned that both occupants were staying at the Property, and both occupants had outstanding warrants for their arrest. The cigarette was recovered, and tested positive for THC.

34. On or about November 8, 2015, four individuals were observed sitting in a vehicle parked in the Property's parking lot, from which the police smelled burnt marijuana. 32 grams of marijuana were recovered from the vehicle. Two of the individuals observed in the vehicle were under the age of 18, and one adult individual admitted that the marijuana belonged to him. The adult individual was arrested.

35. On or about November 15, 2015, the police and emergency personal responded to a reported overdose in Room 145 of the Property. Upon arrival, the police performed rescue breathing and ultimately deployed a Narcan kit, with the victim responding. Approximately 14-17 small blue paper bags consistent with heroin packaging were observed in the room.

36. On September 2, 2016, two individuals were arrested for possession of heroin with intent to deliver at the Property. Newark Police became aware that an individual with an active arrest warrant had rented a room on the Property. Upon arrival, the officers heard running water and flushing. Upon entry into the room, the officers found substantial amounts of cash on the bed and a brown plastic shopping bag in the toilet, containing seven small zip-log bags and clear gel capsules with a powdery substance later confirmed as heroin.

37. On November 1, 2016, the police, responding to a call, found a guest overdosed on heroin, Percocet, and alcohol in Room 144 of the Property. The guest told the police that he had bought the heroin from another guest staying in Room 147 of the Property. Upon further investigation, the guest in Room 147 admitted to “hooking” the other guest up with a dealer at Rodeway Inn. The guest further stated that the dealer, along with another dealer, reside at Rodeway Inn.

38. On December 22, 2016, the Newark Police, responding to a call and found a guest overdosed on heroin in Room 130 of the Property.

39. On January 8, 2017, one individual was charged with possessing drug paraphernalia and two others were arrested for criminal impersonation in the parking lot of the Property. During a routine check of the Property, the Newark Police observed a vehicle parked in the parking lot of the Property with three individuals inside. When asked for identification, only the driver provided a photo identification. Upon speaking further with the passengers of the vehicle, the officer determined that they had both lied about their identity. One was previously arrested for shoplifting, and the other passenger had outstanding warrants in Maryland. Upon a search of the vehicle, the officer found four syringes and two used straws. The driver was ticketed for possessing drug paraphernalia and the two passengers were arrested for criminal impersonation.

C. Other Criminal Activity:

40. On or about March 12, 2013, police received a complaint about Defendant Rakesh Naik sexually harassing an employee. The employee reported that Defendant Rakesh Naik repeatedly made sexual advances and on one occasion, grabbed the employee's buttocks.

41. On or about February 7, 2016, Newark Police responded to the Property on a report that Defendant Rakesh Naik had allegedly grabbed an employee's buttocks.

42. On or about March 19, 2016, police responded to a report of unlawful sexual contact involving a guest of the Property and Defendant Rakesh Naik. The victim reported that Defendant Rakesh Naik rubbed up against her and placed his hands on her breasts and rubbed them while he was vacuuming the victim's room. The next day, Defendant Rakesh Naik was arrested for unlawful sexual contact.

43. On or about April 8, 2016, police responded to Room 153 of the Property in response to a report of a domestic altercation. Upon investigation, police discerned that one of the individuals involved had outstanding capiases. Police arrested the individual and turned her over to Capitol Police.

44. The Property is, and continues to be, a criminal nuisance, and the activity described herein constitutes criminal nuisance activity. The Property is the site at which prostitution is promoted, facilitated or otherwise permitted in violation of 11 *Del. C.* §§ 1342-1344 and 1351-1356, is the site at which illegal drug events have occurred within the past year, including possession, use, and/or sale of marijuana and heroin, and has and continues to cause a material annoyance, inconvenience, discomfort, or otherwise tangible injury to neighboring properties or persons.

45. The Defendants have either actively engaged in the criminal activity described herein or they are permitting, facilitating and/or promoting the activity constituting a criminal nuisance to occur at or near the Property.

II. Adverse Impact to the Community

46. The above described criminal nuisance activity has had, and continues to have, the following adverse impact to the community:

a. Diminished real property values related to nuisances associated with drug activity, prostitution, and other public nuisances and criminal activity in or near the Property;

b. Increased fear of residents to walk through or in public areas, including sidewalks, streets, and parks due to the presence of nuisances associated with prostitution, drug activity, prostitution, and other public nuisance and criminal activity;

c. An increase in the number of police calls to the Property that are related to nuisances associated with drug activity, prostitution, and other public nuisance and criminal activity—to date, there have been over 900 calls for service to the Property since 2013;¹

d. Investigative purchases of controlled substances or drug paraphernalia, or investigative actions relating to prostitution by undercover law-enforcement officers at or near the Property;

¹ A “call for service” means that law enforcement or other emergency vehicles were forced to respond to an incident at the Property.

e. Arrests of persons on or near the Property for criminal conduct relating to nuisances associated with drug activity, prostitution, and other public nuisances and criminal activity; and

f. Search warrants served or executed at the Property relating to nuisances associated with drug activity, prostitution, and other public nuisance and criminal activity.

CAUSES OF ACTION

Count 1 **(All Defendants)** **Maintaining A Nuisance**

47. The State of Delaware incorporates the allegations in ¶¶ 1-46 by reference.

48. Pursuant to 10 *Del. C.* § 7103(5)(c), the Property constitutes a criminal nuisance as defined by the statute because it is the site at which prostitution is permitted, facilitated and/or promoted in violation of 11 *Del. C.* §§ 1342-1344 and 1351-1356.

49. The criminal nuisance activity at the Property has adversely affected the surrounding area within the meaning of 10 *Del. C.* § 7103(1).

50. Defendants have maintained and are continuing to maintain a criminal nuisance in violation of 10 *Del. C.* § 7104 by occupying, establishing, promoting,

permitting, facilitating, or conducting a criminal nuisance, or aiding and abetting, the conduct of criminal nuisance.

Count 2
(All Defendants)
Maintaining A Nuisance

51. The State of Delaware incorporates the allegations in ¶¶ 1-50 by reference.

52. Pursuant to 10 *Del. C.* § 7103(5)(a) the Property constitutes a criminal nuisance because an illegal drug event as defined by 10 *Del. C.* § 7103(7) has occurred at the Property within the last year.

53. The criminal nuisance activity at the Property has adversely affected the surrounding area within the meaning of 10 *Del. C.* § 7103(1).

54. Defendants have maintained and are continuing to maintain a criminal nuisance in violation of 10 *Del. C.* § 7104 by occupying, establishing, promoting, permitting, facilitating, or conducting a criminal nuisance, or aiding and abetting, the conduct of criminal nuisance.

Count 3
(All Defendants)
Maintaining A Nuisance:

55. The State of Delaware incorporates the allegations in ¶¶ 1-54 by reference.

56. Pursuant to 10 *Del. C.* § 7103(5)(f), the Property constitutes a criminal nuisance by virtue of the objectionable and material annoyance, inconvenience, or discomfort that the ongoing pattern of criminal activity at the Property has caused neighboring properties or persons.

57. The criminal nuisance activity at the Property has adversely affected the surrounding area within the meaning of 10 *Del. C.* § 7103(1).

58. Defendants have maintained and are continuing to maintain a criminal nuisance in violation of 10 *Del. C.* § 7104 by occupying, establishing, promoting, permitting, facilitating, or conducting a criminal nuisance, or aiding and abetting, the conduct of criminal nuisance.

PRAYER FOR RELIEF

WHEREFORE, the State of Delaware respectfully requests that this Court grant the following relief against the Defendants:

- a) A declaration that the Property is a criminal nuisance under 10 *Del. C.* ch. 71;
- b) Temporary and permanent abatement relief which perpetually prohibits the Defendants and any other people from further maintaining a nuisance at the Property or elsewhere in Delaware;
- c) Civil penalties pursuant to 10 *Del. C.* § 7126;
- d) All attorneys' fees and costs; and

- e) Any additional remedies the Court deems to be fair and just.

**STATE OF DELAWARE
DEPARTMENT OF JUSTICE**

/s/ Roopa Sabesan _____

Roopa Sabesan (#5951)

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Date: April 17, 2017