

## Bankruptcy case zeroes in on chapel

*Tampa Bay Times (FL) (Published as St. Petersburg Times (FL)) - April 3, 2005*

- Author/Byline: SHEILA MULLANE ESTRADA
- Section: NEIGHBORHOOD TIMES
- Page: 1

Bankruptcy case against **Dr. Miller Newton** may be reopened this month in an attempt to seize the Christ at the Sea Foundation property that once was owned by **Newton**.

Bankruptcy trustee Stephen Meininger recently filed a motion in U.S. Bankruptcy Court in Tampa, saying he "has discovered that the Debtors (**Newton** and his wife, Ruth A. Newton) have an undisclosed asset that is property of this bankruptcy estate."

At issue is a 2003 corrective quit claim deed that transferred the property at 13280 Fourth St. E from the **Newtons** to the foundation, **Miller Newton** said. At the time, the bankruptcy case was still under court jurisdiction.

The original quit claim deed was filed with Pinellas County in 1997, before the bankruptcy case was opened. Complications with the paperwork may have affected the legal transfer of the property.

"It now appears that the estate will have assets available for distribution to unsecured creditors," Meininger's motion states.

The property is assessed at nearly \$300,000.

A hearing to revoke the bankruptcy court's final decree, which was issued last November, will be held April 29.

"This is not really an issue," **Newton** said Friday. He says the court knew about the property transfer. "The property was deeded to the foundation. My attorney has filed the facts of the situation and there may not even be a hearing."

**Newton** filed for bankruptcy in 2001 when \$1.2-million owed New Jersey Medicaid by **Newton's** Kids Centers program was assessed to **Newton**.

In 2000, the program, founded by **Newton**, settled a \$4.5-million lawsuit filed by a former client. An additional \$6.5-million was awarded to former Kids Centers clients in 2003.

**Newton** has long been a controversial figure in Pinellas County, including Madeira Beach.

Previously, **Newton** ran the Straight drug treatment program in Pinellas County. After he left the program in 1983, several lawsuits were filed against Straight, charging that former clients were abused or held against their will.

**Newton**, now a priest in the Orthodox Church of Antioch, set up the foundation in 1997 to own and operate his Madeira Beach property as a residence and prayer center for church members.

With the city's approval, a recreation room built in the late 1990s was used as a private chapel. But when a cupola and cross were erected on the top of the recreation room last year, residents complained and the city cited the property for code and zoning violations.

Following a hearing with special master Herbert Langford Jr., the foundation was granted a special exception to operate the property as a church, under the condition that the rooftop cupola and cross, as well as other religious symbols and exterior signage, were removed.

The foundation did not comply with Langford's order, and the city again cited it for code violations. A hearing will be held April 13 and could result in fines of up to \$500 a day.

When told of the bankruptcy issue, City Manager Jill Silverboard said Friday that the city will still "go ahead" with a code enforcement hearing against the foundation property.

The only thing that could delay the city hearing is if **Newton** seeks a federal review of the code enforcement action. Friday, **Newton** said he had not decided whether to fight the issue in court.

"The last thing I want to get into is a big public fight with the city," he said.

### TIMELINE

Legal history involving **Newton's** property at 13280 Fourth St. E:

+ Nov. 1, 1995 - **Newton** and his wife purchase the property.

+ Aug. 18, 1997 - Quit claim deed by **Newton** and his wife transfers property to Christ at the Sea Foundation for \$1.

+ Nov. 7, 1997 - Foundation was incorporated by the Florida secretary of state.

+ May 24, 2001 - Bankruptcy case against **Newton** and his wife filed, citing \$1.55-million in debts, including \$1.2-million owed to the New Jersey Medicaid program.

+ July 30, 2003 - Second quit claim deed for property issued by **Newton** and wife to Christ at the Sea Foundation Inc. to correct 1997 errors in identifying legal status and names of the parties.

+ Nov. 3, 2004 - Bankruptcy case terminated.

+ Feb. 24, 2005 - Bankruptcy trustee for debt holders files to revoke the bankruptcy final decree

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• *Index terms: chronology*

• *Dateline: MADEIRA BEACH*

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Tampa Bay Times (FL) (Published as St. Petersburg Times (FL)) - April 6, 2005

- Author/Byline: SHEILA MULLANE ESTRADA
- Section: CLEARWATER TIMES
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