

573J810017621C7C9D8FEL202437L196790QI780QQP0G00G0Q0E707B82000001010000G0PG30H36W82c264da32DW48b4e2DW446052DW4a3512DX12ea18b

[INSIDERS LOGIN](#)

search

NEWS | [Crime](http://insiderlouisville.com/tag/crime/), [Economy Inn](http://insiderlouisville.com/tag/economy-inn/), [Human Trafficking](http://insiderlouisville.com/tag/human-trafficking/), [Louisville Metro Police Department](http://insiderlouisville.com/tag/louisville-metro-police-department/)

JUNE 18, 2015 6:00 AM

<http://insiderlouisville.com/business/inside-economy-inn-documents-show-underage-prostitution-at-troubled-motel/print/>

Tweet 41 Like 1k

Inside the Economy Inn: Documents show underage prostitution at troubled motel

by Joe Sonka (<http://insiderlouisville.com/author/joe-sonka/>)



http://i1.wp.com/insiderlouisville.com/wp-content/uploads/2015/06/IMG_0145.jpg

Photo by Mark Metzger

For the past two years, Angel Bennett has seen just about everything at her job as third-shift front desk clerk of the Economy Inn, the troubled Bardstown Road motel that has earned a reputation as a haven for crime, specifically **drugs and prostitution** (<http://insiderlouisville.com/metro/communities/health-inspectors-visit-economy-inn-along-protesting-human-trafficking-property/>). But as a period of unusual media attention faded in recent weeks, she said, prostitution — including underage girls — at the motel increased, a trend that led her to finally resign from her job.



<http://louisville.nui.media/pipeline/3806/0/cj?ajkey=V12860D1D3DJ-573J810017621C7C9D8FEL462228L462226QI773C>

RECENT NEWS



[Ole opening Red Barn Kitchen](#)

http://insiderlouisville.com/lifestyle_culture/dining/mfamily-to-open-red-barn-barbecue-in-february/



[New director hired for food port project](#)
<http://insiderlouisville.com/business-port-leaders-hire-liaison-west-louisvi-residents-lead-capital-ky/>



[Rye partners open Galaxie](#)

http://insiderlouisville.com/lifestyle_culture/dining/rye-partners-open-galaxie-bar-nulu/

[MORE](#)
[HTTP://INSIDERLOUISVILLE.COM/CATEGORY](http://insiderlouisville.com/category)



Register Today and Get Free
"Insider Only" Newsletters!

Email *

Subscribe

In an extensive interview with Insider Louisville last week, Bennett shared memories and documentation from the Economy Inn showing that despite claims by owners and management that the days of filthy rooms, prostitution, drug use and sales are coming to an end, such incidents actually have accelerated over the past two months, since the motel [passed a public health inspection \(http://insiderlouisville.com/business/economy-inn-passes-health-inspection-will-remain-open/\)](http://insiderlouisville.com/business/economy-inn-passes-health-inspection-will-remain-open/) that could have shut it down.

Although Bennett said prostitution has always been present at the Economy Inn, she said she recently became alarmed as prostitutes at the motel kept getting younger — with several underage girls caught there in the past month. Management has turned a blind eye to the problem, according to Bennett, who provided documentation, including visitor logs, showing both an owner and general manager approved renting rooms to an underage prostitute and a person previously blocked from staying there due to criminal activity.

In the two-and-a-half-hour interview, Bennett painted a nightmarish picture of a motel that is filthy due to an apathetic housecleaning staff of drug addicts and thieves, as well as management and owners that are at best absentee, at worst complicit in creating a business that is built on the exploitation of the destitute.

"I've been there for two years, and when I first started working there, I really thought it was just the clientele," Bennett said. "But it is now taking on a life of its own, and now the ownership, they are just as responsible ... You can't tell me that they're ignorant to what's going on. They just want to take their money, and they don't care about the consequences."

Economy Inn owner Tony Yaldo did not return a voicemail IL left on his cell phone seeking comment on Bennett's allegations, and general manager Kelly Kado refused to speak with IL when contacted this week.

Louisville Metro Police, who in 2014 made an average of three runs to the Economy Inn per day, say they are aware of the problems there, but the city's limited public nuisance laws prevent them from working to contain the problem as a whole. Instead, they are essentially restricted to focusing on individual incidents.

Idealism turns to alarm

Bennett took the position as the 11 p.m. to 7 a.m. desk clerk at the Economy Inn two years ago, and while it didn't take long to see the warning signs, she stuck it out because she needed the job and the money. As a Christian, Bennett said she believed she could make a difference in the lives of residents who had fallen on hard times, once a significant portion of Economy Inn's clients. She bonded with Patsy Riley, a neighbor who did ministry work at the motel and provided families with food, clothes and rent money when they were in need.

"In the very beginning when I worked there, people were very interested in bettering their circumstances, whether it was in a deeper spiritual walk or just basic things like saving up to leave," said Bennett. "They really were attentive to the different ministry tools Patsy would bring in. She was so sweet, and if she could put up with the shenanigans, then so could I."

Bennett's idealism slowly faded as the motel dissolved into further chaos, led by a manager, Kelly Kado, who she said employed a staff of drug addicts who refused to even feign interest in keeping the rooms clean. Bennett said they also stole from the motel and clients. She said she saw mothers using their children to get (Patsy) to buy them groceries, only to turn around and sell the food for drugs.

Bennett said she finally came to her wits' end in May, after the motel passed its public health inspection with a 100 percent score, preventing the suspension of its operating license after multiple previous failing grades for health code violations. At that time, Bennett said many of the families who weren't involved in crime began to move out, and a bad element filled the void.

The incident that drove Bennett to begin planning her exit occurred in late May and involved underage prostitutes at the motel. Prior to her shift, two teenagers unsuccessfully tried to rent a room. A copy of an Economy Inn guestbook provided to IL shows a 37-year old woman — who was earlier seen with the girls — checked in later that night. Bennett said she told the woman that she would be evicted immediately if the girls were seen in her room, and the woman insisted they would not be with her.

When Bennett came back to work two days later, she was shocked to see what the clerks had documented in the intervening days. A copy of the file for the room reads: "Complaints about 16-year old out of this room soliciting." It also reads: "Owner witnessed guest solicit and pick up a man and take him back to her room."

That owner, Bennett said, is Tony Yaldo, who lives in Michigan but has spent more time at the motel since the Economy Inn's inspection trouble and increased scrutiny from local press and public officials. Yaldo owns the motel with his brothers. Bennett said other staff members



<http://louisville.nui.media/pipeline/38070/cj?ajkey=V1207A12207J-573J810017621C7C9D8FEL191517L195799QJ376>

MORE ON THIS TOPIC

[Magre files public nuisance ordinance \(http://insiderlouisville.com/metro/councilman-magre-files-ordinance-amending-citys-public-nuisance-cod-targeting-troubled-hotels/\)](http://insiderlouisville.com/metro/councilman-magre-files-ordinance-amending-citys-public-nuisance-cod-targeting-troubled-hotels/)

[Fern Valley Hotel shut down by city \(http://insiderlouisville.com/metro/fern-valley-hotels-operating-license-suspended-city-failing-follow-inspection-given-72-hours-vacate/\)](http://insiderlouisville.com/metro/fern-valley-hotels-operating-license-suspended-city-failing-follow-inspection-given-72-hours-vacate/)

[Economy Inn fails another inspection \(http://insiderlouisville.com/metro/communities/economy-inn-fails-another-city-inspection-served-notice-intent-suspend-operations/\)](http://insiderlouisville.com/metro/communities/economy-inn-fails-another-city-inspection-served-notice-intent-suspend-operations/)

FIND US ON FACEBOOK

18,068 people like this. Sign Up to see what your friends like.

confirmed to her that Yaldo saw all this happening and did nothing to intervene.

"When I got to work and saw that ... oh my God, I can't believe this," said Bennett. "That's when my brain just shut off and I said, 'I'm done.' I can't. I can have crazy crackheads cuss me out, I can have the meth addicts do that. But this is a whole new animal."

Bennett said she summoned the new security guard to see if the girls were still there and asked the guard to bring them to the office immediately. One of the girls, who was 17 years old, came to the front desk.

"I said to her that I'm not stupid, so let's cut to the chase," said Bennett. "I know what you're doing in this room, and I hope you understand what you're doing is illegal. And she said, 'Tony (Yaldo) said it was OK for us to stay.'"

Upon orders, the girls immediately left the motel.

According to copies of the motel logs which Bennett provided to IL, prostitution activity at the Economy Inn ramped up in the weeks before that incident. In early May, a suspected pimp and prostitute were kicked out. On May 13, a woman was kicked out who, according to the clerk, checked in and advertised herself for adult services on Backpage website — lots of traffic in and out of room. Not only that, Bennett said painters who were hired by the motel were among those seeking in and out of her room. She said the painters were eventually fired, though it was for alleged overcharging.

The following week, the logs show, another woman was kicked out for prostitution, and two days later, a man walking around in his underwear was propositioning girls for sex.

Two days after Bennett kicked the teenage girls out, another woman was evicted for prostitution, and a man was kicked out for having sex with a woman on the balcony outside his room.

Days later, the documents reveal, yet another underage teenage girl under suspicion of prostitution who was in an adult's room without permission was kicked out of the motel while Bennett was working. On the night of June 2, a security guard passed a room with a door open and saw a half-naked girl passed out on the bed, the contents of her purse scattered around the room. The guard and Bennett had difficulty waking the girl up and feared she had overdosed. But once she came to, she called the police and said the adult who put her in the room had robbed her and stolen her car.

The girl said she had no identification, but Bennett told IL the police later indicated they have had several run-ins with the girl and the man who rented the room, and that he had set her up in rooms for prostitution at other motels in the past. Bennett said the officer told her the girl is 17 years old.

Bennett worked her last day at the Economy Inn shortly thereafter.

At a protest in front of the Economy Inn in April, Crystal Bradley — who works at Boys and Girls Haven, a facility for abandoned, abused and neglected children just a five-minute walk from the motel — said their girls are often lured to the motel with drugs and become the victims of human trafficking. University of Louisville professor Theresa Hayden recently published a study showing that the Economy Inn's location is a hotspot for human trafficking and prostitution ads on websites such as Backpage.

On the day of the protest, Kado denied those charges to IL.



<http://1.wp.com/insiderlouisville.com/wp-content/uploads/2015/04/Screen-Shot-2015-04-20-at-11.42.25-AM.png>

Protesters of Economy Inn called out the motel's ties to human trafficking in April

<http://insiderlouisville.com/metro/communities/health-inspectors-visit-economy-inn-along-protesting-human-trafficking-property/>), saying: "I don't know where they come up with those human trafficking words. We have people living here for 10-20 years, and they've never seen that in their lives. I don't know where they come up with it, it's a bunch of lies."

In a March WDRB story (<http://www.wdrb.com/story/28593712/troubled-economy-inn-given-30-days-to-pass-inspection>), Kado said: "We don't have no more drug dealers here, we don't have prostitution here. We don't have these activities anymore."

Looking for a great business bank? Look no further.

Operating Lines of Credit
Commercial Real Estate Financing
Business Checking and Savings
Treasury Management Services
Equipment Loans and Leasing

REPUBLIC BANK
It's just easier here.

Click here for details

<http://louisville.nvi.media/pipeline/3808/0/cj?alkey=V12194DD30A1-573J8100I7621C7C9D8FE1459536L459534QI783C>

A public relations campaign

As they denied to the media the presence of drugs and prostitution at the motel, Economy Inn's owner and manager have touted the business as a force for social good in Louisville. Yaldo and Kado have claimed the motel provides affordable housing for poor families who would have nowhere else to go, and have said they encouraged Patsy Riley to tout her ministry work at the motel.

Riley's work was one of the reasons Bennett stayed at her job for so long, as Riley would regularly hold ministry events at the front of the motel that were approvingly cited (http://www.southeastoutlook.org/news/features/article_45c965a4-d8a0-11e4-9076-33028aab07e4.html) by the newspaper of Southeast Christian Church (http://www.southeastoutlook.org/news/top_stories/article_82a2fd3e-89f2-11e4-aefc-1fab3ff9353.html). Riley even led a counter-picket of the April 20 anti-human trafficking protest in front of the motel, claiming that shutting down the Economy Inn would also end their positive ministry efforts.

However, shortly after the Economy Inn passed its public health inspection, Bennett said motel management told the ministry volunteers they would have to start holding their events in the back of the motel.

"(Yaldo) said, 'I guess I better put you all back in the back since we passed the inspection. I don't really need you all out front because you're scaring off my customers that want to come party,'" said Bennett.

She added that Riley held her last formal Thursday night ministry last week, and that most of the families with children at the motel have moved out. Riley did not respond to a request for comment for this story.

"In my opinion, they used her as a front," said Bennett. "They wanted the community to see, 'Oh, we've got a ministry team here, and we're doing so much to help the community.' Everything Patsy did was honest, but I feel like they were playing her ... I used to tease Patsy that when God tells you that your time is done here, I might beat you out the door. Lo and behold, that's exactly how it worked out."

As for the low-income people staying permanently or semi-permanently at the Economy Inn, Bennett said they were used as well in the motel management's public relations campaign amid damaging reports in the media.

"Before the inspection, they had all of their full-time tenants write letters of appreciation, how this is their home," said Bennett. "Well, guess what they got as a thank you gift from the owners? They got their (weekly) rent raised a minimum \$50 and (management) didn't even give them notice."

Bennett said most of those families not involved in criminal activity have moved out of the motel within the past month, and people were lined up at a Salvation Army event weeks ago sharing their programs and offering a waiting list for housing assistance.

"A lot of that group is gone, because they finally got a clue and said they're not going to pay for one little room for \$1,000 a month," said Bennett. "But the people that keep coming back are the drug dealers and the prostitutes. Because the drug dealers are just making another drug sale, the prostitutes are just turning another trick."

Staff allegedly stealing from customers, allowing filth to persist in rooms

Bennett said the criminal activity at the Economy Inn doesn't just come from the customers but the staff as well.

On June 3, Quentelle Beard, a mother of four who was staying at the motel, had a child's piggybank containing roughly \$20 stolen from her room by a member of the housekeeping staff who was later caught at a nearby Thornton's trying to use the stolen money. The employee was fired but allowed to stay at the motel — where she lived — for another three days until her lease was up, according to Bennett. However, Beard and her family were immediately evicted from the room.

In an interview with IL, Beard confirmed Bennett's account of the incident.

"I feel like I was evicted because I called the police," said Beard. "(Kado) said you have too many people in your room, but that's not true, because I had a double room. They had no problem with me until I called the police. They wouldn't even give me my deposit back."

Bennett said for most of the time of her employment, she was the only Economy Inn employee who did not also live there. And of the employees who lived there, she said most of them were drug addicts, creating a codependent "indentured servitude" situation where employees couldn't

save enough to move out.

"I'm not trying to speak ill of anyone, but it's a fact, it's reality," said Bennett. "Alcoholism is the least of the problems. We're talking heroin, meth, everything under the sun. And I think they like to have this type of person in there ... to have their thumb on a person."

Bennett added that it was well known that housekeeping staff stole from customers' rooms, and management recently rehired an employee who had been fired for stealing more than \$1,000 from the cash register.

As for the housekeeping staff's performance cleaning rooms, Bennett said management's apathy has led to their failing Metro inspection scores and poor reputation. The motel's logbooks are filled with stomach-turning complaints from customers about dirty sheets and towels, filthy bathrooms, roaches and bedbugs. She said one customer threw sheets at her that were soaked in what she assumed was menstrual blood.

"When I first started working, the head of housekeeping would rather cut off her arm than to put a clean towel or change the bed in a room," said Bennett. "If I checked five people into a room, four of them would complain about dirty sheets."

Bennett said the same employee was demoted after the recent failed inspections, only to be put in charge of laundry, "which is like putting an alcoholic in charge of a bar."

'No re-rent list'

While Economy Inn's owner and manager have claimed the motel has no prostitution or drug problem, Bennett shared a copy of its "no re-rent list," which includes 76 people — 18 of whom are listed for prostitution, and 17 for drugs, with most overlapping. However, Bennett shared evidence that management disregards the list and rents to those individuals anyway.

http://i0.wp.com/insiderlouisville.com/wp-content/uploads/2015/06/IMG_01471.jpg

Photo by Mark Metzger

After a raucous party in early May in a room where none of the participants was registered, two individuals on the list for drug dealing and prostitution later tried to rent a room, but Bennett denied them. To her surprise, she discovered that one of the individuals had been able to rent a room in early June. A copy of motel records shows he was allowed to rent the room "per Mr. K," the manager Kado.

Bennett said this incident — as well as the one where Yaldo allegedly allowed the underage girls to continue soliciting — shows that the motel's problems go well beyond just the customers and housekeeping staff, but include the managers and owners, too.

Earlier this year, amid media scrutiny, Yaldo and Kado said they were prepared to make \$700,000 in renovations and repairs to the facility. Despite those promises, Bennett said such repairs have been both limited and shoddy. Work permits issued by Metro government in April show less than \$7,000 in planned repairs or upgrades.

Bennett said the motel's management originally hired local contractor A-OK Home Improvements, which recommended major renovations in order to correct many issues. However, Bennett said they were soon let go because management did not believe such work was necessary. Instead, she said they have relied on a crew from Michigan that is merely doing cosmetic repairs, such as laying new tile over old tile and painting over cracks without spackling.

A-OK Home Improvements did not return a request for comment.

"People are still complaining about low water pressure, no hot water, overflowing toilets that flush, then overflow again," said Bennett. "If you check the maintenance log, the work is assigned to hired maintenance staff, and I don't think any of them are certified."

Bennett also said management is violating Kentucky labor laws for the front desk clerks, as no one is allowed to take lunch breaks or two 10-minute breaks during their 8-hour shifts.

There is also the matter of whether employees are allowed or encouraged to call the police if they see a crime happening. Jonathan Funk, the late-shift front desk clerk before Bennett, told [WDRB](http://www.wdrb.com/story/28791062/economy-inn-running-out-of-time-to-clean-up-its-act) (<http://www.wdrb.com/story/28791062/economy-inn-running-out-of-time-to-clean-up-its-act>) in April, "under no circumstances were we allowed to call police," except if he was robbed.

Bennett said that while she worked there, it was never made explicit that she was prohibited from calling the police, but Kado would often complain when she did, telling her that she should have told him first so he could have handled it.

Motel log records show that criminal activity decreased once management hired off-duty LMPD officers for security at the height of media scrutiny earlier this year. However, Bennett said they stopped using the officers soon after the Economy Inn passed its public health inspection in late April, which coincided with the sharp increase in criminal activity. Bennett said she overheard Kado telling an officer around this time that the motel's proximity to two Thornton's gas stations was the reason for crime in the area, that they don't have any prostitution, and that they have an attorney on a million-dollar retainer who would prevent them from ever being shut down.

The Economy Inn has long allowed LMPD officers to review its guest list to check for people who have outstanding warrants, though Bennett said she increasingly heard feedback from such individuals arrested at the motel, complaining that "everybody knows this is the place we go when we're trying to lay low."

Ultimately, Bennett said the Yaldo brothers, who own the Economy Inn, have made themselves millionaires by feeding off people in desperate situations — even down to their often-broken vending machine that people still throw their money away on, if they don't receive a candy bar covered in mold.

"All of us could be making millions of dollars if we were building our empire on the backs of human depravity," said Bennett. "I'm an American, I understand this country was built on capitalism, and I'm all for independent businesses. But I would never try to build a business based on taking advantage of people in a derelict situation. That, to me, is what this boils down to."

Police response restricted by nuisance laws

"The Economy Inn is a major concern to us," said Major LaVita Chavous, commander of the LMPD's Sixth Division, where the motel is located. "I don't know if I would say that things have increased, but I think that the different types of crimes that we've had there have continued in spite of our efforts to decrease it."

While Chavous told IL that the motel "has become a public nuisance," it is not a public nuisance in the legal sense, which is why the owners haven't been fined or forced to close its doors. For motels and hotels, the city's public nuisance laws only apply to repeated violations at a single room, not the entire property of the facility and its owner.

Asked if the city should change its public nuisance ordinances to apply to an entire hotel for repeated violations, Chavous said: "We don't have any formal position, but with anything that would help us do our job better, we'll be supportive of that."

Metro Councilman Steve Magre, D-10, who has [led the charge to shut down the Economy Inn](http://i0.wp.com/insiderlouisville.com/wp-content/uploads/2015/03/Screen-Shot-2015-03-16-at-11.57.46-AM.png) (<http://insiderlouisville.com/business/councilman-calls-shutting-economy-inn-whether-department-health-suspends-permit-not/>) since he took office earlier this year, is looking to make such a change.

Councilman Steve Magre, D-10

Responding to the complaints of motel neighbors frustrated by crime spilling over into their neighborhoods, Magre is now working with Assistant County Attorney Paul Whitty to draft an ordinance that is more effective in holding the owners of a motel or hotel accountable.

"The purpose of a nuisance law is to ultimately hold the owners as responsible for not making changes in oversight and for allowing the nuisance activities to occur over and over again," said Magre, adding that "the current ordinance is just not getting the job done, and its ineffectiveness is broader than just the Economy Inn."

Magre said this is just one of the approaches that lawmakers in [Columbus, Ohio](http://www.thisweeknews.com/content/stories/northland/news/2015/03/16/liaisons-motel-closings-proved-helpful-for-area-businesses.html) (<http://www.thisweeknews.com/content/stories/northland/news/2015/03/16/liaisons-motel-closings-proved-helpful-for-area-businesses.html>), have taken in recent years to shut down four hotels that were notorious for violence, drugs and prostitution. "A revamp of laws the police can use must be a top priority, be it at the Metro Council or in Frankfort," he said.

Magre added that prostitution laws are also difficult to enforce, passing along a statistic from LMPD that would be hard for the Economy Inn's neighbors and staff to believe: Only one prostitution arrest has ever taken place at the motel.

Major Chavous of LMPD said underage prostitution would definitely fall under the category of human trafficking, and while Economy Inn management still allows the LMPD to check its guestbook logs daily, recent comments from former employees saying they were discouraged from calling the police is concerning.

"I think the management is committed (to working with police), because the spotlight is on them at this point," said Chavous. "But I'm not sure that there's been a consistent commitment."