



**OFFICE OF STATE ETHICS**

DOCKET NUMBER 2021-04 : OFFICE OF STATE ETHICS  
IN THE MATTER OF A : 165 CAPITOL AVENUE  
COMPLAINT AGAINST : HARTFORD, CT 06106  
ERIK JOHNSON : SEPTEMBER 2, 2021

**STIPULATION AND CONSENT ORDER**

Pursuant to the Code of Ethics, General Statutes §§ 1-79, *et seq.*, Mark Wasielewski, Ethics Enforcement Officer, filed a Complaint against Erik Johnson (hereinafter “Johnson” or “Respondent”), alleging violations of the Code of Ethics. Based on the investigation by the Enforcement Division of the Office of State Ethics (“OSE”), the OSE finds that there is probable cause to believe that the Respondent violated General Statutes § 1-84b (g) of the Code of Ethics, as further set forth herein.

The Parties have entered into this Consent Order following the issuance of the Complaint, but without any adjudication of any issue of fact or law herein.

## I. STIPULATION

The Ethics Enforcement Officer and the Respondent stipulate to the following facts:

1. From on or around November 26, 2018 through on or around July 2, 2020, the Respondent held the appointed position of Member of the Board of Directors of the Capital Region Development Authority (“CRDA”).
2. The CRDA is a quasi-public agency, as defined in General Statutes section 1-79 (12), whose mission is, in part, to stimulate new investment and economic development within the capital region; to encourage residential housing development within the region; and to develop and redevelop property to attract and retain businesses within the region. General Statutes § 32-602.
3. The Respondent was appointed as a Member of the CRDA Board and held that position by virtue of his employment with the City of Hartford, pursuant to General Statutes § 32-601 (b) (2).
4. As a Member of the CRDA Board, the Respondent was a “public official” as that term is defined by General Statutes § 1-79 (11).
5. In his official capacity, as a Member of the CRDA Board, on or about November 21, 2019, the Respondent took part in deliberations and voted on a resolution to authorize the CRDA to enter into a loan agreement to restructure an existing state development loan and to create a new entity in which the CRDA would have an equity interest, in exchange for releasing a second mortgage and obligations on the existing loan (“Agreement”).
6. The Agreement was a “contract” for purposes of General Statutes § 1-84b (g).

7. By taking part in CRDA Board deliberations and casting a vote on the resolution authorizing the Agreement, the Respondent participated substantially in the negotiation and/or award of a state contract.

8. On December 16, 2019, the CRDA entered into the Agreement with several parties, including an investment firm which is a wholly owned subsidiary (the “subsidiary”) of a New York business located in Brooklyn, New York (the “Brooklyn business”).

9. Under the Agreement, the subsidiary held an equity interest in the new entity and the Brooklyn business was designated as a Member Manager and would receive distributions through said subsidiary.

10. The Agreement was valued at fifty thousand dollars (\$50,000.00) or more.

11. On or around July 2, 2020, the Respondent ended his term as a Member of the CRDA Board.

12. On or around September 3, 2020, the Respondent, on behalf of a consulting firm owned by the Respondent and his spouse, sought and entered into a consulting agreement with the Brooklyn business under which the consulting firm would provide consulting services to the Brooklyn business for a period of six months in exchange for financial compensation (“Consulting Agreement”).

13. By entering into the Consulting Agreement, the Respondent sought and accepted employment with the Brooklyn business less than one year after the Agreement was executed.

14. Pursuant to General Statutes § 1-84b (g):

No member or director of a quasi-public agency who participates substantially in the negotiation or award of a contract valued at an amount of fifty thousand dollars or more, or who supervised the negotiation or award of such a contract, shall seek, accept, or hold employment with a party to the contract for a period of one year after the signing of the contract.

15. By seeking and/or accepting employment with a party to a state contract valued at fifty thousand dollars (\$50,000.00) or more, within one year of the signing of said contract, after he participated substantially in the negotiation and/or award of said contract, as described in the paragraphs above, the Respondent violated General Statutes § 1-84b (g).

16. The Respondent admits to the foregoing facts and admits that the foregoing facts constitute a violation of the Code of Ethics.

## **II. RESPONDENT'S POSITION**

1. The Respondent states that, when he left his position as Director of Economic Development for the City of Hartford, he was unaware of the revolving door provisions in the state Code of Ethics and their application to his future employment and, upon consultation with the City of Hartford staff, believed there were no restrictions that would apply to his future employment.

2. The CRDA did not inform or otherwise advise the Respondent about the revolving door provisions specifically or the State Code of Ethics in general during his service on the Board or upon his departure from his role with the city and his attendant role on the CRDA Board.

3. On or around mid-September 2020, the Respondent was notified by the CRDA that he was required to file a statement of financial interest with the Office of State Ethics. After this notification, the Respondent and the Brooklyn Business suspended the Consulting Agreement and requested advice from the Legal Division of the Office of State Ethics as to whether this employment agreement with the Brooklyn Business would be permissible.

4. The Respondent and the Brooklyn Business ultimately terminated the Consulting Agreement. The Consulting Agreement was terminated prior to any compensation being paid to the Respondent.

### **III. JURISDICTION**

1. The Ethics Enforcement Officer is authorized to investigate the Respondent's acts as set forth herein, and to enter into this Stipulation and Consent Order.

2. The provisions of this Stipulation and Consent Order apply to and are binding upon the Respondent.

3. The Respondent hereby waives all objections and defenses to the jurisdiction of the Ethics Enforcement Officer over matters addressed in this Stipulation and Consent Order.

4. The Respondent waives any rights he may have under General Statutes §§ 1-80, 1-82, 1-82a, 1-87 and 1-88, including the right to a hearing or an appeal in this case, and agrees with the Ethics Enforcement Officer to the informal disposition of this matter as authorized by General Statutes § 4-177 (c).

5. The Respondent consents to jurisdiction and venue in the Connecticut Superior Court, Judicial District of Hartford, in the event that the State of Connecticut seeks to enforce this Stipulation and Consent Order. The Respondent recognizes that the Connecticut Superior Court has the authority to specifically enforce the provisions of this Stipulation and Consent Order, including the authority to award equitable relief.

6. The terms set forth herein are in addition to, and not in lieu of, any other existing or future statutory, regulatory, or other legal obligation that may be applicable to the Respondent.

7. The Respondent understands that he has a right to counsel and has been represented by counsel during the OSE's investigation and in connection with this Stipulation and Consent Order.

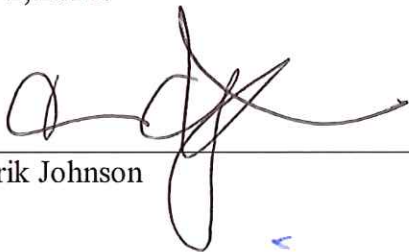
**IV. ORDER**

NOW THEREFORE, pursuant to General Statutes § 4-177 (c), the Office of State Ethics hereby ORDERS, and the Respondent Erik Johnson agrees, that:


1. Pursuant to General Statutes § 1-88 (a) (1), the Respondent will cease and desist from any future violation of General Statutes § 1-84b (g).
2. Pursuant to General Statutes § 1-88 (a) (3), the Respondent will pay a civil penalty to the State in the amount of two thousand five hundred dollars (\$2500.00) for his violation of General Statutes § 1-84b (g) as set forth in the Complaint and herein.

WHEREFORE, the Ethics Enforcement Officer and the Respondent hereby execute this Stipulation and Consent Order dated September 2, 2021.

Dated: 9/7/2021

  
\_\_\_\_\_  
Erik Johnson

Dated: 9-21-21

  
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Ethics Enforcement Officer  
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