

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
v.)	
)	COMPLAINT
)	
WHPC-DWR, LLC; CARDINAL)	JURY TRIAL DEMANDED
CAPITAL MANAGEMENT, INC.; and)	
DEE LUEBKE,)	
)	
Defendants.)	

The Plaintiff, the United States of America, for its Complaint against Defendants, by and through undersigned counsel, alleges as follows:

NATURE OF ACTION

1. This action is brought by the United States on behalf of Richard Singsime to enforce the provisions of Title VIII of the Civil Rights Act of 1968 (the “Fair Housing Act”), as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601 et seq.

JURISDICTION & VENUE

2. This Court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3612(o). Venue is proper in this judicial district pursuant to 42 U.S.C. § 1391(b) and 42 U.S.C. § 3612(o) because the events giving rise to the United States’ claims occurred in this judicial district, and they concern or otherwise relate to real property located in this judicial district.

SUBJECT PROPERTY

3. Village Square Apartments, located at 204 Madison, Walworth, Wisconsin (the “Subject Property”) is a dwelling within the meaning of 42 U.S.C. § 3602(b). The Subject Property has a project-based Section 8 Housing Assistance Program contract with the United States Department of Housing and Urban Development (“HUD”), and all of the units at the Subject Property are subsidized.

DEFENDANTS

4. Defendant Dee Luebke has participated in the management, operation, and/or rental of dwelling units at the Subject Property. During part or all of the time period between September 2008 and November 2009, Defendant Luebke was an employee of Defendant Cardinal Capital Management, Inc., and in the course of that employment, she engaged in the management, operation, and/or rental of dwelling units at the Subject Property. During the time period of Ms. Luebke’s employment with Defendant Cardinal Capital Management, Inc., Defendant Cardinal Capital Management, Inc. had the right to exercise control over Defendant Luebke’s management, operation, and/or rental of dwelling units at the Subject Property. During part or all of the time period between September 2008 and November 2009, Defendant Luebke was an agent of Defendant WHPC-DWR, LLC, and in the course of that agency, she engaged in the management, operation, and/or rental of dwelling units at the Subject Property.

5. Defendant WHPC-DWR, LLC is a Wisconsin limited liability company with its principal place of business in Madison, Wisconsin. WHCP-DWR, LLC is the owner of the Subject Property and/or was the owner of the Subject Property between September 2008 and November 2009. During part or all of the time period between September 2008 and November 2009, Defendant WHPC-DWR, LLC was engaged in or had the right to engage in the

management, operation, and/or rental of dwelling units at the Subject Property. During part or all of the time period between September 2008 and November 2009, Defendant Cardinal Capital Management, Inc. served as an agent for Defendant WHPC-DWR, LLC in the property management of the Subject Property. During part or all of the time period between September 2008 and November 2009, Defendant WHPC-DWR, LLC engaged in or had the right to engage in the exercise of control over its agent, Defendant Cardinal Capital Management, Inc., in the property management of the Subject Property. During part or all of the time period between September 2008 and November 2009, Defendant WHPC-DWR, LLC engaged in or had the right to engage in the exercise of control over Defendant Luebke in the property management of the Subject Property.

6. Defendant Cardinal Capital Management, Inc. is a Wisconsin corporation with its principal place of business in Milwaukee, Wisconsin. During part or all of the time period between September 2008 and November 2009, Defendant Cardinal Capital Management, Inc. served as a property management company for the Subject Property. During part or all of the time period between September 2008 and November 2009, Defendant Cardinal Capital Management, Inc., as an agent of Defendant WHPC-DWR, LLC, submitted to the control of WHPC-DWR, LLC in the management and/or operation of the Subject Property, or submitted to Defendant WHPC-DWR, LLC's right to control Cardinal Capital Management, Inc.'s management and/or operation of the Subject Property. During part or all of the time period between September 2008 and November 2009, Defendant Cardinal Capital Management, Inc. had the right to exercise control over Defendant Luebke's management of the Subject Property.

FACTUAL ALLEGATIONS

7. Richard Singsime currently is a 52-year old man who lives in Elkhorn, Wisconsin. During the time period between September 2008 and November 2009, Mr. Singsime was a person with a disability within the meaning of the Fair Housing Act, 42 U.S.C. § 3602(h). During that time period, Mr. Singsime had several conditions in his legs and in his back that substantially limited his ability to walk without difficulty and without great pain. During that time period, Mr. Singsime was receiving Social Security Disability Income (“SSDI”) benefits and had a disabled parking permit for his vehicle. During that time period, Singsime had neuropathy and peripheral artery disease in his legs. He also suffered from osteoarthritis and had a degenerative disc in his back. He was in great pain when he walked, and he could only walk short distances with the assistance of a mobility aid. He needed to take pain medication and to ice his legs after walking to control the pain.

8. Between September 2008 to November 2009, Mr. Singsime owned a vehicle and used it to, among other things, attend doctors’ appointments, pick up prescription medication, and purchase food and other necessities. Mr. Singsime did not take pain medication before operating his vehicle. His practice was to operate his vehicle in the morning, and immediately upon returning to his unit, take pain medication and ice his legs. Mr. Singsime has had a disabled parking permit for his vehicle for approximately seven years.

9. Mr. Singsime met with Defendant Dee Luebke about renting a unit at the Subject Property in or about September 2008. At that meeting, Ms. Luebke verified that Mr. Singsime received SSDI benefits, and she saw Mr. Singsime wearing leg braces and using a cane when he ambulated. At the conclusion of the meeting, Ms. Luebke offered Mr. Singsime an apartment on

the first floor at the Subject Property. Ms. Luebke stated the unit would be best for him because it was near a dumpster, and had an emergency exit door across from the unit that Mr. Singsime could use to let out his dog.

10. After the meeting with Ms. Luebke, Mr. Singsime drove to the Subject Property and saw that the property contained a space near the building entrance with a sign reserving it for persons with disability parking permits. Based on the reserved disabled parking space and on Ms. Luebke's representations about the dumpster and emergency exit being close to the unit entrance, Mr. Singsime decided to move to the Subject Property.

11. Between September 2008 and November 2009, the Subject Property contained 12 resident parking spaces. The space closest to the building entrance (hereinafter referred to as "Spot 12") had a sign stating "RESERVED PARKING." The sign also stated that persons parking in that spot were required to have a disabled parking permit. Spot 12 also had a "handicap" symbol painted on the asphalt inside the parking space area. The space next to spot 12 did not have a reserved-parking sign, but it had a "handicap" symbol painted on the asphalt inside the parking space area. Between September 2008 and November 2009, the space next to Spot 12 was nearly always occupied during the day. No other parking space at the Subject Property had a reserved-parking sign, "handicap" symbols, or other "handicap" markings. Between September 2008 and November 2009, all 18 units at the Subject Property were occupied, and during this time period, only nine residents at the Subject Property owned vehicles, including Mr. Singsime.

12. Mr. Singsime moved to the Subject Property in or about October 2008, and he began to park his vehicle in Spot 12. After a few weeks, Defendant Luebke told Mr. Singsime

that he could not park in Spot 12 because it was reserved for persons picking up and dropping off residents. Mr. Singsime asked Ms. Luebke to reconsider her decision and to let him use that spot because he needed it because of his disability. Ms. Luebke refused to reconsider her decision and told Mr. Singsime to move his vehicle to a spot on the other side of the parking lot that was substantially farther away from the building entrance. Mr. Singsime complied with Ms. Luebke's demand, and he moved his vehicle to that spot. As he walked to his vehicle to move it, Ms. Luebke witnessed Mr. Singsime walk with a cane and shuffle as he walked.

13. Mr. Singsime asked Ms. Luebke on two more occasions to reconsider her decision and to let him have a closer spot to the building entrance, with his preference being Spot 12. On both occasions, Ms. Luebke told Mr. Singsime that it was management's policy that Spot 12 was reserved for pick ups and drop offs, and she refused to grant Mr. Singsime an assigned parking space near the building entrance.

14. Mr. Singsime did not park in Spot 12 after Ms. Luebke told him he could not park there. From that time on, Mr. Singsime parked in the area Ms. Luebke told him to park, which was on the other side of the parking lot and which was substantially farther away from the building entrance than was Spot 12. Mr. Singsime experienced extreme pain in his legs and feet when he had to walk the extra distance from the parking space on the far side of the parking lot to his unit. In or about December 2008, Mr. Singsime fell on ice when crossing the parking lot to reach his vehicle. Mr. Singsime was injured and was treated at the emergency room. Mr. Singsime's inability to use Spot 12, or to have an assigned spot closer to the building entrance, denied him an equal opportunity to use and enjoy his dwelling unit.

15. In November 2009, Mr. Singsime was no longer able to bear the pain caused by not being able to park near the building entrance. Mr. Singsime also was afraid the he would fall again and injure himself walking across the parking lot once the weather became cold. As of November 2009, Defendants still had not permitted Mr. Singsime to use Spot 12 or granted him an assigned parking space near the building entrance. Because of his disability, and because of Defendant's refusal to provide Mr. Singsime with a parking space near the building entrance, as he had repeatedly requested, Mr. Singsime was unable to continue living at the Subject Property. In November 2009, Mr. Singsime moved out of the Subject Property.

16. Defendants would not have suffered an undue burden by granting Mr. Singsime's request because, among other things, the Subject Property had 12 resident parking spaces, and only nine residents owned vehicles between September 2008 and November 2009.

17. After Defendants failed to grant his request for a parking spot near the building entrance, Mr. Singsime filed a timely housing discrimination complaint with HUD on November 3, 2008, alleging discrimination in violation of the Fair Housing Act, on the basis of a failure to make a reasonable accommodation.

18. Pursuant to the requirements of 42 U.S.C. §§ 3610(a) and (b), the Secretary of HUD conducted and completed an investigation of the complaint, attempted conciliation without success, and prepared a final investigative report. Based on the information gathered in the investigation, the Secretary, pursuant to 42 U.S.C. § 3610(g)(1), determined that reasonable cause existed to believe that discriminatory housing practices had occurred. Accordingly, on or about June 7, 2010, the Secretary issued a Charge of Discrimination ("the Charge") pursuant to

42 U.S.C. § 3610(g)(2)(A), charging Defendants with engaging in discriminatory housing practices in violation of the Fair Housing Act.

19. On June 14, 2010, Mr. Singsime made a timely election to have the claims asserted in HUD's Charge of Discrimination decided in a civil action pursuant to 42 U.S.C. § 3612(a).

20. On June 14, 2010, the Chief Administrative Law Judge issued a Notice of Election and terminated the administrative proceeding on the complaint filed by Mr. Singsime.

21. Following this Notice of Election, the Secretary of HUD authorized the Attorney General to commence a civil action, pursuant to 42 U.S.C. § 3612(o).

FAIR HOUSING ACT CLAIMS

22. Plaintiff re-alleges and hereby incorporates by reference all allegations set forth in paragraphs 1-21, above.

23. Defendants, through the actions referred to above, have:

a. discriminated against Richard Singsime in making unavailable or in denying a dwelling because of a handicap of a renter, in violation of 42 U.S.C. § 3604(f)(1);

b. discriminated against Richard Singsime in the terms, conditions, or privileges of rental of a dwelling or in the provision of services of facilities in connection with such dwelling because of his handicap, in violation of 42 U.S.C. § 3604(f)(2); and

c. refused to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be

necessary to afford Richard Singsime, a person with a disability, equal opportunity to use and enjoy a dwelling, in violation of 42 U.S.C. § 3604(f)(3)(B).

24. Richard Singsime is an aggrieved person, as defined in 42 U.S.C. § 3602(i), and has suffered damages as a result of Defendants' discriminatory conduct as described above.

25. The discriminatory actions of Defendants were intentional, willful, and taken in disregard for the rights of Richard Singsime.

WHEREFORE, the United States of America prays for relief as follows:

A. Jury trial.

B. A declaration that the conduct of Defendants as set forth above violates the Fair Housing Act, as amended, 42 U.S.C. §§ 3601, et seq.

C. An injunction against Defendants, their agents, employees, and successors, and all other persons in active concert or participation with any of them, from discriminating on the basis of disability in violation of the Fair Housing Act, as amended, 42 U.S.C. §§ 3601, et seq.

D. An award of monetary damages to Richard Singsime, pursuant to 42 U.S.C. §§ 3612(o)(3) and 3613(c)(1).

The United States further prays for such additional relief as the interests of justice may require.

Dated: July 14, 2010

JAMES L. SANTELLE
United States Attorney
Eastern District of Wisconsin

LENNIE A. LEHMAN
Assistant United States Attorney
Office of the United States Attorney
Eastern District of Wisconsin
517 East Wisconsin Avenue, Suite 530
Milwaukee, Wisconsin 53202
Wis. Bar No. 1014711
Tel.: (414) 297-1700
Fax: (414) 297-1738

ERIC H. HOLDER
Attorney General

s/ Thomas E. Perez
THOMAS E. PEREZ
Assistant Attorney General

s/ Steven H. Rosenbaum
STEVEN H. ROSENBAUM
Chief

s/ Ryan G. Lee
TIMOTHY J. MORAN
Deputy Chief
RYAN G. LEE
Trial Attorney
United States Department of Justice
Civil Rights Division
Housing and Civil Enforcement Section
950 Pennsylvania Avenue, NW
Northwestern Building, 7th Floor
Washington, DC 20530
Wis. Bar No. 1041468
Tel.: (202) 305-3109
Fax: (202) 514-1116