

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA,

Plaintiff,

Case No. 21-cv-1432

v.

CHAD EILMAN,
JEFFREY EILMAN, and
CHRISTINE NEIGUM,

Defendants.

CONSENT ORDER

INTRODUCTION

The United States filed a Complaint in this action on December 16, 2021, to enforce the provisions of the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, 42 U.S.C. §§ 3601 to 3631 (“Fair Housing Act”).

1. The United States filed this action on behalf of Complainant Angela McLean in accordance with 42 U.S.C. § 3612(o).
2. Angela McLean applied to rent an apartment at Sleepy Hollow Apartments, which are located at 830, 838, and 842 Forest Court in Oconomowoc, Wisconsin 53066. Sleepy Hollow Apartments is a twenty-four-unit apartment complex with three buildings and eight units per building.

3. At all times relevant to the Amended Complaint, Defendants owned Sleepy Hollow Apartments and Defendant Mr. Chad Eilman managed Sleepy Hollow Apartments.
4. The United States' Amended Complaint alleges, but the Defendants specifically deny, that Defendants:
 - a. Discriminated in the rental, or otherwise made unavailable or denied, a dwelling to a renter on the basis of the disability of that renter, in violation of 42 U.S.C. § 3604(f)(1)(A);
 - b. Discriminated in the terms, conditions, or privileges of the rental of a dwelling, or in the provision of services or facilities in connection therewith, on the basis of disability, in violation of 42 U.S.C. § 3604(f)(2);
 - c. Failed to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may have been necessary to afford such person equal opportunity to use and enjoy a dwelling, in violation of 42 U.S.C. § 3604(f)(3)(B); and
 - d. Made statements with respect to the rental of a dwelling that indicated a preference, limitation, or discrimination on the basis of disability or an intention to make any such preference, limitation, or discrimination, in violation of 42 U.S.C. § 3604(c).
5. Plaintiff, the United States of America, and Defendants (collectively "the parties") agree that, to avoid costly and protracted litigation, the claims against Defendants should be resolved without further proceedings or a trial. Agreeing to the terms of this Consent Order is not to be construed as an admission of liability, and liability is expressly denied by the Defendants. Defendants do not admit to violating the Fair

Housing Act. This Consent Order resolves any and all claims against Defendants in the amended complaint and that are related to the allegations made in the amended complaint.

GENERAL INJUNCTION

It is hereby STIPULATED, ADJUDGED, and ORDERED as follows:

6. This Court has jurisdiction over the subject matter of the action pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. § 3612(o).
7. Defendants, their agents, their employees, and all others in active concert or participation with them, will not discriminate on the basis of a disability as prohibited by the Fair Housing Act, and are hereby enjoined from:
 - a. Discriminating on the basis of disability, in violation of 42 U.S.C. § 3604(f)(1);
 - b. Discriminating in the terms, conditions, or privileges of rental of a dwelling, or in the provision of services or facilities in connection with such a dwelling, because of a disability, or because of the disability of someone associated with that person, in violation of 42 U.S.C. § 3604(f)(2);
 - c. Refusing to make reasonable accommodations in rules, policies, practices, or services when such accommodations may be necessary to afford an equal opportunity to use and enjoy a dwelling, in violation of 42 U.S.C. § 3604(f)(3)(B); and
 - d. Making statements with respect to the rental of a dwelling that indicated a preference, limitation, or discrimination on the basis of disability or an intention to make any such preference, limitation, or discrimination, in violation of 42 U.S.C. § 3604(c).

POLICY CONCERNING REQUESTS FOR ASSISTANCE ANIMALS

8. Within 30 days of the entry of this Consent Order, Defendants shall adopt the assistance animal policy (“New Policy”) set forth in Appendix A for implementation at all dwellings owned or managed by Defendants.
9. The New Policy, once adopted, shall supersede all existing policies, procedures, and resolutions concerning or affecting approval of reasonable accommodations involving assistance animals at dwellings owned or managed by Defendants.
10. No later than 14 days after adoption of the New Policy, Defendants shall apprise each of their employees, agents, and any other persons responsible for the rental of units at Sleepy Hollow Apartments of each person’s obligations under this Consent Order, including but not limited to the New Policy, and under the Fair Housing Act.

Defendants shall provide a copy of this Consent Order to each such employee, agent, or other person. Each employee, agent, or other person covered by this paragraph shall sign a statement in the form of Appendix B acknowledging that he or she has received and read the Consent Order, stating that he or she understands the Consent Order, and declaring that he or she will perform his or her duties in accordance with this Consent Order and the Fair Housing Act.
11. During the term of this Consent Order, new employees, agents, and any other persons responsible for the rental of units at Sleepy Hollow Apartments shall (a) be apprised of the contents of this Consent Order, including but not limited to the New Policy, and of their obligations under the Fair Housing Act, when their term, employment, or agency commences; (b) be given copies of this Consent Order and the New Policy; and (c)

execute the statement contained in Appendix B no later than 5 days following their first day of employment.

12. No later than 14 days after adoption of the New Policy, Defendants shall apprise each of their employees, agents, and any other persons responsible for the rental of units at all dwellings owned or managed by Defendants, with the exception of Sleepy Hollow Apartments, of the New Policy. Defendants shall provide a copy of the New Policy to each such employee, agent, or other person. Defendants shall notify the United States within 7 days of when they have provided a copy of the New Policy to each such employee, agent, or other person.

REPORTING AND RECORD KEEPING

13. Defendants shall notify and provide documentation to the United States of the following events within 14 days of their occurrence:
 - a. The adoption, in accordance with Part III of this Consent Order, of the New Policy;
 - b. The implementation of any change to the New Policy.
 - c. Any denial of a request for a reasonable accommodation involving an assistance animal at Sleepy Hollow Apartments, including the requester's name, address, email, and telephone number, the date of the request, the details of the request, and the written explanation provided to the requester for denying the request;
 - d. Any conditions proposed or imposed by Defendants on a tenant or prospective tenant of Sleepy Hollow Apartments who keeps or requests to keep an assistance animal, including the resident's name, e-mail, address, and telephone number, and the details of the request and the reason(s) for any proposed conditions; and

- e. Any written or oral complaint against Defendants regarding discrimination on the basis of disability at Sleepy Hollow Apartments, including a copy of the written complaint itself or a written summary of an oral complaint, and the name, address, e-mail and telephone number of the complainant. Defendants shall also promptly provide the United States with information concerning resolution of the complaint.
- 14. While this Consent Order remains in effect, Defendants shall preserve all records relating to their obligations under this Consent Order. Representatives of the United States shall be permitted, upon providing reasonable notice to Defendants, to inspect and copy at reasonable times any and all records related to Defendants' obligations under this Consent Order.

RELIEF FOR COMPLAINANT ANGELA MCLEAN

- 15. Within 21 days of the entry of this Consent Order, Auto Owners Insurance Company, the insurance carrier for the Defendants, shall deliver to the United States a check made payable to Angela McLean in the amount of \$33,250.00. Such check shall fully satisfy any and all claims made by Ms. McLean against Defendants relating to the events giving rise to this lawsuit or Ms. McLean's application for tenancy at Sleepy Hollow Apartments.
- 16. As a prerequisite to receiving payment pursuant to Paragraph 15, Ms. McLean shall execute a Full Release of All Claims, legal or equitable, that she may have against Defendants relating to all of her claims asserted in this lawsuit or her application for tenancy at Sleepy Hollow Apartments. This release shall take the form of Appendix C

to this Consent Order. The United States shall deliver the signed release to counsel for Defendants.

17. In consideration of the resolution of the claims stated herein and the release of claims to be executed by Ms. McLean, Defendants release all claims against Ms. McLean stemming from her application for tenancy at Sleepy Hollow Apartments.

JURISDICTION, DURATION, AND SCOPE

18. This Consent Order is effective immediately upon its entry by the Court, and shall remain in effect for two years from the date of its entry.
19. This action, the complaint, and any amendments to the complaint are dismissed with prejudice, however, the Court shall retain jurisdiction to enforce and modify the terms of this Order until two years from the date of entry of the Consent Order.
20. The United States may move the Court to extend the period in which this Consent Order is in effect if the United States believes it is likely that Defendants violated one or more terms of the Consent Order or if the interests of justice so require to effectuate the rights and obligations arising from this Consent Order.
21. Any time limits for performance of the terms imposed by this Consent Order may be extended by mutual written agreement of the parties.
22. The terms of this Consent Order shall not be modified, revised, or altered unless mutually agreed upon in writing by the parties and approved by the Court.
23. The parties shall endeavor in good faith to resolve informally any differences regarding interpretation of and compliance with this Consent Order prior to bringing such matters to the Court for resolution. However, in the event Defendants fail to perform in a timely manner any act required by this Consent Order or act in violation of any provision of

this Order, the United States may move the Court to impose any remedy authorized by law or equity, including, but not limited to, an order requiring performance or non-performance of certain acts and an award of damages, costs, and reasonable attorney's fees that may have been occasioned by Defendants' violation or failure to perform.

24. The United States may take steps to monitor Defendants' compliance with the Agreement, including conducting fair housing tests as currently permitted by law at Sleepy Hollow Apartments.
25. If, at any time before the expiration of this Consent Order, Defendants sell or otherwise relinquish their interest and management responsibilities at Sleepy Hollow Apartments to a bona fide, independent, third-party in an arms-length transaction,¹ their obligations under this Consent Order, except for Paragraphs 15–17, shall cease.
26. If, at any time while this Consent Order remains in effect, Defendants maintain that their obligations under this Consent Order have terminated or changed because they have relinquished, sold, or transferred their management duties or interest in Sleepy Hollow Apartments to a bona fide third party in an arms-length transaction, Defendants shall inform the United States within 30 days of the transaction and provide the date of the sale or transfer, copies of the sale or transfer documents, and the name(s) and contact information of the transferee.

¹ For purposes of this Consent Order, “arms-length transaction” is defined as a transaction that has been arrived at in the marketplace between independent, non-affiliated persons, unrelated by blood or marriage, with opposing economic interests regarding that transaction.

27. If any transfer of interest in Sleepy Hollow Apartments is not an arms-length transaction, Defendants shall remain jointly and severally liable, along with the transferee, for any violations of this Consent Order.

COSTS OF LITIGATION

28. Except as provided for in Paragraph 23, all parties shall be responsible for their own attorney's fees and costs associated with this action.

TERMINATION OF LITIGATION HOLD

29. The parties agree that, as of the effective date of this Consent Order, litigation is not "reasonably foreseeable" concerning the matters described in the United States' Complaint. To the extent that any of the parties previously implemented a litigation hold to preserve documents, electronically stored information (ESI), or things related to the matters described in the Complaint, they are no longer required to maintain such a litigation hold. Nothing in this paragraph relieves any of the parties of any other obligations imposed by this Consent Order.

IT IS SO ORDERED:

This 25th day of August, 2023.

A handwritten signature in blue ink, appearing to read "J.P. Stadtmueller", is written over a horizontal line.

Hon. J.P. Stadtmueller
United States District Judge

Dated: August 16, 2023

Attorneys for Plaintiff the United States of America:

GREGORY J. HAANSTAD
United States Attorney
Eastern District of Wisconsin

KRISTEN CLARKE
Assistant Attorney General
Civil Rights Division

CARRIE PAGNUCCO
Acting Chief, Housing and Civil Enforcement Section

TIMOTHY J. MORAN
Deputy Chief

/s/ Chris R. Larsen
CHRIS R. LARSEN
Assistant United States Attorney
Eastern District of Wisconsin
Wisconsin State Bar No. 1005336
517 East Wisconsin Avenue
Milwaukee, WI 53202
(414) 297-1701
Fax: (414) 297-4394
chris.larsen@usdoj.gov

/s/ Arielle R.L. Reid
ARIELLE R.L. REID
Trial Attorney
United States Department of Justice
Civil Rights Division
Housing and Civil Enforcement Section
North Carolina State Bar No. 56143
950 Pennsylvania Avenue, NW
Washington, DC 20530
Phone: (202) 598-1575
Fax: (202) 514-1116
arielle.reid@usdoj.gov

Attorneys for Defendants Chad Eilman, Jeffrey Eilman, and Christine Neigum:

RATZEL & ASSOCIATES, LLC

By: /s/ Mary Lee Ratzel
Mary Lee Ratzel
State Bar No. 1014715
Brenda A. Colina
State Bar No. 1129212

P.O. ADDRESS:
3330 North Springdale Road
Brookfield, Wisconsin 53045
T: 262-781-1911
F: 262-781-0429
mlratzel@ratzel-law.com
bcolina@ratzel-law.com

APPENDIX A

Assistance Animal Policy

The Federal Fair Housing Act and other state and local fair housing laws require that housing owners and managers provide reasonable accommodations for applicants and residents who have disabilities. Chad Eilman, Jeffrey Eilman, and Christine Neigum and their employees, agents, and designees are committed to granting reasonable accommodations when necessary to afford persons with disabilities an equal opportunity to use and enjoy a dwelling at any and all of its rental units.

Reasonable accommodations may include waiving or varying rules or policies to allow a resident with a disability to keep an “assistance animal.” An assistance animal is an animal that does work or performs tasks for the benefit of a person with a disability, or provides emotional support or other assistance that may be necessary to afford the person an equal opportunity to use and enjoy housing (“Assistance Animal”). The most common Assistance Animals are dogs, although other animals may qualify. Assistance Animals are not considered “pets” under our policies. We recognize the importance of Assistance Animals and are committed to ensuring that our tenants with Assistance Animals – whether occupants or renters – may keep them in their units.

If a resident or applicant with a disability requests a reasonable accommodation for an Assistance Animal, a determination will be made as to whether the animal may be necessary to afford the resident or applicant an equal opportunity to enjoy living in one of our rental units.² In some cases, both the disability and the need for the Assistance Animal are obvious – for example, a dog guiding an individual who is blind or has low vision, or a dog pulling the wheelchair of a person with a mobility disability. If this is the case, no further inquiry will be made and we will grant the resident or applicant the accommodation, without restrictions or limitations, unless the presence of the animal would (1) impose an undue financial and administrative burden, (2) fundamentally alter the nature of our operations, or (3) pose a direct threat to the health and safety of other people.

If a resident or applicant requests a reasonable accommodation for an Assistance Animal, and the disability of the resident or applicant and/or the need for the Assistance Animal is not obvious, we may require a written verification from a health or social service professional³ indicating that the resident or applicant has a disability⁴ and the presence of the animal may be necessary to provide the resident an equal opportunity to use and enjoy the apartment. If a health

² The Fair Housing Act’s reasonable accommodation provisions apply to both residents and persons applying for residency.

³ “Health or social service professional” means a person who provides medical care, therapy, or counseling to persons with disabilities, including, but not limited to, doctors, physician assistants, psychiatrists, psychologists, and social workers.

⁴ Under fair housing laws, a person with a disability is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities, is regarded as having such an impairment, or has a record of such an impairment.

or social service professional provides this verification, we will grant the resident or applicant the accommodation, without restrictions or limitations, unless the presence of the animal would (1) impose an undue financial and administrative burden, (2) fundamentally alter the nature of our operations, or (3) pose a direct threat to the health and safety of other people.

We will not require:

- i. That the Assistance Animal have any special training or certification;
- ii. That the Assistance Animal be subject to breed, weight, or age restrictions;
- iii. That the Assistance Animal be required to wear a vest or other insignia that identifies it as an Assistance Animal; or
- iv. That the resident or applicant pay any fee, deposit, or other charge for keeping the animal, or obtain insurance as a condition of keeping the animal.

If we seek verification of a tenant's or applicant's disability and the need for an Assistance Animal, we will not:

- i. Ask whether a health or social service professional would be willing to testify in a court proceeding regarding the request for accommodation;
- ii. Require the health or social service professional to provide a curriculum vitae; or
- iii. Require an interview with the health or social service professional.

In processing requests for Assistance Animals, we will take reasonable measures to protect the confidentiality of any information or documentation disclosed in connection with the requests. Such measures may include limiting access to such information to persons specifically designated to deal with requests for reasonable accommodations, who will disclose information only to the extent necessary to determine whether to grant the request, and keeping all written requests and accompanying documentation in a secure area to which only those designated persons have access, except as otherwise required by law.

A person with a disability may request a reasonable accommodation orally, but we may ask the person with the disability to complete or assist in completing a "Form to Request an Assistance Animal" (attached to this Policy). We will evaluate the requested accommodation regardless of whether the person completes the written form, but the person must cooperate in providing all information needed to complete the form.

If the resident or applicant requires assistance in completing the form, we will provide assistance or will fill out the form based on an oral request. We use the form to record reasonable accommodation requests so that we obtain only the information necessary to make a reasonable accommodation decision.

Once we receive the request for an Assistance Animal and, if applicable, additional verifying information, we will provide a response within fourteen days. If a request is denied, we will include an explanation in the written notification of denial. If a person with a disability

believes that a request has been denied unlawfully or that the response is delayed unreasonably, the person may file a complaint with:

U.S. Department of Housing and Urban Development

<https://www.hud.gov/fairhousing/fileacomplaint>

1-800-669-9777

TTY: 1-800-877-8339

United States Attorney's Office

Eastern District of Wisconsin

Attn: Civil Division

517 E. Wisconsin Ave, Suite 530

Milwaukee, Wisconsin 53202

(414) 297-1700

FORM TO REQUEST AN ASSISTANCE ANIMAL

The Federal Fair Housing Act and other state and local fair housing laws require that housing owners and managers provide reasonable accommodations for applicants and residents who have disabilities. Chad Eilman, Jeffrey Eilman, and Christine Neigum and their employees, agents, and designees are committed to granting reasonable accommodations when necessary to afford persons with disabilities the equal opportunity to use and enjoy a dwelling at any and all of its rental units.

Under fair housing laws, a person is entitled to a reasonable accommodation if the person has a disability, defined as a physical or mental impairment that substantially limits one or more major life activities. The person also must show that the accommodation may be necessary because of the disability. Reasonable accommodations may include waiving or varying rules or policies to allow a resident to keep an Assistance Animal. An Assistance Animal is an animal that does work or performs tasks for the benefit of a person with a disability, or provides emotional support or other assistance that may be necessary to afford the person an equal opportunity to use and enjoy housing.

If you or someone associated with you has a disability and you believe that there is a need for an Assistance Animal as a reasonable accommodation, please complete this form and, if applicable, the verification from the health care provider, and return them to Elite Properties, Inc., or Blue Frog Property Management. Please check all items that apply and answer all questions. Elite Properties, Inc., or Blue Frog Property Management will answer this request in writing within 14 days of receiving the request. All information provided to Elite Properties, Inc., or Blue Frog Property Management in connection with this request will be kept confidential, except as otherwise required by law. If you require assistance in completing this form, please call the management office for assistance or to make an oral request for a reasonable accommodation:

Elite Properties, Inc.
700 Larry Court
Waukesha, WI 53186
(262) 373-1777

Blue Frog Property Management
126 E Main Street
Campbellsport, WI 53010
(920) 521-9006

1. Do you require assistance filling out this form?

Yes No

If your answer is “Yes,” and you do not have someone who can assist you, please ask any office employee to assist you in filling out this form.

If your answer is “No,” continue on to Question No. 2.

2. Today’s Date: _____

3. I am (please check one):

___ **The person who has a disability and is requesting an Assistance Animal.** If so, continue to Question 4.

___ **A person making a request on behalf of or assisting the person with a disability** who needs an Assistance Animal. Please fill out the information below:

Name of person filling out form: _____

Address: _____

Telephone number: _____

Relationship to person needing Assistance Animal: _____

4. Name of person with a disability for whom a reasonable accommodation is being requested:

Phone number: _____

Address: _____

5. Species of animal for which you are making a reasonable accommodation request e.g., “dog,” “cat”:

6. Name and physical description (size, color, weight, any tag and/or license) of the animal for which you are making a reasonable accommodation request:

Signature of person making request

Date

Signature of person with disability

Date

Applicant Name: _____

TO BE COMPLETED BY THE PHYSICIAN, PSYCHIATRIST, OR OTHER HEALTH OR SOCIAL SERVICE PROFESSIONAL:

1. Please provide a statement verifying that the person has an impairment that substantially limits one or more of the person's major life activities.

2. Please state whether the animal is necessary for the person to have an equal opportunity to use and enjoy housing or alleviate one or more of the effects of the person's disability. If so, please explain how it helps.

Name: _____

Profession (physician, social worker, etc.): _____

Business Address: _____

Business Telephone: _____

Signature

Date

TO BE COMPLETED BY MANAGEMENT:

Form accepted by: _____

Signature

Date

APPENDIX B

Certification of Receipt of Consent Order

I certify that I have received and read a copy of the Consent Order. I acknowledge that I understand the Consent Order, that any questions I had concerning it were answered, and that I understand that the Defendants may be sanctioned or penalized if I violate the Consent Order.

Signature

Printed name

Title

Date

APPENDIX C

Release of Claims

U.S. District Court for the Eastern District of Wisconsin Case No. 21-CV-1432

READ THIS RELEASE CAREFULLY

FOR AND IN CONSIDERATION of the payment of Thirty-Three Thousand Two Hundred and Fifty Dollars (\$33,250.00), the receipt of which is hereby acknowledged, the undersigned, **ANGELA MCLEAN**, being of lawful age hereby releases and discharges **CHAD EILMAN, JEFFREY EILMAN and CHRISTY NEIGUM, and AUTO-OWNERS INSURANCE COMPANY**, together with their heirs, executors, administrators, agents and assigns, and all other persons, firms or corporations who are or might be liable (hereinafter collectively referred to as “released parties”) of and from any and all actions, causes of action, claims, demands, damages, costs, expenses, fees or compensation of any nature whatsoever whether direct, consequential, incidental, present or future, as more fully described in Case No. 21-CV-1432. This release specifically includes but is not limited to all claims as set forth in Case No. 21-CV-1432 which have been brought or could have been brought.

The undersigned agrees to pay and fully satisfy any and all of their respective attorney liens or fees and agrees to release the released parties for any obligation to pay or reimburse said fees.

The undersigned hereby declares and represents that the damages sustained by **ANGLEA MCLEAN** may be permanent and/or progressive, and that recovery therefrom is uncertain and indefinite. In making this Release it is understood and agreed that the undersigned relies wholly upon her own judgment, belief and knowledge of the nature, extent and duration of said damages and that she has not been influenced to any extent whatsoever in making this Release by any representations or statements regarding said damages, or regarding any other matters, made by any of the released parties, or by any person or persons representing the released parties.

It is understood and agreed that this settlement is a full and complete compromise of a disputed claim, that the payment is not to be construed as an admission of liability, and that liability is expressly denied by the released parties.

It is further understood and agreed that this Release and payment pursuant thereto are not to be construed as a waiver by or estoppel of any released party to prosecute a claim or action against a third party for any damages sustained. This Release is contractual and not a mere recital.

The undersigned, **ANGELA MCLEAN**, hereby agrees to fully pay and satisfy all subrogated and derivative claims stemming from this lawsuit from the proceeds of settlement of the above claim, including but not limited to any Medicare, Badger Care or Medicaid liens for any of her medical bills or expenses paid. **ANGELA MCLEAN** further agrees to fully indemnify and hold harmless the released parties from all such claims identified in the preceding sentence, including any associated legal fees.

The undersigned states that she has carefully read the foregoing Release, knows the contents thereof, and signs the same of her own free act.

Dated: _____

Angela McLean

Subscribed to and sworn before me
this ____ day of _____, 2023.

Notary Public, State of Wisconsin
My commission expires: _____