

**UNITED STATES OF AMERICA  
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
OFFICE OF ADMINISTRATIVE LAW JUDGES**

The Secretary, United States	)	
Department of Housing and Urban	)	
Development, on behalf of	)	
Harold and Dolores Callander,	)	
	)	
Charging Party,	)	
and	)	
	)	HUD ALJ No.: 11-M-070-FH-30
Harold and Dolores Callander,	)	FHEO No.: 05-11-0446-8
	)	
Complainant-Intervenors,	)	
	)	
v.	)	
	)	
Northern Management Real Estate	)	
Services, Inc., Big Norway, LLC, and	)	
Laura Schroden,	)	
	)	
Respondents.	)	

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**INITIAL DECISION AND CONSENT ORDER**

**I. JURISDICTION**

This matter arose from a complaint of disability discrimination filed by Complainants Harold and Dolores Callander on January 11, 2011, and later amended on April 5, 2011 and again on August 8, 2011, pursuant to the Fair Housing Act as amended in 1988, 42 U.S.C. § 3601, *et seq.* (hereinafter the “Act”). On September 21, 2011, the Charging Party issued a Charge of Discrimination (hereinafter “Charge”) against Respondents Northern Management Real Estate Services, Inc. (“Respondent Northern Management”), Big Norway, LLC, and Laura Schroden (collectively “Respondents”), alleging that Respondents committed a discriminatory housing practice in violation of 42 U.S.C. § 3604(c), (f)(1)(A) and (f)(2)(A).

**II. BACKGROUND**

On or about September 21, 2011, the Secretary of the U.S. Department of Housing and Urban Development (hereinafter “the Department” or “HUD”) commenced this action on behalf of Complainants Harold and Dolores Callander, pursuant to Section 810(g)(1) and (2) of the Act, as amended, 42 U.S.C. § 3610(g)(1) and (2).

In or around September 2006, Complainants Harold and Dolores Callander, a married couple, leased a unit at Meadow Creek Village Apartments, located at 170 Main Street, Unit 103, Foley, Minnesota ("subject property" or "Meadow Creek"). Complainants leased the subject property from approximately September 2006 until they vacated the unit in or around May of 2010. The subject property is owned by Respondent Big Norway, LLC, and is managed by Northern Management, Inc. At all times relevant hereto, Respondent Laura Schroden was the Vice President of Operations for Northern Management, Inc. At the time Complainants resided at the Subject Property, Respondent Northern Management had a policy of obtaining emergency contact information for its residents. It was the practice of Respondents to use the emergency contact information of its tenants in the event that there is a lease violation, such as a noise violation, when a resident fails to pay rent, and/or when someone dies. Complainants listed their family members, their son and grandson, as contacts.

Complainants allege that Respondents forced them to vacate the subject property based on a mistaken belief that, Complainants, who are elderly, were necessarily disabled, and, as such, Complainants required too much care to live independently and should be living in an assisted living facility. Complainants allege that Respondents contacted their family members, rather than them, about concerns they had regarding Complainants' tenancy and pressured them to move. As a result, Complainants allege that Respondents otherwise made housing unavailable, as they had to vacate their unit as a result of Respondents' alleged discriminatory actions. In addition, Complainants allege that Respondents applied discriminatory terms and conditions to their tenancy when they called Complainants' family regarding their alleged disabilities. Finally, Complainants allege that Respondent Laura Schroden made discriminatory statements to them and to their relatives based on Respondents' alleged misperception that Complainants were disabled and unable to take care of themselves.

Respondents acknowledge that, based upon certain incidents involving Complainants' tenancy, Respondents contacted Complainants' emergency contact to discuss Complainants' tenancy and their concerns about Complainants. Respondents allege that they had valid concerns regarding Complainants' ability to live independently and concerns about the safety of other tenants. Respondents allege that they did not take any action to evict Complainants in violation of the Act or otherwise violate the Act.

To avoid uncertain and costly litigation, Respondents and Complainants have agreed to resolve the above-captioned case with Complainants without the need for a hearing or adjudication on damages. Respondents and Complainants have consented to the entry of this Initial Decision and Consent Order (hereinafter "Consent Order"), as indicated by the signatures of the parties and counsel below.

### **III. ACTIONS IN THE PUBLIC INTEREST**

#### **A. Injunction from Discrimination**

1. Respondents Northern Management and Laura Schroden, their agents, employees, successors, members and assigns, and all other persons in active concert or participation with any of them in the operation or management of the subject property are hereby enjoined from:

- a. Discriminating against any person on the basis of disability, in any aspect of rental of a dwelling, pursuant to 42 U.S.C. § 3604 (c), (f)(1)(A) and (f)(2)(A).
2. During the term of this Consent Order, fair housing posters shall be displayed in the lobby areas of Meadow Creek facilities stating that they do not discriminate in violation of the Fair Housing Act. Within twenty (20) days of the effective date of this Consent Order, Respondent Northern Management shall submit photographs showing that these fair housing posters have been posted along with a written declaration under penalty of perjury that Respondent Northern Management has posted the posters in the requisite location. All required notifications and documentations of compliance must be submitted to HUD as follows, unless otherwise indicated:

Courtney Minor, Regional Counsel, Region V  
U.S. Department of Housing and Urban Development  
77 West Jackson Boulevard, Room 2617  
Chicago, Illinois 60604-3507

3. Respondents acknowledge that the Act makes it unlawful to:
  - A. Make unavailable or deny a dwelling unit to any person because of race, color, religion, national origin, sex, disability, or familial status; or refuse or fail to provide or offer information about a dwelling unit or to show or rent a dwelling unit to any person because of race, color, religion, national origin, sex, disability or familial status.
  - B. Discriminate against any person in the terms, conditions, or privileges of rental of a dwelling unit, or in the provision of services or facilities in connection therewith, because of race, color, religion, national origin, sex, disability or familial status.
  - C. Make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the rental of a dwelling unit that states any preference, limitation or discrimination based upon race, color, religion, national origin, sex, disability or familial status.
  - D. Represent to any person because of race, color, religion, national origin, sex, disability or familial status, that any dwelling unit is not available for inspection or rental when such dwelling unit is, in fact, so available.

#### **IV. COMPLIANCE AND MONITORING BY HUD**

- A. Between the date of the entry of this Consent Order and three (3) years from said date, HUD may review compliance with this Consent Order, subject to and in accordance with HUD regulations. As part of such review, HUD may, upon providing advance notice of said inspection, inspect the subject property, examine witnesses, and copy pertinent records of Respondent Northern Management and/or the then current property management company responsible for managing the subject property. Respondents agree to provide their full cooperation in any compliance review undertaken by HUD to ensure compliance with this Consent Order.

- B. During the effective period of this Consent Order with respect to the subject property, Respondents, their heirs, executors, assigns, agents, employees, and successors, and all other persons in active concert or participation with them in the ownership or operation of the subject property will comply with the provisions of the Act relevant to the subject property.

## **V. SPECIFIC RELIEF**

In exchange for the Charging Party's agreement to dismiss this Charge, Respondent Northern Management shall:

- A. Within fifteen (15) days of the effective date of this Consent Order, Respondent Northern Management shall pay to Complainants Harold and Dolores Callander the sum of \$9,000.00 in full settlement of their claims for damages arising out of the allegations presented in the Charge. Payment shall be in the form of a certified check made payable to "Harold and Dolores Callander" and mailed, by Federal Express or certified mail, to the following address:

Attorney Karla Krueger  
St. Cloud Area Legal Services  
830 West St. Germain  
Suite 300  
St. Cloud, MN 56302

A copy of the aforementioned check must be mailed to the following address:

Courtney Minor, Regional Counsel, Region V  
U.S. Department of Housing and Urban Development  
77 West Jackson Boulevard, Room 2617  
Chicago, Illinois 60604-3507

- B. Within fifteen (15) days of the effective date of this Consent Order, Respondent Northern Management shall pay the total sum of \$1,000.00 to St. Cloud Area Legal Services. Payment shall be made in the form of a certified check made payable to "St. Cloud Area Legal Services" and mailed to the following address:

Attorney Karla Krueger  
St. Cloud Area Legal Services  
830 West St. Germain  
Suite 300  
St. Cloud, MN 56302

- C. Within six (6) months of the entry of this Consent Order, Respondents Northern Management and Laura Schrodin and each employee and/or on-site agent engaged in management and/or rental activities at the subject property must attend fair housing training conducted by a qualified agency acceptable to HUD concerning their

responsibilities under federal fair housing laws, regulations and ordinances. Respondents Northern Management and Laura Schroden may contact HUD Attorney Barbara Sliwa at (312) 913-8613 for assistance in locating an acceptable agency for training purposes. Respondent Northern Management and Laura Schroden shall provide copies of the Consent Order to all such employees and agents in advance of the training. Respondents Northern Management and Laura Schroden are responsible for any and all costs associated with such fair housing training.

Respondents Northern Management and Laura Schroden and each employee and/or agent identified above shall provide a certificate of completion to HUD, in the same or similar form as that attached hereto as "Attachment A," evidencing that they have successfully completed the course. Respondents Laura Schroden and Northern Management's employees and/or agents should sign and date the certificate of completion (Attachment A), and send it to HUD within thirty (30) days of completion of such training course. The certificate of completion shall be mailed to HUD by regular mail to the following address:

Courtney Minor, Regional Counsel, Region V  
U.S. Department of Housing and Urban Development  
Office of the Regional Counsel  
77 West Jackson Boulevard, Room 2617  
Chicago, Illinois 60604-3507

- D. In exchange for the financial and affirmative relief provided by Respondents in this Consent Order, Complainants agree to the dismissal of the Charge of Discrimination against all named Respondents.

## **VI. MUTUAL RELEASE**

In consideration of Respondent Northern Management's payment to Complainants and St. Cloud Area Legal Services, compliance with the conditions and terms of this Consent Order and with all orders of this tribunal described herein, and for other good and valuable consideration, Complainants, their successors, assigns, agents, employees, and attorneys hereby forever waive, release, and covenant not to sue Respondents or the Department, their successors, heirs, executors, assigns, agents, employees, or attorneys, including any subsequent owner of the subject property with regard to any and all claims, damages, and injuries of whatever nature whether presently known or unknown, arising out of the subject matter of HUD ALJ No. 11-M-070-FH-30 and FHEO Case No. 05-11-0446-8, or which could have been filed in any action or suit arising from said subject matter.

In consideration of the execution of this Consent Order, and other good and valuable consideration, Respondents, their successors, assigns, agents, employees, and attorneys, hereby forever waive, release, and covenant not to sue the Department or Complainants or their officers, successors, assigns, agents, employees and attorneys with regard to any and all claims, damages and injuries of whatever nature whether presently known or unknown, arising out of the subject matter

of HUD ALJ No. 11-M-070-FH-30 and FHEO Case No. 05-11-0446-8 or which could have been filed in any action or suit arising from said subject matter.

## **VII. GENERAL PROVISIONS**

- A. The parties acknowledge that this Consent Order is a voluntary and full settlement of the Charge. No party has been coerced, intimidated, threatened, or in any way forced to become a party to the Consent Order. The parties have read and fully understand the significance of all the terms set forth herein.
- B. The parties and their counsel agree that, in the interest of prompt conclusion of this matter, the execution of this Consent Order by the parties may be accomplished by separate execution of consents (the original executed Consent and Signature Pages) to be attached to the body of this Consent Order to constitute one document.
- C. The signatures of the parties to this Consent Order may be executed by way of facsimile transmission and shall be deemed to be an executed and admissible Consent Order for all purposes as may be necessary under the terms of this Consent Order.
- D. The parties and their counsel agree that if the situation arises where a party to this agreement needs an extension of time in order to satisfy a deadline provided herein, such extension must be obtained by mutual agreement of the parties and all signatories or their successors in writing.
- E. This Consent Order shall govern the conduct of the parties to it for a period of three (3) years following the date this Consent Order becomes final pursuant to 42 U.S.C. § 3612(h).
- F. The Consent Order is binding upon Complainants, Respondents and their employees, heirs, successors, assigns, and all others working for or associated with Respondents who are involved in the operation of the subject property.
- G. It is understood that the Initial Decision and Consent Order shall be a public document.
- H. Except as provided herein, the signatures of the parties to this Consent Order further constitute a waiver of any right to apply for additional attorney's fees or costs pursuant to 42 U.S.C. § 3612(p).
- I. This Consent Order does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondents made pursuant to the Fair Housing Act, or any other complaint within the Department's jurisdiction.

## **VIII. DISMISSAL OF CHARGE**

In consideration of Respondent Northern Management's payment to Complainants and St. Cloud Area Legal Services compliance with the terms and conditions of this Consent Order, and all orders contained herein, the Charging Party agrees to the dismissal, without a formal determination, of the allegations that Respondents injured Complainants by violating the Act. Therefore, the Charge against Respondents is hereby DISMISSED with prejudice. However, nothing in this paragraph should be construed to prevent any of the parties from taking action to enforce this Consent Order.

## **IX. COMPLIANCE**

The dismissal herein shall not constitute an adjudication of a discriminatory housing practice pursuant to 24 C.F.R. § 180.671(a). Failure to satisfy the terms of this Consent Order is a breach of the Consent Order, which may be enforced in the United States Court of Appeals pursuant to 42 U.S.C. § 3612(j) and (m).

## **X. CONSENT AND SIGNATURES**

The undersigned parties have read the foregoing Consent Order, HUD ALJ No. 11-M-070-FH-30 and FHEO Case No. 05-11-0446-8, and willingly consent to it with a full understanding of the rights it confers and the responsibilities it imposes on them, as signified by their signature below:

FOR COMPLAINANTS:

Dolores Callander

DOLORES CALLANDER

Harold Callander

HAROLD CALLANDER

Date: 4/10/2012



**FOR RESPONDENTS:**

NORTHERN MANAGEMENT REAL ESTATE SERVICES, INC.,

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

*4.9.12*

*President*

LAURA SCHRODEN

By: \_\_\_\_\_

Date: \_\_\_\_\_

*4.9.12*

BIG NORWAY, LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

FOR RESPONDENTS:

NORTHERN MANAGEMENT REAL ESTATE SERVICES, INC.,

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

LAURA SCHRODEN

By: \_\_\_\_\_

Date: \_\_\_\_\_

BIG NORWAY, LLC

By: Adam Whurr

Title: MEMBER

Date: 4/11/2012

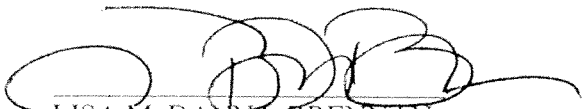
**COUNSEL FOR THE CHARGING PARTY  
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:**



COURTNEY MINOR  
Regional Counsel  
Region V

4-11-12

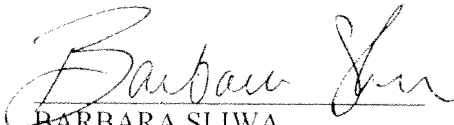
Date



LISA M. DANNA-BRENNAN  
Supervisory Attorney-Advisor  
for Fair Housing

4-11-12

Date



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4-11-12

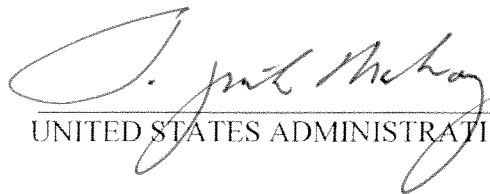
Date

## **XI. ORDER OF THE COURT**

This Consent Order is entered into pursuant to the Fair Housing Act, 42 U.S.C. § 3612(g)(3), and shall become final upon the expiration of thirty (30) days or by confirmation of the Secretary within that time. *See* 42 U.S.C. § 3612(h). The signatures of the parties to this Consent Order constitute a waiver of any right to withdraw their consent during the thirty (30) day Secretarial review period and a waiver of any right to challenge the validity of this Consent Order at any time.

The hearing in this matter was scheduled for May 15, 2012. On April 12, 2012 the parties forwarded to the Court the foregoing Order, incorporating the terms of their agreement. The Court, after reading the agreement finds that it appears to be in the public interest. All parties have given their consent and signed the agreement incorporated in the foregoing Initial Decision and Consent Order, which is hereby accepted and issued.

So ORDERED, this 13<sup>th</sup> day of APRIL, 2012.

  
UNITED STATES ADMINISTRATIVE LAW JUDGE

**ATTACHMENT A**

I, \_\_\_\_\_, hereby certify that I attended the training session on fair housing law given by a qualified fair housing enforcement agency or instructor on \_\_\_\_\_, 2012, pursuant to Section V in the foregoing Consent Order, HUD ALJ No. 11-M-070-FH-30 and FHEO Case No. 05-11-0446-8.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Position/Title

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_