

**UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**TITLE VIII**

**CONCILIATION AGREEMENT**

**between**



(Complainant)

**and**

Skyline Development, LLC., *et al*  
(Respondents)

Approved by the FHEO Regional Director on behalf of the United States Department of Housing  
and Urban Development

**FHEO CASE NUMBER: 05-11-0791-8**

**A. PARTIES AND SUBJECT PROPERTY**

Complainant



Hermantown, Minnesota 55811

Representing Complainant:

AccessNorth Center for Independent Living  
118 E. Superior Street  
Duluth, Minnesota 55802

Respondents

Skyline Development, LLC  
c/o Kit Welchlin, Owner  
4900 Prescott Circ  
Edina, Minnesota 55436

Linda Farrow  
Park Manager, Skyline Court Motel  
4880 Miller Trunk Highway  
Hermantown, Minnesota 55811

Kit Welchlin  
Owner, Skyline Court Motel  
4880 Miller Trunk Highway  
Hermantown, Minnesota 55811

Bill Cheslak  
Accountant, Skyline Court Motel  
4880 Miller Trunk Highway  
Hermantown, Minnesota 55811

Representing Respondents:

Karen Olson  
Olson Law Office  
2002 West Superior Street  
P.O. Box 16873  
Duluth, Minnesota 55816

Subject Property



Hermantown, Minnesota 55811

**B. STATEMENT OF FACTS**

A complaint was filed on March 25, 2011 with the United States Department of Housing and Urban Development (“HUD”), alleging that Complainant was injured by a discriminatory act caused by the Respondents. Complainant alleges that Respondents violated §§ 804(c), 804(f)(2), 804(f)(3)(B), and 818 of the Fair Housing Act as amended in 1988, 42 U.S.C. 3601 (the “Act”), by making or publishing a discriminatory statement, discriminating in the terms, conditions, or privileges of the rental of a dwelling, by refusing to make a reasonable accommodation in rules, policies, practices, or services, when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling, and by coercing, intimidating, threatening, or interfering with any person in the exercise or enjoyment of, or on account of his having exercised or enjoyed, or on account of his having aided or encouraged any other person in the exercise or enjoyment any right granted by Section 804 of the Act, on the basis of disability.

Complainant alleges that around the time that she moved in to the subject property, on or about June 30, 2010, she asked for a reasonable accommodation to allow her a service animal, however, Respondents refused the accommodation, and then retaliated against her for having exercised her rights under the Act.

Respondents deny the allegations and admit no wrongdoing, but agree to settle the claims in the underlying action by entering into this Conciliation Agreement.

**C. TERM OF AGREEMENT**

1. This Conciliation Agreement (hereinafter “Agreement”) shall govern the conduct of the parties to it for a period of two (2) years from the effective date of the Agreement.

**D. EFFECTIVE DATE**

2. The parties expressly agree that this Agreement constitutes neither a binding contract under state or federal law nor a Conciliation Agreement pursuant to the Act, unless and until such time as it is approved by the U.S. Department of Housing and Urban Development (“HUD”), through the Fair Housing and Equal Opportunity (“FHEO”) Regional Director, or his designee.
3. This Agreement shall become effective on the date on which it is approved by the Regional Director, FHEO Chicago Regional Office of the United States Department of Housing and Urban Development, or his designee.

## E. GENERAL PROVISIONS

4. The parties acknowledge that this Agreement is a voluntary and full settlement of the disputed complaint. The parties affirm that they have read and fully understand the terms set forth herein. No party has been coerced, intimidated, threatened, or in any way forced to become a party to this Agreement.
5. Respondents acknowledge that they have an affirmative duty not to discriminate against anyone under the Act on the basis of race, color, religion, sex, familial status, national origin, or disability, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Act. Respondents further acknowledge that any subsequent retaliation or discrimination constitutes both a material breach of this Agreement, and a statutory violation of the Act.
6. This Agreement, after it has been approved by the FHEO Regional Director, or his designee, is binding upon Respondents, its employees, heirs, successors and assignees and all others in active concert with them in the ownership or operation of the subject property, located at [REDACTED], Hermantown, Minnesota, 55811.
7. It is understood that, pursuant to Section 810(b)(4) of the Act, upon approval of this Agreement by the FHEO Regional Director, or his designee, it is a public document.
8. This Agreement does not in any way limit or restrict the Department's authority to investigate any other complaint involving Respondents made pursuant to the Act, or any other complaint within the Department's jurisdiction.
9. No amendment to, modification of, or waiver of any provisions of this Agreement shall be effective unless: (a) all signatories or their successors to the Agreement agree in writing to the amendment, modification or waiver; (b) the amendment, modification or waiver is in writing; and (c) the amendment, modification, or waiver is approved and signed by the FHEO Regional Director or his designee.
10. The parties agree that the execution of this Agreement may be accomplished by separate execution of consents to this Agreement, the original executed signature pages to be attached to the body of the Agreement to constitute one document.
11. Complainant hereby forever waives, releases, and covenants not to sue the Department or Respondents, its heirs, executors, assignees, 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 Case Number 05-11-0791-8, or which could have been filed in any action or suit arising from said subject matter.
12. Respondents hereby forever waive, release, and covenant not to sue the Department or Complainant and her successors, assignees, agents, officers, 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 Case Number 05-11-0791-8, or which could have been filed in any action or suit arising from said subject matter.

**F. RELIEF FOR COMPLAINANT**

13. Respondents agree to take the following action, and, as set forth in this Agreement, will provide the Department with written certification that the following requirement has been met:

Respondents agree to pay by certified or cashier's check the amount of seventeen thousand dollars (\$17,000.00) to [REDACTED] within fifteen (15) days of the effective date of this Agreement. The check shall be made payable to [REDACTED], and mailed to Complainant via overnight or two-day delivery to the following address:

[REDACTED]  
[REDACTED]  
Hermantown, Minnesota 55811

14. Complainant agrees to convey any and all real property interest that is currently held in the mobile home parked at [REDACTED], Hermantown, Minnesota 55811 to Respondent Skyline Development LLC within ninety (90) days from the effective date of this Agreement.
15. Complainant agrees to vacate the mobile home park at Skyline Court within ninety (90) days from the effective date of this Agreement. Complainant agrees to pay lot rent through the time period that she remains at Skyline Court.

**G. RELIEF IN THE PUBLIC INTEREST**

16. Within ninety (90) days of the effective date of this Agreement, Respondents Welchlin, Farrow and Cheslak shall, at their own expense, obtain at least four (4) hours of fair housing training to be conducted by an appropriate agency or facility approved by the Department, including but not limited to the Duluth Office of Human Rights and/or the Southern Minnesota Regional Legal Services. Written approval to attend training offered by an organization not listed in this paragraph must be solicited and obtained from the FHEO Regional Director, or his designee, at least ten (10) days prior to the commencement of the training.
17. Within thirty (30) days of the effective date of this Agreement, Respondents will enact a policy governing requests for reasonable accommodations at the subject mobile home and RV parks, to be approved by the FHEO Regional Director, or his designee.

18. Within thirty (30) days of the effective date of this Agreement, Respondents will enact a policy governing service animals at the subject mobile home and RV parks, to be approved by the FHEO Regional Director, or his designee.

#### **H. MONITORING**

19. The Department shall determine compliance with the terms of this Agreement. During the term of this Agreement, the Department may review compliance with this Agreement. As part of such review, the Department may inspect the subject mobile home and RV parks, examine witnesses, and copy pertinent records of Respondents. Respondents agree to provide their full cooperation in any monitoring review undertaken by the Department to ensure compliance with this Agreement.

#### **I. REPORTING AND RECORDKEEPING**

20. Within thirty (30) days of the effective date of this Agreement, Respondents shall transmit a photocopy of the check identified in Paragraph 13, together with a copy of the delivery tracking report as evidence of delivery, to the FHEO Regional Director or his designee.
21. All required certifications and documentation of compliance must be submitted to:

U.S. Department of Housing & Urban Development  
Maurice McGough, Director  
Region V, Office of Fair Housing and Equal Opportunity  
77 W. Jackson Blvd. Rm 2101  
Chicago, IL 60604

#### **J. CONSEQUENCES OF BREACH**

22. If ever the Department has reasonable cause to believe that Respondents have breached this Agreement, the matter shall be referred to the Attorney General of the United States, to commence a civil action in the appropriate U. S. District Court, pursuant to §§ 810(c) and 814(b)(2) of the Act.

**K. SIGNATURE PAGE**

\_\_\_\_\_  
[COMPLAINANT]

\_\_\_\_\_  
Date

\_\_\_\_\_  
[RESPONDENT Skyline Development, LLC.]

\_\_\_\_\_  
Date

\_\_\_\_\_  
[RESPONDENT Linda Farrow]

\_\_\_\_\_  
Date

\_\_\_\_\_  
[RESPONDENT Kit Welchlin]

\_\_\_\_\_  
Date

\_\_\_\_\_  
[RESPONDENT Bill Cheslak]

\_\_\_\_\_  
Date

**K. APPROVAL**

\_\_\_\_\_  
[FHEO REGIONAL DIRECTOR]

\_\_\_\_\_  
Date