Case No. 21D047

Legal Description:

Lot 3A of Lot 3 of the SW1/4 of the NW1/4 and the balance of Lot 3 of the SW1/4 of the NW1/4, located in Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota
Dear Mr. Bauer:

Thank you for the opportunity to submit this proposal for expansion of the Kennedy Manufactured Home Community (MHC) located at 2412 South Valley Drive. This letter serves to accompany the Initial Planned Development Overlay application dated November 11, 2021.

The proposed project is the expansion of the existing manufactured home park to add homes to the undeveloped area of the property. The property is just under 6.0 acres and currently includes 14 manufactured homes, a stick built home, and a small office. The proposed expansion will allow for 45 manufactured homes, and includes new water main, sanitary sewer, storm sewer, and roads throughout the property.

The Development Plan overlay is requested to allow for the replacement of the existing homes as they are moved. All future lots are proposed to meet current City standards including setbacks and landscaping. Additionally, the owner is proposing a 6' privacy fence along the boundary of the site.

The proposed schedule would allow for a start of construction in the Spring of 2022 and is expected to take 2 months for completion. We thank City staff for their assistance through this development process and appreciate your time and consideration of this project.

Sincerely,

Joe Mailander
Clearwell, PLLC
ANNUAL REPORT
Foreign Limited Liability Company
SDCL 47-34A-211; 59-11-24, 24.1

Please Type or Print Clearly in Ink
Please submit one Original
Make payable to the SECRETARY OF STATE

Filing Fee: $50
Total Fee: $50

1. Business ID and Name:
   FL136093
   BUSINESS ID
   SDRC Terra Kennedy MPH 2, LLC
   BUSINESS NAME

2. The jurisdiction under whose law it is formed: DELAWARE

3. The address of the principal executive office (business address):
   Actual Street Address
   110 NW 2ND ST
   CEDAREIDGE, CO 81413
   Mailing Address
   PO BOX 457
   CEDAREIDGE, CO 81413

4. The South Dakota Registered Agent’s Name:
   South Dakota law permits the registered agent to be either (a) a noncommercial registered agent, or (b) a commercial registered agent.
   (b) The South Dakota Commercial Registered Agent's name & CRA# CRA: CORPORATION SERVICE COMPANY (0000003)

   Actual Street Address in this State
   503 S PIERRE ST
   PIERRE, SD 57501-4522
   Mailing Address in this State

5. If the LLC is manager-managed, list the names and addresses of its manager(s). SDCL 59-11-24. If the LLC is member-managed, this section may be left blank.
   Name
   Address
   Impact MHC Management, LLC
   PO Box 457
   Cedaredge CO 81413

6. Beneficial Owners (optional). A beneficial owner is a person who has or in some manner controls an equity security. Please consult an attorney for legal advice if you have any questions concerning this entry. Any question under this heading is considered a request for legal advice and the secretary of state’s office is, by statute, not permitted, to provide legal advice.

No person may execute this report knowing it is false in any material respect. Any violation may be subject to a criminal penalty (SDCL 22-39-36).

07/24/2020
Dated

David H Reynolds
Signature of an Authorized Person

Email (Optional)

David H Reynolds
Printed Name

RECEIVED
JUL 06 2021
RAPID CITY DEPARTMENT OF
COMMUNITY DEVELOPMENT
Meeting Summary

Impact Communities hosted a meeting on Wednesday, February 9th inviting open discussion of the proposed expansion at Kennedy Mobile Home Estates. The meeting was held at 4pm in the Needles Banquet Room at the Ramkota Best Western Hotel.

Representatives for Impact Communities consisted of Demoine Whitworth, Regional Vice President; Michelle Gomez, District Manager; Timothy Hays, Senior Project Manager; Joseph Mailander, Civil Engineer, Clearwell PLLC; Anita Altheide, Community Manager; Laurie Humphries, Community Manager; Amanda Gudmunson, Community Manager; Jay Woolven, Community Maintenance; Michael Starr, Community Maintenance.

Attendees:

- Juanita Luera – 2409 S. Valley Drive
- Dottie Kruthoff - 2403 S. Valley Drive
- Jason Schmit – 2333 S. Valley Drive
- Bruce Rook – 2702 Garden Lane
- Pat Jones – City of Rapid City Council
- Steven Klotz – 2726 Garden Lane
- Susan Dvorak – 2726 Garden Lane
- Cody Champion – 2734 Garden Lane
- Jim Brickett – 2917 Garden Lane

Purpose:

The purpose of the meeting was to provide information about Impact Communities, additional details of the proposed expansion project and collaborate with nearby and adjacent homeowners to identify measures or modifications for consideration in solving concerns communicated at the January 6th City Council meeting.

Goal: To reach a better understanding of opposition and potentially compromise.

Materials:

- A Fact Sheet containing information about Kennedy Mobile Estates, current resident profile, lot rental rates, past and planned capital improvements as well as facts about the operator/management firm Impact Communities was provided to each attendee.
- Project plans were printed in large format and placed at every table.
- Attendees were asked to sign in and provide telephone numbers and email addresses.
Agenda:

- **Introductions** - Michelle Gomez, District Manager, Impact Communities opened the meeting by introducing representatives for Impact Communities in attendance and Demoine Whitworth as facilitator.
- **Welcome and Opening Comments** — Demoine Whitworth, Regional Vice President, Impact Communities thanked everyone for their time and communicated the goal of the meeting.
- **Fact Sheet Review** —
  - The meeting stalled at the third bullet point of the Fact Sheet as attendees began to challenge the following fact:
    - One hundred percent (100%) of residents at Terra Kennedy Mobile Home Estates own their homes outright.
    - There is only one (1) resident homeowner attempting to sell to an occupant currently living in the home. Our policy requires the title holder of the home to remain the primary resident until a buyer has completed the required background screening, met income requirements for residency and signed a lease contract.
- **The discussion reverted to an earlier topic, the goal of the meeting.**
  - Attendees explained they arrived at the meeting expecting to hear solutions to the concerns they raised at the January 6th City Council Meeting.
    - Impact representatives attempted to provide clarification; apologizing if it was interpreted from the invitation letter that solutions to their concerns would be provided at this meeting. It was reiterated that Impact’s intent for this meeting was to hear ideas on measures or modifications we might consider in order to reach a compromise and alleviate their concerns.
- **Rapid City Common Council Member Patrick S. “Pat” Jones, Ed.D. asked for names of the individuals that own the community.** Demoine Whitworth answered that the ownership entity was SDRC Terra Kennedy MHP, LLC explaining each community operates as its own entity and ownership is typically a group of investors that may differ from community to community. Impact Communities is the management company and as such accountable for operations at the community level.
    - Attendee Jason Schmidt spoke up saying “this sounds like a Pyramid Scheme.”
    - Attendee Cody Champion, sitting to the right of City Council Member Jones began speaking about research he had conducted on Impact Communities, indicating he traced ownership of Impact to an IT Company in Singapore and discovered shortly after Impact was acquired there was a large infusion of capital into the company.
    - Demoine Whitworth, RVP indicated she would like to see this information to which Mr. Champion replied, “it is all available online.”
    - Council Member Jones persisted in his request for names, saying he felt Impact was “being secretive” about the ownership and appeared to be “covering something up.”
    - Council Member Jones stated he did not care about the LLC; his job was to protect the interest of his constituents. Demoine Whitworth assured Council Member Jones Impact Communities was not attempting to deceive anyone. As a company we strive to establish good relationships with the local community.
    - The topic of ownership persisted for the duration of the meeting and at one point the question was asked “Are the owners International?”
    - Demoine Whitworth offered to provide a copy of the management agreement for SDRC Terra Kennedy which would outline Impact’s responsibilities. When asked if that would work Mr. Jones replied, “well, we will see.” He reiterated his request was for the names of the owners.
There appears to be a tremendous concern around the identity of the owners of Kennedy Mobile Home Estates. Questions as to whether they are International, discussing unverified information about a company’s country of origin or to suggest an unwillingness to provide names of the individual members of an LLC implies deception or a cover up is unconstitutional. After further consideration I do not feel requesting this information is warranted. Impact Communities has managed and operated SDRC Terra Kennedy MHP 2, LLC in Rapid City as well several other area mobile home parks for more than five years and has never been asked to provide the names of members associated with the Legal Entity, LLC.

- Kennedy Mobile Home Estates is required to obtain a license annually from the City of Rapid City. The Owner of Record listed on the Manufactured Home Park Operating Permit is SDRC Terra Kennedy MHP 2, LLC.
- Kennedy Mobile Home Estates is required to pay taxes annually. The Owner of Record listed on the tax roll is SDRC Terra Kennedy MHP 2, LLC.
- The Owner of Record listed on the Application for Development Review submitted to the Department of Community Development – City of Rapid City on November 9, 2021, is SDRC Terra Kennedy MHP 2, LLC.

A land use or zoning practice may be found to be intentionally discriminatory even if there is no personal bias on the part of individual government officials, therefore caution should be taken when requesting information that could be used to discriminate.

According to a Fair Housing Guide for Local Governments funded under a grant from the US Department of Housing and Urban Development and published by the Housing Equality Center of Pennsylvania “The Fair Housing Act prohibits ordinances, policies, and practices that discriminate based on any characteristic protected under the Act. Prohibited practices as defined in the Act include making unavailable or denying housing because of a protected characteristic. Housing includes not only a variety of dwellings intended for occupancy as residences, but also vacant land that may be developed into residential uses.”

- Dottie Kruthoff arrived with a stack of photographs and a video on her phone of alleged criminal activity that occurred the night prior.
  - The question was raised as to whether management was aware of this incident. Management responded that they were not aware.
  - Management asked Ms. Kruthoff if she had notified management of the incident to which she replied “no.” She went on to say she had previously attempted to reach management by calling the phone number on the sign but did not get an answer.
  - Management asked Ms. Kruthoff if she left a message to which she replied “No.” Ms. Kruthoff went on to say the community manager had provided her with her personal cell phone number. However, when asked if Ms. Kruthoff notified management of the recorded activity brought to the meeting, she said “No.”
  - Ms. Kruthoff was asked if she called the police department to report the recorded activity, she replied “No. What are the police going to do?” Management replied, “What would you expect the Community Manager to do?”
  - It was determined that management had already initiated a lease termination and the process of removing this tenant from the community was well underway.
• Other topics, questions and comments include:
  o What is the plan for when it floods as it did in 1972?
  o How much fill dirt will be brought in?
  o Who will compensate them for decreased property values?
  o How will we alleviate the traffic and congestion on Garden Lane caused by the addition of these homes?
  o The lots are too small.
  o Consideration should be given to how this will diminish adjacent homeowners’ quality of life.
  o Management does not know what goes on in the park.

• Attendees offered the following suggestions.
  o Built three or four homes
  o Build a Park
  o Consider selling the land

Demoine Whitworth, RVP Impact Communities agreed to provide follow up correspondence in reply to the above listed items. Said correspondence is included with attachments.

Appendix/Index

Rapid City Flood Plain Development Permit Application:

Flood Plain Management Requirements

2021 Manufactured Housing Facts – Industry Overview

Fair Housing Guide for Local Governments

Attachments:
  • Invitation Letter
  • File: Planned Development – 21PD047
  • Sign In Sheet
  • Offer to Purchase Letter