

FIRST AMENDMENT TO
CONTRACT FOR PRIVATE DEVELOPMENT
TAX INCREMENT DISTRICT NUMBER SIXTY-SEVEN

Between

DOECK, LLC

and the

CITY OF RAPID CITY, SOUTH DAKOTA

THIS FIRST AMENDMENT, is made and entered into by and between Doeck, LLC, a South Dakota limited liability company located at 1717 N. Sanborn, Mitchell, SD 57301 (“Developer”), and the City of Rapid City, a municipal corporation and political subdivision of the State of South Dakota, located at 300 Sixth Street, Rapid City, South Dakota 57701 (“City”).

RECITALS

WHEREAS, pursuant to the power and authority granted to it under Chapter 11-9 of the South Dakota Codified Laws, the City approved the Resolution to Create Tax Increment District 67 on April 8, 2008; the City Council approved an Amended Resolution on January 5, 2009 to correct the legal description, thereby making the Resolution to Create the District effective on February 13, 2009; and

WHEREAS, on April 21, 2008, the City of Rapid City approved the Project Plan for Tax Increment District Number Sixty-seven which identifies expenditures for public improvements which qualify as project costs pursuant to SDCL 11-9-14 and SDCL 11-9-15; and

WHEREAS, on October 19, 2009, the City entered into a Contract for Private Development Tax Increment District Number Sixty-seven with Developer (the “Agreement”); and

WHEREAS, on June 3, 2019, the City adopted by resolution a Project Plan Revision for Tax Increment District Number Sixty-seven that reallocated certain costs for items to be completed in the original Project Plan; and

WHEREAS, the purpose of this First Amendment is to amend the Agreement with Developer to revise the allowable payments for the cost of the improvements within the Project Plan Revision; and

WHEREAS, pursuant to SDCL 11-9-2(5), the City is empowered to enter into contracts or agreements necessary and convenient to implement the provisions and effectuate the purposes of the Project Plan Revision.

NOW THEREFORE, the parties hereby agree as follows:

1. Recitals. The recitals set forth above constitute an integral part of this First Amendment and are incorporated herein by this reference as if fully set forth herein as agreements of the parties.

2. Amendment of Project Plan. Section 4 of the Agreement is amended to read as follows:

The estimated project costs for which the Developer can be reimbursed from Tax Increment District Number Sixty-seven, as set forth in the approved Project Plan Revision, are as follows:

TOTAL ESTIMATED PROJECT COSTS TO BE PAID BY THE TAX INCREMENT DISTRICT:

TID #67 Summary - Project Plan and Developer Costs			
	Project Plan Costs	Reallocation Amount	Amendment #1 Project Plan Cost Totals
Developer A			
Capital Projects			
Culvert and Grading at Cobalt Street	\$431,529.32		\$431,529.32
Culvert and Grading at Three Rivers Street	\$245,561.76		\$245,561.76
Oversizing water/sewer for annexed land west of Haines	\$281,484.78		\$281,484.78
Oversizing water/sewer for Brookfield	\$123,675.43	\$33,054.73	\$156,730.16
Total Capital Costs	\$1,082,251.29	\$33,054.73	\$1,115,306.02
Professional Service Costs	\$175,000.00		\$175,000.00
Contingency Costs	\$69,000.00	(\$53,054.73)	\$15,945.27
Relocation Costs	\$0.00		\$0.00
Organizational Costs	\$0.00		\$0.00
Necessary and Convenient Costs	\$300,000.00		\$300,000.00
Financing Costs	\$1,665,499.01		\$1,665,499.01
Additional Imputed Administrative Fee	\$0.00	\$20,000.00	\$20,000.00
Developer A Total	\$3,291,750.30	\$0.00	\$3,291,750.30
Developer B			
Capital Projects	\$0.00		\$0.00
Professional Service Costs	\$0.00		\$0.00
Financing Costs:			
Financing Interest	\$378,370.94		\$378,370.94
Contingency Costs	\$0.00		\$0.00
Relocation Costs	\$0.00		\$0.00
Organizational Costs	\$0.00		\$0.00
Necessary and Convenient Costs	\$300,000.00		\$300,000.00
Developer B Total	\$678,370.94	\$0.00	\$678,370.94
TID #67 Total Project Costs			
Capital Projects			
Culvert and Grading at Cobalt Street	\$431,529.32	\$0.00	\$431,529.32
Culvert and Grading at Three Rivers Street	\$245,561.76	\$0.00	\$245,561.76
Oversizing water/sewer for annexed land west of Haines	\$281,484.78	\$0.00	\$281,484.78

Oversizing water/sewer for Brookfield	\$123,675.43	\$33,054.73	\$156,730.16
Total Capital Costs	\$1,082,251.29	\$33,054.73	\$1,115,306.02
Professional Service Costs	\$175,000.00	\$0.00	\$175,000.00
Financing Costs:			
Financing Interest	\$2,043,869.95	\$0.00	\$2,043,869.95
Contingency Costs	\$69,000.00	(\$53,054.73)	\$15,945.27
Relocation Costs	\$0.00	\$0.00	\$0.00
Organizational Costs	\$0.00	\$0.00	\$0.00
Necessary and Convenient Costs	\$600,000.00	\$0.00	\$600,000.00
Additional Imputed Administrative Fee	\$0.00	\$20,000.00	\$20,000.00
Total TID #67 Project Costs	\$3,970,121.24	\$0.00	\$3,970,121.24

The parties agree that Developer can only seek reimbursement for eligible expenses for improvements made within the geographical boundaries of Tax Increment District Sixty-seven. The parties agree that any improvements made outside of the boundaries of Tax Increment District Sixty-seven are not reimbursable from the Tax Increment District Sixty-seven Fund, and Developer agrees that it will not seek reimbursement from City for any such improvements made outside of the district.

3. Other Terms Unchanged. The rest and remainder of the Agreement shall remain in full force and effect, unchanged, as it existed prior to this First Amendment. In the case of conflict of another portion of the Agreement not changed hereby with the amendments above, the amended paragraph shall control.

4. Effective Date. The effective date for the amendments as described above shall be upon execution of this First Amendment by the Mayor and Finance Officer.

5. Counterparts. This First Amendment may be executed in counterparts; each such counterpart shall be deemed an original and when taken together with other signed counterparts, shall constitute one First Amendment.

Dated this ____ day of _____, 2019.

CITY OF RAPID CITY

Steve Allender, Mayor

ATTEST:

Pauline Sumption, Finance Officer

(seal)

