

**AMENDMENT TO CONTRACT FOR PRIVATE DEVELOPMENT  
FOR TAX INCREMENT DISTRICT NO. 38**

WHEREAS, the CITY OF RAPID CITY, a South Dakota municipal corporation (hereinafter “City”), and HEARTLAND RETAIL CENTER, LLC, a South Dakota limited liability company (hereinafter “Developer”), have previously entered into an Agreement for Private Development for TIF 38 dated May 28, 2003; and

WHEREAS, the parties agree that it is in their mutual best interest to amend that Agreement.

NOW, THEREFORE, BE IT AGREED by the parties as follows:

1. The City shall provide up to One Hundred Thousand Dollars (\$100,000.00) to finance the construction of eight hundred eighty feet (880’) of a water main within the Elk Vale Road right of way beginning at East Anamosa Street and extending to the south and a portion of water main under Elk Vale Road to East Anamosa Street for the purpose of connecting to a future city water main.
2. The Developer shall construct these improvements in accordance with all South Dakota laws concerning the use of public funds, including but not limited to those pertaining to the requirements for public bidding pursuant to SDCL Chapter 5-18.
3. The Developer shall construct these improvements in accordance with the plans and specifications approved by the City for this project. Changes or deviations from these plans or specifications must have prior approval from the City.
4. The estimated cost for the construction of eight hundred eighty feet (880’) of water main from East Anamosa Street to the south is Sixty-seven Thousand Dollars (\$67,000.00). The estimated cost of constructing the road crossing at East Anamosa

Street is Twenty-five Thousand Dollars (\$25,000.00). The remaining Eight Thousand Dollars (\$8,000.00) of the One Hundred Thousand Dollar (\$100,000.00) shall be considered as a contingency. Any use of the contingency must receive prior approval of the City Council.

5. During construction the Developer shall submit an itemized bill to the City for payment. Upon approval of the itemized bills by the Public Works Director, the City shall make payment to the Developer within thirty (30) days.

6. The City shall be entitled to recoup the One Hundred Thousand Dollars (\$100,000.00) from the necessary and convenient cost line item contained within the TIF 38 Project Plan for Phase One of this project. In addition to the principal amount of One Hundred Thousand Dollars (\$100,000.00), the City shall also be entitled to receive from the necessary and convenient line item interest in the amount of five percent (5%) per year. In no case shall the City recoup more than the actual cost of the improvements, plus interest. The City shall not recoup any funds from the Tax Increment District No. 38 fund until all other obligations of the Developer's Agreement have been fully paid.

7. This Agreement shall be considered an amendment to the previously executed Contract for Private Development for Tax Increment District No. 38. All terms



