



# DREAM DESIGN INTERNATIONAL, INC.

CIVIL ENGINEERING ♦ LANDSCAPE ARCHITECTURE  
LAND DEVELOPMENT ♦ CONSTRUCTION ADMINISTRATION

June 25, 2009

Marcia Elkins  
Growth Management – City of Rapid City  
300 Sixth Street  
Rapid City, SD 57701

LF070109-31

RE: Request to Amend the Infrastructure Development Partnership Fund Agreement

Good morning:

The new owners of Plum Creek, currently referred to as Elks Crossing, have provided a bond to ensure the construction of the improvements for the secondary access as identified by the agreements drafted between the parties. The IDPF Loan agreement with the City requires additional surety to ensure payment of the IDPF loan. The owners overlooked this requirement and provided the bond in lieu of a letter of credit from a bank as stated in the IDPF agreement.

The owners request your help in the following:

- 1- The city accepts the bonds as interim surety for the IDPF in lieu of the letter of credit.
- 2- The owners will pledge to provide a letter of credit for the balance of the IDPF loan 3 months prior to the expiration of the bond referred to in paragraph 1.
- 3- If the owners fail to provide the bank letter of credit referred to in paragraph 2, the City has the right to place a lien or a second mortgage on the owner's property in the amount equal to the balance of the IDPF loan.
- 4- The City will release the mortgage within seven days of the owner's submittal of a letter of credit satisfactory to the City or the owner's full payment of the IDPF loan.
- 5- If paragraph 4 is not satisfied, the City may grant partial release of the property as it is platted as long as the owner pays the proportionate share of the IDPF loan for the property being platted.

These are some ideas for this item. As you are aware, bonds and letters of credit are very costly. With the current global financial and economic conditions it is very difficult to obtain large letters of credits from banks due to limited lending restrictions.

We ask for your help in this matter and we respectfully request that an amendment to the IDPF loan be drafted to reflect these ideas and any other thoughts you may have.

Again, we thank you for your help in this matter.

Sincerely,

Hani Shafai

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**RECEIVED**

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**Rapid City Growth  
Management Department**