

November 24, 2009

Mrs. Marcia Elkins

Director of Growth Management
City of Rapid City
300 Sixth Street
Rapid City SD 57701

Dear Mrs. Elkins:

The following is a letter to request and amendment be made to our developers' agreement Tax Increment District 52 which was created on May 2, 2005.

The Tax Increment District provided funding for three distinct elements (1) Improvements to East St Charles, (2) drainage improvements, and (3) reclamation of the snow dump site. After discussions with your department, and public works it was determined that the city has no plans to discontinue using this site in this capacity prohibiting us from fulfilling our obligation under this agreement. We are therefore requesting its removal from inclusion in the current developer's agreement.

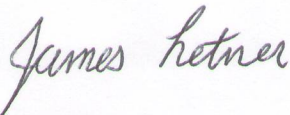
We are also requesting a name change to the agreement. The agreement was awarded to Park Meadows LLC which has since undergone a legal name change to Market Square LLC. We would therefore ask that the new amendment reflect this name change to ensure that remuneration is not withheld. All necessary supporting documentation for this change has been submitted to the finance department.

We understand that the above request deviates from our previous submission to remove elements 1 and 2 and want to clarify our position. Since our original meeting we have verified that all financial submissions incurred to date are admissible, and that such costs if incurred or under contract prior to May 2, 2010 will be admissible.

We would also ask that Council members be made aware that review of the amortization tables indicated this TIF will not pay off with the currently submitted expenditures let alone those that will be required for the construction of the street. That said, we will move forward in good faith to honor the rest of this agreement assuming no additional modifications are made which would adversely impact the current pay out of the TIF.

We appreciate you assistance in moving this request forward.

Sincerely,



James Letner
Owner of Market Square LLC