

Paul Maggie

From: Kooiker Sam
Sent: Tuesday, July 31, 2012 9:26 AM
To: Hani Shafai
Cc: Landeen Joel; Doyle Charity; Petersen Bonny; Wolterstorff Terry; Limbaugh Brett; Nordstrom Ritchie; info@premierpropertiesblackhills.com; Mayor's Office Group; Dawn Haggerty
Subject: RE: Presidential Plaza

Hani,

Thank you very much for your time yesterday and for reviewing my notes. I have made a few clarifications per our conversation this morning.

Here is a brief overview of the discussion on Monday, 7/30/12 at 11 AM in the caucus room.

Present: Wade Nyberg, Charity Doyle, Bonny Petersen, Michael Howard, Ritchie Nordstrom, Hani Shafai, Sam Kooiker

1. Summary:

- a. The project is being delayed because of the redesign that is occurring based on the concerns raised in the Historic Preservation discussion, including masonry cover, etc. You also are moving some elements of the hotel around – swimming pool, etc, which requires adjustments in the structure to accommodate load bearing, etc.
- b. Estimated start date of the project is now estimated to be March 1, 2013. You could theoretically start in December 2012 but do not want to start in the middle of winter. The previous estimated date was Sept/October 2012.
- c. The New Market Tax Credits (NMTC's) have not been secured but there will be a project under the current agreements, although it may not be the 100,000+ square feet that you are currently planning. You estimate some of NTMC's will be secured through US Bank, and the remaining allocations will be secured through other jurisdictions, perhaps including, but not limited to Dakotas Americas.
- d. You indicate you plan to secure tax credits from other Community Development Entities (CDE's) across the country and transfer them to Rapid City to be used here.
- e. You indicated you would not be seeking reimbursement from the taxpayers for design fees if the project doesn't proceed, but instead assured us that it would proceed.

Also, here is the website link with the qualifiers for the NMTC's --
<http://www.dakotasamerica.com/qualifying.php>.

Can you let us know which of these criteria downtown Rapid City qualifies for?

Sam

From: Hani Shafai [mailto:hani@dreamdesigninc.com]
Sent: Saturday, July 14, 2012 10:30 AM
To: Kooiker Sam
Cc: Landeen Joel; Doyle Charity; Petersen Bonny; Wolterstorff Terry; Limbaugh Brett; Nordstrom Ritchie; info@premierpropertiesblackhills.com; Mayor's Office Group; Dawn Haggerty
Subject: RE: Presidential Plaza

Good Morning:

We appreciate all the support we have received from City Council members and City staff on this project. We are working extremely hard with the New Market Tax Credits team to secure that funding source. We are also spending hundreds of thousands of dollars working with the designers and contractors to change the design to reflect the comments and the input that we received from the City Historic Preservation and other constructive input from the community. Based on the costs for the project and the community oriented scope, it would be extremely hard to make the project feasible without New Market Tax Credits or sacrificing the project quality or its economic impact on the community.

We will request to place this item the Public Works Committee meeting on July 31 We hope to give an update on the project and its schedule to the City Officials and the public.

Thank you for all the help.

Hani F. Shafai, PE
President



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From: Kooiker Sam [<mailto:Sam.Kooiker@rcgov.org>]

Sent: Saturday, July 14, 2012 9:05 AM

To: Hani Shafai

Cc: Landeen Joel; Doyle Charity; Petersen Bonny; Wolterstorff Terry; Limbaugh Brett; Nordstrom Ritchie; info@premierpropertiesblackhills.com; Mayor's Office Group

Subject: Presidential Plaza

Importance: High

Hani,

Based on our conversation the other day, it now appears we may not know the status of the NMTC's until October and that everything now hinges on these credits.

My understanding was that the project would still proceed without the credits which is why you were given so much flexibility in the developer's agreements in terms of project scope. I also had the understanding this project was going to have a formal groundbreaking in Sept.

I remain very supportive, but am understandably concerned. I think it's safe to say on behalf of everyone involved that we want to avoid surprises.

Per our visit the other day, I understand you'll bring forward an update at the next Public Works (7/31) or Legal & Finance (8/1) meeting. Brenda Hafner at 394-4165 is the contact for the PW agenda, and Maggie at 394-4140 is the contact for Legal and Finance. I think the deadline for both committees is the Wednesday prior to the meeting.

Please let me know if you are getting all the support you need from the City departments and my office. I am excited about this project and want to help make it a reality.

Sam