

CONTRACT FOR PRIVATE DEVELOPMENT
TAX INCREMENT DISTRICT NUMBER SIXTY-FOUR

Between

CABELA'S RETAIL, INC

and the

CITY OF RAPID CITY, SOUTH DAKOTA

THIS AGREEMENT, is made and entered into on this ____ day of _____, 2007, between Cabela’s Retail, Inc., located at One Cabela Drive, Sidney, NE 69160, hereinafter referred to as the “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, SD 57701, hereinafter referred to as the “City.”

SECTION 1. The City created Tax Increment District Number Sixty-Four by resolution on August 6, 2007.

SECTION 2. The City approved by resolution a Project Plan for Tax Increment District Number Sixty-Four on August 6, 2007.

SECTION 3. The purpose of this agreement is to allow the Developer to be reimbursed from the proceeds of the tax increment district for the cost of the improvements that are included in the project plan. It further establishes the procedures by which the Developer may assign its right to any proceeds from the district in order to secure private financing for the project improvements.

SECTION 4. The estimated project costs for which the Developer can be reimbursed from Tax Increment District Number Sixty-Four, as set forth in the approved project plan, are as follows:

TOTAL ESTIMATED PROJECT COSTS TO BE PAID BY CABELA’S RETAIL INC. TO ACQUIRE LAND SUBJECT TO REIMBURSEMENT FROM THE TAX INCREMENT DISTRICT:

Capital Costs:	\$ 0
Real Property Assembly Costs:	\$ 7,372,000.00
Professional Services Cost	\$ 0
Financing Costs:	
Financing interest	\$ 6,072,976.69
Contingency Costs:	\$ 0
Relocation Costs:	\$ 0
Organizational Costs:	\$ 0
Necessary and Convenient Costs:	\$ 0
TOTAL	\$ 13,444,976.69
Imputed Administrative Costs*	
City of Rapid City	\$ 2,050

*The imputed administrative costs are interest-free, are not included in the total project costs, and are to be paid from the balance remaining in the TID #64 fund available to the City Finance Officer on July 15, 2012.

SECTION 5. This agreement is being entered into to facilitate the Developer's acquisition of property generally located north of Interstate 90 and west of Elk Vale Road at 1851 Discovery Circle and legally described as:

Tract 3 of Discovery Subdivision, located in T2N, R8E of Section 28, BHM, Rapid City, Pennington County South Dakota, consisting of 32.46 acres more or less.

SECTION 6. The base value of the property located in Tax Increment District Number Sixty-Four has yet to be certified by the South Dakota Department of Revenue. Both parties understand that before any increment can be generated by the district that the base valuation of the property within the district must be certified by the Department of Revenue. It is further understood that this agreement is contingent upon certification of the value of the land in the district by the South Dakota Department of Revenue. When the certified land value has been received by the City from the Department of Revenue it will be incorporated into, and become part of, this agreement. The Developer assumes any and all risk that may result from entering into this agreement prior to receiving a certified land value from the Department of Revenue.

SECTION 7. It is agreed by the parties that the Developer will assign its interests in the proceeds of this Tax Increment District to the Rapid City Economic Development Foundation, Inc. in order to finance its purchase of the above described property.

SECTION 8. It is understood by the parties that the boundaries of Tax Increment District Sixty-Four may overlap the boundaries of other tax increment districts. Any increments generated from areas within overlapping districts will be used to pay for the improvements in the districts based on the chronological order in which the districts were created. Only after the disbursements required of the City in the project plans or developer's agreements for any previously created districts have been satisfied, will the City have a duty to disburse funds under this agreement.

SECTION 9. The Developer will certify the land acquisition costs to be reimbursed by this agreement by providing the City's Finance Office a certified copy of the purchase agreement between the Developer and the Rapid City Economic Development Foundation Inc.

SECTION 10. All positive tax increment payments for Tax Increment District Number Sixty-Four shall, upon receipt by the City, be deposited in a special fund to be known as the "Tax Increment District Number Sixty-Four Fund," hereinafter referred to as the "Fund." Subject to Sections 8, 9 and 11 of this agreement the City shall, within thirty (30) days after the receipt of each tax increment payment from the Treasurer of Pennington County, disburse all amounts in the Fund to the Developer or their designee.

SECTION 11. It is specifically a condition of this agreement and a condition of the City's obligation to pay, that all sums payable shall be limited to the proceeds of the positive tax increment from Tax Increment District Number Sixty-One received into the "Fund" specified in Section 10 hereof. The obligation of the City to pay pursuant to this agreement does not constitute a general indebtedness of the City or a charge against the City's general taxing power. The provisions of SDCL 11-9-36 are specifically incorporated herein by reference. It is also specifically agreed that the City has made no representation that the proceeds from such fund shall be sufficient to retire any indebtedness incurred by Developer. The parties further acknowledge that SDCL 11-9-25 limits the duration of allocability of the positive tax increment payments to the fund created by Section 10 hereof. The provisions of SDCL 11-9-25 are specifically incorporated herein by this reference.

SECTION 12. This document, the Project Plan for Tax Increment District Sixty-Four, along with any other agreements between the City and the Developer or any amendments thereto, relating to the transfer of the above described property, shall constitute the entire agreement of the parties. No other promises or consideration form a part of this agreement. All prior discussions and negotiations are merged into these documents or intentionally omitted.

SECTION 13. If any section(s), or provision of this agreement are declared invalid for any reason whatsoever by any competent court, such invalidity shall not affect any other section(s) or provision of this agreement if they can be given effect without the invalid section(s) or provisions.

SECTION 14. This agreement can only be amended in writing by the consent of all the parties hereto.

SECTION 15. This agreement shall be construed and the parties' actions governed by the laws of the State of South Dakota. Any dispute arising out of or related to this agreement shall be litigated in the Seventh Judicial Circuit Court for the State of South Dakota, located in Rapid City, Pennington County, South Dakota.

Dated this ____ day of _____, 2007.

CABELA'S RETAIL, INC.

BY: _____

ITS: _____

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(SEAL)

State of Nebraska)
 ss.
County of _____)

On this the _____ day of _____, 2007, before me, the undersigned officer, personally appeared _____, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged themselves to be the _____ of Cabela's Retail Inc., and as such, being duly authorized to do so, executed the foregoing instrument for the purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:
(SEAL)

State of South Dakota)
 ss.
County of Pennington)

On this _____ day of _____, 2007, before me, the undersigned officer, personally appeared Alan Hanks and James F. Preston, who acknowledged themselves to be the Mayor and Finance Officer, respectively, of the City of Rapid City

and that he, as such Mayor and Finance Officer, being duly authorized to do so, executed the foregoing instrument for the purposes therein contained by signing as such Mayor and Finance Officer of the City of Rapid City.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public, South Dakota

My Commission Expires:
(SEAL)