

**MEMORANDUM OF AGREEMENT BETWEEN
THE CITY OF RAPID CITY
and
SKYLINE DRIVE PRESERVATION, INC.**

This agreement is by and between the City of Rapid City, SD, a municipal corporation (hereinafter referred to as City) and the Skyline Drive Preservation, Inc. (hereinafter referred to as SDP), a non-profit corporation of Rapid City, SD.

PREAMBLE

The area known as Skyline Drive Wilderness Area, encompassing approximately 128.65 acres, more or less, is located along Skyline Drive as shown in Exhibit "B". The wilderness area is within the City Limits. In the year 2001, SDP was formed as a separate, autonomous non-profit corporation, known as Skyline Drive Preservation, Inc., which draws support from various groups and individuals. By resolution, the City of Rapid City approved a request submitted by SDP to use funds from the Vision 2012 Fund to retire a mortgage on the property.

WHEREAS

Both entities mentioned herein are interested in the development of a public wilderness area, both stipulate to the following:

1. The City appropriated the sum of Seven Hundred Thirty Seven Thousand One Hundred Forty Four Dollars and Eighty Five Cents (\$737,144.85) to retire the existing mortgage to First Western Bank. SDP will continue to be responsible for any and all future property assessments and taxes. This does not preclude SDP from requesting funds from any governmental agency for the purpose of paying taxes and assessments.
2. To meet this responsibility, SDP will conduct fundraising activities, in which the City has no participation.

3. SDP will continue to maintain the area as a wilderness area and pick up and remove trash items foreign to the area.

4. Should SDP be unable to meet its financial obligations regarding property assessments and taxes, or choose to voluntarily donate the property to the City, SDP will deed the entire property to the City. Should the City take possession and ownership of the property, the City will dedicate the property as a park or wilderness park area open to the public and free from residential and commercial development. SDP is in the process of developing a conservation easement on the property.

5. The following property listed in Exhibit "A" attached hereto and incorporated herein, is subject to this agreement.

6. SDP will not place or allow any future financial encumbrances on the property without the approval of the Rapid City Common Council or its successor. SDP will not transfer ownership of the property without the approval of the Rapid City Common Council. This does not preclude SDP from creating a conservation easement to be held by another party for enforcement of the easement.

7. SDP members as a group and as individuals will be held harmless for their actions or decisions.

8. This agreement will remain in effect as long as SDP, its successors, assigns or designees are owners of the property.

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EFFECTIVE DATE: In witness whereof, the parties hereto have executed this agreement this _____ day of _____, 2006.

CITY OF RAPID CITY

Jim Shaw, Mayor

ATTEST:

Finance Officer

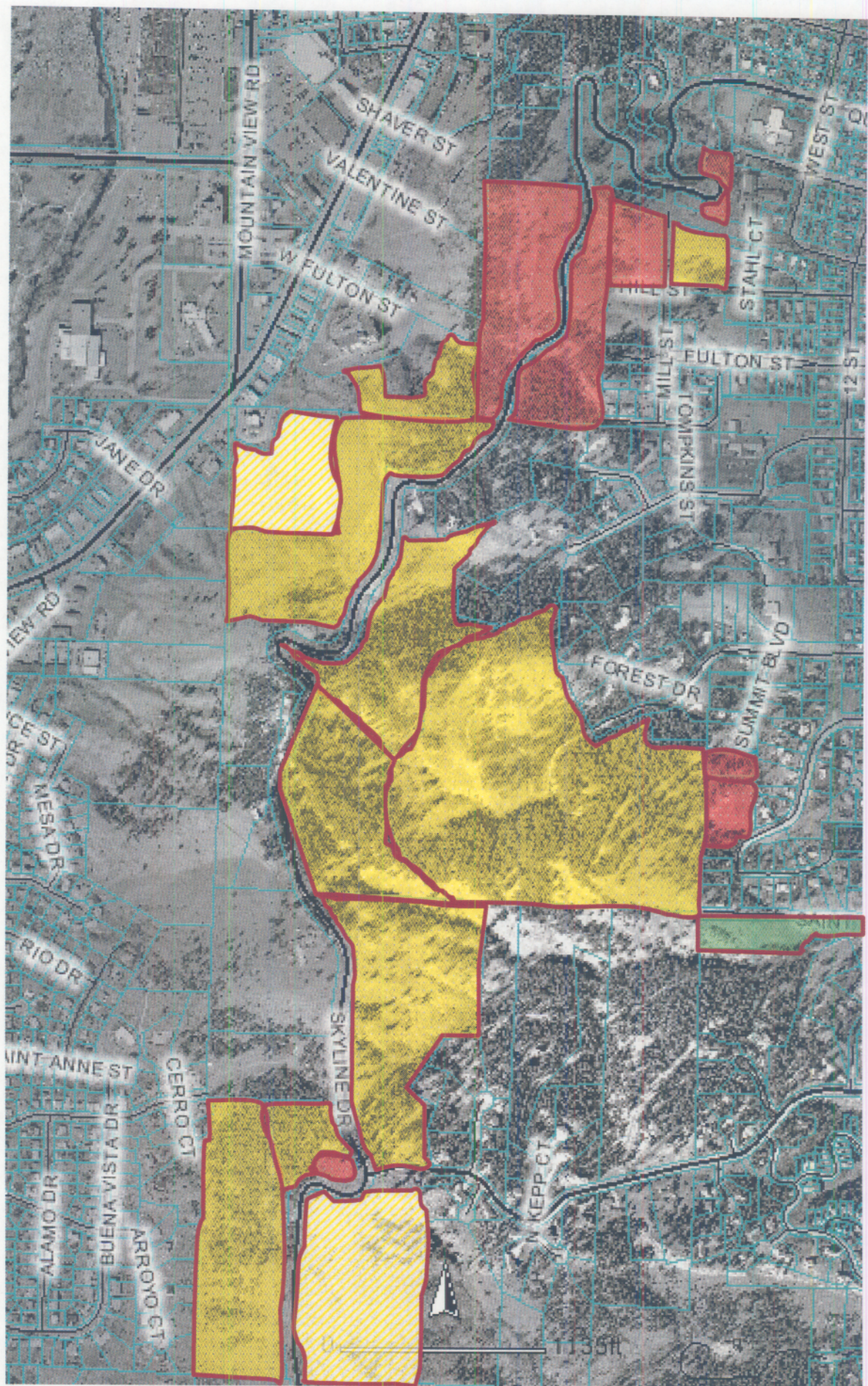
(SEAL)


SKYLINE DRIVE PRESERVATION, INC.


By: _____
President


EXHIBIT "A"


<u>TAX ID #</u>	<u>LEGAL DESCRIPTION</u>
49554	Lot CR less Utility Lots A & B of Forest Hills Subdivision of the City of Rapid City, Pennington County, South Dakota
53473	Tract A of Tract S of Forest Hills Subdivision of the City of Rapid City, in the Southwest Quarter (SW1/4) of Section Two (2), Township One North (T1N) of Range Seven East of the Black Hills Meridian (R7E BHM), Pennington County, South Dakota
53474	Tract B of Tract S of Forest Hills Subdivision of the City of Rapid City, in the Southwest Quarter (SW1/4) of Section Two (2), Township One North (T1N) of Range Seven East of the Black Hills Meridian (R7E BHM), Pennington, County, South Dakota
53475	Tract C of Tract S of Forest Hills Subdivision of the City of Rapid City, in the Southwest Quarter (SW1/4) of Section Two (2), Township One North (T1N) of Range Seven East of the Black Hills Meridian (R7E BHM), Pennington County, South Dakota.
47063	Lot 14R of Kepp Heights #3 Subdivision of the City of Rapid City, as shown by the plat recorded in Book 25 on Page 74 in the Office of the Register of Deeds, , Pennington County, South Dakota
47208	Lot 16R (Also in Section 10) of Kepp Heights #3 Subdivision of the City of Rapid City, as shown by the plat recorded in Book 25 on Page 86 in the Office of the Register of Deeds, Pennington County, South Dakota
47209	Lot 17 of Kepp Heights #3 Subdivision of the City of Rapid City, as shown by the plat recorded in Book 25 on Page 86 in the Office of the Register of Deeds, Pennington County, South Dakota
24968	Lots 1, 2, 3 and 4 in Block 3 of Lampert's Addition to the City of Rapid City, Pennington County, South Dakota.
55769	Lot Seven (7) of Overlook Subdivision of the City of Rapid City, as shown by the plat recorded in Book 33 of Plats on Page 126 in the Office of the Register of Deeds, Pennington County, South Dakota



 Skyline Dr Preservation, Inc.

 Pledged to Skyline Dr Preservation, Inc.

 City Owned Property

 Pennington County Owned Property

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