

## Memorandum #08-107

**To:** *City Commission*  
**From:** *Finance Officer*  
**Date:** *5/21/2008*  
**Subject:** *Memorandum Supporting an Engagement Letter with Todd Meierhenry for Services for Proposed TID #3*

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Attached to this memorandum is a proposed engagement letter with Todd Meierhenry of Danforth & Meierhenry, LLP, for services related to the proposed TID #3 (Yankton Mall Renovation Project). The engagement letter specifies the responsibilities that Todd proposes to serve in connection with the Yankton Mall renovation project. The estimation of fees and expenses ranges from \$1,500.00 and up to \$10,000.00 and reimbursement for all out-of-pocket related expenses if a TIF Bond or other obligation is executed. These expenses are all project related and reimbursable to the City from TID revenues if a successful TID #3 is formed.

It is recommended that the City Commission approve this engagement letter and authorize the interim City Manager to sign said engagement letter.

Thank you,

Al Viereck  
Finance Officer

# DANFORTH & MEIERHENRY, LLP

MARK V. MEIERHENRY  
TODD V. MEIERHENRY  
SABRINA S. MEIERHENRY  
CLINT SARGENT  
PATRICK J. GLOVER

**TODD MEIERHENRY**  
todd@meierhenrylaw.com

May 13, 2008

City of Yankton  
Attn: Al Viereck  
PO Box 176  
Yankton, SD 57078

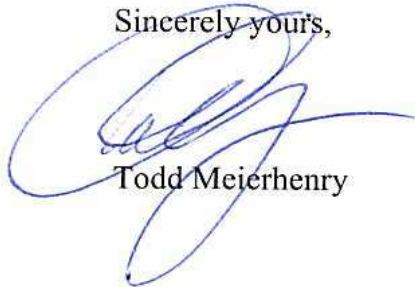
Re: Tax Increment District (Dial Properties)

Dear Mr. Viereck:

Enclosed please find two original copies of the Bond Engagement letter. Please review and if it meets your approval, please sign and return one to our office.

If you have any questions, please feel free to contact this office.

Sincerely yours,



Todd Meierhenry

TM/tls

# DANFORTH & MEIERHENRY, LLP

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May 13, 2008

City of Yankton  
PO Box 176  
Yankton, SD 57078

Re: Tax Increment District (Dial Properties)

Dear City Council:

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as special counsel to the City in connection with the issuance of the above-referenced bonds (the "Bonds") by the City (the "City").

The City is our client and an attorney-client relationship will exist between us upon execution of this engagement letter. Unless we have been separately engaged for further work listed above or otherwise, our representation of the City and the attorney-client relationship will be concluded upon issuance of the bonds.

Special counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal advice and opinions with respect to a tax increment district proposal.

As special counsel, we will:

- (1) Advise the City as to the issues relating to the tax increment district and financing;
- (2) prepare and review documents necessary or appropriate to the creation of the Tax Increment District, authorization, issuance, sale and delivery of any obligation, coordinating the authorization and execution of such documents;
- (3) review legal issues relating to the structure of the tax increment district and tax increment district and TIF obligation.

In performing our services as special counsel, our client will be the City and we will represent its interests. We assume that other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our representation of the City does not alter our responsibility to render an objective opinion as special counsel.

Based upon: (i) our current understanding of the proposed tax increment district (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to this matter, and (iv) the responsibilities we assume, our fee as special counsel will be charged at the rate of \$250/hour. We estimate that the fees and expenses related to the matter will be in the range of \$1,500 and up to 10,000 if there is a TIF Bond or other obligation executed. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you. In addition, we will expect to be reimbursed for all out-of-pocket expenses.

If the foregoing terms of this engagement are acceptable to you, please so indicate by returning the enclosed copy of this letter signed by an appropriate officer, retaining the original for your files. We look forward to working with you.

**DANFORTH & MEIERHENRY, L.L.P.**

By:  \_\_\_\_\_

Accepted and Approved:

**CITY OF YANKTON**

\_\_\_\_\_  
By:

Its:

PO Box 176

Yankton, SD 57078