



640 E. Saint Patrick Street, Rapid City SD 57701
(605) 718-1305 or (605) 484-8797

July 28, 2011

Dear Mayor Sam Kooiker and Rapid City Council,

This letter is a request to be put on the Legal and Finance Agenda for August 10, 2011. We continue to seek a SD Video Lottery license since our last letter to Council in May 2011. This is a request to have a lottery license released for our establishment.

Our establishment, Divas-n-Rockstars Karaoke Nightclub, is a local business here in Rapid City offering food, alcoholic beverages and a wide variety of entertainment. We opened our doors on January 12th, 2011 and have been actively searching for a lottery license since inception and have found none that are available for sale. We have attempted to contact several owners that hold inactive video lottery licenses and none of them are willing to sell. We also contacted the owners of 2 liquor licenses that were up for sale, but to no avail.

We strongly feel that video lottery would be a substantially huge benefit for our business. Many loyal patrons come to our night club in search of video lottery. Currently, we turn away customers on a daily basis that come through our doors specifically looking for a casino. We are losing out on profits that will tremendously help our young business which in turn boosts the local economy.

Divas-n-Rockstars has a malt beverage and wine license currently. We offer nightly karaoke, free roll poker tournaments, pool and dart tables and many other forms of entertainment and events for our patrons. We employ between 10-15 people on average. Our customer base continues to grow month to month and we strongly feel we are a superb candidate for a video lottery license.

Please consider our urgent request.

Very Sincerely,

Nicholas and Heather Rottum
Owners

12-1-75
L. J. ...

RESOLUTION FOR VIDEO LOTTERY DESIGNATION

WHEREAS the City of Rapid City has adopted a population limit on the number of video lottery designated alcohol licenses; and

WHEREAS the City of Rapid City needs a fair method for determining eligibility for those additional video lottery designations as the population increases;

NOW, THEREFORE, BE IT RESOLVED by the Common Council for the City of Rapid City that the below set forth rules will be used to determine how the application process for new video lottery designations within the City of Rapid City shall be administered:

Application requirements:

- 1) \$250 non-refundable application fee paid at time of application
- 2) Application on forms provided by City Finance Office
- 3) Applicant must be 21 years of age
- 4) Only one (1) application allowed for each potential video lottery location
- 5) Application submittal required before application deadline

Drawing Dates:

Each year hereafter the City Finance Officer will announce at the 2nd Council meeting in July whether the population increases, as compared to the number lottery licenses issued, mandates a drawing on the right to apply for a video lottery designation.

If the population increases compared to number of video lottery licenses issued warrants a drawing, the Finance Officer will announce:

- 1) Number of new video lottery designations available
- 2) Time of Drawing: to be held at the 1st Council meeting in September
- 3) Application location and deadline

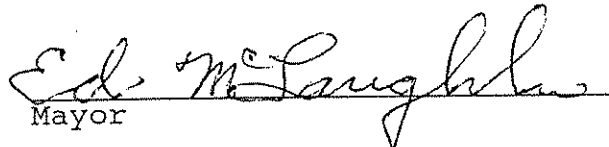
The Finance Officer will also have published at least fifteen (15) days prior to the date of the drawing in the City's legal newspaper a notice of the video lottery designation drawing, including; the number of video lottery designations available at the drawing; the time, date and location of the drawing; the location for obtaining application forms; and, application submittal deadlines.

Video lottery designation use requirements:

- 1) If applicant is winner of drawing for right to apply for video lottery designation, applicant must obtain the appropriate alcohol license and video lottery license for the location described on the winning application form by June 30th of the following year, or this right to apply for video lottery designation will be forfeited.
- 2) The right to apply for video lottery designation can not be transferred as to person or location.

Adopted this 4th day of December,
1995.

CITY OF RAPID CITY


Mayor

ATTEST:


Finance Officer