Case No. 16UR019

Legal Description:

Tract B a portion of the NW1/4 of the NW1/4 west of Skyline Drive, located in Section 11, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota





Chris Gross Vice President/General Manager (605) 394-7777 ext. 105

RAPID CITY COMMUNITY PLANTERS

September 9, 2016

This letter is to briefly describe and outline the construction/remodel project located at 2001 Skyline Dr., Rapid City SD 57701

Background: Gray Television Group, Inc. entered into a purchase agreement in the fall of 2015 to purchase Schurz Communications television assets. Of which is KOTA TV in Rapid City. The deal was approved by the DOJ and FCC and closed of Feb. 16, 2016. Gray TV at that time owned KEVN in Rapid City. Upon the close both KEVN and KOTA came under the ownership of Gray Television Group, Inc.

The property that KOTA TV is located in is currently leased, the property that KEVN TV occupies is owned by Gray TV. The decision was made to bring both television stations under one roof at the KEVN facility. To do this the current facility will need to be remodeled and expanded to allow for both stations to operate.

The current facility is approximately 10,000 sq. ft. The facility will be remodeled and another approximately 10,000 sq. ft. will need to be added. To accommodate the current employee count of 100 people. The building will need a new entrance, as the current one is unsafe. And a larger parking lot area. There is no city water supplied to the facility so a cost share proposal will also be submitted to the City of Rapid City to run a water line.

By bringing KEVN and KOTA into the same facility there will be cost savings and efficiencies created that will allow the television stations to better serve our customer base as well as the television viewers in the Black Hills region. KOTA and KEVN are the most watched local news stations in the market and this behind the scenes consolidation will allow better local news coverage, weather alerts and community alerts to inform the public. I welcome any input or questions.

Thank you,

Chris Gross

KOTA TV/KEVN Black Hills FOX TV

Vice President/General Manager

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