

Sponsors: Christianson / Ystad

POSSIBLE MOTION

I MOVE TO approve Resolution 2025-11 on first and final reading petitioning the Alaska State Alcoholic Beverage Control Board to issue up to six additional Restaurant or Eating Place Licenses under Alaska Statute (AS) 04.11.405.



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Mayor Eisenbeisz and Assembly Members

From: Assembly Members Christianson and Ystad

Date: August 6, 2025

Subject: Resolution Petitioning the Alaska State ABC Board for Six Additional REPLs in Sitka

Background

Restaurant and Eating Place Licenses (REPLs) as issued by the Alaska State Alcoholic Beverage Control Board ("ABC Board") allow "bona fide restaurants" to sell brewed beverages and wine under Alaska Statute (AS) 04.09.210. Under AS 04.11.400(a), REPLs are limited to one license for each 1,500 population (or fraction thereof). According to AMCO's (Alcohol and Marijuana Control Office) 2024 population counts, Sitka has 8,063 permanent residents which allows issuance of up to 6 REPLs. Sitka currently has 8 active REPL licenses, 2 of which are seasonal REPL tourism licenses (these can only be utilized for six months out of the year and are subject to other population limits established in 3 AAC 305.310).

Under AS 04.11.405, qualifying municipalities (including CBS) may, through a resolution, petition the ABC Board to issue additional REPLs if it demonstrates and satisfies a set of requirements as set out in this statute (see Analysis). If the petition is successful, CBS will not be able to petition for additional REPLs again for one year. Our goal is to foster business opportunities for new and growing restaurants/eating places here in Sitka that can provide expanded dining options both to meet seasonal visitor demand, as well as year-round dining and employment opportunities for locals.

The Tourism Commission reviewed the draft resolution and recommended approval at its regular meeting on July 10th. Additionally, the Municipal Clerk sent an email with the draft resolution, background information, and public comment opportunities to all active alcohol license holders on July 22nd.

Analysis

In order to petition for additional REPLs, municipalities must demonstrate that it:

- Serves as a center for commercial activity within and outside its boundaries by providing goods and services to a population greater than the permanent resident population.
 - Commercial activities centralized in Sitka include seafood, health care, and tourism
 - Sitka has a visitor population of more than 665,000 (approximately 600,000 cruise visitors and 65,000 independent travelers)
 - Sitka has approximately 3,200 non-local workers (3,184 in 2023)
- Maintains a local law enforcement department
- Exercises planning or land use authority
- At the time of petition, meets or exceeds the maximum limit of REPLs under the permanent resident population cap
- Would be in the public interest to grant additional REPLs
- When factoring in the permanent resident population, the visitor population, and non-local worker population, the additional REPLs requested does not exceed 1 license for each 1,500 population
 - With 6 additional REPLs, the resulting ratio would be 1 license for each 48,303 population.

Staff reviewed recent REPL petitions from other Alaska municipalities – since 2023, petitions from Juneau, Homer, Haines, Soldotna, Wasilla, and Valdez have been approved. Our request for 6 additional REPLs puts our license to population ratio squarely between Juneau’s post-petition ratio (1 per 54,511) and Haines’ post-petition ratio (1 per 35,215) which we believe is reasonable and defensible given our size relative to the two communities, and other similar factors such as the nature of our visitor industries and geographic isolation.

Fiscal Note

No expenditures are associated with this resolution outside of staff time to submit the resolution/petition materials and (virtually) attend the September 16th ABC Board meeting at which the petition will be considered.

While difficult to estimate, there are additional revenue opportunities for CBS associated with this resolution, primarily increased sales tax from new/expanded restaurants which are able to secure new REPLs.

Recommendation

Approve the resolution and submit it to the ABC Board for consideration/approval.

Encl: P&CD Supporting Document Letter (Draft)
 Tourism Commission 7.10.25 Draft Minutes
 Notice to Active Alcohol Licensees & Letter to the Editor
 Chamber of Commerce Letter of Support

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2025-11

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA
PETITIONING THE ALASKA STATE ALCOHOLIC BEVERAGE CONTROL BOARD TO
ISSUE UP TO SIX ADDITIONAL RESTAURANT OR EATING PLACE LICENSES UNDER
ALASKA STATUTE (AS) 04.11.405**

- WHEREAS,** the City and Borough of Sitka (CBS) is incorporated as a home rule municipality and is eligible to seek additional Restaurant or Eating Place Licenses (REPL) from the Alaska State Beverage Control Board through the process outlined in Alaska Statute (“AS”) 04.11.405; and
- WHEREAS,** Sitka serves as a hub of regional commerce in Southeast Alaska due to its strategic location, established fishing and seafood industry, role as a service center, and its expanding healthcare and tourism sectors; and
- WHEREAS,** approximately 8,063 people live in Sitka year-round, Sitka employs approximately 3,200 non-local workers and has over 665,000 yearly visitors; those workers and visitors rely on CBS for goods and services meeting the requirements outlined in AS 04.11.405(b)(1)(A); and
- WHEREAS,** the Sitka Police Department has 7 sworn peace officers and numerous other staff members to provide local law enforcement services including police patrol and criminal investigation, meeting the conditions outlined in AS 04.11.405(b)(1)(B); and
- WHEREAS,** the CBS Planning Commission and the Planning and Community Development Department are tasked with wide-ranging planning and land use authority including, but not limited to, zoning regulation and oversight, management of CBS lands, and updates to the CBS Comprehensive Plan, meeting the conditions outlined in AS 04.11.405(b)(1)(C); and
- WHEREAS,** the CBS currently exceeds the maximum number of REPL licenses allowed under AS 04.11.040(a) with 8 active licenses, meeting the conditions outlined in AS 04.11.405(b)(1)(D) and (c)(3)(B); and
- WHEREAS,** when considering the cumulative number of year-rounds residents, non-local workers, and annual visitors, the total resulting population is well above the additional population that would be required for the 6 additional licenses requested to maintain the 1 to 1,500 ratio mandated under Title 4, meeting the conditions outlined in AS 04.11.405(c)(4); and
- WHEREAS,** expanding the availability of beer and wine sales to additional local restaurants would enhance dining options for both residents and visitors, while also supporting the growth and diversification of Sitka’s small business community and related employment opportunities.

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka hereby petitions the Alaska State Alcoholic Beverage Control Board to issue up to 6 additional restaurant or eating place licenses within the City and Borough of Sitka under Alaska Statute 04.11.405.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 12th day of August, 2025.

Timothy Pike, Deputy Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading: 08/12/2025

Sponsors: Christianson / Ystad