



CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT

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Dear Members of the Alcoholic Beverage Control Board,

On behalf of the City and Borough of Sitka (CBS), I respectfully submit this letter in support of our request for six additional restaurant or eating place licenses (REPLs) for our local eateries. In accordance with AS 04.11.405, the CBS Assembly has passed a resolution petitioning for the six (6) additional licenses.

To provide additional context for the data points and rationale used in our resolution, please find our responses to each of the requirements for REPL petitions by local governing bodies as listed in AS 04.11.405 below.

Local, Visitor, and Nonresident Population Counts

In addition to its permanent resident population of 8,063¹, Sitka serves as a hub of regional commerce in Southeast Alaska due to its strategic location and established fishing and seafood industry. CBS is investing heavily in its seafood and maritime industries through the recently constructed marine haul-out facility to serve our local fleet and those who come from all over the region to access Sitka's expansive fishing grounds.

Expansion within the Sitka's healthcare sector has further increased travel by those seeking medical attention and itinerant healthcare professionals. The Southeast Alaska Regional Health Consortium (SEARHC) is one of the largest Native-run healthcare organizations in the nation which serves 26 communities and over 41,000 patients in Southeast Alaska². Sitka's Mt. Edgecumbe Medical Center is the largest of SEARHC's two hospital facilities and provides medical services not only to Sitka residents, but to patients from across the region who require services not available at their local outpatient or traveling clinic facilities².

Tourism in Sitka has experienced significant post-pandemic growth, with cruise visitation rising from a previous peak of almost 290,000 annual visitors³ to over 585,000 annual visitors in 2023⁴ and over 600,000 visitors in 2024⁵, with similar levels expected

¹ Alcohol and Marijuana Control Office. "Population as of July 2024." February 2025.

² SEARHC. "2024 Year in Numbers." March 2025.

³ Visit Sitka. "Sitka Historic Cruise Passenger Visitation." December 2021.

⁴ Cruise Line Agencies of Alaska. "2023 Cruise Passenger Count." November 2023.

⁵ Cruise Line Agencies of Alaska. "2024 Cruise Passenger Count." January 2025.

for the 2025 and 2026 seasons. Independent travel to Sitka has also risen, with summer enplanement at the Sitka Rocky Guterres Airport rising by 15% between 2017 and 2024, and the number of nights rented at short-term rentals regulated by the CBS Planning & Community Development Department growing 52% between 2018 and 2024⁶. Visit Sitka, our local visitor and convention bureau, estimates that over 65,000 independent travelers arrived in Sitka via air travel in 2022 and 2023⁷.

Sitka's economy, particularly its seasonally-driven seafood and tourism sectors, rely on non-local employment. The Alaska Department of Labor and Workforce Development reported that 3,184 non-local (369 non-local Alaska residents and 2,815 non-residents) worked in Sitka in 2023⁸.

In consideration of our petition, CBS closely reviewed recent petitions for additional REPLs from other local governments including the City and Borough of Juneau (Juneau), the City of Homer (Homer), the City of Valdez (Valdez), the City of Wasilla (Wasilla), the City and Borough of Haines (Haines) and the City of Soldotna (Soldotna). The resulting population-to-REPL ratios are demonstrated in the below table:

Community	Petition Date	Pre-Petition Active Licenses	Total Available Licenses Post-Petition	Permanent Resident Population	Greater Area Population	Non-Local/Non-Resident Worker Population	Visitor Population	Total Population	Total Population per License Post-Petition
Juneau	4/15/2025	22	30	31,336	-	4,000	1,600,000	1,635,336	54,511
Homer	4/15/2025	15	20	5,648	12,811	-	231,057	249,516	12,476
Haines	2/4/2025	3	5	2,575	-	-	173,500	176,075	35,215
Soldotna	4/16/2024	6	26	4,342	59,819	-	330,678	394,839	15,186
Wasilla	11/13/2023	15	35	9,547	102,205	-	174,000	285,752	8,164
Valdez	8/22/2023	6	16	3,950	5,682	5,922	73,306	88,860	5,554
Sitka	Pending	8	14	8,063	-	3,184	665,000	676,247	48,303

Sitka currently has 8 active REPLs, two of which are seasonal REPL tourism licenses. In determining the appropriate number of additional licenses to request, CBS aimed to have commensurate post-petition licenses to population ratios with the other two Southeast Alaska communities that have had recent petitions approved, Juneau and Haines, to account for the unique geographic isolation of Southeast Alaska communities and the nature of the visitor industry in the region. With 6 additional REPLs approved, Sitka's resulting license to population ratio would be in-line with those as approved by the ABC Board for Juneau and Haines earlier this year.

Public Interest

The granting of additional REPLs in Sitka is in the public interest to support our local business community as well as providing improved service to locals and visitors alike.

⁶ City and Borough of Sitka. "2024 Annual Short-Term Rental Report." April 2025.

⁷ Visit Sitka. "Annual Workplan & Budget Request FY25." April 2024.

⁸ Alaska Department of Labor and Workforce Development. "Nonresidents Working in Alaska, 2023." February 2025.

As was noted during consideration of this petition by our Tourism Commission⁹, it can be incredibly difficult for year-round food businesses such as restaurants to be financially feasible without an REPL. Increasing the number of REPLs will allow for existing businesses to grow, new businesses to start, and for both to meet the demand of our sizeable visitor and seasonal worker populations while still providing year-round employment and dining options for locals.

Public Comment Period

In consideration of this request, CBS offered several public comment opportunities including:

- A review and recommendation for approval by our Tourism Commission occurred on July 10, 2025, which was publicly advertised and included an opportunity for public testimony
- A notice was sent to all active alcohol license holders in Sitka on July 22, 2025, which provided instruction on options for written, telephonic, and in-person comment
- The Assembly co-sponsors of the resolution published a Letter to the Editor in the Sitka Sentinel on August 4, 2025, providing the public with information about the petition and instructions on options for written, telephonic, and in-person comment
- The Assembly took public comment at the August 12, 2025, CBS Assembly meeting at which this resolution was passed.

Copies of published notices, minutes from the Tourism Commission meeting, and a copy of the notice sent to Sitka's active alcohol license holders are enclosed for the Board's reference.

Sincerely,

Amy Ainslie
Planning and Community Development Director
City and Borough of Sitka

⁹ City and Borough of Sitka, Tourism Commission. "July 10, 2025, Draft Meeting Minutes." July 2025