




CITY AND BOROUGH OF SITKA

A COAST GUARD CITY

MEMORANDUM

To: Chair Windsor and Planning Commission Members

From: Amy Ainslie, Planning & Community Development Director 

Date: September 26, 2025

Subject: Resolution Petitioning the ABC Board for 3 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. The goal of Assembly sponsors for this resolution 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. The Assembly considered and amended this resolution at its August 12th meeting; it originally requested 6 additional licenses, which the Assembly lowered to 3. The Assembly also requested additional review by, and public comment at, the Planning Commission. The resolution will return to the Assembly for consideration at its October 28th meeting. Notice of the Planning Commission meeting was emailed to all active alcohol license holders on September 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 3 additional REPLs, the resulting ratio would be 1 license for each 61,477 population.

Staff reviewed recent REPL petitions from other Alaska municipalities – since 2023, petitions from Juneau, Homer, Haines, Soldotna, Wasilla, and Valdez have been approved. Sitka's request for 3 additional REPLs puts our license to population ratio well below the lowest approved ratios [Juneau's post-petition ratio (1 per 54,511) and Haines' post-petition ratio (1 per 35,215)], indicating that this request would be in line with ABC Board approvals for other Southeast communities.

The above requirements, and citations for data used, must be included in the resolution and supporting documentation for submittal to the ABC Board. Staff drafted a letter to accompany the original resolution which has been attached. Please note that since it was written to accompany the original resolution, it was based on a request for 6 additional licenses rather than 3, and does not include more recent public comment opportunities. Based on feedback from the Commission, the letter will be modified/updated for the October 28th Assembly meeting.

Relation to Comprehensive Plan:

- Economic Development Action 4.1: Encourage local start-ups and entrepreneurship
- Economic Development Action 6.5: Support growth of Sitka's independent and cruise-related tourism work and enterprises, including heritage tourism.
- Economic Development Action 7.3: Foster a positive business climate with consistent regulations, permitting, and taxes.

Recommendation

Areas of consideration for the Commission on the resolution include:

- Adequacy of community/economic growth to warrant an increase of REPLs
- Public health/safety concerns associated with additional REPLs
- Economic impacts (positive and negative) associated with additional REPLs
- Consistency with the Comprehensive Plan
- Other considerations the Assembly should make in determining whether to move forward with the petition

Potential motion: **“I move to recommend approval of Resolution 2025-11A petitioning the Alaska State Alcoholic Beverage Control Board to issue up to 3 additional Restaurant or Eating Place Licenses in Sitka.”**

Encl: Resolution 2025-11A

P&CD Supporting Document Letter for Original Resolution (Draft)

7.10.25 Tourism Commission Minutes

8.12.25 Assembly Minutes (Excerpt for action/discussion on resolution)