
MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
 From: Marjie Veeder, City Clerk
 Through: Erin Reinders, City Manager
 Date: April 12, 2022
 Re: Liquor License Renewal Application - The Norwegian Rat Saloon

SUMMARY: Liquor licenses must be renewed with the State of Alaska every two years. Council reviews the renewal applications and determines whether or not the City, as the local governing body, will protest renewal of the licenses. M&M Holdings LLC, doing business as The Norwegian Rat Saloon, has applied to renew their liquor license. Staff recommends no protest.

PREVIOUS COUNCIL ACTION: Council reviews liquor license renewals as they are submitted to us by the state. Council discussed protesting specific license renewals in the past due to delinquent utility bills but did not file any protests. In 2010 Council protested the renewal of a liquor license due to delinquent sales tax, property tax and utility bills, and because the business had no physical location due to fire.

BACKGROUND: AS 04.11.400 defines the distribution of liquor licenses based on population and location:

- For every 1,500 or fraction thereof in population, one restaurant/eating place license is authorized. Such licenses allow the establishment to serve only beer and wine.
- For every 3,000 or fraction thereof of population, one beverage dispensary license is authorized and one package store license is authorized.
- Beverage dispensary and restaurant/eating place licenses that are designated as tourism, convenience or airport do not count as licenses based on population.

The City of Unalaska has the following breakdown of licenses authorized:

Establishment	License Type	Explanation
Alaska Ship Supply	Package Store	One of two package store licenses allowed by population
Harbor View Liquor Store	Package Store	One of two package store licenses allowed by population
Dutch Harbor Fast Food	Restaurant/Eating Place	One of three restaurant/eating place licenses allowed by population
Amelia's Restaurant	Restaurant/Eating Place – Public Convenience	Restaurant/Eating Place – Public Convenience is not counted in population per AS 04.11.400(g)
Airport Restaurant & Lounge	Beverage Dispensary – Tourism	Beverage Dispensary – Tourism is not counted in population per AS 04.11.400(d)(2)
Grand Aleutian Hotel	Beverage Dispensary – Tourism	Beverage Dispensary – Tourism is not counted in population per AS 04.11.400(d)
Grand Aleutian Hotel Chart Room	Beverage Dispensary – Tourism Duplicate	Beverage Dispensary – Tourism is not counted in population per AS 04.11.400(d)
Harbor View Bar & Grill	Beverage Dispensary – Tourism	Beverage Dispensary – Tourism is not counted in population per AS 04.11.400(d)
Harbor Sushi	Beverage Dispensary	One of the two beverage dispensary licenses allowed by population
Norwegian Rat Saloon	Beverage Dispensary	One of the two beverage dispensary licenses allowed by population

DISCUSSION: The Norwegian Rat Saloon applied for renewal of their beverage dispensary liquor license. The business is current in reporting and payment of sales tax, tobacco excise tax and property tax, and is current in their utility payments.

Council also considers the number of public safety calls made to an establishment each year, which are summarized below. Unalaska’s Police Chief has no concern about the renewal of this liquor license.

Location
Norwegian Rat Saloon

Type of Incident	2020	2021
Assault	2	3
Disorderly Conduct	0	3
DUI	0	1
Release Conditions	1	2
Suspicious Person/Activity	0	0
Theft	2	1
Trespass	1	4
Assistance Rendered	0	0
Welfare Check	0	0
Public Safety	0	0
Fire Response	0	0
Ambulance Request	0	0
Burglary	0	0
Animal	0	0
Domestic Disturbance	0	0
Drunk Disturbance	0	1
Lost Property	0	0
Liquor Law Violation	0	0
Warrant Arrest	0	0
Harassment	0	1
Vehicle Theft	0	2
MVA Damage	1	0
Total	7	18

ALTERNATIVES: Council may choose to protest the license renewal, but must provide the applicant an opportunity to present a defense to the protest at a future council meeting. This must be accomplished no later than May 23, 2022.

FINANCIAL IMPLICATIONS: Loss of tax revenue if a license is not renewed.

LEGAL: None

STAFF RECOMMENDATION: Staff recommends no protest.

PROPOSED MOTION: No action is necessary unless Council wishes to lodge a protest.

CITY MANAGER’S COMMENTS: I support staff’s recommendation of no protest.

ATTACHMENTS: Notice to Local Governing Body regarding renewal application



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

March 22, 2022

Sitka City and Borough
ViaEmail: mveeder@ci.unalaska.ak.us

Re: Notice of 2022/2023 Liquor License Renewal Application

License Type:	Beverage Dispensary	License	5264
Licensee:	M & M Holdings LLC		
Doing Business As:	The Norwegian Rat Saloon		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

A handwritten signature in black ink, appearing to read "Glen Klinkhart".

Glen Klinkhart, Director
amco.localgovernmentonly@alaska.gov