



MEMORANDUM

TO: Bob Klein, Chair, and Members of the
Alcoholic Beverage Control Board

DATE: April 3, 2018

FROM: Erika McConnell, Director

RE: 75 and 80 Alaska Fish House--revised

Requested Action: Determine whether additional entrances to package store are necessary

Statutory Authority: AS 04.11.150(f): "When the holder of a package store license is also a holder of a beverage dispensary license and the package store premises are contained within or are adjacent to the premises of the beverage dispensary and the only public entrance to the package store is by a door or other means within the premises of the beverage dispensary, the board shall determine if additional entrances to the package store are necessary for enforcement purposes, to meet health and fire safety standards, or for the convenience of the public."

Staff Rec.: No additional entrance is necessary, pending a health and fire review

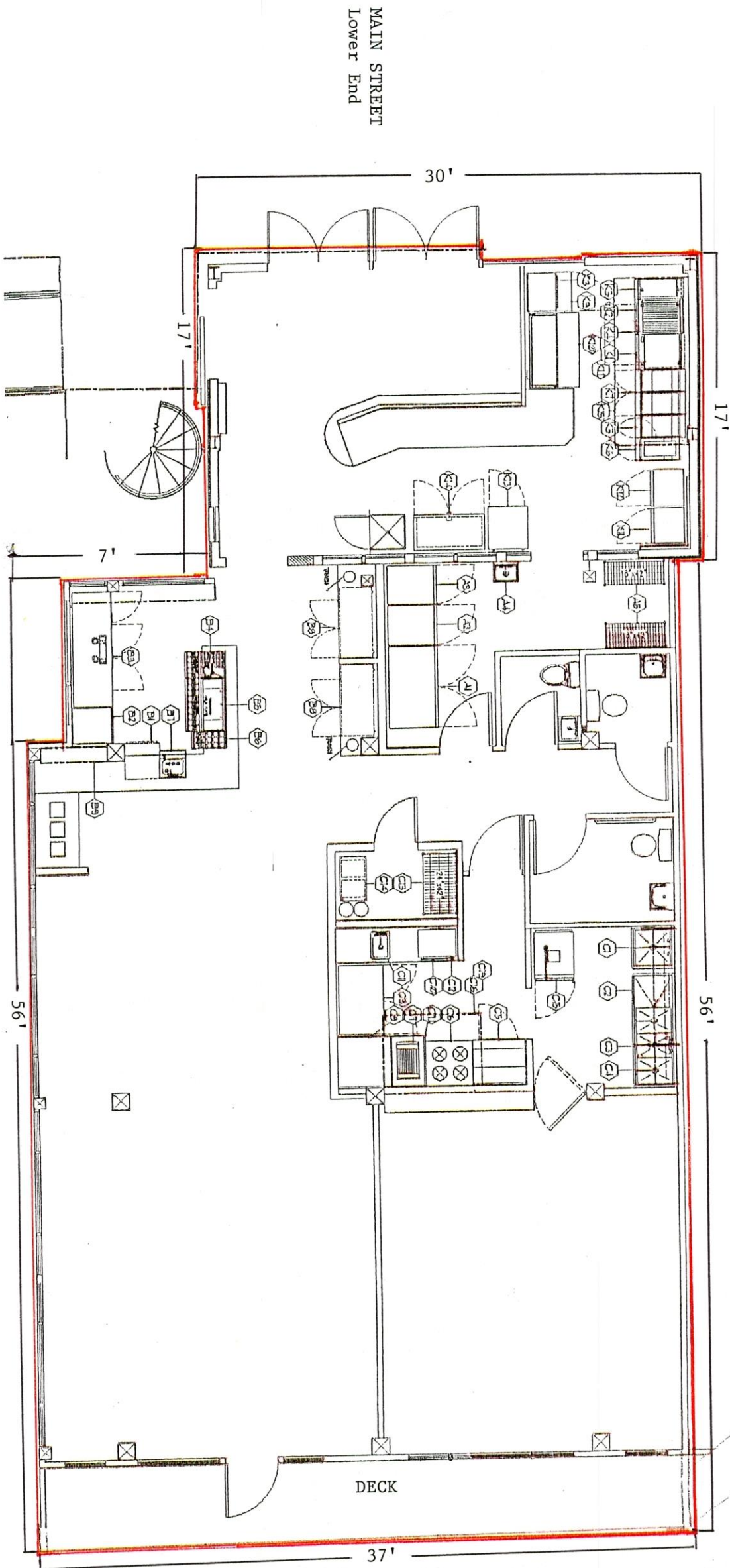
Background: The holder of these licenses (a beverage dispensary and a package store) in Ketchikan has submitted an AB-14 to change their licensed premises. They wish to collocate their package store license (which hasn't been operated for two years) with their beverage dispensary license.

An additional entrance does not appear to be necessary for enforcement purposes or for the convenience of the public. A review by the health and fire authorities is in progress. Should either entity raise concerns, we will bring this back to the board.

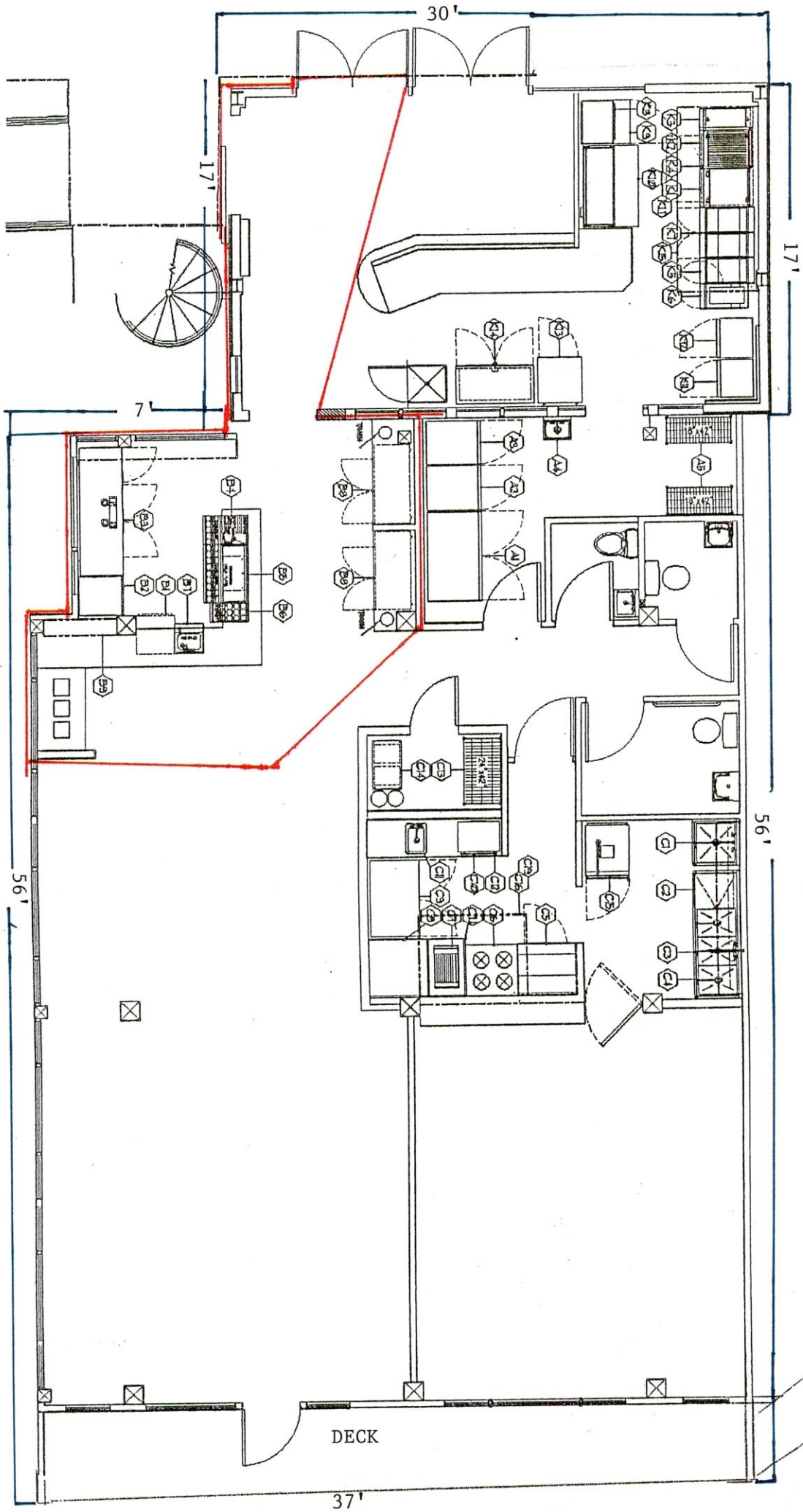
Enforcement staff will work with the licensee to address some concerns related to the AB-14 before I approve the premises diagram change.

Attachment: Premises diagrams and explanatory letter

Alaska Fish House - Beverage Dispensary License No. 75
Red Outline Delineates Beverage Dispensary Premises



MAIN STREET
Lower End

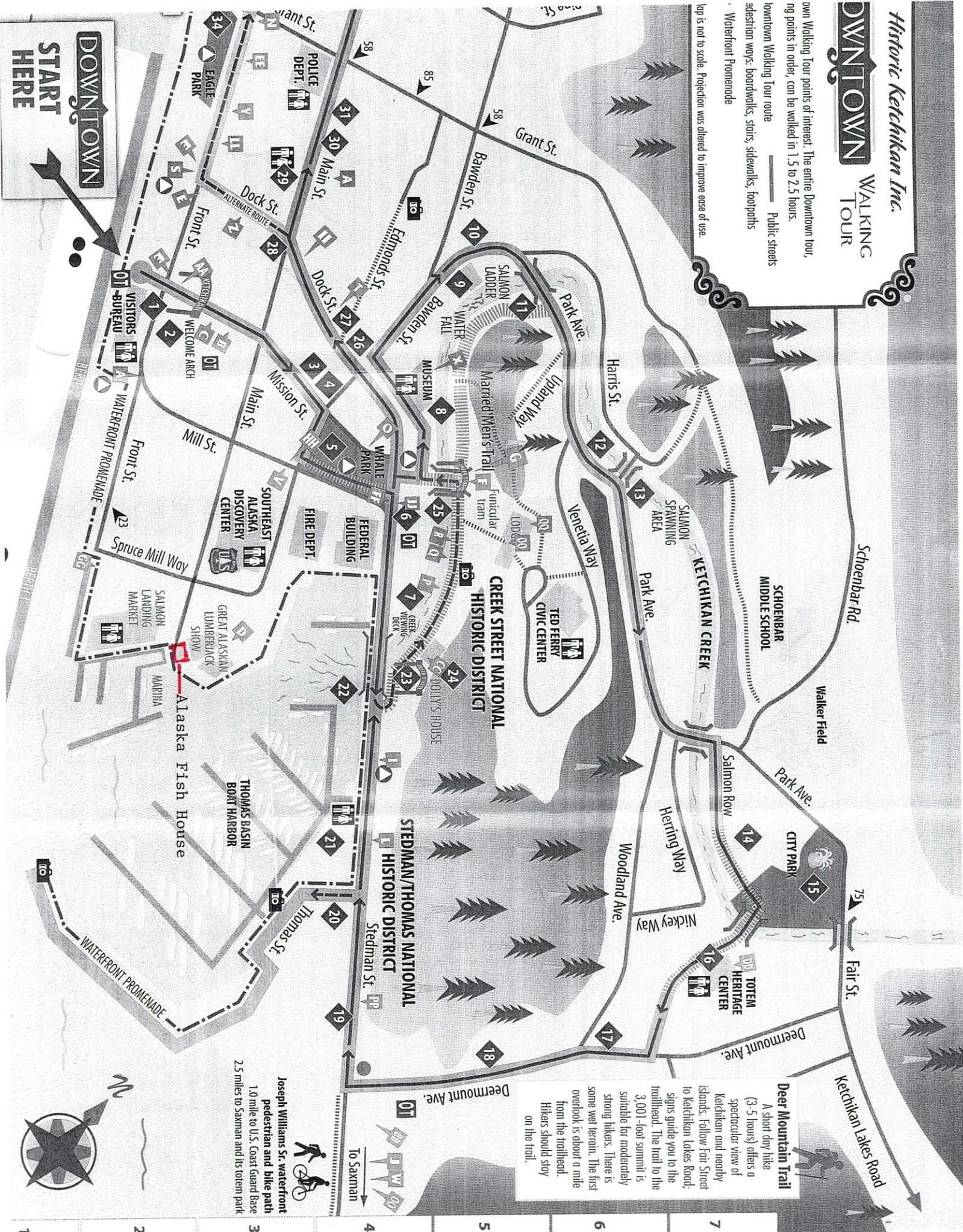


Alaska Fish House Wine & Spirits - Package Store License No. 80
Red Outline Delineates Co-Located Package Store Premises

DOWNTOWN WALKING TOUR

own Walking Tour points of interest. The entire Downtown tour, ng points in order, can be walked in 1.5 to 2.5 hours.
 Downtown Walking Tour route
 Public streets
 pedestrian ways: boardwalks, stairs, sidewalks, footpaths
 Waterfront Promenade

Map is not to scale. Projection was altered to improve ease of use.



Deer Mountain Trail
 A short day hike (3-5 hours) offers a spectacular view of Ketchikan and nearby islands. Follow Fair Street to Ketchikan Lakes Road, signs guide you to the trailhead. The trail to the 3,001-foot summit is suitable for moderately strong hikers. There is some wet terrain. The first overlook is about a mile from the trailhead. Hikers should stay on the trail.

Joseph Williams Sr. waterfront pedestrian and bike path
 1.0 mile to U.S. Coast Guard Base
 2.5 miles to Saxman and its totem park



Slagle, LLC
Post Office Box 8523
Ketchikan, Alaska 99901
Charles Slagle, Sole Member

APPLICATION FOR BOARD APPROVAL FOR CO-LOCATION OF
PACKAGE STORE PREMISES WITHIN BEVERAGE DISPENSARY PREMISES

March 8, 2018

VIA HAND DELIVERY

Sarah Daulton-Oates, Program Coordinator
Alcoholic Beverage Control Board (hereinafter, *ABC Board*)
State of Alaska, Alcohol & Marijuana Control Office (hereinafter, *AMCO*)
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

Re: Slagle LLC: Application for Licensed Premises Diagram Change:
Beverage Dispensary License No. 75: DBA Alaska Fish House
Package Store License No. 80: DBA Alaska Fish House Wine & Spirits

Dear Ms. Oates:

Enclosed are the ABC Board forms with attached diagrams listed below, which are submitted in support of our request that the AMCO Director (hereinafter, the *Director*) approve those changed premises diagrams for the above-referenced beverage dispensary and package store licenses. Two other diagrams are enclosed as noted below to provide additional information.

As shown in the enclosed premises diagrams and explained below, we request approval to co-locate the package store premises of Alaska Fish House Wine & Spirits, License No. 80, within the Alaska Fish House beverage dispensary premises. That will involve the public accessing the package store through the same entrance doors that are used by the public to access the beverage dispensary premises, without a separate outside door for the package store. We understand that under AS 04.11.150 (f), ABC Board approval of such shared access and premises co-location is required. Therefore, we are requesting that the Director approve the changed premises diagrams that are enclosed, and also that this matter be placed on the agenda of the ABC Board for it to make any determination that is necessary or appropriate under AS 04.11.150 (f) to approve the co-location of the package store premises within the Alaska Fish House beverage dispensary premises.

Enclosed with this letter are:

1. Form AB-14 Licensed Premises Diagram Change, with accompanying diagram, for License No. 75, Beverage Dispensary License for Slagle, LLC dba Alaska Fish House (hereinafter, the *Fish House*);

Sarah Daulton-Oates, Program Coordinator
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2. Form AB-14 Licensed Premises Diagram Change, with accompanying diagram, for License No. 80, Package Store License for Slagle, LLC dba Alaska Fish House Wine & Spirits (hereinafter *AFH Spirits*);
3. Additional diagram labeled Diagram No. 3 showing in larger scale the proposed co-location of the AFH Spirits package store premises within a portion of the Fish House beverage dispensary premises; and,
4. Additional diagram No. 4, front view of the proposed locking glass-front display case where beer, wine and liquor offered for sale will be displayed.

By way of background, the Alaska Fish House fronts on the Thomas Basin boat harbor but is within a stone's throw of the cruise ship docks in Ketchikan. The Fish House caters to cruise ship visitors as does an entity under common-ownership, which offers guided fishing excursions from the adjacent marina. Like many entities that cater to the cruise trade, the Fish House operates seasonally, opening a couple weeks before the first cruise ships in early May and closing for the winter within a week or so after the last ship departs in late September. But during the season, such entities, which focus on serving cruise visitors, carry on an intense level of activity.

In a perfect world, the Fish House could productively use larger premises. However, there is no workable option for expanding the footprint of the building itself or adding a functional second floor. However, to make better use of space within the existing building, Slagle LLC secured a condo unit in an adjacent building with a walk-in freezer, and the prep-kitchen previously located in the Fish House, supporting the food service provided there, is being moved to the adjacent building. The company wishes to use the space freed up in the Fish House to add a "Cook Your Catch" station where a chef will prepare fish that guests have caught on the companion company's fishing excursions. In furtherance of these and related improvements in the Fish House, Slagle LLC is also upgrading various fixtures and equipment, including bar fixtures for its beverage dispensary service.

Since the company purchased Package Store License No. 80, management has been trying to find a way to meld its operation into the general – and intense - flow of restaurant activity at the Fish House. When the two licenses were purchased in 2015, management tried to continue operation of the Fish House restaurant with the beverage dispensary through the winter. That wouldn't involve as much traffic as the cruise season, so a package store could be operated during the off-season in a room that would be accessed through a separate entrance that would be constructed. However, the off-season restaurant operation didn't work out and was closed down before the revised access ramp and entrance could be constructed. Therefore, the package store license was not operated in 2016 or 2017.

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The effort to find a productive way to operate the package store during the cruise season led to the possibility of co-locating the package store premises within the Fish House beverage dispensary premises. With the level of restaurant activity during the cruise season, space within the Fish House is at a premium. But incident to moving the prep kitchen next door and adding the Cook Your Catch station, the company is also upgrading the Fish House bar area and that presented the opportunity to add a space-efficient means of conducting package store sales from co-located premises that center on the bar area of the Fish House, where beverage dispensary sales, which are overseen by a bartender, are made available to bar customers.

Slagle, LLC's proposal, for which approval is now requested, is that package store liquor, wine and beer items offered for sale be displayed in a glass-front, locked display case (B9 in the Package Store Premises Diagram), which will be incorporated into the reconfigured bar area. That area is shown in larger scale in Diagram No. 3, enclosed herewith, and the general design of the glass front, locked display case is shown in Diagram No. 4, also enclosed.

Customers will be advised by signs, table cards, etc., that they can place package store orders through their server or with the bartender, and the latter will ring up those transactions. Customers buying package store offerings will be advised that their purchases will be held at the bar until they are ready to leave the Fish House. At that point, they can just go to the bartender, who will take their purchase and walk them to the door, where he/she will hand it to them as they depart.

The package store's designated premises will include a pathway from the bar to the outside doors, so that the bartender can remain in the package store premises when taking sale items out to the door for customers. Also, liquor inventory for both the beverage dispensary and package store is stored in a secured, dedicated second floor area of the Fish House building, which is accessible by an outside staircase. The same pathway from the entrance door of the restaurant premises can be used to bring liquor inventory down to the bar to be held for package store sales. The package store inventory – the salable stock of items displayed in the locked case – will be stored in either the lockable back bar cooler behind the bar (B3 in the Package Store Premises Diagram) or in one of the two locked back bar coolers across from the bar (B8 in the Package Store Premises Diagram).

Where, as here, the licensee proposes that package store premises be co-located within the premises of its commonly-owned beverage dispensary, and the only public entrance to the package store is by a door or other means within the beverage dispensary premises, AS 04.11.150 (f), provides that the Board “shall determine if additional entrances to the package store are necessary for enforcement purposes, to meet health and fire safety standards, or for the convenience of the public.”

We respectfully submit that with the premises features noted and given the other terms upon which the company proposes to operate AFH Spirits within the Fish House beverage dispensary premises, the Board can and should properly determine that no additional entrances to the package store are

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necessary for any of the stated reasons. Therefore, we respectfully request that, subject to action by the ABC Board, the Director approve the changed premises diagrams attached to the two AMCO forms enclosed herewith. Further, we ask that the ABC Board also approve those changed premises diagrams and make any determination(s) or finding(s), whether under AS 04.11.150 (f) or otherwise, to allow AFH Spirits to operate in co-location within the Fish House beverage dispensary premises.

If there are any questions or concerns, the undersigned, Chuck Slagle, sole member of Slagle, LLC, can be contacted at the address listed above, by e-mail at chucks@baranof.net or by phone at (907) 617-4877. Alternatively, Slagle, LLC, is represented by John Peterson of the Ziegler Law Firm in Ketchikan, who can be reached by phone at (907) 225-9408 and by e-mail at jpeterson@kpunet.net

A faxed, scanned or other duplicated copy of this transmittal letter (and any other related documents and instruments) shall be accepted as an original, and a faxed or other duplicated copy of the executed document shall be relied upon as if it were an executed original.

We thank you for your consideration.

Sincerely,

Slagle, LLC

By


Charles Slagle
Sole Member

enc: (4)

cc w/ enc:

John Peterson, Ziegler Law Firm