



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,  
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West Seventh Avenue, Suite 1600  
Anchorage, Alaska 99501  
Main: 907.269.0350

**MEMORANDUM**

TO: Alcoholic Beverage Control Board

DATE: Thursday, April 11, 2024

FROM: Gabriel Gonzales, Local Gov. Specialist

RE: For consideration: City of Soldotna  
petition for additional Restaurant and Eating  
Place licenses under AS 04.11.405.

The city of Soldotna has submitted a petition to the board in accordance with AS 04.11.405 requesting 20 additional Restaurant and Eating Place licenses (REPL). This new provision in statute became effective immediately upon passage of SB9. Below is the reading of the statute. The blue ink represents my notes for the board.

**Sec. 04.11.405. Petition for additional restaurant or eating place licenses for certain local governing bodies.** (a) A first-class city, a home rule city, or a unified municipality may submit a resolution to the board, adopted by its legislative body, petitioning the board for the issuance of additional restaurant or eating place licenses under AS 04.09.210 that exceed the limits under AS 04.11.400(a) in accordance with this section.

(b) The board, following a public hearing, may issue one or more additional restaurant or eating place licenses under AS 04.09.210 within the boundaries of the municipality, if the board finds that

(1) the municipality

(A) serves as a center for commercial activity within and outside the boundaries of the municipality by providing goods and services to a population that is greater than the permanent resident population within the boundaries of the municipality; -- *Listed in Para. five & six of the resolution. The city of Soldotna's population is listed as 4,342. Kenai Peninsula Borough population is listed at 59,819.*

(B) maintains a local law enforcement department; -- *Eighth paragraph of the resolution: Soldotna Police Department has 14 sworn peace officers and numerous other staff members who provide local law enforcement services.*

(C) exercises planning or land-use authority; -- *Ninth paragraph of the resolution: The city of Soldotna exercises planning and land use authority through their economic development and planning department* and

(D) at the time of the petition, meets or exceeds the maximum limit under AS 04.11.400(a) for restaurant or eating place licenses issued under AS 04.09.210; -- *Soldotna currently has six restaurant or eating place licenses. Soldotna's population allows for only three (4,342/1,500 = 2.89). Three were converted from Public Convenience Licenses to REPLs.*

(2) the number of additional licenses does not exceed the number of additional licenses requested by the municipality in the petition; and

(3) granting the additional licenses is in the public interest.

(c) A resolution submitted by a municipality under (a) of this section must include

(1) information demonstrating that the petitioner meets the criteria in (b) of this section;

(2) the most recent estimate of the number of people who claim residency or work outside the boundaries of the municipality and who are served by the municipality, including the

(A) population located outside the boundaries of the municipality that relies on the municipality for goods and services; --*Sixth paragraph of the resolution: Soldotna commercial activities serve residents, visitors, and tourists along the Sterling Highway corridor, including the communities of Sterling, Funny River, Kenai, Kasilof, and Ridgeway.*

(B) visitor population; --*Tenth paragraph of the resolution: 330,678 visitors in 2022,* and

(C) nonresident worker population that resides in the municipality, but that is not counted in the latest federal or state census for the municipality;

(3) the number of existing restaurant or eating place licenses

(A) within the boundaries of the municipality; --*Paragraph 13 of the resolution: 6 REPLs*

(B) in a geographic area that the municipality serves under (2) of this subsection; --*There are 35 REPLs within the Kenai Peninsula Borough (this excludes the 6 in Soldotna)*

(4) information showing that the number of additional licenses requested does not exceed one license for each 1,500 population of the population identified under (2) of this subsection; --*Soldotna serves up to 330,678 nonresidents annually (330,678/1,500 = 220.4), well above the additional population required for the 20 additional requested licenses,* and

(5) additional justification, as necessary, to demonstrate that granting of the additional licenses is in the public interest. *Paragraphs 17 & 18 address public interest*

(d) If the board grants a petition for additional restaurant or eating place licenses under this section to a municipality, the board may not authorize additional restaurant or eating place licenses to the same municipality under this section for the following year.

Attachments include:

City of Soldotna, Alaska - Resolution #2024-004  
Memorandum to Mayor and City Council from City Manager

**TO:** Mayor Whitney and Members of the City Council  
**FROM:** Janette Bower, City Manager  
**DATE:** January 24, 2024  
**SUBJECT:** Resolution 2023-004: Resolution Petitioning the Alaska State Alcoholic Beverage Control Board to Issue 20 Additional Restaurant or Eating Place Licenses Within the City of Soldotna as Authorized by Alaska Statute 04.11.405

The rewrite of Alaska Statute Title 4 Alcoholic Beverages provides certain municipalities with the ability to petition the Alaska Alcoholic Beverage Control Board for additional Restaurant or Eating Place licenses for use within the municipality. Municipalities may request additional licenses every other year.

The City of Soldotna, being a home rule municipality, is eligible to request additional Restaurant or Eating Place licenses under Alaska Statute 04.11.405(a). Currently, there are 6 Restaurant or Eating Place licenses in the City of Soldotna and a total of 39 in the Kenai Peninsula Borough. The resolution requests the issuance of 20 additional Restaurant or Eating Place licenses in Soldotna, aligning with population ratios, and ensuring effective regulation and enforcement of alcohol-related policies. These additional licenses are seen as essential to supporting the City's economic development plans and fostering growth in the area.

The resolution provides evidence that the City meets the required criteria for this request, including the following key points:

- Soldotna's role as a vital regional hub for the Kenai Peninsula, attracting residents, visitors, and tourists due to its location, services, amenities and cultural attractions.
- The City's significant population, including contributions from nearby communities like Sterling, Funny River, Kenai, Kasilof, and Ridgeway, as well as its role as a commercial and healthcare hub for the Kenai Peninsula Borough.
- The presence of a local law enforcement department with 14 sworn peace officers and its responsibilities for maintaining public safety and order.
- The existence of a well-established economic development and planning department responsible for various aspects of economic development, planning, zoning, and land management.
- Visitor statistics showcasing Soldotna's popularity, with 2022 data indicating 330,678 visitors and longer average stays, as well as high attendance at local events.

The resolution emphasizes the economic benefits of granting additional licenses, such as stimulating economic growth, generating increased revenue from food and beverage sales, creating jobs, boosting the local economy, and enhancing the tourism experience by providing more dining options to visitors.

Please let me know if you would like any further information or clarification regarding this resolution.

CITY OF SOLDOTNA  
RESOLUTION 2024-004

A RESOLUTION PETITIONING THE ALASKA STATE ALCOHOLIC BEVERAGE CONTROL BOARD TO ISSUE 20 ADDITIONAL RESTAURANT OR EATING PLACE LICENSES WITHIN THE CITY OF SOLDOTNA AS AUTHORIZED BY ALASKA STATUTE 04.11.405

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- P1** WHEREAS, Alaska Statute 04.11.405 provides certain municipalities with the authorization to submit a resolution to the Alcohol Beverage Control Board, petitioning the Board for the issuance of additional Restaurant or Eating Place licenses; and
- P2** WHEREAS, the City of Soldotna is a home rule municipality and based on AS 04.11.405(a) is eligible to petition for additional Restaurant or Eating Place licenses under AS 04.09.210.
- NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA, that:
- P3** Section 1. The City of Soldotna is petitioning the Alaska State Alcoholic Beverage Control Board to issue 20 additional Restaurant or Eating Place licenses within the City of Soldotna.
- P4** Section 2. The City of Soldotna submits this resolution from the Soldotna City Council (governing body) demonstrating the City meets the required criteria under Alaska Statute 04.11.405:
- P5** AS 04.11.405 (b)1(A) and 04.11.405(c)(2)(A)  
Soldotna serves as a vital regional hub for the Kenai Peninsula and attracts a large number of residents, visitors, and tourists. Soldotna's location along the Sterling Highway, plays a central role in connecting the various peninsula communities. Soldotna offers an array of services, amenities, and cultural attractions that make it a vibrant destination for both residents and visitors.
- P6** The City serves as a center for commercial activity within and outside the boundaries of the city and provides goods and services to a population that exceeds the city's permanent resident population of 4,342. The communities of Sterling, Funny River, Kenai, Kasilof and Ridgeway all participate and contribute to the Soldotna economy. Soldotna also serves the larger Kenai Peninsula Borough population of 59,819 as a hub for commercial and health care related activities.
- P7** The large population surrounding Soldotna has resulted in a significant increase in daily traffic travelling into and through the City. Alaska Department of Transportation reported in 2018, the average annual daily traffic count was over 15,000 vehicles daily on the Sterling Highway from the Kenai Spur to Birch Street.
- P8** AS 04.11.405 (b)1(B)  
The City maintains a local law enforcement department with 14 sworn peace officers and numerous other police department employees. The police department is responsible for maintaining public safety and order within the city, consisting of enforcing state statutes and city ordinances as well as providing aid and assistance to residents, visitors and the business community.

- P9** AS 04.11.405(b)1(C)  
The City exercises planning and land use authority with an established economic development and planning department to implement, administer and enforce the economic development and planning related policies of the city. The department's responsibilities include: economic development and small business assistance, short and long-range planning, zoning and development permitting, code enforcement, GIS, and municipal land management.
- P10** AS 04.11.405 (c)(2)(B)  
In 2022, there were 330,678 visitors to Soldotna and the visitors are staying longer in Soldotna. According to the Alaska Travel Industry Association, the average stay is 6.8 nights in the Kenai Peninsula Borough. The combined 2018 – 2022 total visitors to Soldotna is 1,485,421.
- P11** In 2023, the Soldotna Chamber of Commerce reported there were 23,170 visitors to the Visitor Center and over 17,000 people attended the 14-week summer concert series.
- P12** The Alaska Travel Industry Association also reports that in 2022 the top visited regions were Southcentral and the top point of interest was the Kenai Peninsula for all four seasons.
- P13** AS 04.11.405 (b)(1)(D)  
Currently, there are 6 Restaurant and Eating Place licenses in the City of Soldotna. This amount exceeds the amount allowed under AS 04.11.400(a)(2)(A). There are 39 licenses in the Kenai Peninsula Borough.
- P14** The City of Soldotna already has a significant population, and the nearby areas contribute to a substantial combined population. According to the regulations (AS 04.11.405 (b)(1)(D)), the city's current number of restaurant and eating place licenses exceeds the limit. By receiving additional licenses, the city can align with the mandated population-to-license ratio, ensuring there are enough licenses available to meet the needs of the local population and visitors.
- P15** AS 04.11.405 (c)(5)  
Pre-pandemic travel to Alaska was growing from 1.77 million out-of-state visitors in 2009-10 to 2.54 million in 2018-19, an increase of 43%. Recent visitor data is currently unavailable, however, increases in hotel occupancy in the Kenai Peninsula and increased visitor counts to Soldotna suggest that tourism to the Kenai Peninsula has recovered from the pandemic and is exceeding pre-pandemic levels.
- P16** According to the Kenai Peninsula Visitor Profile and Economic Impact Analysis Summer 2016 report and Alaska Visitor Statistics Program 7 Summer 2016 prepared by the McDowell Group, the direct travel spending in the Kenai Peninsula was estimated at \$187 million in the summer of 2016 - \$61 million tours/activities, \$53 million lodging, \$44 million food/beverage, \$15 million gifts/clothing, and \$15 million transportation. Total direct jobs generated from visitor spending was estimated to be 2,500 – 840 tours/activities, 750 lodging, and 700 food and beverages.
- P17** With a significant increase in daily traffic and a growing population, additional Restaurant or Eating Place licenses can stimulate economic growth. More licenses lead to more restaurants and eating places, which generates increased revenue from food and beverage sales, creating jobs and boosting the local economy. In addition, the tourism experience is enhanced by providing visitors with more dining options, encouraging them to spend more time in Alaska.

**P18** The additional Restaurant or Eating Place licenses would align with population ratios, and allow for effective regulation and enforcement of alcohol-related policies, all of which benefit the city and its residents. Additional licenses would also support Soldotna’s economic development plans which call for a Kenai River business district that would provide for new businesses and jobs, housing, and parks and green space.

Section 3. This resolution shall become effective immediately upon its adoption.

ADOPTED BY THE CITY COUNCIL THIS 24<sup>TH</sup> DAY OF JANUARY, 2024.

ATTEST:

  
Johni Blankenship, MMC, City Clerk

  
Paul J. Whitney, Mayor

Yes: Carey, Chilson, Hutchings, Nelson, Parker, Wackler  
No: None