



## MEMORANDUM

TO: Alcoholic Beverage Control Board      DATE: July 9, 2019  
FROM: Erika McConnell, Director      RE: 1242 Willow Tree

**Requested Action:** Transfer of ownership with security interest

**Statutory and Regulatory Authority:** AS 04.06.090(b): "The board shall review all applications for licenses made under this title and may order the director to issue, renew, revoke, transfer, or suspend licenses and permits authorized under this title."

AS 04.11.360(4): "An application requesting approval of a transfer of a license to another person under this title shall be denied if the transferor has not paid all debts or taxes arising from the conduct of the business licensed under this title unless

- (A) the transferor gives security for the payment of the debts or taxes satisfactory to the creditor or taxing authority; or
- (B) the transfer is under a promise given as collateral by the transferor to the transferee in the course of an earlier transfer of the license under which promise the transferor is obliged to transfer the license back to the transferee in the event of default in payment for property conveyed as part of the earlier transfer of the license..."

AS 04.11.670: "A license issued under this title is not subject to foreclosure, and may not be used as collateral to secure a debt. However, if a license is transferred to another person, the transferor may secure payment for real and personal property conveyed to the transferee upon the promise of the transferee to transfer the license back to the transferor upon default in payment."

3 AAC 304.107(a): "If a former licensee seeks to compel the transfer of a license because of a promise under AS 04.11.670 given as collateral by the current licensee to the former licensee in the course of an earlier transfer of the license, followed by a default in payment in connection with property conveyed or a lease made in the course of the previous transfer, the board will deny the transfer if creditors are not satisfied under AS 04.11.360(4)(A) unless it clearly appears that the former licensee, at the time of the previous transfer, complied with the following notice requirements:

- (1) a leasehold conveyance or contract of sale of property made in the course of the previous license transfer was recorded in the manner provided for

- recordation of real estate conveyances, and the transferor, at the time of the previous transfer, made a UCC filing statement in which a security interest in the license was claimed under AS 04.11.670 and AS 04.11.360(4)(B); the documents recorded under this paragraph must contain the following statement: "Under the terms of AS 04.11.670, AS 04.11.360(4)(B), and 3 AAC 304.107, the transferor/lessor retains a security interest in the liquor license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors."; and
- (2) all documents prepared in connection with the previous transfer of the liquor license, including all leases, contracts, and other relevant memoranda, were filed with the board at the time of the previous transfer; the documentation must include a statement of the book and page number showing where the lease or contract, and UCC filing statement, bearing the disclosure statement required in (1) of this subsection, are recorded; and
  - (3) the notice of the previous transfer required by AS 04.11.310(a) was made in writing and published, as required under 3 AAC 304.125, once a week for three weeks in a newspaper of general circulation before the transfer, in addition to any other notice of the application that might have been required by the board at the time of the previous transfer; the published notice must contain the following statement: "Under the terms of AS 04.11.360(4)(B), AS 04.11.670, and 3 AAC 304.107, the transferor/lessor retains a security interest in the liquor license that is the subject of this conveyance, and may, as a result, be able to obtain a retransfer of the license without satisfaction of other creditors."

AS 04.11.510(b)(2): "The board may review an application for the issuance, renewal, transfer of location, or transfer to another person of a license without affording the applicant notice or hearing, except... (2) the board may, on its own initiative or in response to an objection or protest, hold a hearing to ascertain the reaction of the public or a local governing body to an application if a hearing is not required under this subsection;"

**Staff Rec.:** Hold a public hearing; approve the transfer with a security interest, with delegation

**Background:** A completed transfer application has been received for liquor license 1242, a beverage dispensary license in the City of Dillingham. Department of Labor- Employment Security objects due to non-compliance. Staff has reviewed and determined that both the transfer applications and security interest notices and documents have been completed to meet the requirements laid out in 3 AAC 304.107(a); signed recorded copies of all security interest documents will be required before the transfer is effectuated.

Attachment: Transfer application  
Security interest documents



THE STATE of ALASKA

GOVERNOR MICHAEL J. DUNLEAVY

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

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

June 19, 2019

Department of Revenue
Department of Labor, Employment Security
Department of Labor, Workers' Compensation
Via email: theresa.mitchell@alaska.gov
elizabeth.glooschenko@alaska.gov
rizalina.olde@alaska.gov
velma.thomas@alaska.gov
erwin.fariolan@alaska.gov
dor.tax.collections@alaska.gov

JUN 19 2019 AFTO

Table with 2 columns: Field Name, Value. License Number: 1242, License Type: Beverage Dispensary, Applicant: DMV4 Properties, LLC, Doing Business As: Willow Tree, Transferee EIN: 83-4509779, Transferor EIN: 46-7071864

[X] Transfer of Ownership Application [ ] Transfer of Controlling Interest

AS 04.11.330(b) and AS 04.11.370(a)(6) require that an applicant for a liquor license operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of the state and the local governing body in which the applicant's proposed licensed premises are located.

This letter serves to provide written notice and request for compliance status from the above referenced entities regarding the above application (see attached application documents for more information). Please complete and return this form to the AMCO office at alcohol.licensing@alaska.gov.

REVIEWER: [Signature] Elizabeth Glooschenko
DATE: 6/20/19 PHONE: (907) 269-4836

- [ ] DOR
[X] Employment Security
[ ] Workers' Compensation

[ ] Compliant [X] Non-compliant

COMMENTS: \_\_\_\_\_

If you have any questions, please send them to alcohol.licensing@alaska.gov.

Sincerely,

[Signature: Erika McConnell]

Erika McConnell
Director, ABC Board



Alaska Alcoholic Beverage Control Board

**Form AB-01: Transfer License Application**

**What is this form?**

This transfer license application form is required for all individuals or entities seeking to apply for the transfer of ownership and/or location of an existing liquor license. Applicants should review **Title 04 of Alaska Statutes** and **Chapter 304 of the Alaska Administrative Code**. All fields of this form must be completed, per AS 04.11.260, AS 04.11.280, AS 04.11.290, and 3 AAC 304.105.

This form must be completed and submitted to AMCO's main office, along with all other required forms and documents, before any license application will be considered complete.

**Section 1 – Transferor Information**

Enter information for the *current* licensee and licensed establishment.

<b>Licensee:</b>	Paul G Brannon Testamentary Trust UW, LLC		<b>License #:</b>	1242	
<b>License Type:</b>	Beverage Dispensary		<b>Statutory Reference:</b>	04.11.090	
<b>Doing Business As:</b>	Willow Tree Inn				
<b>Premises Address:</b>	513 Wood River Road				
<b>City:</b>	Dillingham	<b>State:</b>	AK	<b>ZIP:</b>	99576
<b>Local Governing Body:</b>	City of Dillingham				

**Transfer Type:**

- Regular transfer
- Transfer with security interest
- Involuntary retransfer

**OFFICE USE ONLY**

<b>Complete Date:</b>		<b>Transaction #:</b>	1074256
<b>Board Meeting Date:</b>		<b>License Years:</b>	
<b>Issue Date:</b>		<b>BRE:</b>	



## Alaska Alcoholic Beverage Control Board Form AB-01: Transfer License Application

### Section 2 – Transferee Information

Enter information for the *new* applicant and/or location seeking to be licensed.

Licensee:	DMV4 Properties, LLC				
Doing Business As:	Willow Tree				
Premises Address:	513 Wood River road				
City:	Dillingham	State:	Alaska	ZIP:	99576
Community Council:	N/A				

Mailing Address:	PO Box 1326				
City:	Dillingham	State:	AK	ZIP:	99576

Designated Licensee:	Dennis Varner				
Contact Phone:	907-842-2233	Business Phone:	907-842-2233		
Contact Email:	seainnbar@yahoo.com				

Seasonal License?    Yes     No     If "Yes", write your six-month operating period: \_\_\_\_\_

### Section 3 – Premises Information

Premises to be licensed is:

- an existing facility     a new building     a proposed building

The next two questions must be completed by beverage dispensary (including tourism) and package store applicants only:

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the outer boundaries of the nearest school grounds? Include the unit of measurement in your answer.

1.4 Miles

What is the distance of the shortest pedestrian route from the public entrance of the building of your proposed premises to the public entrance of the nearest church building? Include the unit of measurement in your answer.

0.25 Miles



Alaska Alcoholic Beverage Control Board

# Form AB-01: Transfer License Application

## Section 4 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 5.  
If more space is needed, please attach a separate sheet with the required information.

The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	

This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	

## Section 5 – Entity Ownership Information

This section must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for a license. Sole proprietors should skip to Section 6.

If more space is needed, please attach a separate sheet with the required information.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more* of the stock in the corporation, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

Entity Official:	Dennis Varner				
Title(s):	Member/Manager	Phone:	907-842-2233	% Owned:	50
Address:	PO Box 1326				
City:	Dillingham	State:	AK	ZIP:	99576



Alaska Alcoholic Beverage Control Board

**Form AB-01: Transfer License Application**

Entity Official:	Melissa Varner				
Title(s):	Member	Phone:	907-842-2233	% Owned:	50
Address:	PO Box 1326				
City:	Dillingham	State:	AK	ZIP:	99576

Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

Entity Official:					
Title(s):		Phone:		% Owned:	
Address:					
City:		State:		ZIP:	

This subsection must be completed by any applicant that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC) and have a registered agent who is an individual resident of the state of Alaska.

DOC Entity #:	10095644	AK Formed Date:	12/5/18	Home State:	AK
Registered Agent:	Dennis Varner	Agent's Phone:	907-842-2233		
Agent's Mailing Address:	PO Box 1326				
City:	Dillingham	State:	AK	ZIP:	99576

Residency of Agent: Yes    No

Is your corporation or LLC's registered agent an individual resident of the state of Alaska?



Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

## Alaska Alcoholic Beverage Control Board Form AB-01: Transfer License Application

### Section 6 – Other Licenses

Ownership and financial interest in other alcoholic beverage businesses:

Yes No

Does any representative or owner named as a transferee in this application have any direct or indirect financial interest in any other alcoholic beverage business that does business in or is licensed in Alaska?

If "Yes", disclose which individual(s) has the financial interest, what the type of business is, and if licensed in Alaska, which license number(s) and license type(s):

Dennis Varner, Sea Inn Bar in Dillingham, AK License BDL#1015

### Section 7 – Authorization

Communication with AMCO staff:

Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:

The Law Offices of Ernouf & Coffey, P.C. is assisting with the transfer of the license.

AMCO  
MAY 23 2019





Alaska Alcoholic Beverage Control Board

Form AB-01: Transfer License Application

Section 8 – Transferor Certifications

Additional copies of this page may be attached, as needed, for the controlling interest of the current licensee to be represented.

I declare under penalty of perjury that the undersigned represents a **controlling interest** of the current licensee. I additionally certify that I, as the current licensee (either the sole proprietor or the controlling interest of the currently licensed entity) have examined this application, approve of the transfer of this license, and find the information on this application to be true, correct, and complete.

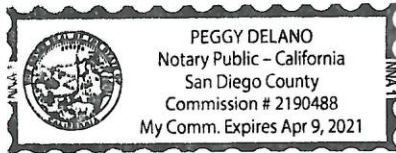
Michael J. Keenan

Signature of transferor

Michael Keenan

Printed name of transferor

Subscribed and sworn to before me this 20<sup>th</sup> day of February, 2019.



Peggy Delano  
Signature of Notary Public

Notary Public in and for the State of California.

My commission expires: 4/9/2021

Signature of transferor

Printed name of transferor

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signature of Notary Public

Notary Public in and for the State of \_\_\_\_\_.

My commission expires: \_\_\_\_\_

MAY 23 2019



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

**Form AB-01: Transfer License Application**

**Section 9 – Transferee Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all proposed licensees (as defined in AS 04.11.260) and affiliates have been listed on this application

D.V.

I certify that all proposed licensees have been listed with the Division of Corporations.

D.V.

I certify that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

D.V.

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check the identification of a patron will complete an approved alcohol server education course, if required by AS 04.21.025, and, while selling or serving alcoholic beverages, will carry or have available to show a current course card or a photocopy of the card certifying completion of approved alcohol server education course, if required by 3 AAC 304.463.

D.V.

I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application.

D.V.

As an applicant for a liquor license, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete.

Signature of transferee

Dennis Varner

Printed name

Subscribed and sworn to before me this 25<sup>th</sup> day of FEBRUARY, 2019  
~~DECEMBER~~ JRD

NOTARY PUBLIC  
 JENNY R. DILL  
 STATE OF ALASKA  
 MY COMMISSION EXPIRES MARCH 01, 2021

Signature of Notary Public

Notary Public in and for the State of ALASKA

My commission expires: MARCH 01, 2021



## Alaska Alcoholic Beverage Control Board Form AB-02: Premises Diagram

### What is this form?

A detailed diagram of the proposed licensed premises is required for all liquor license applications, per AS 04.11.260 and 3 AAC 304.185. Your diagram must include dimensions and must show all entrances and boundaries of the premises, walls, bars, fixtures, and areas of storage, service, consumption, and manufacturing. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex.

**The second page of this form is not required.** Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form. The first page must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

**This form must be completed and submitted to AMCO's main office before any license application will be considered complete.**

Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	DMV4 Properties, LLC	License Number:	1242
License Type:	Beverage Dispensary		
Doing Business As:	Willow Tree		
Premises Address:	513 Wood River road		
City:	Dillingham	State:	AK
		ZIP:	99576



Alaska Alcoholic Beverage Control Board  
**Form AB-02: Premises Diagram**

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**Section 2 – Detailed Premises Diagram**

Clearly indicate the boundaries of the premises and the proposed licensed area within that property. Clearly indicate the interior layout of any enclosed areas on the proposed premises. Clearly identify all entrances and exits, walls, bars, and fixtures, and outline in red the perimeter of the areas designated for alcohol storage, service, consumption, and manufacturing. Include dimensions, cross-streets, and points of reference in your drawing. You may attach blueprints or other detailed drawings that meet the requirements of this form.

STATE OF ALASKA  
ALCOHOL BEVERAGE CONTROL BOARD  
Licensed Premises Diagram

**INSTRUCTIONS:** Draw a detailed floor plan of your present or proposed licensed premises on the graph below; show all entrances and exits, and all fixtures such as tables, booths, games, counters, bars, coolers, stages, etc.

DBA: Willow Tree Inn

PREMISES LOCATION: 513 Wood River Road Dillingham, Alaska

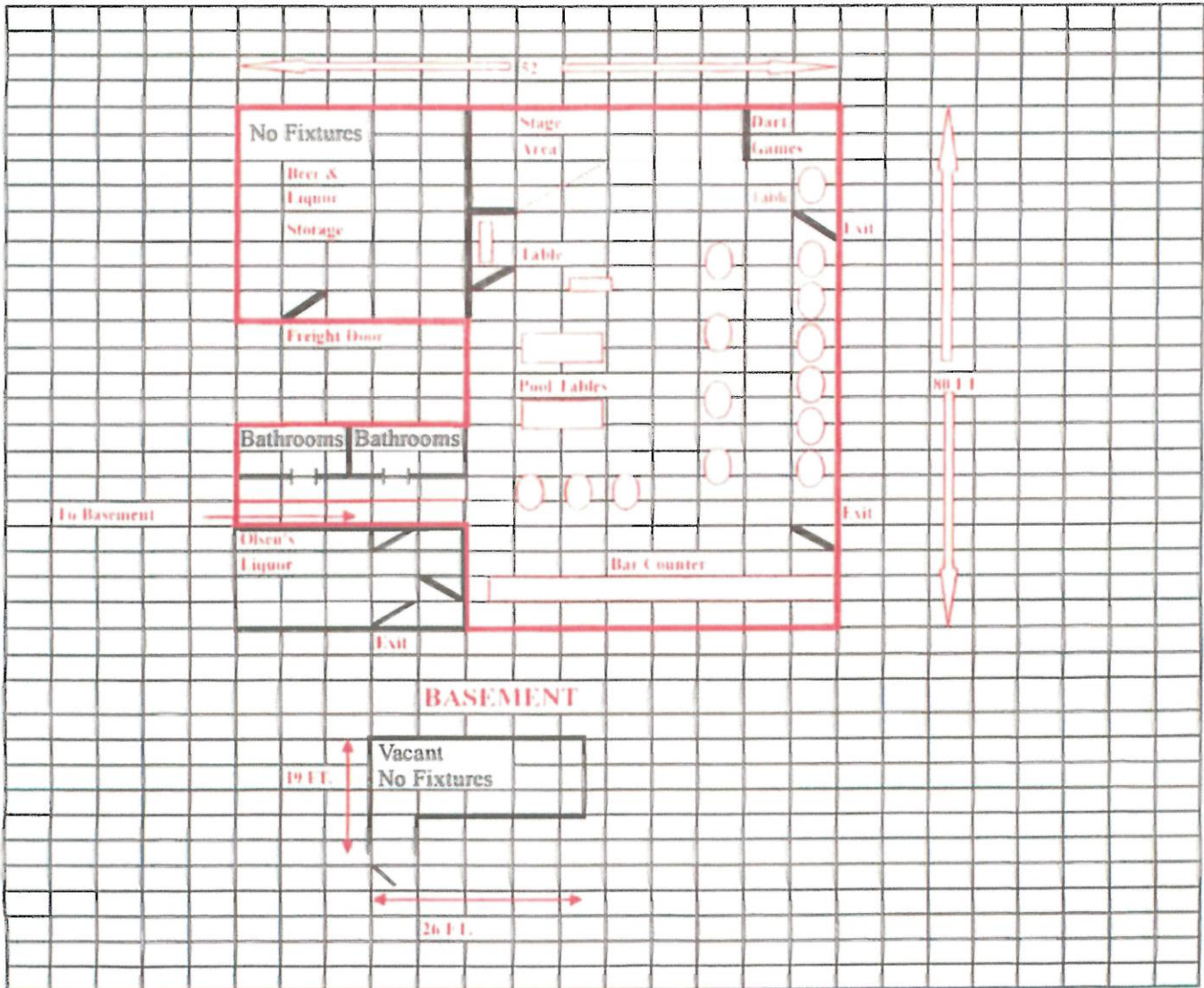
Indicate scale by x after appropriate statement or show length and width of premises. \_\_\_\_\_ 1 SQ. = 4 FT.

SCALE A: \_\_\_\_\_ 1 SQ. = 1 FT.

SCALE E 1 SQ. = 4 FT.

Length and width of premises in feet: 80 X 52

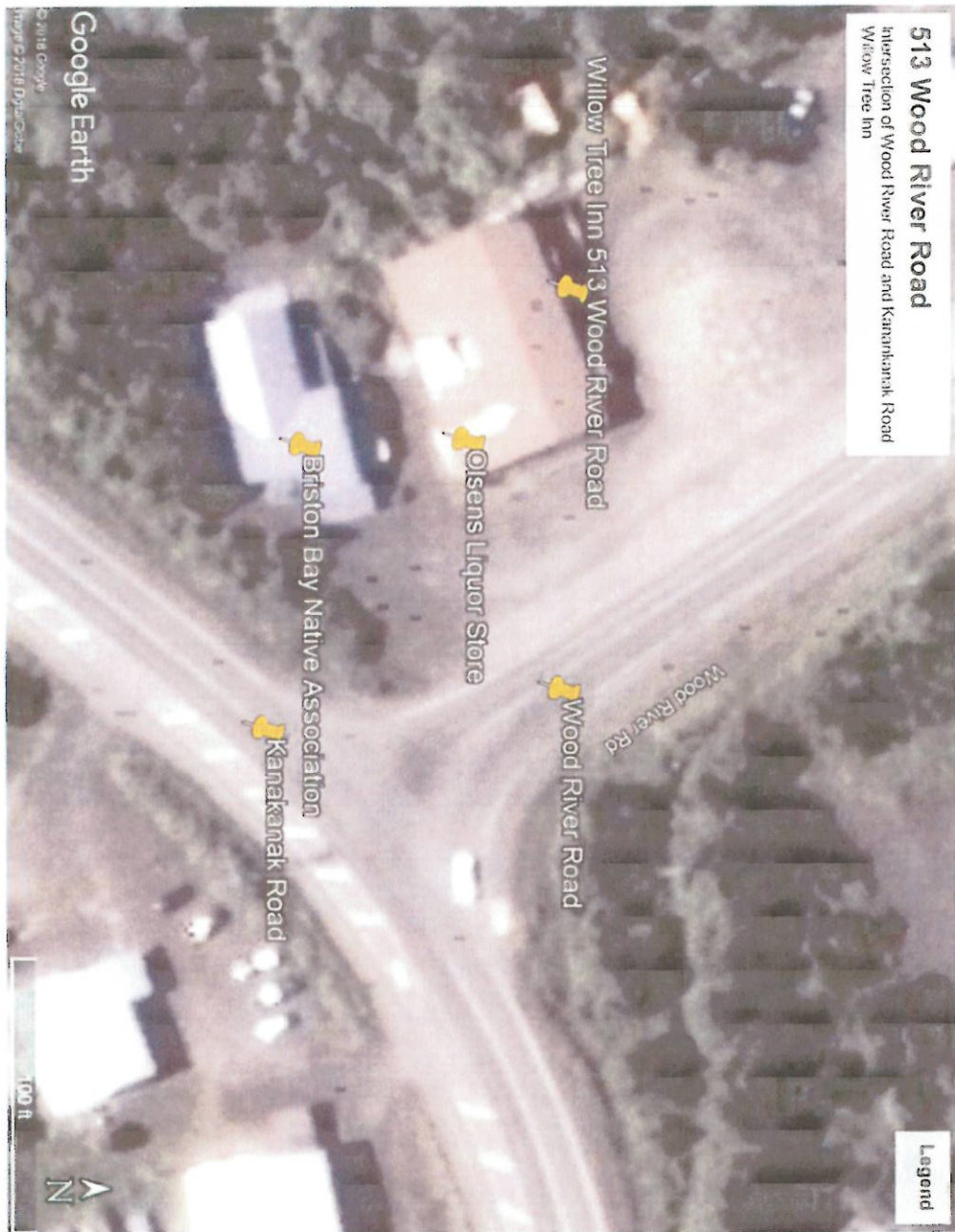
Outline the area to be designated for sale, service, storage, and consumption of alcoholic beverages in red.  
**DO NOT USE BLUE INK OR PENCIL ON THIS DIAGRAM.**



----- Wood River Road -----

AMCO

MAY 23 2019



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Google Maps Willow Tree Inn



Imagery ©2018 DigitalGlobe, Map data ©2018 Google 700 ft

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