

CLERK'S OFFICE

APPROVED

Date: 8-25-09

Submitted by: ASSEMBLY PUBLIC SAFETY  
COMMITTEE CHAIR GUTIERREZ, on behalf of  
Assembly Public Safety Committee  
Prepared by: Assembly Counsel  
For reading: July 21, 2009

ANCHORAGE, ALASKA  
AR NO. 2009-183

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY FOR ACTION ON  
THE PROPOSED TRANSFER OF OWNERSHIP OF BEVERAGE DISPENSARY  
LIQUOR LICENSE #3009 TO 222, INC. (LAVERNE M. THACKER, JR., PRESIDENT).**

WHEREAS, pursuant to action by the Assembly on July 7, 2009, the Municipality of Anchorage entered a provisional protest of the transfer of ownership and location of Beverage Dispensary Liquor License #3009 from Casa Grande, Inc., Francisco Barajas, business location 201 E. Northern Lights Blvd, Anchorage, Alaska 99503, to 222, Inc., LaVerne M. Thacker, no premises location; and

WHEREAS, at the direction of the Assembly and to afford Mr. Thacker an opportunity to address Assembly and community concerns related to operation of previous licensed premises in Anchorage under the control of Mr. Thacker, the Public Safety Committee met with Mr. Thacker and Kevin Anderson, Anderson Law Group, legal counsel to Mr. Thacker, on July 20, 2009; and

WHEREAS, municipal experience with the proposed new licensee, LaVerne M. Thacker, includes the concerns set out in Assembly Resolution No. 96-64 and Assembly Resolution No. 98-381 and minutes of several Assembly Meetings between March 16, 1993 and October 19, 1999, copies of which were provided to both Mr. Thacker and Mr. Anderson as attached; and

WHEREAS, Mr. Thacker and Mr. Anderson welcomed the opportunity to address concerns about potential operation of license #3009 by Mr. Thacker and any entity he has an ownership interest in; and

WHEREAS, Mr. Thacker and Mr. Anderson represented that Mr. Thacker has no present intention to operate any premises under this license #3009 and instead, plans to sell license #3009 and disburse funds under an arrangement with ABC Board, in which disbursement of proceeds from the sale will be completed under the review of the ABC Board, as set out in the attached letter to the ABC Board dated May 18, 2009 and submitted to the Public Safety Committee on July 20, 2009 during Mr. Thacker's presentation;

NOW, THEREFORE, the Anchorage Assembly resolves:

**Section 1:** Provided the Alcoholic Beverage Control Board makes the following condition a permanent condition of the subject beverage dispensary license during the period it is under the control of Mr. LaVerne M. Thacker, or any entity he has an ownership interest in, the Municipality of Anchorage does hereby remove protest of the transfer of Beverage Dispensary Liquor License #3009 to 222, Inc:

License Conditions:

1. LaVerne M. Thacker, or any entity Mr. Thacker has an ownership interest in, shall not operate Beverage Dispensary Liquor License #3009.

**Section 2:** If the Alcoholic Beverage control Board declines or fails to impose the condition set forth in Section 1 of this resolution as a condition of the subject license during the period it is under the control of Mr. Thacker, or any entity he has an ownership interest in, then the Municipality of Anchorage does not withdraw the protest approved by Assembly action on July 7, 2009.

**Section 3:** Upon introduction of this resolution, public hearing on the resolution shall be scheduled to allow 21-day notice to the licensee and to the community council(s) involved.

PASSED AND APPROVED by the Anchorage Assembly this 25<sup>th</sup> day of August, 2009.

  
Chair

ATTEST:

  
Municipal Clerk

222, Inc  
401 W. Int'l Airport Rd #31  
Anchorage, Alaska 99518

M.O.A

2009 JUL 20 PM 2: 20

CLERKS OFFICE

State of Alaska  
ABC Board  
5848 E. Tudor Rd  
Anchorage, Alaska

May 18, 2009

To Whom It May Concern  
RE Liquor License Numbers 3009 and 4367

Dear Madam/Sir:

Once these Liquor License are placed in our name 222, Inc we plan to sell each liquor license. The purpose of the sale is to get the money owed to La Verne M. Thacker Jr whose balance is about \$225,000. The balance of the fund shall be distributed as follows:

- 1- Any money due the State of Alaska for employment taxes
- 2- Any money due the City of Anchorage for taxes
- 3- Trust fund money due to IRS
- 4- Funds due any person or vendor
- 5- Balance To Francisco Barajas

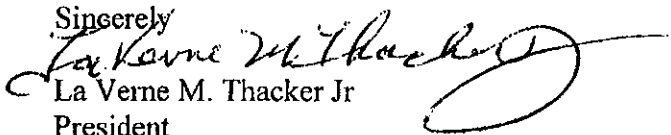
If the sales of the licenses net \$400,000(\$200,000 per License) after all cost of sale, there should be \$150,000 remaining from the sale to pay the above costs.

As it pertains to any landlord claims on the fund, I will look at what they have received and what they are due. For example the landlord at 333 W. 4<sup>th</sup> lock the door and keep all equipment in the building at the time. Soraya's Inc had remolded the building and placed equipment in it to over \$200,000. At 201 E Northern Lights again the landlord the landlord lock Casa Grande, Inc out of the building retaining all the equipment. I know for a fact that the landlord at 333 W. 4<sup>th</sup> rented the building and equipment for \$10,000 per month.

To provide insurance to all parties, I will request that an ABC Board member or one of their staff review the money received and the disbursement of funds to the parties. This will add the transparency to my actions and that of the ABC Board on these licenses. As I have told everyone, all I want are my funds, other parties may look for a gain, I am not.

If you or any party has a question, please have them contact me at 907-563-1620.

Sincerely

  
La Verne M. Thacker Jr  
President  
222, Inc.

## **Assembly meeting on 3-16-1993**

**Assembly Memorandum No. AM 334-93**, 1993 Liquor License Renewal: **Alaska Liquor Store #2** - Package Store, Clerk's Office.

Mr. Wood moved,  
seconded by Mr. Faulkner,

to approve AM 334-93.

Mr. Wood addressed his concerns about the operation of the store to the owner. He asked if the store's reputation of being the only store in Anchorage not to check identification was true.

La Vern Thacker, owner of Alaska Liquor Store #2, said I.D. is always checked at the store. He said the incident of multiple sales to minors on November 20, 1992 was a fluke. He said the clerk who made the sales was immediately fired. Mr. Thacker said all employees of the store are trained in alcohol management.

In response to Mr. Wood, Deputy Chief Duane Udland said the Police Department had no objection to renewal of the license.

Question was called on the motion to approve AM 334-93 and it passed without objection.

## **Assembly meeting on March 5, 1996**

M. **Ordinance No. AO 96-49**, an ordinance amending Anchorage Municipal Code Section 10.50.015 to provide for the **prohibition of punchcard systems by licensed premises** under AS 04.11.080, Assemblymember Von Gemmingen.

1. Assembly Memorandum No. AM 212-96.

Chairman Campbell opened the public hearing and asked if anyone wished to speak.

LAVERNE THACKER, owner of Alaska Liquor Store, said he had a punchcard system for his customers, which began in 1992. He said the system was not abused; he did not understand the impetus of the ordinance. He knew of no other stores in Anchorage with a punchcard system, so he felt he was being unfairly singled out by the proposed legislation. He described the punch card process.

GORDON GLASER, president of the Northstar Community Council, said the Alaska Liquor Store was within that Council's boundaries. He said the Council was opposed to the punch card system because it may increase alcohol consumption. He noted a Municipal alcohol task force declared irresponsible distribution of alcoholic beverages poses a substantial risk to the health and safety of individuals, neighborhoods, communities and society. Public policies regarding alcohol consumption, availability and intervention treatment efforts should be designed to minimize those risks. The primary focus was consumption. Mr. Glaser pointed out happy hours at bars were prohibited by law years ago because they encouraged consumption. In response to Mr. Meyer, Mr. Glaser said a recent study by the Municipality showed that the second highest choice for purchase of alcohol by inebriates was the Alaska Liquor Store.

HARRIET DRUMMOND, a member of the Community Council survey group, voiced her strong support for the ordinance. She thanked Ms. Von Gemmingen for introducing the proposed legislation.

MS. LARRY, a member of the Northstar Community Council, said she felt the punchcard system was inappropriate to have in a liquor store. She also thanked Ms. Von Gemmingen for bringing the issue before the Assembly.

Chairman Campbell asked if anyone else wished to speak. There was no one and he closed the public hearing.

Ms. Von Gemmingen moved,  
seconded by Mr. Murdy,

to adopt AO 96-49.

Ms. Von Gemmingen noted the Northstar Community Council had requested the ordinance be drafted, after finding that punchcards were currently legal. She felt punchcards were appropriate for food and espresso beverages, but not for alcohol.

Question was called on the motion to adopt AO 96-49 and it passed:

AYES: Wohlforth, Abney, Von Gemmingen, Meyer, Campbell, Clementson, Begich, Wuerch, Bell, Murdy.

NAYS: None.

(Clerk's Note: Mr. Kendall had left the meeting at the time of the vote.)

### **Assembly Meeting on March 26, 1996**

- O. **Assembly Memorandum No. AM 244-96**, 1996-1997 Liquor License Renewal: **Alaska Liquor Store #1** (Package Store), Clerk's Office.
- P. **Resolution No. AR 96-64**, a resolution of the Anchorage Municipal Assembly issuing a conditional waiver of protest for renewal or in the alternative protesting the renewal of an alcohol package store liquor license for La Verne M. Thacker, Jr. dba **Alaska Liquor Store #1**, 2607 "A" Street, Anchorage 99503, Assemblymembers Meyer, Murdy, Von Gemmingen, and Wuerch.

Chairman Campbell opened the public hearing for AM 244-96 and AR 96-64, and asked if anyone wished to speak.

JIM HUETTLE, of USKH, said USKH owns the parking lot immediately north of the Alaska Liquor Store #1, and the office building is right across the street. In the past twenty years, there has been about three incidents of inebriates on the property. This year, the problem has skyrocketed. USKH hired Pinkerton Security to patrol the property. He read some entries in the Pinkerton log enumerating many contacts between security personnel and inebriates in the past year. He related inappropriate behavior by inebriates he has witnessed. He did not object to a liquor store at the site, but the type of clientele that frequents the establishment. He pointed out some USKH employees are afraid to leave the building after dark.

TOM MCGRATH, chairman of the Spenard Community Council (SCC) alcohol committee, submitted a SCC resolution passed on February 7, 1996 regarding the proposed license renewal. Personally, he read a resolution recommended by the alcohol philosophy task force. He felt the owner of Spirits of Alaska Liquor was neither a responsible distributor of alcohol, nor a responsible neighbor. He submitted photographs of Code violations observed on the property. He encouraged the Assembly to place conditions on the proposed renewal similar to those placed on the license for Spirits of Alaska at 12th & Gambell, to force the owner to be a responsible distributor. He noted the Spirits store at 12th & Gambell appears to be operating according to all agreements with the Assembly.

HARRIET DRUMMOND, of the Northstar Community Council, said she was part of the group which visited Alaska Liquor Store last year. They found it was obvious the store was a source of alcohol for abusers. She urged proposed conditions be placed on the license.

LARRI, a member of the Northstar Community Council, said her primary concern was the glass alcohol containers which are discarded on the ground by inebriates. She said children may be impacted by this behavior, since they learn by mimicking. Many bottles are left at access points to the nearby playground. She asked something be done to encourage the store owner to be more responsible to the community.

GORDON GLAESER, chair of the Northstar Community Council, said his and other councils in the area (Spenard and Fairview) recognize the problems associated with alcohol abuse in their area. Everyone understands that no one action will result in a solution. However, most other liquor stores in the area have taken steps to ensure their trade does not negatively impact the community. He asked that conditions be imposed to help keep this store from being a target for inebriates.

LA VERNE THACKER said he was president of C&L Enterprises, which owns Alaska Liquor Store. He said he was willing to cooperate with the affected community councils and his neighbors. He submitted letters to the Assembly testifying to his cooperation with these neighbors. He said he did not tolerate any inebriates on the property; he pointed out police reports indicate no violations in the store. He said he was invited to and attended a Northstar Community Council meeting, and has tried to respond to the Council's concerns. He reiterated his willingness to work with the Council further to address their concerns.

Mr. Wuerch disclosed that he had spoken with Mr. Thacker earlier in the evening, and advised him he could not discuss the issue because of ex parte rules.

In response to Mr. Kendall, Mr. Thacker said the proposed conditions would virtually close his business. Eliminating all product under \$10 would remove up to 70 percent of his inventory. He noted he only received the proposed conditions and notice of possible protest about ten days ago. He then tried to contact Assembly members to discuss the situation, but no members could speak with him because of ex parte laws. He outlined his counter proposal to the proposed conditions. They were: 1) prohibit sales to persons identified by pictures by the Community Council for six months or a time determined by the Council, 2) price all products at 20% over product cost, or at a level equal to other stores in the area, 3) provide a refund of \$.05 for each 750ML and 1.75L empty bottle, with a maximum of three bottles, 4) the councils would notify their members the above policy is in place, 5) the policy would not be attached to the license, as no laws have been broken. The policy is a cooperative effort to reduce inebriate problems. In addition, he would be willing to accept Assembly proposed conditions #7 through #10, if #8 is adjusted reasonably so he could take vacations occasionally.

Mr. Begich moved,  
seconded by Mr. Murdy,  
and it passed without  
objection,

to extend the public hearing  
portion of the meeting to  
complete consideration of items  
11.O. through 11.R.

Ms. Clementson suggested some combination of Mr. Thacker's proposal and the Assembly conditions in AR 96-64.

PAT FULLERTON, chair of the Spenard Community Council, said he discussed the proposed conditions and Mr. Thacker's counter proposal with Mr. Glaeser and Mr. Thacker. He felt a compromise to satisfy all parties was improbable. He was torn between wanting to reduce inebriate presence in the area, and not wanting to put Mr. Thacker out of business.

Mr. Glaeser suggested that the Assembly's conditions be placed on the license for consistency with other establishments. A provision would be that if Mr. Thacker submits a counter proposal within six months that is approved by Northstar, Fairview and Spenard community councils, the proposal would return to the Assembly.

BARBARA WEINIG said she travels on A Street frequently, and sees an increasing number of inebriates using the east side of A Street as a walkway. She noticed the inebriate traffic appears to come from and go to the Alaska Liquor Store. She described the violent behavior among inebriates she witnessed.

DAWN RAFFERTY-PATTISON said she had contacted Assembly member Meyer several months ago regarding problems with inebriates on Eureka Street near Northstar Elementary. Her father works at Electric Inc., adjacent to the Alaska Liquor Store. She knew her father's employer had

experienced problems with inebriates and litter. She said the situation is severe, and urged the Assembly to regulate the store in some way.

KIM FRAZER, an Alaska Liquor Store customer, said she has seen the manager turn inebriates away.

MARK FRAZER, a Municipal employee, said he also shopped at Alaska Liquor Store. He said he had seen the management refuse service to inebriates. To put restrictions on some operators and not others was unfair. He felt any conditions should be uniform throughout the Municipality.

RACE JONES said as a property manager, he was familiar with litter control problems. He said if conditions were placed on this license to eliminate inexpensive alcohol, inebriates would merely go to another liquor store. He said inebriates are often sleeping on the street in the early morning and use the area behind his buildings as a toilet.

Chairman Campbell asked if anyone else wished to speak. There was no one and he closed the public hearing.

Mr. Bell moved,  
seconded by Mr. Meyer,

to approve AR 96-64.

Mr. Wohlforth expressed concern that the applicant had apparently not received the required fourteen days' notice of this public hearing.

Ms. Von Gemmingen spoke in support of the resolution.

In response to Ms. Clementson, Assistant Municipal Attorney Bill Greene explained the circumstances under which the Alcoholic Beverage Control Board might review the license in six months rather than two years.

Ms. Clementson moved,  
seconded by Mr. Begich,

to amend AR 96-64 in Section 1 to delete conditions #1 through #5, and replace them with: "1. No fortified wine will be sold and no wine will have a per fifth price of under \$5.00. 2. No vodka will be sold with a one half gallon price of under \$10.00. 3. No punch cards will be used or any other marketing technique that would encourage a person to buy more for the purpose of obtaining a free item because a different number of like items were purchased. If discounts for quantity are given they must be for an individual sale at one time at one place." and renumber the conditions accordingly, and to add a new Section 3 to read: "The Assembly will review this license, six months from date of this resolution, to ascertain if a problem with inebriates associated with this store has continued and to review all reports from community councils." and renumber the following section accordingly.

Mr. Murdy moved, to amend the amendment to delete  
and it was accepted as only conditions #1 through #4.  
a friendly amendment,

AYES: Wohlforth, Abney, Kendall, Von Gemmingen, Meyer, Campbell, Clementson, Begich,  
Wuerch, Bell, Murdy.

NAYS: None.

Question was called on the motion to approve AR 96-64 as amended and it passed:

AYES: Wohlforth, Abney, Kendall, Von Gemmingen, Meyer, Campbell, Clementson, Begich,  
Wuerch, Bell, Murdy.

NAYS: None.

### **Assembly Meeting October 8, 1996**

#### **10. APPEARANCE REQUESTS:**

- A. **LaVerne M. Thacker, Jr.**, representing Alaska Liquor Store #1, review of conditions for sales of alcoholic beverages (Package Store Liquor License) located at 2607 "A" Street (AIM 129-96).

Paul Paslay, an attorney representing C & L Enterprises, appeared regarding the conditions. The conditional use resolution required a six-month review of the license to discuss the prior problem of inebriates and subsequent reports from community councils. Mr. Paslay referred to a Spenard Community Council resolution regarding opening hours of the store, but the owner had not met with the North Star Community Council. He said the license holder felt that an 11:00 a.m. opening hour hurt the business. He hoped to change that one restriction.

Mr. Meyer thanked the licensee for being present, but felt the Assembly was not prepared to take any action at this meeting because North Star Community Council had not met with the owner.

Chairman Begich encouraged the licensee to work with Spenard and North Star Community Councils for any mitigation of the license conditions.

In response to Ms. Clementson, Mr. Paslay said that the licensee's bush order and drive-up business was affected by the later opening hour. He said that no other store had such a restriction and questioned the correlation between the inebriate problems and the restriction.

In response to Ms. Clementson, Mr. Thacker stated that bush orders were most affected by the limited store hours. He added that he could not give out prices or bill an order between 10:00 and 11:00 because of a State law. He felt he was caught between a rock and a hard place.

Mr. Murdy questioned why one hour a day could harm the store. Other stores do not open until 11:00 a.m. He recognized that the applicant tried to do a good job abiding by the conditions.

Mr. Meyer suggested to deal with this issue by a resolution reflecting any agreement of the licensee and community councils on November 5.

Since an applicant should have two weeks notice of a resolution regarding the license, Chairman Begich recommended that the license review be scheduled for the November 12 meeting when any agreed upon changes to conditions would be approved by resolution. If no agreement was made, the licensee should transmit his request to the Assembly through the Clerk's office.

### **Assembly Meeting November 12, 1996**



3. Resolution No. AR 96-308, a resolution of the Anchorage Municipal Assembly amending AR 96-64 the conditional waiver of protest of the renewal of a package store liquor license for La Verne M. Thacker, Jr., d/b/a **Alaska Liquor Store #1**, 2607 "A" Street, Anchorage, Assemblymembers Meyer, Murdy, Von Gemmingen, and Wuerch.

Mr. Meyer moved,  
seconded by Mr. Wuerch,

to approve **AR 96-308**.

Mr. Meyer disclosed he had discussed the license operation with Gordon Glazer, North Star Community Council; Tom McGrath, Spenard Community Council; and Dick McVeigh, counsel to Mr. Thacker.

Ms. Clementson, Mr. Bell, Mr. Murdy disclosed they too spoke with Mr. McVeigh.

Ms. Von Gemmingen and Mr. Wuerch stated they received copies of community council resolutions on the subject.

Mr. Meyer noted two conditions, operating hours and the number of hours the owner must be on the premises, still needed discussion. The owner agrees with the remaining conditions.

At the invitation of the Assembly Mr. Glazer and Mr. Thacker came forward.

GORDON GLAZER, North Star Community Council, advocated an opening hour of 11:00 a.m. for walk-in traffic. He did not oppose a 10:00 a.m. opening for telephone orders.

MR. THACKER commented the Party Time liquor store on Spenard Road was cited by ABC for taking telephone orders prior to 10:00 a.m. when it opened for walk-in traffic. He noted other area liquor stores open at 10:00 a.m.

Chairman Begich clarified Party Time was cited for taking an order before it could lawfully open for business. Municipal law does not allow package stores to open before 10:00 a.m.

In response to Chairman Begich, Assistant Municipal Attorney Bill Greene opined the Assembly could set the opening hour for telephone orders at 10:00 a.m.

In response to Mr. Murdy, Mr. Glazer stated North Star Council did not object to reducing the number of hours the owner must be on premises. However, the Council continues to receive complaints about this store and some of the conditions need to be clarified.

Mr. Wuerch moved,  
seconded by Ms. Clementson,

to amend **AR 96-308** one line 23 to read: "The store will change operating hours to open for telephone orders at 10:00 a.m. and at 11:00 a.m. for walk-in customers."

In reply to Mr. Meyer, Mr. Glazer advised the council continues to be concerned about the sale of fortified wines and clean-up efforts around the store. However, the operation of the store has improved since the Assembly placed conditions on the license. He encouraged Mr. Thacker to meet his business neighbors.

In response to Mr. Carlson, Mr. Thacker explained how telephone sales were done.

Question was called on the motion to amend and it passed:

AYES: Wohlforth, Kendall, Wuerch, Begich, Meyer, Von Gemmingen, Clementson, Murdy.

NAYS: Bell, Abney, Carlson.

Mr. Meyer moved,  
seconded by Mr. Murdy,  
and it passed without  
objection,

to amend AR 96-308 on line 24  
to read "...80 hours per month."

In response to Mr. Meyer, Mr. Greene explained the original resolution does not say fortified wines may be sold until the stock is depleted.

There was discussion of the disposal of the wine.

Question was called on the motion to approve AR 96-308 as amended and it passed:

AYES: Wohlforth, Bell, Abney, Kendall, Wuerch, Begich, Meyer, Von Gemmingen, Clementson, Carlson, Murdy.

NAYS: None.

### **Assembly Meeting November 17, 1998**

#### **10. APPEARANCE REQUESTS:**

- A. Leo Von Scheben, to discuss transients and trespassers on USKH, Inc. property.  
1. Information Memorandum No. AIM 134-98, C&L Enterprise, Inc. d/b/a Alaska Liquor Store #1 located at 2607 "A" Street, Clerk's Office.

LEO VON SCHEBEN, Chief Executive Officer of USKH, presented hand outs. His company, USKH, is located at 2515 A Street and has been in business for 25 years. The company has had a real problem with street people and inebriates. He wanted to emphasize how his employees and clients feel "fearful for their safety." He referred to color photos he distributed. He explained some of the things they have done to try to prevent people from trespassing. Nothing has worked.

He and his employees feel strongly that nothing will work as long as the Alaska Liquor Store remains in business. He requested that the Alaska Liquor Store's license not be renewed. Mr. Von Scheben described in detail some of the things that have occurred on company property. He reported that the problem has been going on since 1994-1995.

In response to Mr. Carlson, Mr. Von Scheben explained where the street people and inebriates come from. They walk up C Street from downtown to his property, gather around in a group in his parking lot and go around the fence to the liquor store. He said that homeless people followed the route routinely.

Mr. Wuerch wanted to first consult with the Municipal Attorney before asking Mr. Von Scheben any questions. He mentioned this liquor store has been a problem for the last several years. Sanctions have been placed on the store permit. Mr. Wuerch was disappointed to hear that sanctions are not being adhered to and the problem is worse.

Chair Von Gemmingen pointed out that the license conditions were in the Assembly packet, along with an ABC notice to the licensee to sell by June or July 1999.

In response to Mr. Bell, Mr. Von Scheben said he knew about the restrictions on the license. Mr. Bell commented that the problem is the need to prove that small bottles found on Mr. Von Scheben's property actually came from the Alaska Liquor Store.

Mr. Wuerch moved,  
seconded by Ms. Clementson,  
and it passed without  
objection,

to introduce an unnumbered resolution: "A resolution to set Public Hearing on the Question of the Continued Operation of the License for the Sale of Alcoholic Beverages held by C & L Enterprises, Inc., d/b/a 'Alaska Liquor Store #1' located at 2607 'A' Street, Anchorage, Alaska," to be held on January 5, 1999.

(Clerk's Note: This resolution, AR 98-368, was considered on November 24, 1998.)

Ms. Clementson cautioned the public not to contact Assembly members, but to send any written concerns to the Clerk's Office for the public record.

### **Assembly Meeting 11-24-98**

The Assembly then considered some Special Orders.

Resolution No. AR 98-368, a resolution to set public hearing on the question of the continued operation of the license for the sale of alcoholic beverages held by C & L Enterprises, Inc. d/b/a Alaska Liquor Store #1, located at 2607 "A" Street, Anchorage, Alaska, Assemblymember Wuerch. (LAID ON THE TABLE)

Mr. Wuerch moved,  
seconded by Ms. Clementson,

to approve AR 98-368.

Mr. Wuerch explained the resolution was a charging document, to which the licensee will be expected to reply on January 5, 1999.

Mr. Wohlforth suggested a clarifying letter accompany the notice to the licensee.

Deputy Municipal Attorney Bill Greene advised that the Assembly would decide what, if any, action to take after the hearing is completed.

Question was called on the motion to approve AR 98-368 and it passed:

AYES: Bell, Carlson, Wuerch, Taylor, Wohlforth, Von Gemmingen, Clementson, Meyer, Abney, Murdy.

NAYS: None.

(Clerk's Note: See January 5, 1999 minutes for action on the public hearing resolution, AR 98-381.)  
Items 12.G. through 12.J. were continued until January 12, 1999.

### **Assembly Meeting January 12, 1999**

- E. Resolution No. AR 98-381, a resolution determining whether to protest the continued operation of the license for the sale of alcoholic beverages held by C & L Enterprises, Inc. d/b/a Alaska Liquor Store #1, located at 2607 "A" Street, Anchorage, Alaska, Assemblymembers Wuerch, Abney, Bell, Carlson, Clementson, Kendall, Meyer, Murdy, Taylor, Von Gemmingen, and Wohlforth.  
(CONTINUED FROM 1-5-99)

Chair Von Gemmingen opened the public hearing and asked if anyone wished to speak.

BARBARA JOHNSON, of the Northstar Community Council, said she lived a few blocks from the Alaska Liquor Store. While riding their bicycles, she and her 10-year-old daughter were terrorized by the appearance of the store and by persons loitering around the store. When she was charged with drawing up a new bike trail map, she tried to find another route. However, there is no place to ride a bicycle on the other side of A Street from this store. She did not feel the business was operating correctly. The presence of the store was a negative impact on neighboring properties.

BILL ABOTTY encouraged the Assembly to protest the continued operation of the subject license. He drives past the Alaska Liquor Store on a routine basis. Especially in the summer months, he notices large numbers of people loitering on the property and adjacent areas. He has seen some of the loiterers consuming alcohol, stumbling around and leaning on fences. As a resident of the Northstar area, he notices a large number of transients and inebriates walking through his neighborhood from the Chester Creek bike trail toward Fireweed and Northern Lights. He and his wife have been harassed by these people, and have seen them urinate in neighboring yards. Mr. Abotty added he has not observed loitering near Brown Jug on Fireweed or some of the other drinking establishments in the area. He felt many of the transients were customers of Alaska Liquor Store.

VERN THACKER, with Alaska Liquor, appeared with his store manager, Levi Bonner. Mr. Thacker presented a letter from his landlord. He brought logs which were directed by the Assembly. To date, neither Northstar or Spenard community council representatives have asked to view the logs. He said the management has not violated any laws. They have complied with all conditions placed on the license. Alaska Liquor Store has received no Notices of Violation from Anchorage Police. He said the store has been the target of sting operations for food stamp or selling to minors violations. He stressed management and staff cannot prevent people from walking on public property or on adjacent private property.

LEVI BONNER, manager of the Alaska Liquor Store, said he was in the store on November 18, 1997 when an employee was arrested for selling cocaine to an undercover police officer. However, he was not involved. The employee was fired, and has written a letter exonerating Alaska Liquor Store management from any involvement. He said the situation is difficult, because inebriates purchase alcohol from stores a few blocks away and then walk to Alaska Liquor Store to loiter. Later, bottles from the other stores are found on the ground in the vicinity. Mr. Bonner assured the Assembly that no products prohibited by the conditions are sold. He added he cannot adequately police the adjacent parking lot, because a large opaque fence has been erected. In order to patrol the lot, he must lock the store and walk around the fence.

BILL BORCHARD, owner of the property directly across the street from the Alaska Liquor Store, said he has owned the property about 15 years. In the last several years, he has noticed an increased amount of vagrants, mostly inebriated, sleeping on his property. He has also seen these people urinate, defecate and vomit in public. It appears that the magnet for these people is the Alaska Liquor Store; he has observed the vagrants going to and from the store. He recommended the license be protested. He felt it would be a blessing to limit the vagrants' access to inexpensive alcohol.

Mr. Wohlforth moved,  
seconded by Mr. Wuerch,  
and it passed without  
objection,

to extend the public hearing portion of the  
meeting until 11:00 p.m.

MARGARET AUTH felt there was a reason that people choose to spend the night near this liquor store. She said inefficient management style was the cause of the problems of vagrancy in the area. She pointed out that employees of nearby businesses have been accosted by the people that frequent this store. She said it was not good for the community to allow this kind of activity to continue.

LEO VON SCHEBEN, spoke as CEO of USKH, the business adjacent to the Alaska Liquor Store. He said he was in that location for about 25 years, and has just completed improvements to the building which cost about \$300,000. Of the 65 staff members in the A Street location, 40% are female. He has

gone through a lot of pain and agony in dealing with inebriates that gather on his property. He has observed incidents of exposure, urination, defecation, vomiting, loitering, drinking, storage of alcohol in planters, vandalism of vehicles, breaking into vehicles in the parking lot, people unconscious on the sidewalk and people approaching his clients and employees in the parking lot. He had a pushing match with an inebriated person, and had to remove a bloody man from his office. He is tired of dealing with these problems, and his employees are frightened. He has hired a security service to escort employees to their vehicles. Mr. Von Scheben added many other business owners in the area are also upset about this situation. Barnes and Nobel employees wear gloves to handle the inebriates, for protection against disease. He said if the Alaska Liquor Store was closed, the inebriates would not be loitering and causing problems. In response to Mr. Bell, Mr. Von Scheben said he was not interested in exploring a solution with Mr. Thacker. He has noticed the problems for about four years.

ROBERT AUTH, representing the Spenard Community Council, said in November, the Council passed a resolution protesting renewal of the liquor license for Alaska Liquor Store. The resolution was based in a large part on the evidence presented by Mr. Von Scheben, and the vote was unanimous. The Council found the liquor store was operating in such a manner to attract and become a public nuisance that resulted in unsafe conditions for surrounding businesses, communities, residents and schools. Mr. Auth added there was a problem with the Assembly procedure for dealing with problem licenses. He felt it was time the Assembly establishes an objective demerit point system for all liquor licenses, so problems can be evaluated effectively. The Council supports establishment of such a system.

Chair Von Gemmingen asked if anyone else wished to speak. There was no one, and she closed the public hearing.

Mr. Murdy moved,  
seconded by Ms. Clementson,

to approve AR 98-381.

Mr. Wuerch moved,  
seconded by Mr. Wohlforth,

to amend AR 98-381 on page two, in the final Whereas clause  
to insert language after #1 to read: "On November 18, 1997, the Anchorage Police Department made a controlled purchase of cocaine from an employee of the Licensee on the Licensed Premises during regular business hours of the Licensed Premises." and insert language after #2 to read: "On November 19, 1997, illegal drugs and drug paraphernalia were found on the Licensed Premises." and insert language after #3 to read: "The operation of the Licensed Premises and the Licensee attracts, caters to and/or fails to adequately control or prevent patronization of publicly inebriated customers which in turn creates and contributes to situations, events and conditions inimical to the public health, safety and welfare of other citizens and adjacent property owners and their properties, including but not limited to indecent exposure, public urination, defecation and vomiting on public and private property, trespass, vandalism, assaults, threats and damage to private property." and to delete Section 1 - 1<sup>st</sup> alternate and Section 1 - 2<sup>nd</sup> alternate.

AYES: Bell, Carlson, Wuerch, Taylor, Wohlforth, Von Gemmingen, Clementson, Meyer, Abney, Murdy.

NAYS: None.

Question was called on the motion to approve AR 98-381 as amended and it passed:

AYES: Bell, Carlson, Wuerch, Taylor, Wohlforth, Von Gemmingen, Clementson, Meyer, Abney, Murdy.

NAYS: None.

(Clerk's Note: See minutes of January 26, 1999 meeting for further amendments to this resolution.)

### **Assembly Meeting January 26, 1999**

Mr. Wuerch noted a typographical error was found in a document the Assembly approved on January 12, 1999, AR 98-381 regarding the Alaska Liquor Store #1.

Mr. Wuerch moved,

to amend AR 98-381 on page 2, line 25 to read: "...the

seconded by Mr. Meyer,

continued operation of the license issued to C & L

and it passed without objection,

Enterprises..."

### **Assembly Meeting February 9, 1999**

1. Information Memorandum No. AIM 16-99, C&L Enterprises, Inc. d/b/a Alaska Liquor Store #1 located at 2607 "A" Street, Municipal Clerk. (addendum)

Mr. Wuerch moved,

to accept AIM 16-99.

seconded by Mr. Meyer,

Mr. Wuerch said this item, a request for the Assembly to reconsider it's protest of the liquor license, included information about a potential transfer of ownership for the license. He said the information on the transfer was not sufficient to make a decision on lifting the protest. He recommended a postponement.

Mr. Wuerch moved,

to postpone action on AIM 16-99 until February 23, 1999

seconded by Mr. Meyer,

pending further information on details of the license transfer.

and it passed without objection,

### **Assembly Meeting October 19, 1999**

**Note: This AR was not in regard to Alaska Liquor #1, however there are frequent remarks in this testimony regarding that establishment.**

- J. Resolution No. AR 99-276, a resolution of the Anchorage Municipal Assembly approving a conditional use for sales of alcoholic beverages (Package Store) located on Smith Subdivision, Addition #1, Block 5, Lot 10A, generally located at the northeast

corner of Northern Lights Boulevard and A Street (Tesoro Northstore d.b.a. Tesoro 2 Go) (Case 99-191), Community Planning and Development.

1. Assembly Memorandum No. AM 913-99.
2. Information Memorandum No. AIM 90-99, Municipal Clerk.
3. Information Memorandum No. AIM 93-99, Municipal Clerk. (addendum)

Chairman Wuerch opened the public hearing and asked if anyone wished to speak.

LEO VON SCHEBEN, Chief Executive Officer of USKH, noted he approached the Assembly about eight months ago regarding the Alaska Liquor Store. There had been several years of problems with street people who were customers of that store. He recalled from 1995 to 1999, the store operated adjacent to the USKH property. During that time, USKH staff experienced increasing numbers of problems with inebriates who trespassed and vandalized USKH property. Mr. Von Scheben believed the inebriates were attracted to the area solely because of Alaska Liquor Store. These persons purchased alcohol at Alaska Liquor Store, and then returned to loiter on USKH property. They exhibited many signs of intoxication, including staggering, slurred speech, loss of consciousness, urination and defecation. These people also trespassed and loitered on other businesses' properties in the area. Mr. Von Scheben noted the proposed liquor store is only a few feet away from the old Alaska Liquor Store location. He did not support allowing another liquor store to locate in the area. He had nothing against the Tesoro company, and USKH does business with that company. However, he did not support selling gasoline and alcohol in the same location. He added since Alaska Liquor Store closed, incidents of drunkenness and disorderly conduct have decreased significantly. He noted 750 people have signed a petition opposing locating another liquor store in this area. He asked the Assembly to deny the proposed conditional use permit.

AUBREY PUTNAM read a statement from her 16-year-old sister. The statement, by Mina Putnam, said she felt allowing another liquor store in the area would lead to more problems in then mid-town area. She lives near a bike path near the intersection of Fireweed and A Street. She often sees inebriates on the bike path and wandering down the street. She felt this situation was not safe for her or her friends. Aubrey also read a statement from her brother, Cody, who also opposed the proposed liquor store. He said since the previous liquor store on A Street was closed, problems with inebriates in the area have decreased significantly. Aubrey concurred with her brother and sisters' statements. She related some encounters with inebriates which scared her very much. Since the previous liquor store closed, there have not been any such problems and she now feels safe walking in her neighborhood.

LAUREL PUTNAM, mother of Aubrey, Mina, Cody and two other children, also described frightening and disturbing experiences with inebriates in the past. Since Alaska Liquor Store closed, problems with inebriates have decreased significantly. She felt her neighborhood has enough challenges without the addition of another liquor store. She urged the Assembly not to grant the proposed conditional use permit.

GWEN MITCHELL and VIRGINIA ROWE, 6<sup>th</sup> graders from North Star and Rabbit Creek Elementary schools, described an encounter with an inebriated person when they were visiting a Tesoro liquor store.

JOHN CORNEEL, a member of the North Star Elementary School PTA, said his children attend North Star Elementary. He said the PTA Board feels if children feel safe, learning will be more effective. He recounted two incidents recently when inebriated persons required attention by Community Service Patrol because of activities on and near school grounds. Mr. Corneel described the improvements and security measures that have been done by the school officials, PTA and Municipality. He noted the indigent problem is not isolated. These people tend to congregate in areas that offer shelter and inexpensive alcohol. Unfortunately, North Star school grounds offer shelter, and the proposed Tesoro liquor store location is about one-half mile away from the school. He noted problems have decreased since the Alaska Liquor Store has closed. He asked the Assembly not to grant the proposed conditional use permit.

MYRNA MOULTON, principal of North Star Elementary, expressed concern that teaching staff must patrol the parking lot and stairwell down the bluff to provide protection for students from inebriates. She said it is very frightening for children to walk past aggressive and unconscious inebriates. When the Alaska Liquor Store was still open, the doors to the school had to be locked because of problems with inebriates wandering into the building. She was concerned that the proposed liquor store would increase problems with inebriates. Many of the students' parents both work, and the children are left unsupervised. She did not want them to have to deal with any additional problems. She asked the Assembly to deny the conditional use.

In response to Mr. Meyer, Ms. Moulton explained a few years ago, as part of the Community Council, several local alcohol businesses were visited. Brown Jug Liquor was supportive and agreed not to sell to inebriates. She said they also do not sell the more inexpensive types of alcohol. She has not seen evidence of inebriates purchasing alcohol from Brown Jug, as opposed to the evidence when Alaska Liquor Store was in business.

JEANNIE BROOKING, past president of the North Star PTA, is also a resident of the area. She noted the PTA worked hard to get the Alaska Liquor Store closed. She said students say they feel more safe now that fewer inebriates are in the area. Ms. Brooking added the new school playground was planned to eliminate places for inebriates to sleep. The school's hockey rink was also dismantled, because it provided a place for inebriates to sleep. The stairwell down the hill from the school was normally occupied by several inebriates, and pedestrians had to literally go among them, which is very uncomfortable. School teachers are concerned about the fecal matter, vomit and broken glass in the area. She thanked the Akeela House organization, who sent people, at the request of the PTA, to visit and clean up the area on a weekly basis.

BARBARA JOHNSON, a member of the North Star Community Council, said she shops daily at Carrs Aurora Village, and on the way walks past the Tesoro at Fireweed and Spenard. She reported last summer, after Alaska Liquor Store closed, the inebriates and associated problems moved west toward the Spenard area. Tesoro representatives told Council members the proposed store would be an up-class wine and cheese shop, modeled after the store at Fireweed and Spenard. She pointed out the existing Spenard store sells many types of alcohol for under \$10.

REBECCA SOLBERG, a student at Romig Middle School, recalled some incidents with inebriated persons roaming through her neighborhood. She said since the liquor store on A Street closed, the problems have gone away. She asked the Assembly not to allow another liquor store in the area.

MATT JOHNSON, a resident near the intersection of East 23<sup>rd</sup> and A Streets, confirmed reports of frequent problems with public inebriates, such as unconsciousness, urination, defecation, fornication and disturbance of the peace. He said the difference between the now-closed Alaska Liquor Store and Brown Jug liquors is location. He pointed out Alaska Liquor and the proposed Tesoro store were/are located directly adjacent to the bike trail connecting the Chester Creek area with midtown. He regularly saw a parade of people walking on the trail one way empty-handed, and later walking the other way laden with a 12-pack of beer and varying sizes of vodka. He felt the location of the facility creates the problems. Mr. Johnson felt the disadvantages of alcohol establishments have been made clear. He questioned what advantages, if any, would result from adding another liquor store in the neighborhood. He felt only the Tesoro company would benefit, and it would be at the cost of the community. He recommended the company take the planned twelve percent of the facility floor space devoted to alcohol sales, and instead devote that space to sales of food and soft drinks, which would be a value to the community.

BILL ABBOTTY, a resident near the intersection of Arctic Boulevard and 20<sup>th</sup> Avenue, said there has been a large number of inebriates walking around the midtown area. The situation has become a real problem. He encouraged the Assembly to deny the proposed Tesoro conditional use. He felt there were enough liquor stores in the area, and any more will exacerbate the problems. He said things have improved slightly since Alaska Liquor Store closed, but the problem has not ceased entirely. He said the efforts to clean up downtown for the benefit of tourists has only moved the problems into the midtown area.



**BRAD HEMLERIGHT**, said he found an inebriate asleep on his couch when he returned home one day. His property fronts the bike trail that connects Fireweed and A Street. He said when Alaska Liquor Store was operating, there were huge numbers of inebriates in the area. The change in the neighborhood since the store closed has been profound. He concurred with statements mentioned by previous speakers. He pointed out there have also been problems with tremendous amounts of garbage left by inebriates: alcohol bottles and cans, and refuse left in the camps where the homeless live. He added the difference between Brown Jug liquor store and the stores on A Street is the convenience of the A Street location.

**LEE FISHBACK**, a Chugiak High School student, said he was present to fulfill a government class assignment. However, he was intrigued about the discussion. After listening to residents' concerns, he felt the issue was personal and community security. He questioned the right of some people to make decisions that would deprive others of this essential right. He noted the previous liquor store deprived residents of their right to safety and security.

**BONNIE L. JACK**, a resident of the area which would be affected by the proposed conditional use permit, noted there are many package store liquor licenses in the area. She noted on October 6, Tesoro representatives told the Community Council the proposed store would be modeled on the existing Tesoro on Spenard and Fireweed. She pointed out the Spenard Tesoro store sells many types of very inexpensive alcohol, which is directly opposed to the desires of the community. Although Tesoro management committed to remove certain offensive items from the Spenard store on September 3, the items were not removed until October 15, 1999. She felt Tesoro management was not paying attention to the concerns and complaints of area residents. She urged the Assembly to deny the proposed conditional use permit.

**DAN COFFEY**, representing Tesoro, appeared with Rick Bucy and Walter Crawford from Tesoro. Mr. Coffey felt the objections in the testimony tonight were legitimate, based on residents' experiences when Alaska Liquor Store was in business. He clarified Tesoro was a different operator. He pointed out the community has not accomplished any solutions to the problem of public inebriates. Instead, attention is directed toward liquor stores, which he felt was appropriate. He felt location was not as important as operation in regards to problems. He pointed out there are many examples of establishments that were operated poorly, and after a management change, problems were eliminated. Also, there are examples of establishments with good operators that do not cause problems even if they are close to schools and in an area with a public inebriate problem. Mr. Coffey noted Tesoro proposed six conditions on the conditional use permit, including an expiration date for the permit. This point has not yet been discussed with the North Star Community Council, but they will meet with Council members soon. Also, the conditions include a proposal to eliminate sales of products that traditionally attract public inebriates, and reduced hours of operations. He said obviously, the company's outreach efforts were not adequate and they wish to speak with more concerned residents to discuss the proposed conditions.

**Ms. Clementson** noted in the past, there have been many incidents of alcohol thefts at Tesoro stores. She requested a representative to appear before the Assembly to discuss the issue. Since then, she was told by Tesoro employees that they are no longer allowed to report alcohol thefts to police. Since she requested representatives to appear before the Assembly, there have been no police reports. She was concerned instead of addressing the problem of theft, management has merely changed its reporting policy. She asked for comments.

**Mr. Bucy** of Tesoro said he was a relatively new employee. He explained the group of people running the stores two years ago has been changed. He clarified the policy is to report. He was unsure why Ms. Clementson received the report she did, and asked for more information so he could follow up. He said Tesoro has contracted with Guardian Security to perform security services at the Northern Lights/A Street and Spenard/Fireweed stores, so he did not anticipate a problem with shoplifting at those stores. Mr. Bucy said Tesoro is contesting a police report in the last quarter, that a clerk at the Spenard store sold alcohol to someone who was intoxicated. He said according to video tapes and statements by both clerks on duty, the person in question did not appear to be intoxicated.

In response to Ms. Clementson, Mr. Crawford, marketing manager for Tesoro, said the company would address, on a store-by-store basis, problems with sales of certain types of alcohol or alcohol sold for a certain price. He explained when management heard of a problem at the Fireweed store, they started working on it.

Ms. Fairclough disclosed she had close contact with Mr. Bucy's brother, Gary, although she did not know Mr. Rick Bucy.

In response to Mr. Tesche, Mr. Crawford explained the concept of sales of alcohol with automobile fuel and supplies on the same premises. He said Tesoro was not really an automobile service station, but a convenience store. The customer dictates the inventory; if there was not a demand for a product, it would not be offered.

MICHAEL GRUENSTEIN, of Alaska Premier Exercise Equipment, said the business is located about 200 meters from the proposed conditional use permit location. He said he was very glad that Alaska Liquor Store has closed, because he no longer has to clean human feces from his loading dock on a daily basis. Also, his customers are no longer solicited for money and threatened with physical violence as they approach his store. He looked forward to the Tesoro store because it would be convenient to purchase gasoline, but he was not looking forward to the alcohol sales in the store. He pointed out Tesoro has several stores in Anchorage that do not serve alcohol; he would like the proposed store to conform to the same format. He pointed out inebriates often pool their money, and send a sober friend into a store to purchase larger quantities of alcohol that may cost over \$10. They then share the alcohol among themselves. He stressed the situation has improved greatly since Alaska Liquor Store closed. His customers are more open to visiting his store to purchase equipment. He welcomed another gasoline station, but not more alcohol.

MIKE MITCHELL, a resident of the Spenard/Fireweed area, spoke in opposition to the proposed conditional use permit. He said his concerns were not only losing the gains made by closure of Alaska Liquor Store, but also with the operation of the existing Tesoro store at Fireweed/Spenard. He pointed out the Fireweed/Spenard store has many signs advertising alcohol sales, but none advertising gasoline or food. He was interested in the comments by Tesoro representatives earlier, that the stores are for convenience rather than gasoline. He felt the convenience was to obtain alcohol. Mr. Mitchell addressed the question of what to do about public inebriates. He felt the first thing would be to not make it more convenient to obtain alcohol, and not promote the type of facility that encourages "drive-up" alcohol purchases. He suggested the Assembly test the company, and ensure it can reduce violations at the Spenard/Fireweed store before granting the proposed conditional use, if they were considering granting it. He urged the Assembly to deny the permit.

RICK SOLBERG, a resident near the intersection of Barrow and 23<sup>rd</sup> Avenue, said his children use duct tape to fashion weapons out of sticks. They run for the "weapons" when inebriates come around his house. He felt allowing or encouraging the drunk-in-public behavior is a poor example for children. He said he has experienced all the events mentioned by previous speakers, including public fornication and defecation, people sleeping in his vehicles and entering his home. He said the Assembly has an opportunity to take a stand to stop the problem by refusing to allow the proposed liquor store. He urged them to deny proposed permit.

TOM MCGRATH noted Spenard Community Council area has 27 percent of the total liquor licenses in Anchorage. He pointed out the proposed store would be using an existing license. The proposed license would have a lot of restrictions; the existing license has no restrictions. He opposed the Alaska Liquor Store operation years ago. He pointed out since then, House Bill 446 passed, which give the right to abate properties that do not operate properly. Also, House Bill 69 passed. He heard an enabling ordinance would be going before the Assembly soon, which would give them leverage against license operators who do not operate responsibly. He felt these tools will help. Mr. McGrath asked the Assembly add another item to the list of proposed conditions: that the operator use the Municipal law which allows operators to fine people \$1,000 in civil court if they purchase alcohol illegally. Brown Jug and Chilkoot Charlie's use that law and have had very good results. He suggested a good proactive

measure to discourage inebriates is to clear vacant lots of brush and vegetation to a level of six feet. The lots still look nice, but there is nowhere for people to hide or camp. He said the Municipal land along Arctic between Fireweed and Valley of the Moon Park would benefit from such treatment.

The meeting recessed at 9:35 p.m. and reconvened at 9:50 p.m.

GORDON GLASER, chair of the North Star Community Council, concurred with the concerns voiced earlier by area residents. He noted the community is very fragile, and the impact of the Alaska Liquor Store operation was very traumatic. The community needs time to recover from that experience. Even if Tesoro was a perfect operator, which it is not, placing another liquor store in this neighborhood would be unwise and untimely. He noted various alcohol abuse studies have identified a "triangle" area where people can eat and sleep, panhandle and obtain alcohol. The Alaska Liquor Store was one leg of that triangle, and now that it has been broken, the community does not want it to be restored. He urged the Assembly to deny the conditional use permit.

SAM ROSE, of the North Star Community Council, felt limiting some availability of alcohol for inebriates is part of the possible solution to the problem. He added inebriates like privacy, which is provided by the nearby greenbelt. He liked Mr. McGrath's suggestion earlier about removing part of the brush on vacant land, to remove the availability of hiding places. He asked the proposed conditional use permit be denied, because of the location's proximity to the greenbelt. He pointed out many service stations in town serve food; he suggested Tesoro investigate a partnership with a food vendor.

MARY WOOD, an east Anchorage resident who works in midtown, noted her place of employment has a large, lighted parking lot. The women in her office developed an informal buddy system, so if someone had to work late, they would not have to go to their vehicle alone. This danger was part of the problems associated with the Alaska Liquor Store operation and clientele. She said the improvements since that establishment closed have been significant. She agreed Tesoro did not cause the problems, but she was concerned neighborhood residents would be subjected to the same types of behavior by their potential clients. She urged the Assembly to deny the conditional use permit.

HARRIET DRUMMOND, a homeowner in the North Star Community Council area, said she and her children have picked up hundreds of pounds of trash, beer and wine bottles and cans from the homeless camps behind North Star Elementary. The school staff has tried to protect children from that scary situation for years, and does the same kind of clean-up on school grounds every day. She appreciated the recent action of the Assembly that resulted in the long-awaited closure of Alaska Liquor Store. However, she felt it would be outrageous and disingenuous for the Assembly to approve a conditional use for a liquor store one lot removed from the Alaska Liquor Store location. She urged the Assembly to deny the permit.

BILL BORCHARDT spoke as owner of Arctic Office Products, located across the street from the proposed liquor store. He thanked the Assembly for helping close Alaska Liquor Store. He said the difference to the neighborhood and his business has been significant. He did not see an appreciable difference between the former Alaska Liquor Store and the proposed Tesoro store, because inebriates are smart and motivated enough to get alcohol when they need it. He said the proposed store location was one of the worst for easy supply to inebriates, because of the close proximity to the greenbelt. He also owns rental property adjacent to the Tesoro at the corner of Fireweed and Spenard. Over the last 20 years, he had no problem keeping tenants, because the area is wooded and pleasant. However, over the last six months he lost three tenants, because they did not want to deal with the street people. He felt the reason the street people were present was because of the liquor store. They will congregate wherever alcohol is sold. Among the three affected groups, the residents, the inebriates and Tesoro, none would benefit from approving the conditional use. He noted in Tesoro's proposal, they would have only seven percent of sales from alcohol. He questioned why Tesoro would want to put area residents through more misery, for only seven percent of revenues.

ROBERT AUTH, chair of the Spenard Community Council, said the Council debated this issue thoroughly at its October 6, 1999 meeting. Comments were similar to the majority of the testimony

tonight. The Council voted unanimously to oppose the conditional use permit. Mr. Auth noted Spenard has a very serious problem with inebriates. He pointed out as a member of the Citizens Advisory Committee for the Midtown Trail, he knew the trail along A Street will be upgraded significantly between Fireweed Lane and the Midtown Park. The upgrade will increase the amount of trail users, and he questioned the wisdom of placing a liquor store adjacent which will likely attract inebriates.

SHAWN CLIMMER, owner of North Star Locksmith Service at the intersection of Northern Lights and A Street, discussed the problems with inebriates. He felt the problem must be addressed. Tesoro would be a good neighbor, but alcohol at the store was not a necessity. He could not understand why the company wanted alcohol there, because it would not help his business or that of any business in the area. He felt drive-up liquor convenience stores were not helpful and should not be promoted in Anchorage. He opposed the conditional use permit.

BARBARA WEINIG said she was a frequent visitor to the Federation of Community Councils office at the corner of Fireweed and Cordova. She described the inebriate presence she observed while the Alaska Liquor Store was operating. Since the store closed, the inebriates are not a problem in the area.

LINDA SMITH said she has worked in midtown for about eight years. She said the experience has been very pleasurable since the Alaska Liquor Store closed. She feels safe, and employees no longer have to use the buddy system when walking at lunch breaks or to vehicles in the parking lots. She looked forward to having Tesoro as a neighbor, and the convenience store, but not if they were going to sell alcohol. She felt many people would not patronize the store if they do sell alcohol. She urged the Assembly to deny the proposed conditional use permit.

DON HILIGAS of Hiligas Company Real Estate Management and Marketing said he managed about 1,750,000 square feet in the Anchorage bowl. About 250,000 square feet was located in midtown. He felt the Assembly had an opportunity to set a precedent, by not approving the proposed conditional use. Then, other problem areas could be addressed. He encouraged the Assembly to take this opportunity.

GARTH PARBERRY, co-owner of Alaska Bagel in the Great Alaska Mall, said when he opens the store at 6:00 a.m., panhandlers are already on duty. He said the situation has improved greatly since the Alaska Liquor Store closed, but he felt another liquor store would make the problem return. He pointed out if Tesoro hired security guards, they would only be able to patrol the Tesoro property, and would not have an effect where the real problem would be, at nearby area businesses. Mr. Parberry pointed out students from Steller School wanted to sign the petition he had at his store, because they felt liquor stores contributed to the inebriate problem at their school. He added Tesoro's proposal was to sell alcohol for about 103 hours per week, but would only have a manager on duty for about 50 hours per week. The remainder of the time, regular employees would be in charge of sales. He asked the Assembly to consider the pain and suffering of the community when making their decision.

Mr. Tesche moved,

to extend the public hearing for this item 20 minutes, until

seconded by Ms. Fairclough,  
and it passed without  
objection,

10:45 p.m.

RACE JONES, owner of the CanAd company, explained it was a litter control company. He said when he was a nine-year-old boy, a friend and mentor was killed on Northern Lights Boulevard because of alcohol. He explained the children who testified earlier tonight spoke from fear and pain. He said their experiences with inebriates will remain in their memories for life. He felt it was the responsibility of community leaders to ensure the safety and well-being of citizens. He asked the Assembly to consider legislation that would promote this goal.

GREG SOLSVIG, a resident on East 23<sup>rd</sup> Avenue, concurred with the testimony about the inebriate activities in the area of the A Street trail. He thanked the Assembly for its actions to close the Alaska Liquor Store. He took a recent trip to Boston, and noticed many of the revolutionary activities took

place in pubs and taverns. Alcohol has deep roots in this country, and he did not want to remove it entirely. However, he felt wisdom should be used when making decisions about establishments.

ROSEMARY BORCHARDT said she lives and works in midtown. She said the situation with alcohol establishments and abusers is a war. One has to live with the situation to appreciate it. She asked for the Assembly's help. She supported Tesoro, but opposed the liquor store.

Chairman Wuerch asked if anyone else wished to speak. There was no one, and he closed the public hearing.

Mr. Tesche moved,  
seconded by Mr. Kendall,

to approve AR 99-276.

Mr. Tesche spoke against the motion. He said keeping a package store liquor license in an area which already has four package store licenses, sixteen restaurant/eating place licenses, one club license and ten beverage dispensary licenses would only exacerbate the undue concentration of licenses in the area. Also, the license would be located in an area known to be frequented by public inebriates. Based on historical operation of a package store in the same area, a new store would likely perpetuate the problems associated with public inebriates in the area.

Ms. Fairclough also opposed the resolution. She noted a major goal of the Comprehensive Plan was to create a living environment of the highest possible quality, considering, among other things, the economic social considerations and physical developments. She felt according to the public testimony, this condition would not be met. Ms. Fairclough felt the testimony also indicated the community did not favor having a gas station selling alcohol in their neighborhood. Also, testimony indicates increased noise and environmental pollution would occur from an increased inebriate presence.

Ms. Abney also spoke against the resolution. She felt a community has the right to feel safe. It is apparent from the testimony that most of the residents have not felt safe in their community.

Ms. Von Gemmingen pointed out a lot of hard work was done to close the Alaska Liquor Store on A Street. She felt the wounds to the community was still fresh. The testimony and the written communication she has received indicated residents fears and concerns for their safety. She felt the Assembly should deny this conditional use.

Ms. Clementson pointed out the community opposition was overwhelming. She felt the issue was not one of operation, but availability. She pointed out there is enough availability of alcohol in the area. According to the rules of economics, increased availability leads to competition. This might lead to lower prices and less than perfect operation in order to maintain revenues. She encouraged a "no" vote on the resolution.

Mr. Meyer said he usually votes for liquor licenses based on the management's performance. If a manager works with the Assembly, and tries to solve problems at an establishment, he will usually give them the benefit of the doubt. He agreed the community had to wait too long for the previous store, Alaska Liquor, to be closed. He felt the recently-passed State legislation, House Bill 69, would help. It would allow local governments to place conditions on liquor licenses and enforce those conditions. He would like to give Tesoro the benefit of the doubt, because he felt it would provide good management. The company has agreed to use an existing license, and has agreed to several conditions. However, he felt it was too soon after a major trauma to the community to place another package store in the area. He supported denial of the conditional use. He suggested Tesoro work with the community to resolve concerns, and perhaps try again in the future.

Mr. Sullivan concurred with Mr. Meyer. However, he pointed out the applicant presented many conditions that the Assembly and various community councils have not had time to review. He suggested the resolution be postponed to allow time for the applicant to present and discuss these conditions. He

added the existing license has no conditions; it may be beneficial to allow the transfer in order to get the opportunity to place conditions on the license.

Mr. Sullivan moved,

to postpone action on AR 99-276 until  
November 9, 1999.

seconded by Mr. Kendall,

Mr. Tesche opposed the motion.

Ms. Clementson also opposed the motion. She pointed out members might forget the testimony tonight in three weeks' time.

Question was called on the motion to postpone and it failed:

AYES: Kendall, Sullivan, Tremaine, Meyer.

NAYS: Tesche, Taylor, Wuerch, Fairclough, Abney, Von Gemmingen, Clementson.

Question was called on the motion to approve AR 99-276 and it failed:

AYES: None.

NAYS: Kendall, Sullivan, Tremaine, Tesche, Taylor, Wuerch, Meyer, Fairclough, Abney ,  
Von Gemmingen, Clementson.

1  
2 CLERK'S OFFICE  
3 AMENDED AND APPROVED  
4 Date: 3-26-96  
5

Submitted by: Assembly members Von Gemmingen,  
Meyer, Murdy, and Wuerch  
Prepared by: Assembly Policy & Budget Office  
For Reading: March 12, 1996

6 ANCHORAGE, ALASKA  
7 AR NO. 96-64 (as amended)  
8

9 A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY ISSUING A  
10 CONDITIONAL WAIVER OF PROTEST FOR RENEWAL OR IN THE ALTERNATIVE  
11 PROTESTING THE RENEWAL OF AN ALCOHOL PACKAGE STORE LIQUOR LICENSE  
12 FOR LA VERNE M. THACKER, JR. DBA ALASKA LIQUOR STORE #1, 2607 "A"  
13 STREET, ANCHORAGE 99503  
14

15  
16 THE ANCHORAGE MUNICIPAL ASSEMBLY FINDS THAT:  
17

18 WHEREAS, the Anchorage Municipal Assembly has received documentation  
19 regarding incidents pertaining to the proposed liquor license renewal; and  
20

21 WHEREAS, the presence of a liquor store in this business community has caused  
22 concerns to local residents and business owners.  
23

24 NOW, THEREFORE, the Anchorage Assembly resolves:  
25

26 Section 1: That for the reasons set forth above and subject to Section 2 of this  
27 resolution, provided the Alcoholic Beverage Control Board makes the following conditions  
28 permanent conditions of the subject beverage dispensary license, the Municipality of  
29 Anchorage does hereby waive protest of the renewal of the beverage dispensary liquor  
30 license application for La Verne M. Thacker, Jr. dba Alaska Liquor Store #1, 2607 "A"  
31 Street, Anchorage 99503:  
32

33 License Conditions:  
34

- 35 1 No fortified wine will be sold and no wine will have a per fifth price of under  
36 \$5.00.  
37  
38 2. No vodka will be sold with a one half gallon price of under \$10.00  
39  
40 3. No punch cards will be used or any other marketing technique that would  
41 encourage a person to buy more for the purpose of obtaining a free item  
42 because a different number of like items were purchased. If discounts for  
43 quantity are given they must be for an individual sale at one time at one  
44 place.  
45  
46 4. The store will change the operating hours to open at 11:00 a.m.  
47  
48 5. At least once a month a person will be hired to pick up litter around the store  
49 and across the street at areas pointed out by the Spenard and North Star  
50 Community Councils and the Spenard Community Patrol.

- 2
- 3 6. Keep a log book of all incidents relating to the police and Community Service
- 4 Patrol.
- 5
- 6 7. Owner on premises a minimum of 20 hours per week.
- 7
- 8 8. Any employee who touches alcohol must take TAM training within 30 days
- 9 of employment.
- 10
- 11 9. Any employee at the store convicted of a violation of law relating to the sale
- 12 of alcohol will be terminated and ineligible for rehire.
- 13

14 **Section 2:** That if the Alcoholic Beverage Control Board declines or fails to impose

15 the conditions set forth in Section 1. of this resolution as permanent conditions of the

16 subject license, then in that event and for the reasons set forth above in the preamble of

17 this resolution, the Municipality of Anchorage does hereby protest the renewal of the

18 beverage dispensary liquor license application for Alaska Liquor Store #1 ((La Verne M.

19 Thacker, Jr.) 2607 "A" Street, Anchorage 99503.

20

21 **Section 3:** The Assembly will review this license, six months from date of this

22 resolution, to ascertain if a problem with inebriates associated with this store has

23 continued and to review all reports from community councils.

24

25 **Section 4:** That the Municipal Attorney is requested to take appropriate steps to

26 use any document or evidence necessary to effectively advance the position of the

27 Municipality at any hearing before the State Alcoholic Beverage Control Board.

28

29 PASSED AND APPROVED by the Anchorage Municipal Assembly this 26th day of

30 March, 1996.

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Chair

ATTEST:

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Municipal Clerk

EGJ/DOC/1996RESOLUTIONS/AR05  
3/29/96:vmc



CLERK'S OFFICE  
AMENDED AND APPROVED  
Date: 1-12-99

Submitted by: Assembly Member Wuerch  
Prepared by: Department of Law  
For reading: 1-12-99

1-26-99 Amended previously approved ANCHORAGE, ALASKA  
resolution at p. 2, line 25 AR NO. 98- 381 (As Amended)

1 A RESOLUTION DETERMINING WHETHER TO PROTEST THE CONTINUED OPERATION OF THE  
2 LICENSE FOR THE SALE OF ALCOHOLIC BEVERAGES HELD BY C & L ENTERPRISES, INC.  
3 D/B/A ALASKA LIQUOR STORE #1, LOCATED AT 2607 "A" STREET, ANCHORAGE, ALASKA.  
4  
5

6 WHEREAS, it has been alleged that:  
7

- 8 1. The premises of C & L Enterprises, Inc. d/b/a Alaska Liquor Store #1, (herein "Licensee")  
9 located at 2607 "A" Street, Anchorage, Alaska (herein the "Licensed Premises") has been used as  
10 a resort for illegal possessors or users of narcotics;  
11
- 12 2. On November 18, 1997, the Anchorage Police Department made a controlled purchase of  
13 cocaine from an employee of the Licensee on the Licensed Premises during regular business hours  
14 of the Licensed Premises;  
15
- 16 3. On November 19, 1997, illegal drugs and drug paraphernalia were found on the Licensed  
17 Premises;  
18
- 19 4. The Licensed Premises is or was known as a location where illegal narcotics could be  
20 purchased; and  
21

22 WHEREAS it has been further alleged that:  
23

- 24 5. The operation of the Licensed Premises and the Licensee attracts, caters to and/or fails to  
25 adequately control or prevent patronization of publicly inebriated customers which in turn creates  
26 and contributes to situations, events and conditions inimical to the public health, safety and welfare  
27 of other citizens and adjacent property owners and their properties, including but not limited to  
28 indecent exposure, public urination, defecation and vomiting on public and private property,  
29 trespass, vandalism, assaults, threats and damage to private property; and  
30

31 WHEREAS the Licensed Premises and Licensee operate under a Conditional Waiver of Protest  
32 enacted March 26, 1995 as Assembly Resolution 96-64 and there is reason to believe there have been  
33 violations of the conditions contained in said Conditional Waiver of Protest; and  
34

35 WHEREAS there is reason to believe the operation of the Licensed Premises by the Licensee has  
36 not complied with the requirements of Anchorage Municipal Code generally and specifically subsections  
37 10.50.015B., E., O., and R., as well as applicable State statutes; and

1  
2 WHEREAS, after notice to the Licensee a hearing was held before the Anchorage Assembly on  
3 Tuesday, January 12, 1999 on the above allegations and after hearing and upon the testimony and evidence  
4 submitted, the Assembly finds that:

5  
6 1. On November 18, 1997, the Anchorage Police Department made a controlled purchase of  
7 cocaine from an employee of the Licensee on the Licensed Premises during regular business hours  
8 of the Licensed Premises.

9  
10 2. On November 19, 1997, illegal drugs and drug paraphernalia were found on the Licensed  
11 Premises.

12  
13 3. The operation of the Licensed Premises and the Licensee attracts, caters to and/or fails to  
14 adequately control or prevent patronization of publicly inebriated customers which in turn creates  
15 and contributes to situations, events and conditions inimical to the public health, safety and welfare  
16 of other citizens and adjacent property owners and their properties, including but not limited to  
17 indecent exposure, public urination, defecation and vomiting on public and private property,  
18 trespass, vandalism, assaults, threats and damage to private property.

19  
20 now, therefore

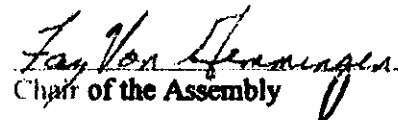
21  
22 THE ANCHORAGE ASSEMBLY RESOLVES:

23 continued operation  
24 Section 1. That based on the findings above set forth, the Anchorage Municipal Assembly hereby protests  
25 the renewal of the license issued to C & L Enterprises, Inc. D/B/A Alaska Liquor Store #1, Licensee, located  
26 at 2607 "A" Street, Anchorage, Alaska, the Licensed Premises.

27  
28 Section 2. The Municipal Attorney is directed to take appropriate steps to implement and/or present this  
29 resolution to the Alcohol Beverage Control Board.

30  
31 Section 3. This resolution shall become effective immediately upon its passage and approval by the  
32 Assembly.

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34  
35 PASSED AND APPROVED by the Anchorage Assembly this 12th day of January, 1999.

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38   
39 Chair of the Assembly

40 ATTEST:

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43 Municipal Clerk  
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