

**MEMORANDUM OF UNDERSTANDING
BETWEEN MOUNTAIN VIEW COMMUNITY COUNCIL
AND LIQUOR STORES USA NORTH INC. DBA BROWN JUG**

This Memorandum of Understanding ("MOU") is made by and between Liquor Stores USA North Inc. ("Liquor Stores") and the Mountain View Community Council ("MVCC").

RECITALS

WHEREAS, Liquor Stores dba as Brown Jug operates two Brown Jug package stores at 119 Klevin Street and 131 S. Bragaw Street, within the Mountain View Community Council area in Anchorage, Alaska ("Klevin Store" and "Bragaw Store_(Red Apple)" respectively, and collectively the "Brown Jug Stores"); and

WHEREAS, the MVCC, is an all-volunteer entity established by Anchorage Municipal Charter Article VIII Section 8.01, and AMC 2.40, that serves to represent the interests of the community council area, and differences have arisen between the parties hereto concerning the operations of the Brown Jug Stores; and

WHEREAS, on 2/27/2018 the Anchorage Assembly conditionally protested the renewal of the liquor licenses for the Brown Jug Stores pending the satisfactory resolution of the issues between the parties; and

WHEREAS, Liquor Stores and MVCC desire to work together to facilitate a mutually beneficial relationship, to address communications, and to implement a plan for problem-solving as it pertains to the Brown Jug Stores operations, and to voluntarily resolve the differences between the parties.

NOW THEREFORE, Liquor Stores and MVCC agree as follows:

1. Purpose

The purpose of this MOU is to establish a communication and problem solving plan and voluntary provisions regarding the operations of the Brown Jug Stores, and to document commitments by each party to be responsive and address community concerns, and to formally create a mutually beneficial working relationship between the parties.

2. Problem Solving Process

When the MVCC or its member residents, landholders, or businesses, or Liquor Stores raise issues of concern, these concerns will be conveyed to the other party's designated point of contact, as laid out in this MOU. If the issue is not able to be resolved immediately and informally, The MVCC and Liquor Stores will take the following progressive steps to discuss the issue of concern:

- (a) Discuss the issue at the next regularly scheduled MVCC meeting;

- (b) Call an executive board meeting of the MVCC to discuss the issues. MVCC will provide Liquor Stores with a written explanation of the MVCC's concerns and proposed solution to the issues. Liquor Stores will respond to MVCC's proposal within fourteen (14) days where after the parties will meet to discuss the proposed solutions and will attempt to agree to a mutual solution to resolve the concern.
- (c) Revisit the issue at the next regularly scheduled MVCC meeting, or call a special MVCC meeting to discuss the issue;
- (d) Schedule a meeting between MVCC and Liquor Stores local senior leadership at a mutually convenient time;

3. **Liquor Stores Duties and Obligations**

Liquor Stores agrees to:

(a) **Relocate License and Close Bragaw (Red Apple) Store**

- (i) Liquor Stores will close the Bragaw Store (Red Apple) as soon as it is operationally possible (and inventory, personnel, relocation, etc. requirements are met) after Liquor Stores reaches a commercially reasonable agreement with the landlord, Hickel Investments ("Landlord") regarding termination of its lease.

(b) **Brown Jug Stores Operational Investments**

- (i) Interior & Exterior Improvements:

Liquor Stores agrees to invest up to \$25,000 for immediate improvements at the Klevin Store location. Some of those improvements will include:

- (1) Paint and polish of interior walls, new front counter, shelving, etc.
- (2) Exterior painting and upgrades requires permission by Lowell Shinn ("Klevin Landlord"). We have received approval to commence with the painting.
- (3) Completing the light exchange of all internal and external lighting to full LED lights.
- (4) Exterior security rolling shutters requires permission by Lowell Shinn ("Klevin Landlord"). We have received approval to commence with this security upgrade.

- (ii) **Operational Policies and Protocols:**

In an effort to identify and communicate re: transient customers between the Brown Jug Store locations and known gathering locations of groups of public drinkers, in the immediate vicinity, we will:

- (1) Compile a "Do Not Serve List" that contains the names of customers with shelter addresses (e.g. Brother Francis Shelter, panhandlers, etc) and this list will be enforced with staff.
- (2) Continue to enforce our "Zero Tolerance Policy". Any Liquor Stores employee caught serving to a minor or individual suspected of demonstrating impairment behavior from drugs and/or alcohol is immediately dismissed from employment.
- (3) Install further security cameras, as reasonably necessary, to monitor areas adjacent to the Brown Jug Stores and will continue to provide Liquor Store employees real-time viewing and access to such footage to assist them with administering the "Do Not Serve" list as mentioned above.
- (4) Look at further investment, with the Anchorage Community Land Trust's Ambassador Program, to increase frequency of patrols in the high foot traffic/congregation areas in the vicinity of the stores locations in an effort to breakup these crowds from gathering and to ensure safe passage for other community resident
- (5) Look at further investment pertaining to the Brown Jug internal Ambassador program as it pertains to in store activities such as IDing to keep minors and identified impaired customers and unwanted individuals from entering the stores.

(c) Hour of Operations for Brown Jug Stores

- (i) Liquor Stores voluntarily agrees to the following hours of operations.

- (1) Sunday to Thursday - 12pm to 10pm (both Brown Jug Stores)
- (2) Friday & Saturday - 12pm to 11pm (Klevin Store)

- (d) Friday & Saturday - 12pm to 12am (Bragaw Store - Red Apple)

(e) Reduced Product Offerings and Marking

- (i) Liquor Stores will not sell, as soon as it is operationally possible, the following products at the Brown Jug Stores:

- (1) Liquor products less than 375ml. This includes shooter bottles/airplane minis and Micki's.

- (2) All single serving (24oz & 42oz only) cans and bottles of Malt Liquor with an ABV (alcohol by volume) content of 9.9% or more and under \$4.
 - (3) Cheap wines or fortified wines less than \$6.00.
 - (4) No 6 packs of beer less than \$6.00.
 - (5) Glass bottles of product if plastic container options, locally, are available.
- (ii) Liquor Stores will place a sticker or identifying mark on all single bottle items sold at the point of sale.
- (f) **Waste Management**
 - (i) Liquor Stores will eliminate the use of plastic grocery bags at the Brown Jug Stores on or before April 6th, 2018.
- (g) **Community Communication/Engagement**
 - (i) Liquor Stores senior leadership (currently Erika Wilburn) and a store manager, selected by Liquor Stores, will attend monthly MVCC meetings.
 - (ii) Liquor Stores senior leadership will provide a monthly report including operational updates on the Brown Jug Stores including Klevin Store upgrades referenced in section 3(b)(i) above and the Bragaw Store (Red Apple) closure transition.

4. **MVCC Duties and Obligations**

MVCC agrees:

- (a) The point of contact for the Mountain View Community Council is Jasmin Smith, President, who can be contacted as follows: phone 9072304968 and email jasminsmith85@gmail.com. The MVCC's address for receiving written correspondence is: 161 Klevin St. Suite 204, Anchorage, AK, 99508. As Council officers change annually additional council contacts may be found at the MVCC's official webpage: www.communitycouncils.org
- (b) To allocate time at each regularly scheduled meeting for Brown Jug to give a community partner update.

- (b) To facilitate productive and constructive dialogue between members of the community and Liquor Stores

5. Financial and In-kind Contributions

- (a) Liquor Stores will continue to commit \$5,000.00 to MVCC's Annual Community Spring Clean-Up in 2019 and 2020 and review with MVCC on an annual basis what other resources may be necessary to assist their program efforts.
- (b) Liquor Stores will continue to commit \$5,000.00 to the Anchorage Land Trust's Mtn. View Community Ambassadorial Patrol Program in 2019 and 2020 and review with Anchorage Land Trust on an annual basis what other resources may be necessary to further extend the program year long.

6. Timeline

- (a) Liquor Stores has commenced its duties and obligations set forth in section 3 (b)(i) and anticipates completing those upgrades and investments on or before April 30, 2018.
- (b) Liquor Stores intends to close the Bragaw Store (Red Apple) on or before December 31, 2018.

7. Relationship of the Parties

The parties agree and acknowledge that compliance by Liquor Stores with the provisions of this MOU is a good faith attempt by Liquor Stores and the MVCC to respond to the MVCC ongoing concerns. The parties intend that this MOU is a plan for remedial action that attempts to resolve the MVCC's concerns. All collaboration under the MOU will be performed in accordance with applicable ordinances, statutes and regulations.

The parties understand that non-compliance with this MOU carries no penalties, but in the event of non-compliance, information of such non-compliance will be provided to the Anchorage Assembly for consideration during the license renewal application process and any land use actions.

Further, the parties understand and acknowledge that they do not intend to create a formal partnership. Nothing in this MOU shall be construed or interpreted to create any fiduciary responsibility between them. Neither party shall have any authority, express or implied, to act for or to assume any obligation or responsibility on behalf of the other party. Neither party shall be responsible for the liabilities of the other or for liabilities outside the scope of the MOU.

8. Effective Date

The effective date of this MOU is the date -it is ratified by the MVCC at a general membership meeting—scheduled for 4/9/2018. The MVCC Board signatories below have been authorized by the general membership (on 3/12/18) to negotiate this MOU on behalf of the Council.

9. Term

The term of this MOU will commence on the effective date hereof and shall terminate on the renewal term of the store licenses on December 31, 2019.

10. Amendments

The parties reserve the right to amend this MOU. Any amendment of this MOU must be in writing and signed by both parties.

11. Governing Law


All matters relating to the interpretation, construction, validity and enforcement of this MOU shall be governed by the internal laws of the state of Alaska, without giving effect to any choice of law provisions thereof.

12. Authority

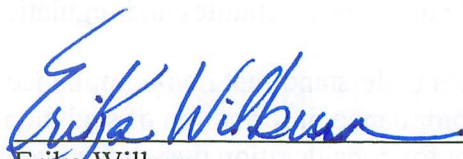
Each party represents to the other that it has the requisite legal capacity and authority to enter in and fully perform each and all of its obligations under this MOU.

In witness whereof, the parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein.

Liquor Stores USA North Inc.

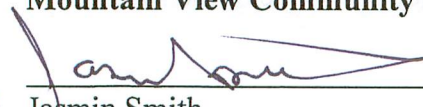


Gerald Proctor
Vice President Government &
Community Relations
Date: March 16th, 2018

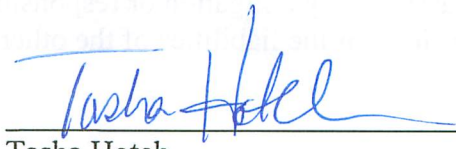


Erika Wilburn
Manager, Operational Excellence of
Alaska
Date: March 16th, 2018

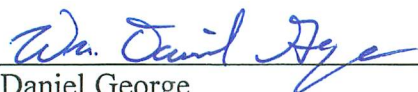
Mountain View Community Council



Jasmin Smith
President, MVCC
Date: March 16th, 2018



Tasha Hotch
Vice President, MVCC
Date: March 16th, 2018



Daniel George
Treasurer, MVCC
Date: March 14, 2018
WSQ



Caitlin Taylor
Secretary, MVCC
March 14, 2018
CT

Ratified by the MVCC General Membership on __/__/__ by a vote of __ in favor, __ opposed,
and __ abstaining.