MEMORANDUM OF UNDERSTANDING

Between AK, Inc. and Anchorage Midtown Community Council Effective Date:

This Memorandum of Understanding (hereafter "Agreement") is hereby entered into by and between the Midtown Community Council ("MTCC") within the Municipality of Anchorage, and AK, Inc., d/b/a Speedway Express, a licensed package store (#1596) located at 101 East Northern Lights Boulevard, Anchorage, Alaska 99503 ("Package Store").

I. RECITALS

WHEREAS, MTCC has a vested interest in ensuring that they represent the best interest of the Midtown Anchorage area; and

WHEREAS, The Package Store is seeking to operate a legitimate business within the Anchorage area; and

WHEREAS, MTCC and the Package Store have an interest in fostering a mutually beneficial relationship to address communications and problem-solving; and

WHEREAS, this Agreement is intended to satisfy neighborhood responsibility planning requirements in municipal code;

NOW, THEREFORE, the parties agree as follows:

II. AGREEMENT BASICS

- 1. The point of contract for the Package Store is Michael Rhea (907-217-8630). Contact may be outside of store hours, if necessary, to address issues as they arise. Changes to the point of contact or contact information shall be promptly shared with MTCC.
- 2. The point of contact for MTCC is the President. That person's name and contact information is posted on the MTCC website maintained by the Federation of Community Councils. Contact may be outside of regular business hours. Changes to the point of contact or contact information shall be promptly shared with the Package Store.
- 3. The following individuals are authorized to speak for the Package Store at MTCC meetings: Michael Rhea (mrhea@rebelcstores.com) and Michael Schwarz (mschwarz@bhb.com). Changes in individuals authorized to speak for the Package Store shall be promptly shared with MTCC.
- 4. During the term of this Agreement, the Package Store agrees to engage with the local community in accordance with one of the following alternatives:

Alternative A. The Package Store shall engage with MTCC and the residents and property owners within 500 feet of the proposed business locations on the following schedule: one Community Council meeting per year and by request at Community Council meetings.

Alternative B. The Package Store shall engage with the residents, businesses, and property owners within 500 feet of the Package Store on a monthly basis and is encouraged to attend MTCC meetings at least quarterly. The Package Store will also email MTCC any business updates that may affect or change this Agreement, including notification of business hours.

- 5. When Community Council residents or businesses, MTCC or the Package Store raise issues of concerns, the Community Council and the Package Store will take the following steps:
 - (a) All parties involved will be notified via email and phone call.
 - (b) The party that has been notified will have ten (10) days to respond to the complaint via email to the Community Council email directly.
 - (c) Issues will be addressed at the following regularly scheduled MTCC meeting.
 - (d) If the issue cannot be resolved to the satisfaction of both parties, the MTCC President will call a special Community Council meeting to discuss the issue, notifying residents and businesses who are members of the MTCC via the MTCC email list. Both Assembly representatives and the Municipal Ombudsman will be invited.
- 6. The Package Store is encouraged to attend regular MTCC meetings. The Package Store will make a concerted effort to attend the MTCC meetings yearly, at a minimum.
 - The Package Store will not sell "shooters" in the facility whatsoever.
- 8. The Package Store will not carry "fortified beer" in single units that are in excess of 8.5% alcohol content.
- 9. The Package Store will identify all hard liquor that is sold from its store with a sticker that identifies that it came from the Package Store.
 - 10. The Package Store will not sell liquor in less than 375ml bottles
- 11. The Package Store will ensure its staff cleans the parking lot of the lot in which the store is proposed to be located in the morning and at the end of the day either slightly before closing or slightly after closing to ensure no liquor bottles or liquor-related trash is left in the parking lot.

III. **ASSEMBLY AUTHORITY**

Each party recognizes and agrees that the authority to approve or deny a municipal license and special land use permit for a Package Store liquor license rests exclusively with the Anchorage Municipal Assembly.

IV. NO FORMAL PARTNERSHIP

This Agreement is mutually beneficial to the MTCC and the Package Store. The parties understand and acknowledge that they do not intend to create a formal partnership. Nothing in this Agreement 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.

V. **TERM OF AGREEMENT**

The parties have executed this Agreement as of the Effective Date. The Agreement may be updated from time to time with the concurrence of both parties and shall remain in effect as long as AK, Inc. is licensed to operate at the identified location. Kas Infavor 6

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MIDTOWN COMMUNITY COUNCIL

President

AK, INC.

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