

**SUBJECT:** AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY  
WAIVING THE PROVISION OF MSB 8.40.030 FOR DENNY INVESTMENTS 2020  
STATE LIQUOR LICENSE RENEWAL.

**AGENDA OF:** November 19, 2019

**ASSEMBLY ACTION:**

Adopted without objection 12-3-19  
(Signature)

**MANAGER RECOMMENDATION:** Introduce and set for public hearing.

**APPROVED BY JOHN MOOSEY, BOROUGH MANAGER:**

Route To:	Department/Individual	Initials	Remarks
	Originator - A. Strawn	AS	
	Planning and Land Use Director	EP	
	Finance Director	CY	
	Borough Attorney	NS	
	Borough Clerk	BOA for JRM	

**ATTACHMENT (S) :** Fiscal Note: YES \_\_\_\_\_ NO X  
Ordinance Serial No. 19-124 (2 pp)  
Manager Memo dated October 2, 2019 (2 pp)

**SUMMARY STATEMENT:** This ordinance is coming forward at the request of the Borough Manager. This ordinance is intended to waive the protest required under MSB 8.40 due to circumstances of fraud and efforts by Denny Investments LLC to remedy their tax liability.

On October 15, 2019, \$7,000 was paid to the borough towards the debt owed by Denny Investments LLC.

**RECOMMENDATION OF ADMINISTRATION:**

Staff respectfully recommends approval of this ordinance.

# Matanuska-Susitna Borough



Date: October 2, 2019

To: John Denny, Denny Investments LLC  
PO Box 877036  
Wasilla, AK 99687  
MSB Tax Account #53051B01L001

From: John Moosey, Borough Manager

RE: Tax Issue Account #53051B01L001

The purpose of this memorandum is to document the position of the Matanuska-Susitna Borough Manager, John Moosey, as it pertains to Mr. John Denny of Denny Investments LLC regarding the tax circumstances regarding this account and the impact upon the pending liquor license renewal. Due to internal fraud, Denny Investments is delinquent in their current and past real property taxes. Mr. John Denny inquired with the Borough Manager on a plan to become current on the business' property tax and still remain in operation.

The Borough Manager's position is that tax liability including interest and penalties cannot be abated, waived, delayed, or forgiven and penalties and interest continue to accrue as required by law. In addition, MSB 8.40.030 mandates that the Matanuska-Susitna Borough file a protest against any liquor license where the property is delinquent on real property taxes.

Currently Account #53051B01L001 has outstanding tax bills and because penalties and interest continue to accrue, the projected liability through April 2020 is \$15,870.03. The Borough Manager proposed that Mr. Denny will pay the following amounts and ensure the Matanuska-Susitna Borough has received the funds on or before the indicated date:

October 13, 2019	\$7000
November 1, 2019	\$1500
December 1, 2019	\$1500
January 1, 2020	\$1500
February 1, 2020	\$1500
March 1, 2020	\$1500
April 1, 2020	Balance



In recognition of the unique circumstances Mr. Denny faces and upon him making timely payments, the Borough Manager will introduce an ordinance to the Matanuska-Susitna Borough Assembly no later than December 3, 2019 proposing that the Matanuska-Susitna Borough waive the provisions of MSB 8.40.030 and not file a protest of the liquor license. Such ordinance will then normally be voted on at the December 17, 2019 Borough Assembly meeting.

While the Borough Manager will support a waiver, whether Borough Assembly decides to hear the matter, and/or the outcome of the vote on a waiver is subject to the sole discretion of the Matanuska-Susitna Borough Assembly and Mayor. This discretion is legislative and executive and can never be subject to any agreement or promise as to how members will vote. Therefore, it is emphasized that the only thing the Borough Manager can do, and the only thing this memorandum is intended to inform you, is that the Manager will propose a waiver of the mandatory protest due to: 1) the circumstances of fraud, and 2) the efforts by Mr. Denny to remedy the tax liability as per the above schedule.

This memorandum is not a contract and is not an agreement. This memorandum specifically does not and cannot alter any tax liability, interest, penalty, and/or remedy including potential tax foreclosure.



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John Moosey, Borough Manager

