

**ANCHORAGE, ALASKA
AO No. 2023-79**

1 **AN ORDINANCE AUTHORIZING A LEASE BETWEEN THE MUNICIPALITY OF**
2 **ANCHORAGE (LESSOR) AND HENNING, INC. (LESSEE), A NONPROFIT**
3 **CORPORATION, FOR PREMISES LOCATED AT 1000 E. 36TH AVENUE FOR**
4 **ONE YEAR AT LESS THAN FAIR MARKET VALUE (PID 003-241-29).**
5

6
7 **WHEREAS**, the Municipality of Anchorage (MOA) proposes a lease to Henning, Inc.
8 (Henning) for premises located at 1000 E. 36th Avenue, in Anchorage, legally
9 described as Block 4A Central City Subdivision (Plat 76-245) (PID 003-241-29) at
10 less than fair market value on the terms as describe in the assembly memorandum;
11 and
12

13 **WHEREAS**, the premises, formerly known as the Golden Lion Hotel, is owned by
14 the Municipality of Anchorage and has been identified for use as a rooming house;
15 and
16

17 **WHEREAS**, pursuant to AMC 25.30.040B, the MOA may dispose of an interest in
18 land to a non-profit corporation for less than fair market value upon a finding by the
19 Assembly that the use of the land is for a public purpose beneficial to the MOA; and
20

21 **WHEREAS**, Henning, a nonprofit corporation, will operate the premises as a
22 rooming house to provide affordable housing to vulnerable homeless persons within
23 the Municipality; now therefore,
24

25 **THE ANCHORAGE ASSEMBLY ORDAINS:**
26

27 **Section 1.** Pursuant to AMC 25.30.040B, the Assembly finds that granting a
28 lease to Henning, Inc. is for a public purpose beneficial to the MOA.
29

30 **Section 2.** The MOA is authorized to grant a lease to Henning, Inc. for premises
31 located at 1000 E. 36th Avenue, legally described as Block 4A Central City
32 Subdivision (Plat 76-245) (PID 003-241-29)
33

34 **Section 3.** This ordinance shall be effective immediately upon passage and
35 approval by the Assembly.
36

37 PASSED AND APPROVED by the Anchorage Assembly this _____ day of
38 _____, 2023.
39
40
41
42

Chair

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ATTEST:

Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 548-2023

Meeting Date: July 11, 2023

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE AUTHORIZING A LEASE BETWEEN THE**
4 **MUNICIPALITY OF ANCHORAGE (LESSOR) AND HENNING, INC.**
5 **(LESSEE), A NONPROFIT CORPORATION, FOR PREMISES**
6 **LOCATED AT 1000 E. 36TH AVENUE FOR ONE YEAR AT LESS**
7 **THAN FAIR MARKET VALUE (PID 003-241-29).**
8

9 This Ordinance authorizes a less than fair market value lease between the
10 Municipality of Anchorage (MOA) and Henning, Inc. (Henning) for premises located
11 at 1000 E. 36th Avenue, in Anchorage, legally described as a Block 4A Central City
12 Subdivision (Plat 76-245) (PID 003-241-29).
13

14 Pursuant to AMC 25.30.040B, the MOA may dispose of an interest in land to a non-
15 profit corporation for less than fair market value upon a finding by the Assembly that
16 the use of the land is for a public purpose beneficial to the MOA.
17

18 Henning, a nonprofit organization, has a history of successfully managing rooming
19 houses with the MOA that focus heavily on supportive and transitional housing for
20 people who experience homelessness or who are transitioning from homelessness
21 to housing. Henning will operate the premises, formerly known as the Golden Lion
22 Hotel, as a rooming house to provide affordable housing to vulnerable homeless
23 persons within the Municipality. The Administration considers this use to be for a
24 public purpose beneficial to the MOA and the community. Henning meets the criteria
25 for a less than fair market value lease.
26

27 The proposed lease term is for one year, with 12 one-month options to extend upon
28 mutual agreement, beginning August 1, 2023, at \$1 per year. The tenant will be
29 responsible for insurance, operations, maintenance, utilities, and security.
30

31 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

32

33 Prepared by: Real Estate Department/Real Estate Services
34 Approved by: Tiffany Briggs, Acting Real Estate Director
35 Concur: Lance Wilber, OECD Executive Director
36 Concur: Courtney Petersen, OMB Director
37 Concur: Alden Thern, Acting CFO
38 Concur: Anne Helzer, Municipal Attorney
39 Concur: Kent Kohlhase, Municipal Manager
40 Respectfully submitted: Dave Bronson, Mayor

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2023-79_____ Title: **AN ORDINANCE AUTHORIZING A LEASE BETWEEN THE MUNICIPALITY OF ANCHORAGE (LESSOR) AND HENNING, INC. (LESSEE), A NONPROFIT CORPORATION, FOR PREMISES LOCATED AT 1000 E. 36TH AVENUE FOR ONE YEAR AT LESS THAN FAIR MARKET VALUE (PID 003-241-29).**

Sponsor: **MAYOR**
 Preparing Agency: Real Estate Department
 Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:	(In Thousands of Dollars)				
	FY23	FY24	FY25	FY26	FY27
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES:	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL:					
POSITIONS: FT/PT and Temp					

PUBLIC SECTOR ECONOMIC EFFECTS:

The proposed less than fair market value lease will allow the property to be used as a rooming house to provide affordable housing to vulnerable homeless persons within the Municipality of Anchorage.

PRIVATE SECTOR ECONOMIC EFFECTS:

The proposed less than fair market value lease will allow the property to be used as a rooming house to provide affordable housing to vulnerable homeless persons within the Municipality of Anchorage.

Prepared by: Real EstateServices

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