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3 **CLERK'S OFFICE**
4 **APPROVED**
5 Date:.....3-5-02.....
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Submitted by: Chair of the Assembly
at the request of Mayor

Prepared by: Heritage Land Bank
For Reading: January 15, 2002 

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8 **ANCHORAGE, ALASKA**
9 **AO NO. 2002-9**
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12 **AN ORDINANCE OF THE MUNICIPALITY AUTHORIZING THE HERITAGE LAND**
13 **BANK TO EXECUTE A GROUND LEASE FOR LESS THAN FAIR MARKET VALUE**
14 **BETWEEN THE MUNICIPALITY OF ANCHORAGE AND CATHOLIC SOCIAL SERVICES**
15 **FOR A REPLACEMENT STRUCTURE FOR THE BROTHER FRANCIS SHELTER ON HLB**
16 **PARCEL NO. 4-021 AND AMENDING THE 2002 HLB CAPITAL BUDGET.**
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19 WHEREAS, the Brother Francis Shelter is located on property managed by the Heritage Land
20 Bank, described as Lot 1A, Block 34B, Original Townsite, East Addition, according to the official plat
21 thereof, filed under Plat No. 84-0374, being within the Anchorage Recording District, Third Judicial
22 District, State of Alaska, and otherwise known as HLB Parcel 4-021; and
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24 WHEREAS, AMC 25.40.025F allows the Heritage Land Bank to lease land non-competitively
25 to a non-profit agency for less than fair market value if the lease is deemed beneficial to the community
26 and the Municipality of Anchorage; and
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28 WHEREAS, the Municipality of Anchorage believes the Brother Francis Shelter is an essential
29 community service, providing both emergency shelter to homeless citizens and encouraging self-
30 sufficiency; and
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32 WHEREAS, the Municipality of Anchorage and Catholic Social Services, a non-profit
33 organization, have enjoyed a successful partnership since the existing shelter was opened in 1983; and
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35 WHEREAS, the existing shelter is expensive to maintain and is functionally obsolete; and
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37 WHEREAS, Catholic Social Services and Cook Inlet Housing Authority have obtained grant
38 funding to construct a replacement shelter on the same site; and
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40 WHEREAS, the Heritage Land Bank shall contribute up to \$160,000 from the HLB Capital
41 Fund (421) for environmental assessment, clean-up and demolition of the current Brother Francis
42 Shelter facility; and
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44 WHEREAS, both parties desire to continue their relationship by executing a new ground lease
45 for a replacement shelter; now therefore,
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48 **THE ANCHORAGE ASSEMBLY ORDAINS:**
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50 **Section 1.** The Municipality of Anchorage is hereby authorized to negotiate and execute a ground
51 lease with Catholic Social Services for a replacement Brother Francis Shelter on Lot 1A, Block 34B,
52 Original Townsite, East Addition, otherwise known as HLB Parcel 4-021.

1 **Section 2.** That in accordance with Anchorage Municipal Code 25.40.025.F., the Assembly finds the
2 Heritage Land Bank may enter into a non-competitive ground lease of municipal property at the
3 existing Brother Francis Shelter site with Catholic Social Services, a non-profit agency, for less than
4 appraised fair market value, because the municipal benefits projected to accrue, including the vital
5 social services provided by the Brother Francis Shelter, are found to be in the best interest of the
6 Municipality.

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8 **Section 3.** That the ground lease shall include a term of 40 years, an annual rent of \$1, and that the
9 lessee shall be responsible for: all taxes and assessments; maintenance and repairs to building and
10 grounds; utilities; obtaining necessary permits, including a conditional use permit; and necessary
11 insurance coverage.

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13 **Section 4.** That the lease shall not be assigned or transferred without prior written approval by the
14 Municipality of Anchorage. However, it is the Assembly's intent that Catholic Social Services be
15 permitted to transfer its interest to Cook Inlet Housing Authority upon completion of the building on
16 terms mutually agreeable to the parties.

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18 **Section 5.** That the lease shall be void if Catholic Social Services is unable to obtain a Conditional Use
19 Permit for a homeless and transient shelter.

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21 **Section 6.** That the 2002 HLB Capital Fund Budget is amended to cover costs for the hazardous
22 materials assessment, removal of any contaminated soils and demolition of the existing facility for a
23 replacement shelter at an amount not to exceed \$160,000.

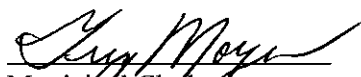
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25 **Section 7.** That HLB is authorized to enter into a ground lease for the Brother Francis Shelter site with
26 Catholic Social Services upon the terms and conditions set forth herein, and delegating to the Mayor
27 the authority to negotiate the remaining terms and conditions necessary, appropriate or advisable to
28 carry out the purposes of and achieve the goals of AO 2002-9.

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30 **Section 8.** This ordinance shall be effective immediately upon passage and approval by the Assembly.

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33 PASSED AND APPROVED by the Anchorage Assembly this 5 day of March, 2002.

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37 Chair of the Assembly

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39 ATTEST:

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42 Municipal Clerk
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