

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,**
5 **INC. (LESSEE), A NONPROFIT CORPORATION, FOR**
6 **PREMISES LOCATED AT 1000 E. 36TH AVENUE FOR ONE**
7 **YEAR AT LESS THAN FAIR MARKET VALUE (PID 003-241-29).**
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9 This Ordinance authorizes a less than fair market value lease between the
10 Municipality of Anchorage (MOA) and Henning, Inc. (Henning) for premises
11 located at 1000 E. 36th Avenue, in Anchorage, legally described as a Block 4A
12 Central City Subdivision (Plat 76-245) (PID 003-241-29).
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14 Pursuant to AMC 25.30.040B, the MOA may dispose of an interest in land to a
15 non-profit corporation for less than fair market value upon a finding by the
16 Assembly that the use of the land is for a public purpose beneficial to the MOA.
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18 Henning, a nonprofit organization, has a history of successfully managing
19 rooming houses with the MOA that focus heavily on supportive and transitional
20 housing for people who experience homelessness or who are transitioning from
21 homelessness to housing. Henning will operate the premises, formerly known as
22 the Golden Lion Hotel, as a rooming house to provide affordable housing to
23 vulnerable homeless persons within the Municipality. The Administration
24 considers this use to be for a public purpose beneficial to the MOA and the
25 community. Henning meets the criteria for a less than fair market value lease.
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27 The proposed lease term is for one year, with 12 one-month options to extend
28 upon mutual agreement, beginning August 1, 2023, at \$1 per year. The tenant
29 will be responsible for insurance, operations, maintenance, utilities, and security.
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31 **THE ADMINISTRATION RECOMMENDS APPROVAL.**
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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