

State of Alaska

Legislative Affairs Agency


Administrative Services, Supply Section

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MEMORANDUM

TO: Representative Sam Kito, Chairman
Legislative Council

FROM: Tina Strong, Procurement Officer 
Legislative Affairs Agency

DATE: April 3, 2018

SUBJ: Lease Extension for Kodiak Office Space

The original lease agreement between the Legislative Affairs Agency (Agency) and Trident Seafoods Corporation for office space in Kodiak, Alaska, was for a five-year term that began November 1, 2008, and terminated October 31, 2013. There was one additional renewal of lease available under the lease agreement for a five-year period. We have exercised all renewal options and the lease expires October 31, 2018.

Under AS 36.30.083, there is a provision where we may extend a real property lease for up to 10 years if a minimum cost savings of at least 10 percent below the market rental value of the real property at the time of the extension would be achieved on the rent due under the lease.

The Agency contracted with Bond Filipenko Commercial Properties, LLC to determine the market rental value of the property that is located at 305 Center Ave, Kodiak, Alaska.

Per AS 36.30.083, the Agency offered Trident Seafoods Corporation a rate of \$2.03 per square foot for a five (5) year lease extension with five (5) one (1) year renewal options at our option. Trident Seafoods Corporation has accepted our offer.

Based on the above, I recommend approving the lease extension for the Kodiak office space located at 305 Center Ave, Kodiak, Alaska, for a price of \$2.03 per square foot.

This lease exceeds \$35,000 in one fiscal year; therefore, Legislative Council's approval is required.

Kodiak Office Space

Trident Seafoods Corporation

Lease Extension

November 1, 2018, through October 31, 2023

\$66,015.60 per year (excluding CPI-U adjustments each July 1)

Additional lease information is attached.

MOTION: I MOVE THAT LEGISLATIVE COUNCIL APPROVE THE LEASE EXTENSION WITH TRIDENT SEAFOODS CORPORATION FOR THE TIME PERIOD NOVEMBER 1, 2018, THROUGH JUNE 30, 2023, IN THE AMOUNT OF \$66,015.60 PER YEAR EXCLUDING CPI-U ADJUSTMENTS EACH JULY 1.

LEASE AGREEMENT INFORMATION

LESSOR: Trident Seafoods Corporation
OCCUPANTS: LIO, Senator Stevens, Representative Stutes
LOCATION: 305 Center Street, Suite 1, Kodiak, Alaska
TOTAL SQ. FOOTAGE: 2,710

CURRENT LEASE INFORMATION

MONTHLY RENT: \$5,948.66
PRICE PER SQ. FOOT: \$2.20
LEASE TYPE: 5-year Renewal No. 1
LEASE TERM: November 1, 2013 - October 31, 2018
TOTAL LEASE AMT.: \$71,383.92

NEW ESTIMATED LEASE INFORMATION

MONTHLY RENT: \$5,501.30
PRICE PER SQ. FOOT: \$2.03
LEASE TYPE: Lease
LEASE TERM: November 1, 2018 – October 31, 2023
TOTAL LEASE AMT.: \$66,015.60

COMMENTS: