

Alaska State Legislature

Legislative Affairs Agency

Administrative Services, Procurement & Supply Section
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MEMORANDUM

TO: Representative Sara Hannan, Chair
Legislative Council

FROM: JC Kestel, Procurement Officer

DATE: June 13, 2025

SUBJ: Fairbanks Office Space - Lease Renewal No. 5

The original lease agreement between Global Federal Credit Union and the Legislative Affairs Agency (LAA) for office space in Fairbanks was for a five-year term that began August 1, 2016, and included five lease renewals, each for a one-year period. Four of the five lease renewal options have been exercised.

Renewal No. 4 of the lease expires on July 31, 2025. LAA is seeking approval to proceed with Renewal No. 5 for the period August 1, 2025, through July 31, 2026.

If Legislative Council approves Renewal No. 5, this will be the last renewal option of the lease available before LAA must issue an RFP or conduct a lease extension.

This lease renewal exceeds \$50,000 in one fiscal year; therefore, Legislative Council's approval is required.

Fairbanks Office Space

Global Federal Credit Union
Renewal No. 5 of Lease
August 1, 2025, through July 31, 2026
\$219,450.48 (excluding CPI-U adjustment July 1, 2026)

Additional lease information is attached.

MOTION: I move that Legislative Council approve Renewal No. 5 of the lease for Fairbanks office space in an amount of \$219,450.48.

LEASE AGREEMENT INFORMATION

LESSOR: Global Federal Credit Union

OCCUPANTS: Senators Kawasaki, Myers, and Cronk; Representatives Carrick, Dibert, Prax, Stapp, and Tomaszewski; staff of Senator Stevens, Senator Shower, Senator Wielechowski, and Representative Ruffridge; Senate Majority Counsel staff; and LIO staff

LOCATION: 1292 Sadler Way, 3rd Floor, Fairbanks, Alaska

TOTAL SQ. FOOTAGE: 9,049

CURRENT LEASE TERM INFORMATION

MONTHLY RENT: \$18,128.02

PRICE PER SQ. FOOT: \$2.00

LEASE TYPE: 1-Year Renewal

LEASE TERM: August 1, 2024 – July 31, 2025

TOTAL LEASE AMT. FOR ONE YEAR: \$217,536.24

NEW LEASE TERM INFORMATION

MONTHLY RENT: \$18,287.54

PRICE PER SQ. FOOT: \$2.02

LEASE TYPE: 1-Year Renewal

LEASE TERM: August 1, 2025 – July 31, 2026

TOTAL LEASE AMT. FOR ONE YEAR: \$219,450.48
(excluding CPI-U adjustment July 1, 2026)

COMMENTS: The increase in the monthly rental amount for the renewal period reflects the annual CPI-U adjustment that will take effect July 1, 2025.