

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: Mat-Su Office Space - Lease Renewal No. 4

The lease extension agreement between 600 E. Railroad Ave LLC and the Legislative Affairs Agency (LAA) for office space in Wasilla was for a five-year term that began August 1, 2017, and included five lease renewals, each for a one-year period. Three of the five lease renewal options have been exercised.

Renewal No. 3 of the lease extension expires on July 31, 2025. LAA is seeking approval to proceed with Renewal No. 4 for the period August 1, 2025, through July 31, 2026.

If Legislative Council approves Renewal No. 4, this will leave one (1) one-year renewal option of the lease available before LAA must issue an RFP.

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

Mat-Su Office Space

600 E Railroad Ave LLC
Renewal No. 4 of Lease
August 1, 2025, through July 31, 2026
\$193,504.44 (excluding CPI-U adjustment July 1, 2026)

Additional lease information is attached.

MOTION: I move that Legislative Council approve Renewal No. 4 of the Lease for Mat-Su office space in an amount of \$193,504.44.

LEASE AGREEMENT INFORMATION

LESSOR: 600 E. Railroad Ave., LLC

OCCUPANTS: Senators Hughes, Shower, and Yundt; Representatives Tilton, D. Johnson, Rauscher, McCabe, Moore, Underwood, and LIO Staff

LOCATION: 600 East Railroad Avenue, Wasilla, Alaska

TOTAL SQ. FOOTAGE: 6,927 sq. ft.

CURRENT LEASE TERM INFORMATION

MONTHLY RENT: \$15,985.06

PRICE PER SQ. FOOT: \$2.307

LEASE TYPE: 1-Year Renewal

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

TOTAL LEASE AMT.: \$191,820.72

NEW LEASE TERM INFORMATION

MONTHLY RENT: \$16,125.37

PRICE PER SQ. FOOT: \$2.328

LEASE TYPE: 1-Year Renewal

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

TOTAL LEASE AMT.: \$193,504.44 (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.