

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
Legislative Affairs Agency

DATE: June 4, 2021

SUBJ: Renewal No. 1 of the Lease for Fairbanks Office Space

The original lease agreement between the Legislative Affairs Agency and Alaska USA Federal Credit Union for office space in Fairbanks, Alaska, was for a five-year term that began August 1, 2016 and terminates July 31, 2021. There are five lease renewals available under the lease agreement, each for a one-year period. We have not exercised any of the renewal options.

The initial five-year term of the lease expires on July 31, 2021. The Legislative Affairs Agency would like approval to proceed with Renewal No. 1 for the period August 1, 2021, through July 31, 2022.

If Legislative Council approves Renewal No. 1, this will leave four (4) one-year renewal options of the lease available before we must issue an RFP or conduct a lease extension.

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

Fairbanks Office Space

Alaska USA Federal Credit Union
Renewal No. 1 of Lease
August 1, 2021, through July 31, 2022
\$206,312.16

Additional lease information is attached.

**MOTION: I MOVE THAT LEGISLATIVE COUNCIL APPROVE RENEWAL NO. 1 OF THE
LEASE FOR FAIRBANKS OFFICE SPACE IN AN AMOUNT OF \$206,312.16.**

LEASE AGREEMENT INFORMATION

LESSOR: Alaska USA Federal Credit Union

OCCUPANTS: Senator Bishop, Senator Kawasaki, Senator Myers, Representative Thompson, Representative Wool, Representative Hopkins, Representative LeBon, Representative Prax, Staff for Representative Tuck, Staff for Representative Edgmon, Staff for Senator Wielechowski, LIO Staff

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

TOTAL SQ. FOOTAGE: 9,049

CURRENT LEASE INFORMATION

MONTHLY RENT: \$17,261.64

PRICE PER SQ. FOOT: \$1.907

LEASE TYPE: Lease Agreement

LEASE TERM: August 1, 2016 – July 31, 2021

TOTAL LEASE AMT. FOR ONE YEAR: \$207,139.68

NEW LEASE INFORMATION

MONTHLY RENT: \$17,192.68

PRICE PER SQ. FOOT: \$1.899

LEASE TYPE: 1-year Renewal

LEASE TERM: August 1, 2021 – July 31, 2022

TOTAL LEASE AMT. FOR ONE YEAR: \$206,312.16

COMMENTS: There was a slight reduction in the monthly rental amount for the renewal period caused by a decrease in the annual CPI-U adjustment. The total savings between FY21 and FY22 is \$827.52.