

# Alaska State Legislature

## Legislative Affairs Agency


Administrative Services, Procurement & Supply Section  
120 4<sup>th</sup> Street, State Capitol Room 3, Juneau, AK 99801-1182  
Phone (907) 465-6705 ~ Fax (907) 465-2918

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### MEMORANDUM

**TO:** Senator Elvi Gray-Jackson, Chair  
Legislative Council

**FROM:** JC Kestel, Procurement Officer 

**DATE:** April 12, 2023

**SUBJ:** Ketchikan Office Space and LIO Lease Extension

The lease extension agreement between the Ketchikan Gateway Borough and the Legislative Affairs Agency (LAA) for office space and the LIO in Ketchikan, is for a five-year term that began March 1, 2022. The lease extension was authorized by a previous Legislative Council Chair and was under the \$50,000 threshold thus did not require action by the Committee.

In Fiscal Year 2024, the annual cost of this lease extension will exceed \$50,000 with CPI-U adjustments that take effect July 1. LAA requests approval to continue the initial lease extension through February 28, 2027; after which there will be five (5) one-year renewal options of the lease remaining.

Continuing this lease extension exceeds \$50,000 in one fiscal year; therefore, Legislative Council approval is required.

#### **Ketchikan Office Space**

Ketchikan Gateway Borough  
Continuing Existing Lease Extension  
Began March 1, 2022 through February 28, 2027  
\$50,645.88 (FY24 cost)

Additional lease information is attached.

**MOTION: I MOVE THAT LEGISLATIVE COUNCIL APPROVE CONTINUATION OF THE LEASE EXTENSION FOR KETCHIKAN OFFICE SPACE THROUGH FEBRUARY 28, 2027, WITH AN AMOUNT OF \$50,645.88 FOR FISCAL YEAR 2024.**

**LEASE AGREEMENT INFORMATION**

**LESSOR:** Ketchikan Gateway Borough  
**OCCUPANTS:** Senator Bert Stedman, Representative Dan Ortiz, LIO Staff  
**LOCATION:** 1900 First Ave, Suite 310, Ketchikan, Alaska  
**TOTAL SQ. FOOTAGE:** 2,565

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**CURRENT LEASE INFORMATION**

**MONTHLY RENT:** \$4,104.00  
**PRICE PER SQ. FOOT:** \$1.600  
**LEASE TYPE:** Lease Extension  
**LEASE TERM:** March 1, 2022 – February 28, 2027  
**TOTAL LEASE AMT. FOR ONE YEAR:** **\$49,248.00** (FY 2023)

**NEW LEASE INFORMATION**

**MONTHLY RENT:** \$4,220.49  
**PRICE PER SQ. FOOT:** \$1.645  
**LEASE TYPE:** Continuation of Lease Extension  
**LEASE TERM:** March 1, 2022 – February 28, 2027  
**TOTAL LEASE AMT FOR ONE YEAR.:** **\$50,645.88** (FY 2024)

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**COMMENTS:** The increase in the monthly rental amount for the renewal period is caused by the annual CPI-U adjustment that will take effect July 1, 2023.