

Alaska State Legislature

Legislative Affairs Agency

Administrative Services, Procurement & Supply Section
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MEMORANDUM

TO: Senator Elvi Gray-Jackson, Chair
Legislative Council

FROM: JC Kestel, Procurement Officer

DATE: April 12, 2023

SUBJ: Renewal No. 2 of the Lease for Mat-Su Office Space

The lease extension agreement between the Legislative Affairs Agency and 600 E. Railroad Ave LLC for office space in Wasilla, Alaska, was for a five-year term that began August 1, 2017. There are five lease extension renewals available under the lease agreement, each for a one-year period. We have exercised one of the renewal options.

Renewal No. 1 of the lease extension expires on July 31, 2023. The Legislative Affairs Agency would like approval to proceed with Renewal No. 2 for the period August 1, 2023, through July 31, 2024.

If Legislative Council approves Renewal No. 2, this will leave three (3) one-year renewal options of the lease available before we 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. 2 of Lease
August 1, 2023 through July 31, 2024
\$190,681.56 (excluding CPI-U adjustment July 1, 2024)

Additional lease information is attached.

MOTION: I MOVE THAT LEGISLATIVE COUNCIL APPROVE RENEWAL NO. 2 OF THE LEASE FOR MAT-SU OFFICE SPACE IN AN AMOUNT OF \$190,681.56.

LEASE AGREEMENT INFORMATION

LESSOR: 600 E. Railroad Ave, LLC

OCCUPANTS: Senator Hughes, Senator Wilson, Senator Shower, Representative Tilton, Representative D. Johnson, Representative Rauscher, Representative Eastman, Representative McCabe, Representative Sumner, LIO Staff

LOCATION: 600 East Railroad Avenue, Wasilla, Alaska

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

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CURRENT LEASE INFORMATION

MONTHLY RENT: \$15,427.70

PRICE PER SQ. FOOT: \$2.227

LEASE TYPE: Renewal No. 1 of Lease Extension

LEASE TERM: August 1, 2022 – July 31, 2023

TOTAL LEASE AMT.: \$185,132.40 (excluding CPI-U adjustment July 1, 2023)

NEW LEASE INFORMATION

MONTHLY RENT: \$15,890.13

PRICE PER SQ. FOOT: \$2.294

LEASE TYPE: Renewal No. 2 of Lease Extension

LEASE TERM: August 1, 2023 – July 31, 2024

TOTAL LEASE AMT.: \$190,681.56 (excluding CPI-U adjustment July 1, 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.