

House Finance

Department of Transportation & Public Facilities Leasing and Facilities

Dom Pannone

Director, Program Management & Administration

Danny Gibson

Director, Division of Public Facilities

Christopher Hodgin

P.E., PMP, C.E.M., LEED-AP, CCCA
Chief, Statewide Public Facilities

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Division of Facilities Services (DFS) Functional Areas

Statewide Public Facilities

- Personnel in Fairbanks, Anchorage, Juneau

Maintenance & Operations (M&O)

- Major Hubs: Fairbanks, Anchorage, Juneau
- Personnel around the State

Administration

- Personnel in Fairbanks, Anchorage, Juneau

Leasing

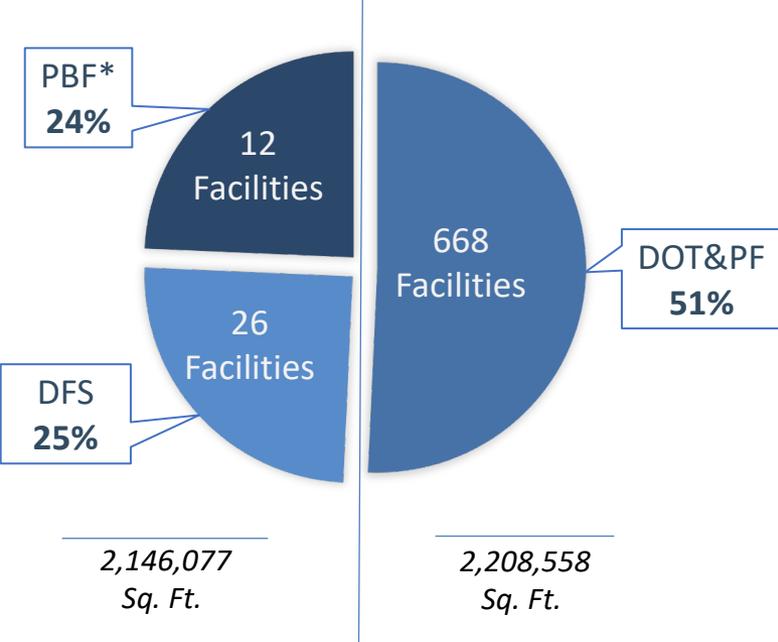
- Personnel in Anchorage

One Results Delivery Unit, Two Budget Components

Alaska DOT&PF Facility Portfolio

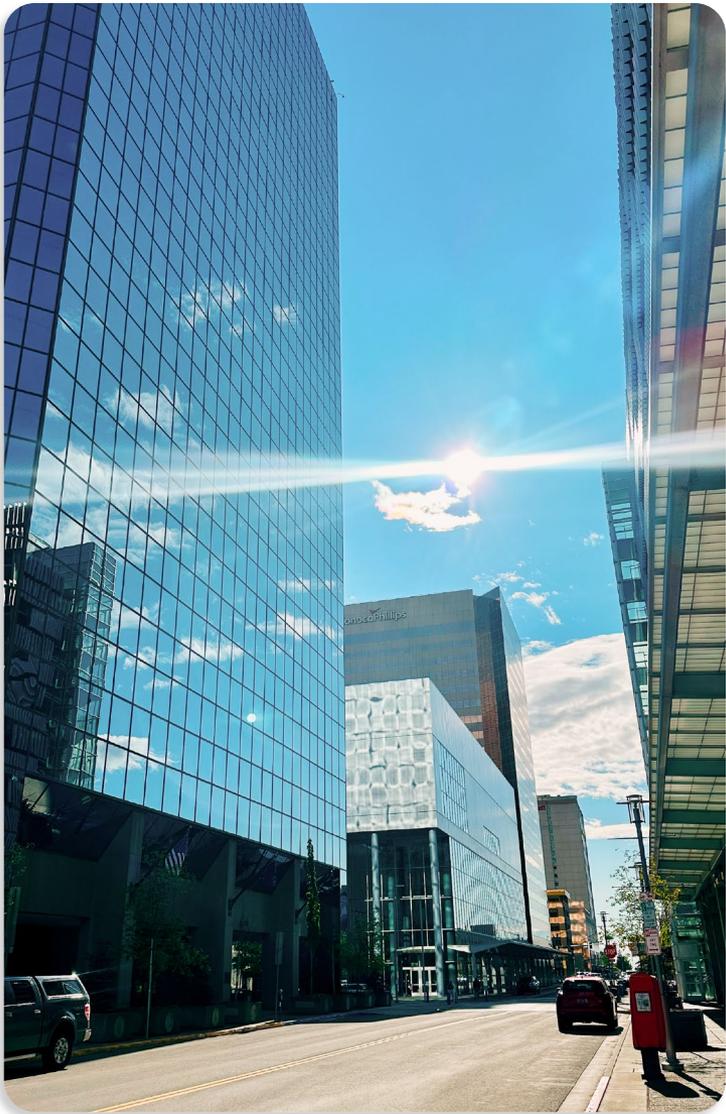
DFS-owned Facilities Portfolio:

- 706 Facilities across 233 locations**
- Over \$2B in assessed building value
- Over 4.25M square feet



*Public Building Fund

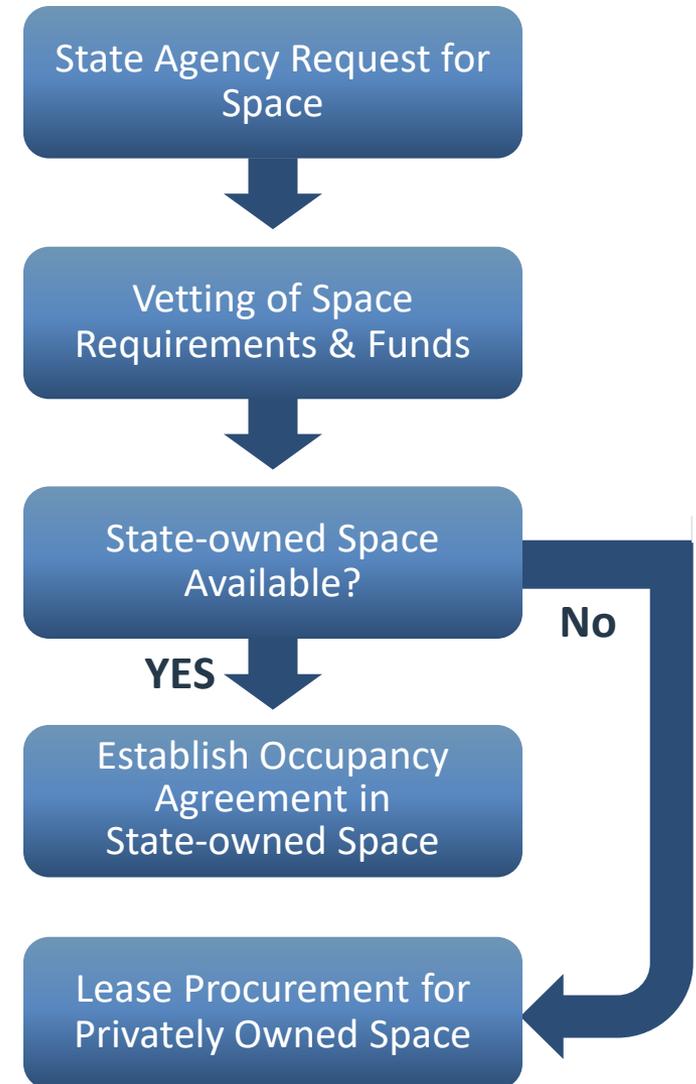
**Does not include International Airport or Alaska Marine Highway buildings



Leasing Program Overview

AS 36.30.080

- Leasing program evaluates, manages and administers leases and contracts for space from the private sector and State property owners on behalf of the Executive Branch
- Negotiate lease terms and private leased space into State-owned facilities when economies can be realized
- Oversight and management of lease terms and conditions to ensure compliance



State-owned and Private Lease Overview

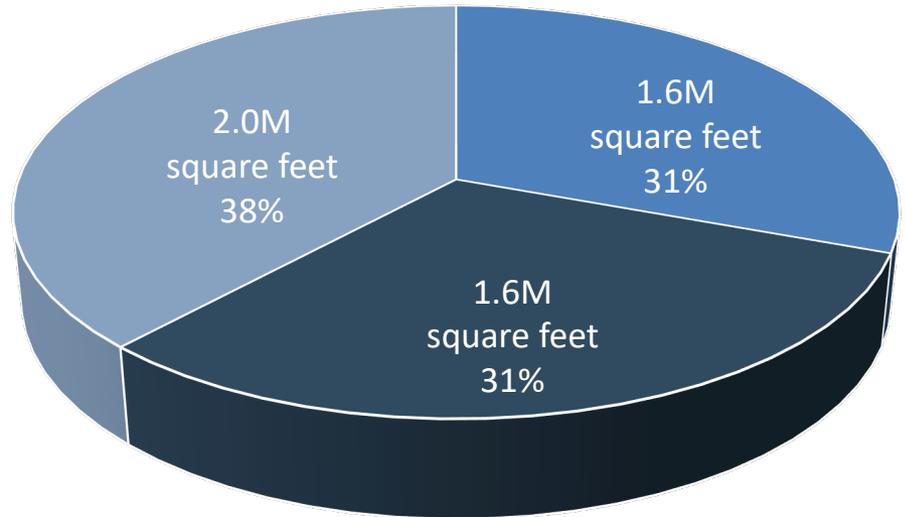
State-owned Buildings

- 146 Occupancy Agreements
- Comprising 1.6M square feet
- 98% current occupancy of State-owned facilities

Private Leased

- 280 total private leases
- Office and clinic leases
 - Approximately 1.6M square feet
- Other lease types: land, warehouse, storage, and housing
 - Approximately 2M square feet

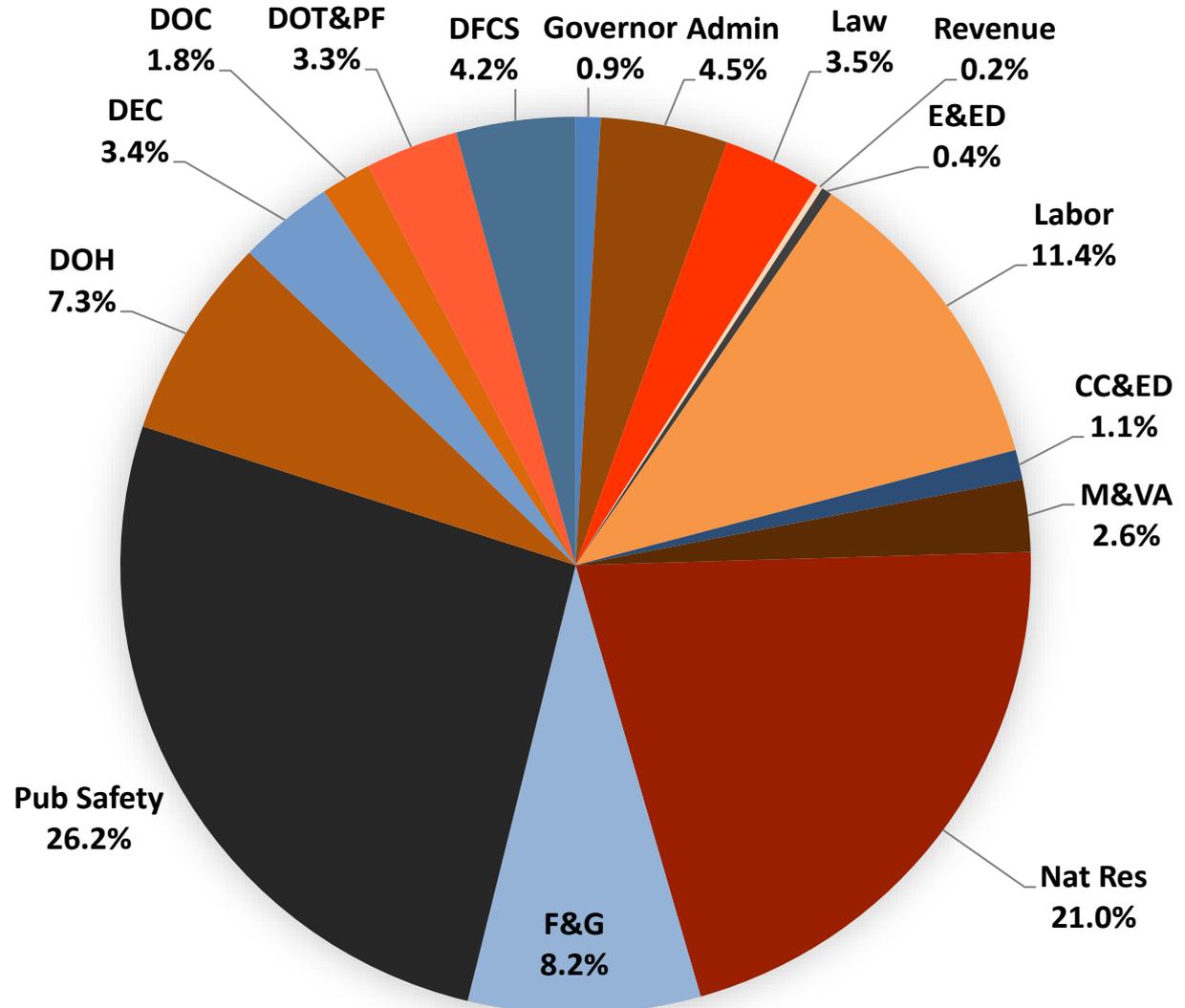
Leases
State and Private



■ State Occupancy Agreements ■ Private Leases ■ Other Leases

Private Lease Spaces Amongst State Agencies*

State Agency	Sq. Ft.	Percentage
DPS	954,555	26.2%
DNR	766,653	21.0%
Labor	414,507	11.4%
ADFG	300,431	8.2%
DOH	264,677	7.3%
DOA	164,482	4.5%
DFCS	154,104	4.2%
Law	127,960	3.5%
DEC	124,080	3.4%
DOT&PF	120,418	3.3%
DMVA	94,394	2.6%
DOC	64,959	1.8%
DCCED	39,081	1.1%
Governor	32,179	0.9%
DEED	13,410	0.4%
Revenue	7,629	0.2%
TOTAL	3,643,520	100%



*Acronyms are on slide 11



Trends in Leasing

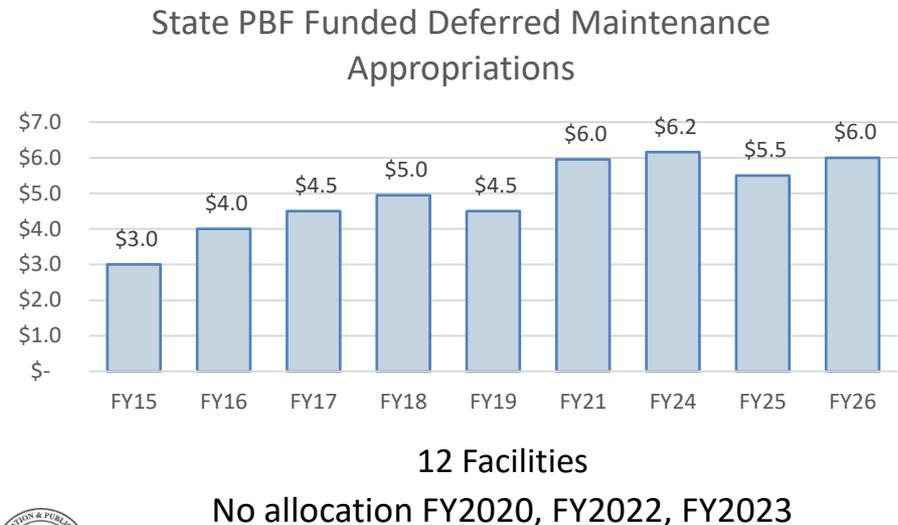
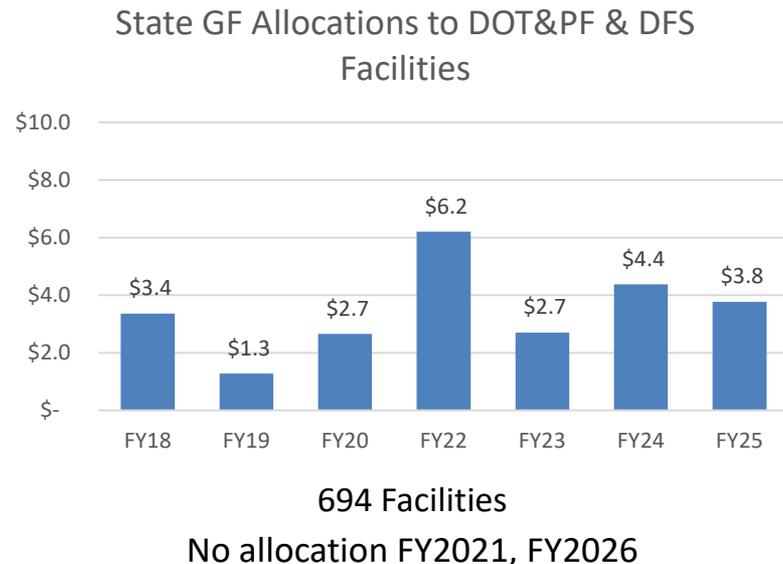
- No significant change in space requirements requested from State agencies
- Higher lease costs being observed
 - Total FY2025 lease cost \$47.5M
 - FY2026 projected lease Cost \$49.2M
- State-owned office space in high demand when available
- Can be challenging to find private leases to meet needs amongst different State agencies
 - Renewal and expansion of existing leases when possible
- Average Lease terms: new leases average 10 to 20 years with five to 10 years in one-year renewal options

Deferred Maintenance – Backlog & Past Allocations

Present backlog estimated total: \$373M

- \$210M estimated from PBF Buildings
- \$163M estimated from DOT&PF Usage and DFS buildings

Prior year Deferred Maintenance appropriations from State Capital General Funds (GF) and Public Building Fund (PBF)



Deferred Maintenance – Prioritizing and Allocation

For DOT&PF Usage and Multi-Agency Usage Facilities (State Capital GF Funded)

- DOT&PF presents top priority deferred maintenance projects to the *State Facilities Council*
- Projects are prioritized via methodology incorporating factors of Mission Alignment, System, and Need to create a Project Index Value
- The ***State Facilities Council*** will:
 - Review and prioritize deferred maintenance projects across executive branch agencies
 - Present the ranked priorities to Office of Management and Budget for funding allocations
- The ranked projects are funded based upon General Fund availability

For PBF Facilities (State PBF account Funded)

- DFS has prioritized and submitted the most current deferred maintenance projects
- Priorities may flex dynamically through the year

Funded projects to be completed through Maintenance & Operations or Design & Construction efforts

Deferred Maintenance Project Examples

- Alaska Office Building Roof Replacement
- Atwood Building Electrical System Upgrades
- Atwood Building Freight Elevator Modernizations
- Atwood Building Pressurization Modifications
- Fairbanks Regional Office Building Heating System Repairs
- Fairbanks Regional Office Building Loading Dock Replacement
- Juneau 2nd & Gold Streets Parking Structure Repairs
- Juneau State Office Building Elevator Shaft Rehabilitation
- Juneau State Office Building Parking Garage
- Ketchikan Court & Office Building Elevator Modernization
- Ketchikan Court & Office Building Parking Garage Repairs

(this is only a partial list of examples)



Acronyms for State of Alaska Departments

Departments

DOA -Administration

ACS - Alaska Court System

DCCED - Commerce, Community & Economic Development

DOC - Corrections

DEED - Education & Early Development

DEC - Environmental Conservation

DFCS - Family & Community Services

ADFG - Fish & Game

DOH - Health

DOWLD - Labor & Workforce Development

DOL - Law

LEG – Legislature

DMVA – Military and Veterans Affairs

DNR - Natural Resources

DPS - Public Safety

DOR - Revenue

DOT&PF Transportation & Public Facilities

Thank You.

Dom Pannone, Director, Program Management & Administration

Danny Gibson, Director, Division of Public Facilities

Christopher Hodgin, P.E., PMP, C.E.M., LEED-AP, CCCA, Chief,
Statewide Public Facilities

Alaska Department of Transportation & Public Facilities

DOT.Commissioner@alaska.gov



Cover photos by Alaska DOT&PF Staff:

Sunset departure, Anchorage International Airport. By Christopher Cummins

Alaska Range from the Richardson Highway. By Dennis Bishop

Aboard the MV LeConte sailing Lynn Canal to Juneau from Haines. By Andrea Deppner

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