



WINTER 2014-2015

BUDGET CONCERNS LOOM; LEGISLATURE CONVENES 3RD WEEK IN JANUARY. With the state budget in some balance with oil at just over \$100 a barrel, the current price of \$80 a barrel means that the incoming new administration and the legislature in this session will have their work cut out for them. With oil financing over 85% of the operating budget, serious cuts will have to be made, and the capital budget may shrink once again. Governor elect Walker will have his opportunity to deliver his budget to the legislature soon. He is to be inaugurated Dec. 1

DOWNTOWN PARKING METERS HAVE BEEN REMOVED, but litigation between the City and Borough and the Canadian vendor that sold the equipment to the CBJ continues. Meanwhile, new office lease terms are trending away from offering any parking spaces included in their leases. Instead, we are seeing spaces being offered by landlords by separate lease contracts. At the present time, the CBJ leases spaces out in the new Transportation Center garage for \$65.00 per month, while other private spaces downtown range in price from \$75 - \$100 per month depending on their proximity to the Capitol Building.

THE LONG AWAITED 16B PANAMAX DOCKS ARE NOW UNDER CONSTRUCTION IN EVERETT, WASHINGTON, and will be towed north next year. When completed, tourism industry leaders have suggested that they may change the pedestrian traffic flow in the historic district of downtown Juneau. Meanwhile, the peak level of 1,000,000 visitors will again be achieved in 2015, and this level has begun to suggest more stability for the industry next year.

THE BROTHERHOOD BRIDGE NOW BEING RECONSTRUCTED OVER THE MENDENHALL RIVER IN THE VALLEY will have four lanes and ample shoulders according to a DOT spokesperson. The project, which is expected to cost over \$25 million dollars, has involved the purchase of private rights of way, and the future alignment with intersections at Industrial Boulevard and Glacierwood Drive. At the present time, two lanes of a new span on the north side of the bridge have been completed while two lanes of a new span on the south side are under construction. The date for completion of the bridge and improvements is Oct 2015.

THE STATE HAS CLOSED ITS PUBLIC COMMENT ON THE JUNEAU ACCESS OPTIONS EFFECTIVE NOVEMBER 25, 2014. Among the options that are a mix of roads and additional investment in the Lynn Canal ferry system infrastructure, the state has preferred option 2B, which calls for construction of a new road from the north end of the current Glacier Highway north to Katzechin flats, just a few miles away from Haines, Alaska which is located on the opposite shore. That ten mile gap is planned to be bridged by a shuttle ferry, and additional shuttles that will take passengers and their vehicles to and from Skagway. Under 2B, a majority of the funds are from Federal sources. If built, the project will be the largest single public sector project in the history of southeast Alaska at a time when the employment outlook for the region is flat to declining.

SEALASKA'S SOBOLEFF CULTURAL CENTER WILL BE OPENING IN JANUARY 2015. The center will feature other lease space for local tenants, with up to 6,000 sf available for lease. Lease rates in the building will range from \$2.60 to \$2.65 psf.

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