

- (S) Submitted by: Assembly Member Cross  
Assembly Member Volland  
Assembly Member Sulte
- (S) Prepared by: Assembly Counsel's Office and  
Legislative Services
- (S) Reviewed by: Development Services  
Anchorage Fire Department
- (S) For reading: December 19, 2023

**ANCHORAGE, ALASKA  
AO No. 2023-130(S)**

1 **AN ORDINANCE OF THE ANCHORAGE ASSEMBLY AMENDING ANCHORAGE**  
2 **MUNICIPAL CODE TITLE 23, BUILDING CODES, TO RECLASSIFY THREE-**  
3 **UNIT RESIDENTIAL BUILDINGS AS RESIDENTIAL CONSTRUCTION INSTEAD**  
4 **OF COMMERCIAL, TO RELAX SOME MUNICIPAL LOCAL REQUIREMENTS**  
5 **FOR RESIDENTIAL STRUCTURES WITH FOUR OR FEWER DWELLING UNITS,**  
6 **AND REQUEST ACTIONS BY THE ADMINISTRATION TO LESSEN THE COST**  
7 **BURDEN OF DESIGN AND CONSTRUCTION THEM.**

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8  
9 **WHEREAS**, the costs of new construction in the Municipality of Anchorage are  
10 historically higher than in other local jurisdictions in the state and country, with hard  
11 costs from almost \$300 per square foot in Anchorage compared to hard costs of  
12 \$120 per square foot in the Lower 48<sup>1</sup>; and

13  
14 **WHEREAS**, AR 2022-416 identifies actions to alleviate Anchorage's housing  
15 shortage and affordability crisis through support of the development of housing  
16 across the Municipality and encourages actions that create opportunities for  
17 increased and more dense development; and

18  
19 **WHEREAS**, the policy principals adopted via AR 2023-260(S) aim to increase the  
20 local housing stock and create more diverse, affordable opportunities for home  
21 ownership by establishing that the Municipality will work to enact policies that  
22 included increasing the supply of housing for sale, and acting to address barriers in  
23 the housing market to create more favorable conditions; and

24  
25 **WHEREAS**, the 2018 Housing Survey Report from the Anchorage Economic  
26 Development Corporation<sup>2</sup> reports that only 21 percent of respondents said that they  
27 would like to see more large, single-family homes in Anchorage – the bulk of what  
28 has been developed for several decades – revealing that this segment may be  
29 overbuilt and small high-density or multi-family housing is lacking; and

30  
31 **WHEREAS**, currently Title 23 of the Anchorage Municipal Code, *Building Codes*,  
32 currently treats all residential buildings with three dwelling units or more as  
33 commercial construction under the International Building Code (IBC), and only one-  
34 and two-family structures are treated as residential construction under the  
35 International Residential Code (IRC) and the local amendments adopted by the  
36 Municipality; and

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<sup>1</sup> Based on housing development analysis by Agnew::Beck, SALT, NeighborWorks Alaska, and ONC,  
[Housing Alaskans: 2023 Data Takeaways](#)

<sup>2</sup> [Anchorage Economic Development Corporation, 2018 Housing Survey Report](#)

1  
2 **WHEREAS**, The permit fee factor, based on project valuation, for commercial  
3 construction is significantly higher than for residential construction; and  
4

5 **WHEREAS**, There are additional technical, engineering, and legal requirements of  
6 building construction contained within regulations such as the MOA's Design  
7 Criteria Manual (DCM) and the state stormwater drainage plan requirements that  
8 could be modified to incentivize three- and/or four-unit dwelling structure  
9 developments if feasible, and would not require a code change; now, therefore,  
10

11 **THE ANCHORAGE ASSEMBLY ORDAINS:**

12  
13 **Section 1.** Anchorage Municipal Code chapter 23.10 is hereby amended to read  
14 as follows (*the remainder of the chapter is not affected and therefore not set out*) (***in***  
15 ***the (S) version additional rows are added to Table 3-A, Permit fees, in plain***  
16 ***text and then amended with legislative drafting markup***):  
17

18 Chapter 23.10 - ANCHORAGE ADMINISTRATIVE CODE 2018 EDITION

19 \*\*\*                      \*\*\*                      \*\*\*

20 Section 102 - Definitions.

21  
22 **23.10.102.1 - Definitions.**

23  
24 Commercial Construction is construction of a structure of a non-residential  
25 nature or a residential structure comprised of 4 [3] or more contiguous  
26 dwelling units.

27 \*\*\*                      \*\*\*                      \*\*\*

28 Residential construction, for the purposes of issuance of a residential permit,  
29 means construction associated with a building having no more than three  
30 [TWO] dwelling units and having no other uses or occupancies other than a  
31 private garage or carport. **[Residential construction is governed by the**  
32 **International Residential Code and Chapter 23.85 of this code.]**

33 \*\*\*                      \*\*\*                      \*\*\*

34  
35 **23.10.104.9 - Optional residential single-family, [AND] two-family, and**  
36 **three-unit dwelling plan review.**

37  
38 For residential single-family, [OR] two-family, or three-unit dwelling permit  
39 applications, the permit applicant shall have the qualified option for  
40 independent reviewing professionals, as described in subsection B below, to  
41 accept responsibility for plan review and building code compliance for the  
42 permit. For permit applications submitted under this provision, it shall not be  
43 the responsibility of the building official to review the application for  
44 compliance with applicable building codes. The building official shall conduct  
45 or cause to be conducted reviews for zoning, address, flood, NPDES, storm  
46 water and any other reviews necessary for the project.

47 \*\*\*                      \*\*\*                      \*\*\*

48  
49 E. The building official shall confirm the application includes the materials  
50 required by sections 23.10.104.9 and 23.10.104.10. If complete and  
51 compliant with Title 21 regulations, the application shall be accepted,

and the building official shall issue the permit provided that:

1. The permit application demonstrates the plans and specifications for residential single-family, [AND/OR] two-family, and/or three-unit dwellings have been reviewed by independent reviewing professionals. Each reviewing professional must submit a signed letter of review with the plans describing the scope of their review and including the details of their credentials to conduct such review. Each reviewing professional must include their registration number and the related expiration date.

G. The building official may revoke the privilege afforded by this section of any individual who displays incompetence or lack of knowledge in matters relevant to the design and construction of [ONE- AND TWO-FAMILY] dwellings covered by this section, or who commits fraudulent acts.

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( AO No. 2020-85 , § 1, 10-27-20; AO No. 2021-88(S) , § 3, 2-15-22)

\*\*\*                      \*\*\*                      \*\*\*

**23.10. Table 3-A - Building/structure permit fees.**

1. Commercial Construction (new construction, additions, alterations and repairs)	Building Permit Fee
\$1.00 to \$500,000	\$0.015 * Valuation, minimum fee of \$525
\$500,001 to \$1,000,000	\$0.010 * Valuation
\$1,000,001 to \$5,000,000	\$0.008 * Valuation
\$5,000,001 and up	\$0.006 * Valuation
Permit fee reduction for affordable housing	For affordable housing projects, building permit fee shall be discounted seventy-five percent (75%) when fifty percent (50%) or more of the residential units constructed or renovated will be rented to households earning eighty percent (80%) or less of the federal Housing and Urban Development (HUD's) median household income for the Anchorage area.
<b><u>Permit fee for Group R-2 occupancies with 4 or fewer dwelling units (four-plexes)</u></b>	<b><u>\$0.009 * Valuation. Minimum fee of \$360. The permit applicant receives 23 inspections plus 2 additional inspections for each \$100,000 in valuation above \$500,000 valuation. Additional inspections are charged on a per inspection basis.</u></b>
***                      ***                      ***	
2. Residential Construction (new construction, additions, alterations and repairs)	\$0.009 * Valuation. Minimum fee of \$360. The permit applicant receives 23 inspections

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	plus 2 additional inspections for each \$100,000 in valuation above \$500,000 valuation. Additional inspections are charged on a per inspection basis.
***	***

( AO No. 2020-85 , § 1, 10-27-20; AO No. 2021-88(S) , § 8, 2-15-22)

**23.10. Table 3-B - Plan review fees.**

1. Commercial Plan Review Fees	
A. Building Safety	
(1) Plan review	\$0.0031 valuation with a minimum of \$75
(2) Pre-approved plan review for new buildings	\$0.0017 * Valuation with a minimum of \$75 (In lieu of item A. (1))
<b><u>(3) Plan review fee for Group R-2 occupancies with 4 or fewer dwelling units (four-plexes)</u></b>	<b><u>\$0.005 * Valuation with a minimum of \$75</u></b>
B. Land Use Plan Review	15% of the permit fee under Table A with a \$75 minimum fee
C. Fire Department	\$0.0011 * Valuation with a minimum of \$75
2. Residential Plan Review Fees	
A. Building Safety	
(1) Plan Review	\$0.005 * Valuation with a minimum of \$75
(2) Pre-Approved Plan Review	\$0.003 * Valuation with a minimum of \$75
(3) Optional single-family, [AND] two-family, and three-unit reviewed by independent reviewing professionals	\$0.003 * Valuation with a minimum of \$75
B. Land Use Plan Review	15% of the permit fee under Table 3-A with a minimum of \$75
C. Fire Department Optional residential fire plan review for Wildland Urban Interface	\$0.002 * Valuation with a minimum of \$75
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(AO No. 2020-85, § 1, 10-27-20)

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**Section 2.** Anchorage Municipal Code chapter 23.15, *Local Amendments to the International Building Code 2018 Edition*, is hereby amended to add a new section to read as follows (*legislative drafting markup not applied for new sections*):

**Chapter 23.15 - LOCAL AMENDMENTS TO THE INTERNATIONAL BUILDING CODE 2018 EDITION**

\*\*\*                      \*\*\*                      \*\*\*

**23.15.101.2 Scope.**

The provisions of this code shall apply to the construction, alteration, relocation, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal and demolition of every building or structure or any appurtenances connected or attached to such buildings or structures.

Exception: Detached one-, two-, and three-family dwellings and townhouses not more than three stories above grade plane in height with a separate means of egress, and their accessory structures not more than three stories above grade plane in height, shall comply with this code or the International Residential Code.

\*\*\*                      \*\*\*                      \*\*\*

**Section 3.** Anchorage Municipal Code chapter 23.15, *Local Amendments to the International Building Code 2018 Edition*, is hereby amended to add a new section to read as follows (*legislative drafting markup not applied for new sections*):

**23.15.903.2.8 - Group R.**

Amend Section 903.2.8 by adding the following section:

**23.15.903.2.8.5 Group R-2.**

An automatic sprinkler system installed in accordance with Section 903.3.1.3 shall be permitted in Group R-2 occupancies with 4 or fewer dwelling units.

**Section 4.** Anchorage Municipal Code section 23.15.903.1.3 is hereby amended to read as follows:

**23.15.903.3.1.3 - NFPA 13D sprinkler systems.**

Amend section 903.3.1.3 by adding the following sections:

**903.3.1.3.1 Group R-3 care facilities and Group R-4, Condition 1 occupancies.** An automatic sprinkler system serving a Group R-3 care facility or Group R-4, Condition 1 occupancy shall have a minimum 30 minute water supply or a minimum 20 minute water supply with fire department connection (FDC). Fire sprinkler protection shall be provided in attached garages.

**23.15.903.3.1.3.2 Group R-2 with 4 or fewer dwelling units.**

Automatic sprinkler systems installed in Group R-2 occupancies with 4 or fewer dwelling units shall be permitted to be installed throughout in accordance with NFPA 13D. A fire department connection shall be installed in accordance with Section 912. Automatic sprinkler protection shall be provided in attached garages. Systems shall be monitored in accordance with Section 903.4.

( AO No. 2020-85 , § 1, 10-27-20)

**Section 5.** Anchorage Municipal Code chapter 23.45, *Local Amendments to the International Fire Code 2018 Edition*, is hereby amended to add a new section to read as follows (*legislative drafting markup not applied for new sections*):

**23.45.903.2.8 - Group R.**

Amend Section 903.2.8 by adding the following section:

**23.45.903.2.8.5 Group R-2.**

An automatic sprinkler system installed in accordance with Section 903.3.1.3 shall be permitted in Group R-2 occupancies with 4 or fewer dwelling units.

**Section 6.** Anchorage Municipal Code section 23.45.903.1.3 is hereby amended to read as follows:

**23.45.903.3.1.3 - NFPA 13D sprinkler systems.**

Amend section 903.3.1.3 by adding the following sections:

**903.3.1.3.1 Group R-3 care facilities and Group R-4, Condition 1 occupancies.** An automatic sprinkler system serving a Group R-3 care facility or Group R-4, Condition 1 occupancy shall have a minimum 30 minute water supply or a minimum 20 minute water supply with fire department connection (FDC). Fire sprinkler protection shall be provided in attached garages.

**23.45.903.3.1.3.2 Group R-2 with 4 or fewer dwelling units.**

Automatic sprinkler systems installed in Group R-2 occupancies with 4 or fewer dwelling units shall be permitted to be installed throughout in accordance with NFPA 13D. A fire department connection shall be installed in accordance with Section 912. Automatic sprinkler protection shall be provided in attached garages. Systems shall be monitored in accordance with Section 903.4.

( AO No. 2020-85 , § 1, 10-27-20)

**Section 7.** Anchorage Municipal Code chapter 23.85, *Local Amendments to the International Residential Code 2018 Edition*, is hereby amended to add a new section to read as follows (*legislative drafting markup not applied for new sections*):

**23.85.101.2 – Scope**

Revise Section 101.2 to read as follows:

1 The provisions of this code shall apply to the construction, alteration,  
 2 movement, enlargement, replacement, repair, equipment, use and  
 3 occupancy, location, removal and demolition of detached one-, two- and  
 4 **three- family** dwellings and townhouses not more than three stories above  
 5 grade plane in height with a separate means of egress and their accessory  
 6 structures not more than three stories above grade plane in height.  
 7

8 Exception: The following shall be permitted to be constructed in accordance  
 9 with this code where provided with a residential fire sprinkler system  
 10 **approved by the fire code official:**

- 11 1. Live/work units located in townhouses and complying with the
- 12 requirements of Section 419 of the International Building Code.
- 13 2. Owner-occupied lodging houses with five or fewer guest rooms.
- 14 3. A care facility with five or fewer persons receiving custodial care within
- 15 a dwelling unit.
- 16 4. A care facility with five or fewer persons receiving medical care within
- 17 a dwelling unit.
- 18 5. A care facility with five or fewer persons receiving care that are within
- 19 a single-family dwelling.
- 20
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23 **Section 8.** Anchorage Municipal Code section 23.85.R302.3 is hereby amended  
 24 to read as follows (*the remainder of the chapter is not affected and therefore not set*  
 25 *out*):  
 26

27 **23.85.R302.3 - Two-family and three-unit dwellings.**

28 **Amend the first sentence by replacing “in two-family dwellings” with**  
 29 **“in two-family and three-unit dwellings”.**  
 30

31 Add to the end of the paragraph:  
 32

33 A detached single family or two-family dwelling unit with an ADU  
 34 (Accessory Dwelling Unit) is considered to be a two-family or three-  
 35 unit dwelling, as the case may be, unless the ADU communicates  
 36 freely with the single-family or one of the two-family dwelling units.  
 37

38 Add the following section:  
 39

40 **R302.3.2 Common wall insulation.** The dwelling unit separation wall  
 41 shall be fireblocked at ceiling line and insulated in the attic directly  
 42 above the fireblocking to the minimum required attic R-value.  
 43

44 ( AO No. 2020-85\_, § 1, 10-27-20)  
 45

46 **Section 9.** The Assembly requests the Administration and/or the Municipal  
 47 Project Management & Engineering Department’s to amend the Design Criteria  
 48 Manual to apply the threshold for drainage plans requirement when the land  
 49 disturbance is 10,000 square foot or greater to all developments of residential  
 50 structures with 4 or fewer dwelling units. This amendment should be expedited to  
 51

1 facilitate and incentivize development of housing units to address the immediate  
2 housing crisis in the Municipality.

3  
4 **Section 10.** The Assembly requests the Administration to pursue pre-approval  
5 from the Alaska Department of Environmental Conservation for allowing the  
6 Municipality to accept qualified third-party review of stormwater drainage plans for  
7 residential developments.

8  
9 **Section 11.** Sections 1 through 8 of this ordinance shall be effective January 1,  
10 2024. The remainder of this ordinance (Sections 9 through 11) shall be effective  
11 immediately upon passage and approval by the Assembly.

12  
13 PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_\_ day  
14 of \_\_\_\_\_, 2023.

15  
16  
17 \_\_\_\_\_  
18 Chair

19 ATTEST:

20  
21  
22 \_\_\_\_\_  
23 Municipal Clerk  
24





# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 1003-2023

Meeting Date: December 19, 2023

1 **From: Assembly Members Cross, Sulte and Volland**

2  
3 **Subject: AO 2023-130(S): AN ORDINANCE OF THE ANCHORAGE**  
4 **ASSEMBLY AMENDING CERTAIN PROVISIONS OF**  
5 **ANCHORAGE MUNICIPAL CODE TITLE 23, BUILDING CODES,**  
6 **TO RECLASSIFY THREE-UNIT RESIDENTIAL BUILDINGS AS**  
7 **RESIDENTIAL CONSTRUCTION INSTEAD OF COMMERCIAL, TO**  
8 **RELAX SOME MUNICIPAL LOCAL REQUIREMENTS FOR**  
9 **RESIDENTIAL STRUCTURES WITH FOUR OR FEWER DWELLING**  
10 **UNITS, AND REQUEST ACTIONS BY THE ADMINISTRATION TO**  
11 **LESSEN THE COST BURDEN OF DESIGN AND CONSTRUCTION**  
12 **OF THEM.**

13  
14 This ordinance was submitted at a time when the collaborator from the Development  
15 Services Department was on leave, and upon return recommended two other  
16 changes important for Code integrity and successful implementation of the  
17 ordinance. This (S) version includes these significant changes:

- 18  
19
- 20 • AO Section 1, p. 2 line 29: The added sentence at the end of the definition of  
21 “Residential construction” is deleted as unnecessary and is not a completely  
22 accurate statement. The IRC applies to only that residential construction that  
23 is no more than three stories above grade plane in height (and the accessory  
24 structures also no more than three stories above grade plane in height), and  
25 not to all structures that could meet the definition. The scope sections of the  
26 IBC (AO Section 2, p. 4 line 12) and IRC (AO Section 7, p. 6 line 22) make  
27 this clear, so the sentence in the definition is not necessary and could be  
28 misleading.
  - 29 • AO Section 1, p. 3: Table 3-A for permit fees is amended to add a row for  
30 four-plexes in the commercial construction permit fee section, and setting it  
31 at the same valuation multiplier as residential permits, which is substantially  
32 lower than other commercial buildings. The category is described as “Group  
33 R-2 occupancies with 4 or fewer dwelling units” consistent with the  
34 International Fire Code amendments to Chapter 23.45.
  - 35 • AO Section 1, p. 4: Table 3-B for Plan review fees is amended to include four-  
36 plexes with its own row in Commercial Plan review section and setting it’s fee  
37 the same as residential plan review. The plan review by the Fire Department  
38 will occur the same as other commercial properties with its fee, not requiring  
39 a change in that part of the table.
  - 40 • AO Section 8, p. 7 line 2: The current language in AMC for the title of section  
41 23.85.R302.2 was amended to add “and three-unit,” but the language in the  
42 IRC in the first paragraph of this section continues to only say “two-family  
43 dwellings.” The local amendment language is added to replace that phrase  
in the IRC with “in two-family and three-unit dwellings,” consistent with other

1 local amendments by this ordinance.  
2

3 **We request your support for the (S) version of the ordinance.**  
4

5 Prepared by: Assembly Counsel's Office

6 Reviewed by: Legislative Services Office  
7

8 Respectfully submitted: Kevin Cross, Assembly Member  
9 District 2, Chugiak / Eagle River

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11 Randy Sulte, Assembly Member  
12 District 6, South Anchorage

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14 Daniel Volland, Assembly Member  
15 District 1, North Anchorage