

(S) Submitted by: Assembly Member Cross
Assembly Member Sulte
Assembly Member Brawley
(S) Prepared by: Development Services and
Assembly Counsel's Office
(S) For reading: February 27, 2024

ANCHORAGE, ALASKA
AO No. 2023-136(S)*, As Amended

* The (S) version is submitted as an entire new clean AO document and does not use legislative formatting markup to show changes from the original ordinance, except in the title. For a summary of changes see the accompanying memorandum.

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING BUILDING CODES AT ANCHORAGE MUNICIPAL CODE CHAPTER 23.10, ANCHORAGE ADMINISTRATIVE CODE 2018 EDITION, TO REPEAL AND REENACT AMC SECTION 23.10.104.9. TO REORGANIZE THE SECTION AND ALLOW OPTIONAL INDEPENDENT THIRD-PARTY PLAN REVIEW [OF STRUCTURAL DESIGN] FOR COMMERCIAL BUILDING PERMITS ALONG WITH CURRENTLY ALLOWED THIRD-PARTY RESIDENTIAL PLAN REVIEW, AND PROVIDE A SUNSET DATE.

WHEREAS, Title 23 of Anchorage Municipal Code provides applicants applying for a residential single-family, two-family, or three-unit building permit the option to use qualified independent third-party reviewing professionals for plan review; and

WHEREAS, the Anchorage residential building community utilizes this option saving residential builders and Municipality of Anchorage plan review staff time and resources; and

WHEREAS, current vacancies and reduced staff capacity within the Development Services Department pose serious concerns about the Municipality's ability to complete timely review of commercial development projects for the 2024 peak building season, which includes multifamily housing construction; and

WHEREAS, the intent of expanding utilization of third-party review for more types of development projects is not to discontinue a current function of the Municipality, eliminate current positions including vacancies, or absolve the Municipality of its responsibility for residents' health, safety and welfare, but is to allow for additional avenues to complete building permit approvals in a timely manner during periods of peak demand, and when there is reduced Municipal staff capacity such as the current situation; and

WHEREAS, this ordinance would provide applicants applying for a commercial building permit the option to use independent reviewing professionals for review of structural, architectural, mechanical and electrical plans, and provide similar savings and benefits as third-party residential plan review; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code section 23.10.104.9. is hereby repealed and

re-enacted in its entirety, to read as follows (*pursuant to AMC section 1.05.050B. a copy of the current text of the repealed section is attached as Exhibit A*):

23.10.104.9 – Optional third-party plan review.

- A. General. An applicant for a residential or commercial building permit shall have the option for qualified third-party reviewing professionals to conduct the reviews listed under section 23.10.104.9.B. It shall not be the responsibility of the building official to review disciplines for building code compliance that have been reviewed and stamped in accordance with this section by qualified third-party professionals.

Exclusions: This option is not available for:

1. Risk category III and IV structures as defined in the International Building Code.
2. Structures exceeding 100 feet in height above grade plane.
3. Normally occupied buildings that are four or more stories or 45 feet or more above grade plane.
4. Buildings and structures owned or leased by the Municipality of Anchorage including the Anchorage School District.

- B. Review disciplines. The following review disciplines qualify for optional third-party plan review:

1. Structural review consisting of the review of structural plans and associated calculations for compliance with the building codes, local amendments, and referenced standards adopted under this Title.
2. Architectural review of the nonstructural provisions of the building codes, local amendments, and referenced standards, including review for compliance with the building envelope energy conservation code provisions, adopted under this Title. Review for compliance with the International Fire Code is performed by the Anchorage Fire Department and is excluded from this option.
3. Electrical review for compliance with the electrical code, local amendments, and referenced standards, including the electrical provisions of the energy conservation code, adopted under this Title.
4. Mechanical review for compliance with the mechanical, fuel gas and plumbing codes, local amendments thereto, and referenced standards, including the mechanical provisions in the energy conservation code, adopted under this Title.

- C. Reviewer qualifications. The department shall pre-qualify all reviewers, shall maintain a list of approved reviewers, and assign each a reviewer identification number. Only approved reviewers may perform the optional third-party plan review allowed under this section. A reviewer may qualify for more than one discipline. To apply for inclusion on the list, a person shall first submit an application on a form furnished by the

department and include a resume detailing relevant experience. The department shall approve an applicant meeting the requirements set forth below and who has not had the person's state registration revoked or suspended by the state in the previous five years. The minimum qualifications to perform review, by discipline, are as follows:

1. Structural review shall be performed by a professional engineer currently registered by the State of Alaska Board of Registration for Architects, Engineers and Land Surveyors as either a structural engineer or a civil engineer. A reviewing civil or structural engineer must be able to demonstrate a minimum of 5 years of structural engineering experience in Alaska or a similar climate and seismic zone as Anchorage.
2. Architectural review shall be performed by a professional architect currently registered by the State of Alaska Board of Registration for Architects, Engineers and Land Surveyors or by an engineer currently registered by the State of Alaska Board of Registration for Architects, Engineers and Land Surveyors possessing an International Code Council Building Plans Examiner certification. Review of plans for detached residential buildings with three or fewer dwelling units may be performed by an individual having an International Code Council Building Plans Examiner certification. A person performing architectural review must be able to demonstrate a minimum of 5 years of building design and/or review experience in Alaska or a similar climate.
3. Electrical review shall be performed by a professional engineer currently registered by the State of Alaska Board of Registration for Architects, Engineers and Land Surveyors as an electrical engineer. A reviewing electrical engineer must be able to demonstrate a minimum of 5 years of building electrical design experience in Alaska or a similar climate.
4. Mechanical, fuel gas and plumbing review shall be performed by a professional engineer currently registered by the State of Alaska Board of Registration for Architects, Engineers and Land Surveyors as a mechanical engineer. A reviewing mechanical engineer must be able to demonstrate a minimum of 5 years of building mechanical design experience in Alaska or a similar climate.

D. Process.

1. Reviews shall be conducted only by individuals selected from the department's list of approved review professionals.
2. No permit application will be accepted where a third-party review professional or a member of their household or immediate family serves as a designer of the project, is an employee of the firm or company acting as the engineer or architect of record for the project, or has a business or financial interest in the completed project. For purposes of this section, the definition of "immediate family" in the Ethics Code, section 1.15.180, shall a

3. Reviewing professionals shall be hired by the owner or the owner's authorized agent.
 4. The applicant shall designate on the building permit application that the third-party plan review option has been elected and completed in accordance with this section and shall list each review discipline elected.
 5. Third-party reviews shall be finalized in advance of submitting the reviewed plans to the municipality.
 6. To be considered a complete third-party plan review, the reviewed plans shall be physically or electronically stamped "Reviewed for Code Compliance" by the third-party reviewer, with the stamp including the reviewer's name, signature, date and municipality designated third-party reviewer identification number assigned by the department.
 7. Change orders and deferred submittals shall be reviewed and approved by the third-party reviewers prior to submittal to the department.
- E. Letter of review. Each third-party plan reviewer shall submit a signed letter of review to accompany the permit application. The letter shall include:
1. Description of the scope of work and scope of review.
 2. Detailed description of the reviewer's design and review experience relevant to the specific project.
 3. List of comments, issues identified and corrections made to the completed plans, and
 4. Notes and calculations required by this title from the plan review process.
 5. Statement the reviewer accepts responsibility for the review and does not have a conflict of interest prohibited by subsection D.2.
 6. Statement the reviewer indemnifies, holds harmless and shall defend the municipality from and against all claims, damages, losses and expenses, including but not limited to attorney fees and costs, arising out of or resulting from the performance of the review, to the fullest extent permitted by law. This statement shall be in a form approved by the municipal risk manager and be executed by (a) the reviewing professional; (b) the building construction contractor; and (c) the current owner of the property and any party under contract to purchase the property within a year of its completion.
- F. Restriction of authority. Third-party reviewing professionals do not have authority to approve code modifications or alternative materials, designs, and methods of construction and equipment as defined in this Title. Any request for consideration of code modifications or alternative materials, designs, and methods of construction and equipment shall be submitted to the building official for approval prior to or with the permit application.

- G. Auditing.
1. The building official may audit the reviews conducted by third-party reviewing professionals as necessary to enforce the provisions of this Title.
 2. The building official shall audit a minimum of 10 percent of the reviews submitted under this optional third-party plan review process.
- H. Revocation of privilege. The building official may revoke the approved reviewer status of any individual who has their registration suspended or revoked by the state, is found to have provided materially false statements or information on the reviewer application or in a letter of review, or who commits fraudulent acts in the course of providing plan reviewer services. False statements are punishable as unsworn falsification under applicable law. The building official shall provide the person a reasonable opportunity to respond to the grounds for revocation before making a final decision. The building official's final decision under this subsection shall be provided in writing as a notice to the individual consistent with section 23.10.103.3.3.

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

Section 2. Anchorage Municipal Code 23.10. Table 3-B, Plan Review Fees, is hereby amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

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))
(3) Plan review fee for Group R-2 occupancies with 4 or fewer dwelling units (four-plexes)	\$0.005 * Valuation with a minimum of \$75
<u>(4) Optional commercial plan review by third-party reviewing professionals, one or more disciplines</u>	<u>\$0.0024 * Valuation with a minimum of \$75 (In lieu of item A.(1))</u>
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 residential plan review by third-party [SINGLE-FAMILY, 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
***	***

(AO No. 2020-85 , § 1, 10-27-20; AO 2023-130(S), § 1, 1-16-24)

Section 3. The Development Services Department shall submit a report to the Assembly by October 1 annually regarding the efficacy of this ordinance, including audit results, the number of independent plan reviews completed, the number of plan reviews completed by staff, any findings or deficiencies identified of the third-party reviewed plans audited by the Department, and any other findings and information regarding the third-party review option that the Department deems relevant for the Assembly’s consideration of extension of this privileged option beyond the sunset date. This reporting requirement shall terminate with the 2026 report.

Section 4. This ordinance shall sunset on December 31, 2025 and be automatically repealed unless reauthorized by the Assembly. Repeal shall reinstate the text of section 23.10.104.9., inclusive of amendments subsequent to passage of this ordinance, current immediately prior to adoption of this ordinance, as shown in Exhibit A. Projects under review as of the sunset date by third parties as authorized under this ordinance may be completed without regard to the sunset date. ~~[The Municipal Clerk shall place an ordinance to reauthorize this ordinance on the agenda for a regular Assembly meeting no later than October 15, 2025, consistent with AMC section 1.05.110.]~~

Section 5. This ordinance shall become effective immediately after passage and approval by the Assembly. This ordinance shall only be effective as to new permit applications submitted after the effective date.

PASSED AND APPROVED by the Anchorage Assembly this 27th day of February, 2024.

Chair

ATTEST:

Municipal Clerk