



TO: Girdwood Board of Supervisors
FROM: Anchorage Home Builders Association
DATE: 19 October 2020
RE: Title 23 Anchorage building code, specifically AO23.45.507.1

Proposed Update to Title 23.45.507.1 would require sprinkler systems on all homes more than 600 feet from a fire hydrant.

Our position is that fire water requirements, as proposed in AO23.45.507.1, have a poor cost-benefit return and therefore would serve as a disincentive to buyers purchasing new homes. At the same time, the administration's rationale around the state requirement ignores the fact that these requirements have been enforced by no jurisdiction in Alaska to date, so arguing that it is the minimum standard we must meet by State law seems a bit fanciful. Instead they have said that these are already the rules, and they just need clarifying.

The administration has actively misrepresented the proposed change as 'no change except to add flexibility/a fourth option'. This obscures the fact that they have finally admitted the intent is to begin applying 507.1 requirements to all single-family homes; a massive departure from existing practice.

Even though the building safety department is claiming these requirements were already in code, they weren't being enforced anywhere in Anchorage, and so were effectively not in code for the purposes of inspections or insurance by the municipality or private sector. If they begin enforcing the requirement in the rest of the municipality, they will be not just technically but also effectively in Anchorage code, so private inspectors and insurers will begin applying them, whether or not the development is within the Building Service Safety Area (BSSA). Anchorage code still applies and matters to Girdwood development.

- It is generally bad practice to knowingly fail to meet applicable building codes, if adopted, these codes would apply to Girdwood, even if the Building Safety Department isn't enforcing them there.
- Insurance companies may be unwilling to insure a property that fails to meet the code it was built under, such as not meeting sprinkler/fire water requirements.
- Financing institutions require inspections, which are supposed to be to the code of the jurisdiction you are building in. If you use an inspector from Anchorage, you will fail the inspection without satisfying the fire water requirement (expected to cost a minimum of \$20k per single family home whether you use the Wildland-Urban Interface (WUI) code or sprinklers to satisfy the requirement).

We estimate sprinklers will add \$20-30,000 to the cost of a new home. Appraisers consistently report that sprinklers' cost would not be reflected in the appraised value of a sprinklered home. This means new home buyers would eat that, potentially eating up a good chunk of their initial equity from the down payment. (A home which today would cost \$500k and be appraised at that value might cost \$525k and be appraised at \$505k). Water damage risk is real, whether caused by an earthquake or something else, unlike most fire damage, sprinkler damage is rarely covered in homeowner's insurance policies

- It has been our members' unanimous observation that a large majority of customers would prefer to either save the additional cost or else invest it in another aspect of their home.
- Installing the sprinkler system can be a fraction of the cost. In many of these areas, wells drilled are low flow and holding tanks and pumps would be required, along with the additional square footage required to house them. Not to mention mortgage and realtor percentages calculated on the new, higher, subtotal of cost with sprinklers included.



- *“After the [2018] earthquake, one of the most-costly problems that emerged was water damage. Among the factors: More than 200 sprinkler systems in buildings broke, causing flooding. It took about two months for contractors to repair the sprinkler systems”, said Bart Meinhardt, fire inspector with the Anchorage Fire Department.*
- For every 3 fires in sprinklered homes in the US, sprinklers turn on in two fires, fail to turn on in one fire (large enough to trigger them), and turn on one time when there is not a fire.

When asked how timing may impact single family homes already in the design process, Brian Dean, Anchorage Fire Marshall:

“Our hope is that the new code will be adopted by Jan. 1, 2021 as many design professional are already wanting to design to the 2018 codes. Of course as you know, adoption and effective date is up to the Assembly. As Building Safety has done in the past as long as the design is at least 50% complete on the date of adoption, they may remain under the old codes.

To comply with the existing (2012 IFC) code language new homes and additions (not remodels) that are more than 600 feet from a hydrant will have to address firefighting water supply via the 3 methods that we have been talking about. 1 extend hydrants, 2 NFPA 1142 compliant private systems and 3 construction to WUI standards. I think you are familiar with these 3 existing provisions.

If the proposed 2018 amendment passes then residential sprinklers will be added as a 4th method.”

Included below is AHBA’s memo, shared at the September 2020 Girdwood Land Use Committee meeting. Anchorage will host an additional work session on Title 23 on October 21st, 2020; and this will be on the Assembly Agenda on October 27th, 2020.



To whom it may concern,

The Anchorage Home Builder's Association (AHBA) opposes several proposed amendments to the Title 23 code which would move the cost of buying a new home in Anchorage out of reach for thousands of Anchorage residents.

For the past several years, city planners and others have observed that Anchorage is well below the rate of construction we need simply to maintain our existing housing stock, let alone grow. Far from addressing this by making it easier to build homes, adding a variety of requirements in the interest of making future development in Anchorage more ideal has proven irresistible.

This trend continues with the proposed changes to Title 23.

23.10.104.9 – Building official may audit third party plan reviews. Third party plan reviews must submit their calculations to MOA.

- Third party plan reviews already require construction clients in Anchorage to pay extra, adding a layer of additional review/potential dispute without a corresponding demonstration of need or investigation of alternatives is counter to the public interest.
- We have already begun seeing examples of municipal employees reviewing plans for compliance with codes under review by independent plan reviewers.
 - Current code states: “it shall not be the responsibility of the building official or any other departments of the municipality to review the application for compliance with applicable building codes under review by the independent reviewing professionals”
 - The MoA interests are already fully protected by language requiring liability insurance for the credentialed and registered independent reviewers and waivers of claims against the MoA
 - This level of review is duplicitous and an inefficient use of municipal employees time when they are already facing backlogs

23.30.210.52 – Would require all new homes to rough-in Electric Vehicle (EV) charging stations.

- This attempt to drive consumer behavior ignores the possibility of changing market forces in the future.
- If not used, roughed in electrical will both harm housing affordability while increasing the carbon tab of new construction. This is an item better left to the market, with incentives if the market is failing to adjust for relevant incentives on its own.
- The savings (cost or carbon) of doing this at the time of initial construction vs as a retrofit is minimal.



23.45.507.1 – Would require sprinkler systems on all homes more than 600 feet from a fire hydrant.

- This provision would single-handedly add a five figure premium to the minimum cost of construction on a majority of Anchorage's unbuilt lots.
- With a replacement rate of about 4%/decade, even in 20 years, fewer than 10% of Anchorage residents would be protected by mandated sprinklers, while many more will have been denied the ability to purchase a new home (or move into a nicer unit vacated by someone who built new).

23.85.R302.13 - MOA disregarded the code amendment approved by the committee regarding fire protection of the ceiling of a basement.

- The code committee is made up of experts, and while they understand and appreciate the need for safety; they also understand and appreciate the unique costs and other barriers faced in Anchorage and Alaska.
- The municipality deciding that the experts' recommendations are merely advisory to the true authority (municipal employees) regarding what is in the best interest of our community fundamentally undermines the role of the code committee.
- The municipality's recommendation will reduce the number of new houses built in Anchorage, we support the code committee's recommendation to allow more homes to be built.

23.85.R802.12 - AHBA supports the partial height truss blocking option.

- The option should be retained.

23.60.R101 through 23.60.R505- Adds the requirements of the energy code to the MOA code.

- AHBA supports building to energy efficiency standards, but is concerned this section could be construed as adding a redundant process to meet a standard there is an excellent and widely utilized process for.
- AHFC already has a process to ensure efficiency standards are met, and a VAST majority of homes are required to meet the standards by the financing institution or title company.
- AHBA supports making the AHFC process mandatory, but does not support the municipality introducing a separate mechanism for checking energy efficiency requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Visser", written over a horizontal line.

Eric Visser
President, Anchorage Home Builders Association

MUNICIPALITY OF ANCHORAGE

CHUGIAK-EAGLE RIVER ADVISORY BOARD RESOLUTION 2020 - 02
Second Resolution Regarding AO 2020-85, Revisions to Title 23,
Building Codes

October 17, 2020

WHEREAS, the Chugiak Eagle River Advisory Board (Board) is established in Title 21 by Section 21.10.030.B and is constituted in order to review and make recommendations on actions regarding potential changes in land use law that impact multiple Community Council areas in the Chugiak Eagle River (CER) area; and

WHEREAS, the Board, with local representation present from the Eklutna Valley, South Fork, Chugiak, Birchwood, and Eagle River Valley Community Councils, met on October 17, 2020 to discuss AO 2020-85 with particular reference to Section 23.45.507.1 Required Water Supply; and

WHEREAS, the Anchorage Assembly (Assembly) has continued consideration of AO 2020-85 to October 27, 2020 in order to allow further public comment and consideration; and

WHEREAS, the Board is informed that the International Fire Code has for many years imposed Water Supply Requirements on new construction and the Fire Code section of Title 23 has for many years exempted one and two family residential structures from these requirements; and

WHEREAS, the Board is informed that the exemption of one and two family residential structures from the Water Supply requirements was omitted from the 2012 revision of Title 23, but that the requirements have not been enforced, at least in the CER area; and

WHEREAS, the Board is unaware that any local residential contractors are aware of the Water Supply requirements for one and two family residential construction, lending credence to the proposition that they have not been enforced; and

WHEREAS, the Proposed amendments to ANC 23.45.507.1 in AO 2020-85 are more permissive than the existing code in that they exempt one and two family residential structures that incorporate fire suppression sprinkler systems from the Water Supply requirements: however, this depends entirely on how the current code is currently being enforced, and how that enforcement may change in the future; and

WHEREAS, the Board is concerned that unenforced building codes expose home owners to insurance risk related to non-compliance with unenforced codes; and

WHEREAS, the IFC committee has represented wildland fire hazard as its primary motivation for discontinuing the exemption of one and two family residential structures from the requirements of section 507.1 for Available Water Supply; and

WHEREAS, the Board finds the possible connection between sprinkler systems and wildland fire hazard to be tenuous, at best; and

WHEREAS, there may be actions that the Municipality of Anchorage (MOA) could and should take pursuant to NFPA 1142 and/or the IWUIC, or possibly through some other local amendment, that would be more effective, or more cost effective, at reducing wildland fire hazard than adding sprinkler systems to new one and two family residential structures; and

WHEREAS, the Board is unaware of what consideration was given to such actions by the IFC committee and by the Anchorage Assembly prior to the 2012 Title 23 revision, but believes that such consideration should have been an important part of the original decision not to exempt one and two family residential structures from section 507.1 in the 2012 revision, and if it cannot be demonstrated to have already been done, should be an important part of the current decision regarding one and two family structures going forward; and

WHEREAS, the Board takes no position at this time on the ultimate merits of building sprinklers or other risk mitigation measures relating to building occupant safety, total cost, or wildland fire hazard mitigation; and

WHEREAS, the Board is concerned about the long term cost of residential building sprinkler systems, including, but not limited to, cost of maintenance and risk of damage due to accidental deployment of the system; now, therefore

BE IT RESOLVED, (by unanimous vote) that the Anchorage Assembly should restore the previous exemption of one and two family residential structures from the water supply requirements of section 507.1 until such time as it has been able to identify and evaluate all of the available options for mitigating wildland fire hazard in the Anchorage wildland-urban interface.

Robert R Reagan, acting for

Debbie Ossiander, chair

Birchwood Community Council
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To: Anchorage Assembly
Re: Birchwood Community Council Resolution regarding AO-2020-85
Date: October 14, 2020

The Birchwood Community Council (BCC) has serious concerns about the proposed revisions to Title 23 (under AO-2020-85) that would apply provisions of the International Fire Code to residential structures in the municipality.

- Whereas this proposal would significantly increase the cost to build a home;
- Whereas the National Association of Home Builders (NAHB) has studied this issue and stated that the proposed code does not show a reasonable balance of safety, complexity and cost;
- Whereas NAHB and representative contractors in the MOA do not support the application requirements for new construction of one- and two-family homes;
- Whereas one reason the Chugiak Eagle River area agreed to unification with the Municipality of Anchorage (MOA) in 1975 was that the area would be excluded from the Building Safety Service Area;
- Whereas the purpose of Title 21, Chapter 10 is to provide standards and regulations to implement the Chugiak-Eagle River Comprehensive Plan, preserve and enhance the distinctive rural character, abundant natural environment, and unique lifestyle(s) of the community;
- Whereas the cost of these systems is high for the homeowner, but data on any benefits (such as reduced insurance cost or higher value) is lacking;
- Whereas home costs are already increasing given the tariffs on Canadian lumber.
- Whereas it is unclear whether this requirement will ultimately be applied by lenders as a prerequisite for issuing mortgages on purchases of existing homes;.
- Whereas there are potential hidden cost concerns for the homeowner, such as:
 1. On most properties with well water, these systems require a large indoor water reservoir and pump system
 2. These systems need to have backup power to function during a power outage
 3. These systems require costly regular maintenance and professional servicing, including a yearly inspection
 4. Water damage from accidental triggering could be costly
- Whereas the need for more housing in our area is well-recognized by the municipality, and this requirement would further discourage residential development;
- Whereas the majority of assembly members' constituents will not be affected by these provisions of the proposed ordinance; those members should defer to assembly members whose constituents are affected;

Therefore, Birchwood Community Council requests that revisions to Title 23 in AO-2020-85 exempt one- and two-family dwellings from the requirements of the International Fire Code.

Matt Cruikshank
Vice Chair

