





**Municipality of Anchorage**  
**Planning Department**  
**Staff Report Memorandum**



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**Date:** March 18, 2024  
**To:** Planning and Zoning Commission  
**Thru:**  Craig H. Lyon, Planning Director  
**Thru:** Ryan Yelle, Long-Range Planning Division Manager  
**From:**  Tom Davis, AICP, Senior Planner, Long-Range Planning Division  
**Subject:** PZC Case No. 2024-0006, Title 21 Text Amendment: H.O.M.E. Initiative

**REQUEST AND REVIEW DOCUMENTS**

The Planning and Zoning Commission is requested to hold a public hearing and make its recommendations regarding the Public Hearing Draft Housing Opportunities in the Municipality for Everyone (H.O.M.E.) Initiative, Assembly Ordinance 2023-087(S). This is a proposed text amendment to the Anchorage Municipal Code (AMC) Title 21 Zoning Ordinance. The Anchorage Assembly initiated this request with the assistance of the Assembly Counsel's Office.

This staff report memorandum provides the Planning Department staff analysis and recommendations for the Planning and Zoning Commission, in accordance with the Departmental responsibilities in AMC 21.03.210, *Title 21 – Text Amendments*. It also summarizes the public comments received so far regarding A.O. 2023-87(S). After the public hearing and deliberations, the Planning and Zoning Commission will forward its recommendations to the Assembly for action on the proposed amendments, under the procedure of AMC 21.03.210B., *Title 21 – Text Amendments – Procedure*.

***Navigating the Materials for Review.*** The Assembly referred A.O. 2023-87(S) (Attachment 2) to the Planning and Zoning Commission during the September 26, 2023, Assembly meeting. In accordance with this action by the Assembly, the Planning Department must base the review and recommendations of this staff report memorandum on the content of A.O. 2023-87(S) in Attachment 2.

During the Assembly meeting, Assembly Members proposed two Floor Amendments to A.O. 2023-87(S). Although the Assembly did not vote on the Floor Amendments, it included them in the referral with the intent they be a part of the review. The two Floor Amendments for consideration are in Attachment 3. An Assembly Memorandum (A.M. 662-2023) and an "Exhibit A" table of allowed uses appear at the end of Attachment 1. These provide the ordinance's rationale and further information that remain applicable to A.O. 2023-87(S).

Following the September 26<sup>th</sup> action by the Assembly, the sponsors of A.O. 2023-87(S) have since created a revised version of the ordinance (dated 1-12-24) and requested that it be included in the materials for public review. As a result, there are three draft ordinances included within the case packet: the original draft of A.O. 2023-87, the Assembly's referred (S) version, and the sponsors' revised draft.

The Planning and Zoning Commission's responsibility in this case is to review and make its recommendations on the Assembly's referred S-version in Attachment 2. The original A.O. (Attachment 1) is not under consideration (except for its A.M. 662-2023 and Exhibit A). The sponsors' revised version (Attachment 4) has not been reviewed by the full Assembly and was not a part of their referral. Therefore, action on the sponsors' revised version is not being requested by the Assembly.

The Assembly's referred version A.O. 2023-87(S) (Attachment 2) is incomplete. It does not reveal what the changes to the allowed uses or housing types would be in either the existing large-lot (Hillside) zones or higher-density multifamily zones, nor does it indicate for any zone how the dimensional standards for building scale, lot size, or setbacks would change. Potential changes to the Title 21 development and design standards are also absent, yet it is certain the ordinance would lead to substantial changes if the Assembly is to reconcile the differences in uses, intensities, and development patterns between all the zoning districts it proposes to merge. The challenge for staff and the Planning and Zoning Commission is that that recommendations must be made without knowing for certain the intended elements that will determine the future use, housing supply, and physical development pattern of the merged districts.

The missing elements could be added through the adoption of a subsequent ordinance that the Commission might see after A.O. 2023-87(S). In fact, Sections 6 and 7 of A.O. 2023-87(S) petition the Planning Department to initiate a separate Title 21 amendment ordinance that would recommend the needed amendments to the dimensional standards and fill in other gaps, such as the allowed uses in each zone. Alternatively, following the Planning and Zoning Commission's review of A.O. 2023-87(S), the sponsors of A.O. 2023-87(S) could bring forward a new S-version (S-2) of the ordinance to the Assembly that incorporates the proposals in Attachment 4 or other proposals, which the Assembly might adopt without the Commission's review.

To deduce what the potential changes might be for the public and Planning and Zoning Commission, Planning Department staff identified the most likely options and inferred from other parts of the case packet and other publicly available information from the sponsors of A.O. 2023-87(S). Attachment 4, which was not referred to the Commission by the Assembly, provides the strongest indication of the sponsors' intent for the most likely substantive changes to allowed uses, dimensional standards, and other development standards. This staff memorandum uses those sources as indicators of the most likely scenarios for changes in land use, intensity, and scale that would follow from A.O. 2023-87(S), or at least what Planning staff believes the sponsors intend. These are referred to as "implied changes" throughout this analysis.

## SUMMARY OF PROPOSED AMENDMENTS

The *H.O.M.E. Initiative* public hearing draft Title 21 amendments in A.O. 2023-87(S) condenses the 15 existing residential zoning districts of the Anchorage Bowl set forth in Title 21 into 5 consolidated zoning districts, reclassifying the zones and revising the content of their land use regulations:

<b>Table 1. Merger of Existing Residential Zones into Reclassified, Revised Zones</b>	
Existing Residential Zones	Merged/Changed Zones
R-1: Single-Family	STFR: Single and Two Family Residential
R-1A: Single-Family (larger lots)	
R-2A: Two-Family	
R-2D: Two-Family (larger lot)	
R-2M: Mixed Residential (lower density)	CMR-L: Compact Mixed Residential – Low
R-3: Mixed Residential (medium density)	CMR-M: Compact Mixed Residential – Medium
R-3A: Residential Mixed-use	
R-4: Multifamily Residential	UR-H: Urban Residential-High
R-4A: Multifamily Residential Mixed-use	
R-5: Low-Density (7,000 sq. ft. lots)	LLR: Large Lot Residential
R-6, R-8, R-9, R-10: Low-Density (4 different zones; most lots >1 acre)	
R-7: Single-family (20,000 sq. ft. lots)	

Because some existing residential zones allow more uses than others, the mergers change what uses are allowed in most neighborhoods. The ordinance tends to favor adopting the regulations of the most intensive (and least common) zones in each group of zones to be merged. Therefore, the direction of change for most neighborhoods is to allow more kinds of uses, smaller lot sizes, and larger buildings.

In several cases, the implied changes in the new zone would allow more than any of the merged zones did before. For example, the ordinance is likely to lead to allowing commercial use without limits throughout the existing multifamily and mixed-use residential zoned areas, all of which currently prohibit commercial-only use of property.

An exception to these tendencies is in the proposed Large Lot Residential (LLR) zone, where the minimum lot size in the existing R-5, R-6, and R-7 zones will be either unchanged or increase, depending on each area. This increase in minimum lot size will reduce the number of individual lots allowed, decreasing potential residential capacity.

The most significant, substantive changes to allowed uses and development in the public hearing draft Title 21 amendments in A.O. 2023-87(S) appear to include the following:

### **1. Urban Low-Density Residential Zones**

- Permits attached single-family and two-family residences (e.g., duplexes, zero lot-line homes) in R-1, R-1A areas that currently have single-family-only residential zoning. Until now, single-family zoned neighborhoods in the R-1 and several zones covering smaller areas of the Bowl<sup>1</sup> have allowed just one detached home per lot.
- *(Implied change)* Is likely to lead to permitting two-family dwellings that consist of two detached principal dwellings per lot (two houses) as an alternative to a duplex.

### **2. Multifamily Residential Zones**

- *(Implied change)* Is likely to lead to permitting commercial uses without limits on how much of a development may be non-residential, neighborhood-scale limits on the size of establishments, or requirements for a minimum number of dwelling units in the existing R-3 medium-density and R-4 high-density multifamily zones.
- *(Implied change)* Is likely to lead to reducing minimum lot sizes, increasing allowed building heights, and reducing or eliminating building setbacks in the existing R-3 medium-density and R-4 high-density multifamily zones.

### **3. Large-Lot (Hillside) Low-Density Residential Zones**

- Reduces minimum lot sizes (allowing for more subdivision of lots) in the existing R-8, R-9, and R-10 zoned areas on the Upper Hillside and increases minimum lot sizes in the existing R-5 and R-7 zoned areas on the Lower Hillside.
- *(Implied change)* Is likely to lead to reducing the minimum building setbacks by half or more in the existing R-6 large-lot zone.

***Differing Effects in Some Zoning Districts with Special Limitations (SLs).*** The public hearing draft ordinance removes all Special Limitations (SLs) from the residential zoning districts that currently have SLs. In some cases, this changes the zoning district. For example, the R-1A SL zone in the Potter Creek area outside the urban water and wastewater service area includes an SL that requires rural residential densities with lots 1 acre or larger. R-1A zones elsewhere in town require only 8,400 square-foot lots, which is well below the 40,000 square-foot minimum required for on-site wastewater disposal systems per AMC Title 15. Under the draft ordinance, this R-1A SL area would be merged and reclassified with the other R-1A zoned areas into the new Single and Two Family zone with the implied change to allow 6,000 square-foot lots.

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<sup>1</sup> The other single-family-only zones affected include the R-1A, R-7, and R-10.

**Changes by Zoning District.** The tables that follow provide more specifics on the proposed changes in each of three groups of consolidated zones: the lower-density urban residential zones, the higher-density multifamily zones, and the Hillside’s large-lot zones.

<b>Table 2.</b> Changes in the R-1 and R-2 Low Density Zones (merged to STFR and CMR-L)		
Existing Zones	Total Lots and Acreage <sup>2</sup> (% of residential zones)	Changes
R-1, R-1A	24,960 lots (41%) 9,330 acres (26%)	<p><i>Permitted Uses:</i> Allows two-family (duplexes) and attached single-family dwellings in areas currently zoned R-1 and R-1A Single-Family Residential.</p> <p><i>(Implied Change:)</i> Not shown, but indications are that A.O. 2023-87(S) would likely lead to changes to the two-family use type so that it could also be two detached dwellings (i.e., not limited to duplexes).</p> <p><i>Development Standards:</i> <i>(Implied Change:)</i> Not shown, but would likely lead to reducing minimum lot sizes for most residential uses in the existing R-1A and R-2A areas to 6,000 square feet to match the existing R-1 and R-2D.</p> <p><i>(Implied Change:)</i> Not shown, but would likely lead to changes to minimum lot dimensions and maximum building heights for some residential uses in some existing zones.</p>
R-2, R-2A	8,400 lots (14%) 2,380 acres (7%)	
R-2M	10,760 lots (18%) 5,710 acres (16%)	<p><i>Permitted Uses:</i> <i>(Implied Change:)</i> Not shown, but seems unlikely to substantially change allowed uses or housing types.</p> <p><i>Development Standards:</i> Removes 180-foot limit on maximum allowed length for multifamily buildings. Removes building size thresholds for 5-foot versus 10-foot minimum side yard building setbacks from abutting properties. <i>(Implied Change:)</i> Not shown but seems likely to lead to removing the 10-foot side setback entirely to allow buildings of all sizes to have 5-foot side setbacks.</p> <p><i>(Implied Change:)</i> Not shown, but would likely lead to changes to minimum lot dimensions and maximum building heights for some residential uses in some existing zones. For example, allowing two detached principal dwellings on standard size lots.</p>

<sup>2</sup> In all tables: Figures are rounded, lots and acreages include SLs, and percentages are of all residential zones.

**Table 3.** Changes in the R-3 and R-4 Higher-Density Residential Zones  
(being changed into CMR-M and UR-H zones)

Existing Zones	Total Lots and Acreage	Changes
R-3	5,460 lots (9%) 2,510 acres (7%)	<p><i>Permitted Uses:</i>  Little change to allowed residential uses. The main change is to allow more commercial use, as follows:  Removes R-3A mixed-use zone limitations on extent of allowed commercial uses: the percentage of a development that can be non-residential, the minimum required number of residential dwellings per acre, and the requirement to construct residential dwellings first or at the same time as the commercial.  <i>(Implied Change:)</i> Not shown, but is likely to lead to allowing the commercial uses from the R-3A mixed-use zone into the existing R-3 zone areas, without limits or requirements to include housing<sup>3</sup>.  <i>Development Standards:</i>  Removes the R-3A zone tall building mitigation criteria for building height increases above the 40-foot height allowed by-right to the 70-foot maximum allowed height. Removes the R-3 zone 250-foot limit on the maximum length of townhouse-style buildings.  <i>(Implied Changes:)</i> Not shown but likely to change the dimensional standards for areas in the existing R-3 zone as follows:</p> <ul style="list-style-type: none"> <li>• Increasing maximum building height from 35 to 40 feet.</li> <li>• Increasing maximum lot coverage.</li> <li>• Reducing minimum front setbacks from 20 to 10 feet.</li> </ul>
R-3A	1 lot (0.002%) 6 acres (0.02%)	
R-4	1,140 lots (2%) 750 acres (2%)	<p><i>Permitted Uses:</i>  Primary change is to allow more commercial use. As with R-3A above, removes R-4A limitations on extent of commercial uses.  <i>(Implied change:)</i> Not shown but is likely to allow the list of commercial uses from the R-4A mixed use zone into existing R-4 zone areas, without limits or requirements to include housing.<sup>1</sup>  <i>Development Standards:</i>  Removes the R-4A zone criteria for building height increases above the 45-foot height allowed by-right to the 70-foot maximum.  <i>(Implied Changes:)</i> Not shown but likely to change the dimensional standards for R-4 areas to match the more permissive R-4A zone:</p> <ul style="list-style-type: none"> <li>• Increasing max. building height from 45 to 90 feet.</li> <li>• Removing minimum lot size and max. lot coverage.</li> <li>• Removing minimum front and side yard setbacks.</li> </ul>
R-4A	5 lots (0.01 %) 3 acres (0.01 %)	

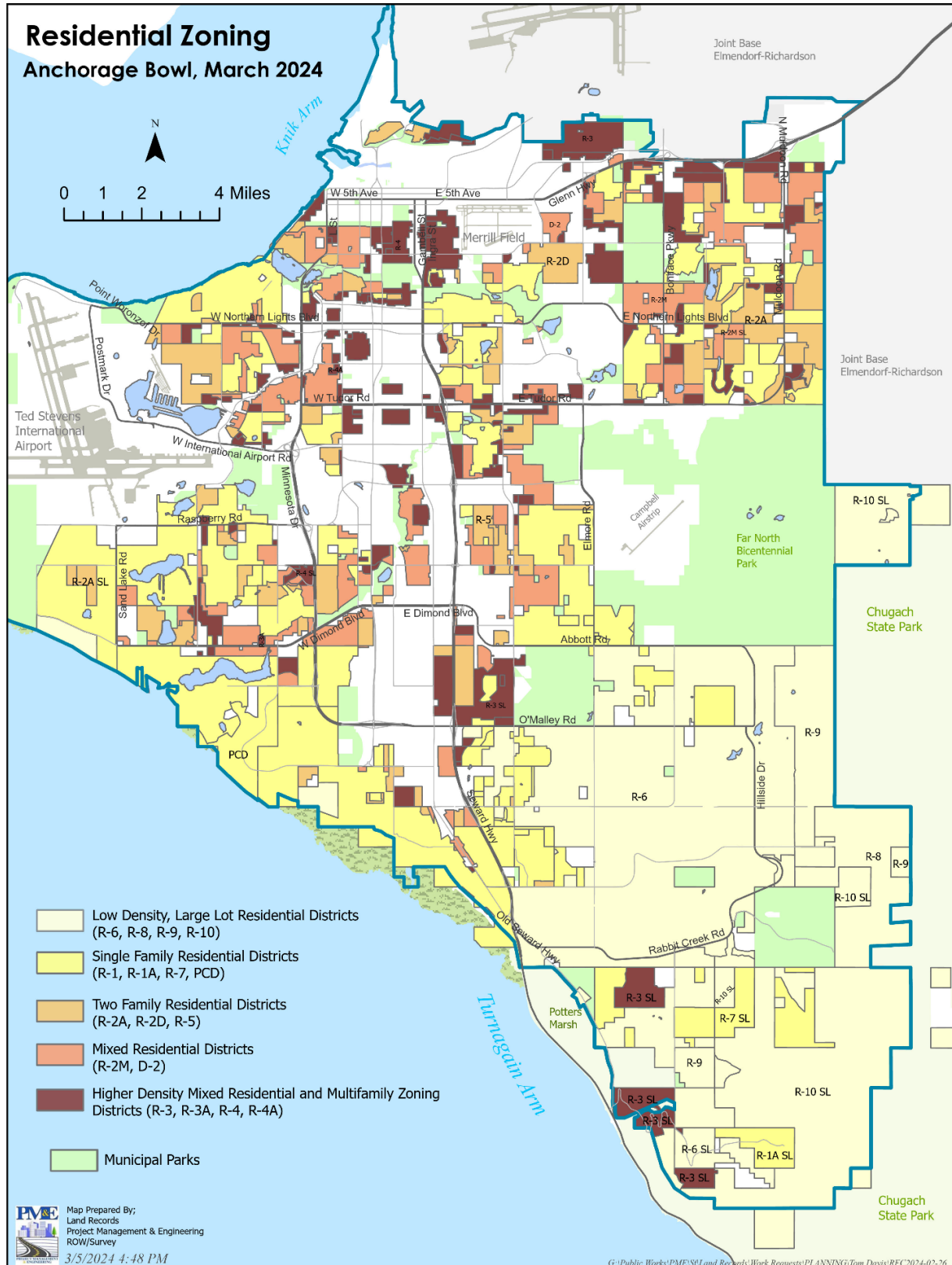
<sup>3</sup> Allowed non-residential uses in the R-3A and R-4A zones include uses from the following categories: health care facility; animal sales, service, and care; entertainment and recreation; food and beverage services; offices, personal services, retail sales, restaurants, visitor accommodation, and (in R-4A) manufacturing and production.

**Table 4.** Changes in the R-5 Low-Density Zone, the Larger-Lot Low-Density Zones, and R-7 Half-Acre Single-family Zone (being merged into LLR)

Existing Zones	Total Lots and Acreage (% of residential zones)	Substantive Changes
R-5	1,290 lots (2%) 310 acres (1%)	<p><i>Permitted Uses:</i>  <i>(Implied Changes:)</i> Not shown but is likely to lead to allowing two-family (duplexes) in existing R-10 alpine/slope zoned areas, to match the existing entitlement for duplexes in the R-5, R-6, R-7, R-8, and R-9 zones. Appears likely to lead to allowing a few more non-residential uses, such as schools and animal care, in existing R-8, R-9, and R-10 zoned areas.</p>
R-6	5,870 lots (10%) 7,160 acres (20%)	
R-7	790 lots (1%) 690 acres (2%)	
R-8	150 lots (0.2%) 1,020 acres (3%)	<p><i>Development Standards:</i>  <i>(Implied Change:)</i> Not shown but is likely to lead to reducing the minimum lot size in the R-8 and R-9 upper Hillside zones, from 4 and 2 acres respectively, to 1 acre, to match the predominant R-6 zone.</p>
R-9	670 lots (1%) 1,060 acres (3%)	
R-10	580 lots (1%) 4,230 acres (12%)	
		<p><i>(Implied Change:)</i> Not shown, but if the minimum lot size will be 1-acre, would render the 7,000-square-foot lots in the R-5 zone and the half-acre lots in the R-7 zone as nonconforming, by increasing the minimum lot size in these areas.</p> <p><i>(Implied Change:)</i> Not shown, but to integrate the minimum lot size of the existing R-10 Alpine/Slope District, which varies from 1.25 to 7.5 acres depending on the topographic slope of each lot, it must either (a) apply the R-10 standard everywhere and render lots with steep slopes in the R-6, R-8, and R-9 districts as non-conforming; or (b) reduce the minimum lot size in existing R-10 zone areas to 1 acre. Attachment 4 indicates the intent of the sponsors would be a combination of both (a) and (b).</p> <p><i>(Implied Change:)</i> Not shown but would likely lead to either a reduction to minimum setbacks in existing R-6 zoned areas, or an increase in minimum setbacks in the more sloping Upper Hillside zones and more urban R-5 and R-7 zones, or a combination of both. Attachment 4 indicates the intent of the sponsors is to reduce the front, side, and rear setbacks by at least half in the existing R-6 zoned areas to match the other zones, allowing residences and non-residential buildings in existing R-6 zoned areas to be built closer to road frontages and neighboring properties.</p>



The following map illustrates the distribution of the existing residential zones:





## NOT INCLUDED IN THE PROPOSED AMENDMENTS

***Chugiak-Eagle River and Other Communities.*** The *H.O.M.E. Initiative* draft ordinance does not amend or consolidate any of the 13 residential zoning districts in Chugiak-Eagle River, which are an equivalent lineup of residential zones as in the Anchorage Bowl. Chugiak-Eagle River single-family, two-family, mixed residential (CE-R-2M), multifamily, and large-lot zones would remain separate from one another. The ordinance also does not amend any zoning districts in the Turnagain Arm or Girdwood.

***Unique Residential Zones in the Anchorage Bowl.*** The draft ordinance would also leave single-family-only zoning intact in a few parts of the Anchorage Bowl, by chance circumstance of the existing zoning. Mainly, the single-family-only zoning for much of the Southport and Bayshore area of the Bayshore-Klatt Community Council (680 properties) is set forth under the Planned Community Development (PCD) zoning district specific to that area, which is not amended by the proposed ordinance.

A few other unique residential zones, such as the D-2 zoning district comprising the Penland Park manufactured-home community, would also remain untouched. Several commercial zones have Special Limitations (SLs) that require developments to include residential uses, making them de facto like a residential mixed-use zone. These zones would not be amended by this ordinance.

***Exceptions in Single-Family Neighborhoods with Private Agreements.*** Changes to Title 21 zoning districts do not modify or repeal any easement, covenant, deed restriction, or other private agreement that is more restrictive than the zoning regulations. Some subdivisions that are existing single-family neighborhoods have private covenants, codes, and restrictions (CC&Rs) that limit development to one detached single-family dwelling per lot. Some have active homeowner's associations that enforce these CC&Rs through fines or legal action against the property owner.

Therefore, although the zoning rules may change to allow two-family uses in existing single-family zoned areas, the CC&Rs limiting development to single-family could remain in effect in those areas. Enforcement of CC&Rs is a private civil matter; the Municipality of Anchorage does not enforce them. Where a subdivision has a defunct or inactive homeowners association, there is no effective enforcement of CC&Rs on property in that subdivision.

***Land Use Permit Review Processes Unchanged.*** The proposed ordinance does not change the permitting review and approval processes for new housing projects. The changes to the number of zoning districts, zoning boundaries, and/or district-specific development standards does not affect the scope of review process or timeline for approval for an allowed use. For any given property, the number of zoning districts elsewhere throughout the Anchorage Bowl has no bearing on how long it takes to get approval for a land use permit.

## REVIEWING AGENCY AND PUBLIC COMMENTS

The public hearing draft ordinance was distributed to reviewing agencies, and public hearing notices were mailed to all community councils, on January 19, 2024. Notice was provided for PZC Case 2024-0006 in accordance with the procedures of AMC 21.03.020H., *Notice*. The documents were posted on the Planning Department webpages and distributed for review and comment to all review agencies and community councils. The public hearing information with an option to submit comments was also made available on the Planning Cases Online Portal website. The March 18, 2024, public hearing and accompanying work session was announced on the Municipality of Anchorage Public Notices webpages.

Comments received from agencies and the public are provided in Attachment 5, *Comments Received*. Most reviewing agencies had no comments on the public hearing draft. The municipal Project Management and Engineering (PM&E) Department and the Right-of-Way Enforcement Section discussed possible outcomes for traffic volumes and transportation infrastructure that could result from the ordinance.

PM&E anticipates that in areas where streets were developed for single-family homes there will be increases in both non-motorized and motorized traffic on streets that were not designed to accommodate the additional traffic. Also, street improvement requirements for new subdivisions in former single-family zoned areas will be based on the higher anticipated trip rates, which means that thresholds for requiring certain improvements such as sidewalks or secondary fire access roads will fall. Features like sidewalks will be required on streets with fewer platted lots, and the threshold for a street to be constructed as a collector will be reduced from a street serving approximately 210 lots to a street serving approximately 114 lots. The subdivision size threshold for requiring secondary fire access roads will change from 30 lots to 15 lots.

Similarly, the municipal Right-of-Way Enforcement Section expressed concern that continuing to add more dwelling units per parcel without addressing the impact of additional motor vehicles or parking on property will overburden the undersized street rights-of-way abutting parcels. It commented that current infrastructure is not built to accommodate additional parking and expressed doubt that most future residents would walk or bicycle instead of driving and parking motor vehicles.

Six comments from the public were received regarding the public hearing draft ordinance, including from five individuals and Rabbit Creek Community Council. There are indications that, as of the time of the writing of this staff memorandum, some members of the public have directed their comments on this case to the Assembly rather than to the Planning Department and Planning and Zoning Commission.

After the public hearing, staff is available to address the public comments received.

## ANALYSIS OF CONSISTENCY WITH REZONING PROCEDURES

***The Zoning Map.*** A zoning ordinance has two parts: the text of the law (municipal code) and a zoning map. The text establishes the zoning districts in code and sets the rules for the use of property in each zoning district. The zoning map applies those districts and rules to every parcel in the Municipality by designating the location and boundaries of the various zoning districts established in the text. The Official Zoning Map is a municipal document that exists separately from the text of Title 21. It is the final authority as to the current zoning status of lands, buildings, and other structures in the Municipality.

Changes in zoning district boundaries or other matters portrayed on the Zoning Map can be made only through the rezoning procedure of AMC 21.03.160, *Rezoning (Zoning Map Amendments)*. This is a separate process from a Title 21 text amendment.

***The Proposed Ordinance Requires a Rezoning.*** The actions proposed in A.O. 2023-87(S) qualify as a rezoning because they amend the boundaries of zoning districts and the zoning classifications of parcels of land throughout the Bowl. The public hearing draft ordinance changes the lineup of residential zones, and its implementation involves the removal of many zones and zoning boundaries from the Zoning Map.

To implement the proposed ordinance, the Municipality must follow the public process for a zoning map amendment established in AMC 21.03.160, *Rezoning*. To comply with the rezoning process, the draft ordinance needs to be accompanied by a proposed zoning map amendment and notice of the rezoning mailed to all property owners and residents/occupants of the affected parcels and nearby parcels within 500 feet of the land subject to the rezoning. Opportunity for public input on the Zoning Map Amendment (Rezoning) is required, although landowner permission is not required for the Assembly to carry out the rezoning.

This process tracks with previous areawide rezonings. For example, in response to the Girdwood community's desire for its own zoning districts and regulations, the Municipality enacted new zoning districts that replaced the R-11 zone in Girdwood in 2005<sup>4</sup>. The Title 21 text amendment that created the current lineup of Girdwood zoning districts was accompanied by an amended Zoning Map. The Municipality brought forward a zoning map amendment for Girdwood and provided notice to all property owners in accordance with the rezoning procedural requirements of the time. The Municipality conducted earlier areawide rezonings in the Anchorage Bowl and Chugiak-Eagle River in the 1970s and 1980s, that designated which of the zones established in the code would apply to each and all the properties in outlying parts of the Municipality.

***Outcome without a Rezoning: Versions of Title 21 and Deferred Implementation.*** If the Municipality were to adopt the text amendments in A.O. 2023-087(S) without carrying out an accompanying zoning map amendment, then the two parts of the zoning ordinance—the text and the map—would no longer align. The text of the code would

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<sup>4</sup> A.O. 2025-81(S).

establish a new set of zoning districts and the rules for the use of property for those new districts, while the Zoning Map would still apply the current zoning districts (R-1, etc.) to the parcels and property owners throughout the Bowl. To implement the new districts of A.O. 2023-087(S), a rezoning (zoning map amendment) would still be necessary.

Until a rezoning happens, what would the zoning rules be for all the parcels and property owners that still fall under the current zoning districts? The rules for those zones would no longer be provided in the current code as amended. The case of the B-4 and D-2 zoning districts in the Anchorage Bowl provides a precedent for the likely answer.

When the Title 21 Rewrite was adopted creating the current Title 21 land use code in 2013, the newly rewritten text did not carry forward several of the older zoning districts from the old code, including the B-4 and D-2 zones. Since the Title 21 Rewrite was not accompanied by a rezoning, all properties in the B-4 and D-2 zones on the Zoning Map remained in those districts. Having no regulations for B-4 or D-2 in the newly rewritten code, the B-4 and D-2 zoned properties have remained under the “old” version of Title 21 that was in effect prior to adoption of the Title 21 Rewrite in 2013. Because they have not yet been rezoned to one of the current Title 21 zoning districts, the B-4 and D-2 properties remain under the “old” code even in 2024. The Municipality cannot retire the “old” Title 21 code book until they are rezoned. As a result, Anchorage operates under two different versions of the Title 21 code book, the “old” (pre-2013) Title 21 and “current” Title 21.

The adoption of A.O. 2023-087(S) without a rezoning could result in three (3) versions of Title 21—the “old” (pre-2013) Title 21 still applicable in the B-4, D-2, and several other zones; the “current” Title 21 that would be applicable to most residentially zoned properties in the Bowl; and the new “HOME Initiative” Title 21 applicable to non-residential zoning districts and any residentially zoned property that is rezoned to one of the new residential districts created by A.O. 2023-087(S).

***Benefits and Costs of an Areawide Rezoning.*** An areawide rezoning is the most effective, timely way to implement the proposed zoning reform. Experience indicates that avoiding areawide rezonings only defers implementation to an unforeseen future time. For example, the Municipality and other property owners have still not undertaken most of the rezonings that would implement the *Anchorage 2040 Land Use Plan* (c. 2017) and its Land Use Plan Map to realize greater land capacity for housing.

Including an areawide rezoning would create several opportunities for the zoning reform. The notification requirement would help property owners become aware of the proposed changes and participate in the community conversation around the zoning reforms. It would also create an opportunity to make improvements to zoning boundaries on the map to implement strategies from the *Comprehensive Plan*. It could retire the D-2 zoning district. It could redirect certain SL zoning districts to more appropriate zoning. It could upzone several residential areas in accordance with the 2040 Land Use Plan Map designations for these areas to provide greater housing opportunities.

Areawide rezonings are costly and time-consuming. A series of subarea-specific areawide rezonings conducted in the 1970s and 1980s took more than 10 years to complete. A rezoning to carry out A.O. 2023-87(S) would reclassify the zoning of tens of thousands of residential properties throughout the Anchorage Bowl. The resources to carry out the largest areawide rezoning in Anchorage's history would include municipal staff time and costs of mailed notices, and costs to the private sector and property owners. Based on the geographic extent of the proposed zoning changes, the areawide rezoning would require at least 62,000 notice mailings to most of the property owners across town, not including all non-residentially zoned properties within the 500-foot notification buffer. At an estimated rate of approximately \$1.00 per mailer factoring in materials and labor, the total notification cost is estimated to be \$62,000 for the residential properties alone.

Based on historical experiences with areawide rezonings, previous parkland rezonings, and ongoing practice in facilitating site-specific rezonings, the Planning Department estimates that the areawide rezoning process to implement A.O. 2023-87(S) would take approximately 12 months of work by two staff planners to facilitate the rezoning case through the public process and two months of work by municipal GIS specialists and other support staff to create the proposed new Zoning Map. Additional public process needed to address questions and concerns about the areawide rezoning by property owners and residents across the city could require the time of an additional staff member. An equivalent of three years of FTE (full-time employee) hours likely to be encumbered for this work would create opportunity costs—lost opportunities to support other projects or changes that could benefit the Municipality and address housing issues.

## **ANALYSIS OF CONSISTENCY WITH TITLE 21 TEXT AMENDMENT APPROVAL CRITERIA**

The Anchorage Municipal Code criteria for review and approval of proposed text amendments to Title 21 are provided in AMC 21.03.210C., as follows:

### **21.03.210 Title 21 - Text Amendments**

#### **C. Approval Criteria**

*Text amendments may be approved if the assembly finds that all of the following approval criteria have been met:*

1. *The proposed amendment will promote the public health, safety, and general welfare;*
2. *The proposed amendment is consistent with the comprehensive plan and the stated purposes of this title; and*
3. *The proposed amendment is necessary or desirable because of changing conditions, new planning concepts, or other social or economic conditions.*

The following sections provide the analysis for consistency with these approval criteria.

## **APPROVAL CRITERIA 1: THE PROPOSED AMENDMENT MUST PROMOTE THE PUBLIC HEALTH, SAFETY, AND GENERAL WELFARE**

- ***The standard is partially met in the low-density urban residential zones.***
- ***The standard is not met in the multifamily zones or large-lot (Hillside) residential zones.***

The public hearing draft ordinance would likely allow for the development of more housing opportunities in existing single-family zoned areas. However, it does not address where natural hazards, inadequate public infrastructure, or critical environmental features may make such increases inappropriate, and it forecloses opportunities to allow needed neighborhood-scale, “missing middle” housing types besides two-family dwellings. For reasons discussed below, the ordinance does not appear likely to result in a significant net gain of housing opportunities in existing multifamily and large-lot low-density (Hillside) zoned areas. The ordinance does not take opportunities to pair increases in density, building scale, or commercial uses with provisions to mitigate impacts on existing neighborhoods.

The following sections provide an analysis of each of the three groups of merged zones—urban low-density, multifamily, and large-lot (Hillside) zones—and conclude with a discussion of the effects of merging zones and challenges for implementing and navigating the changes.

***Low-Density Urban Residential Zones: Reforming Single-family-Only Zoning.*** The element of the public hearing draft ordinance that seems to have the most potential to address housing needs to the benefit of the public health, safety, and welfare is its concept of reforming the R-1 and R-1A single-family-only zoning districts. Allowing more than one principal dwelling unit on a lot in most existing single-family areas would remove a regulatory barrier to providing more “missing middle” housing, such as duplexes and other attached housing, that meets the contemporary needs of Anchorage residents.

Allowing more housing in single-family zoned areas would help resolve a shortcoming of the *Anchorage 2040 Land Use Plan (2040 LUP)* with respect to land supply for housing. The *2040 LUP* Land Use Plan Map does not fully relieve the forecast residential land capacity shortfall in the Anchorage Bowl for urban single-family and other neighborhood-scale housing types (“missing middle” housing). Although the *2040 LUP* yields more total housing capacity than the plan forecast to be needed (i.e., a capacity for a total of 21,700 new units in comparison to a forecast need for 20,800 new units by 2040), the *2040 LUP* achieves this in part through a surplus of land supply designated for higher-density stacked apartments at the high end of the housing density range, and a surplus of land supply designated large-lot (semi-rural) homes at the low end of the density range, as shown on Figure 1-10 on page 12 of the plan. For the “missing middle” housing, the 2040 Land Use Plan Map could not find enough land capacity to meet forecast needs for affordable, neighborhood-scale housing types including single-family homes, duplexes, townhomes, cottage houses on small lots, manufactured home communities, and

neighborhood-scale “garden” apartments, such as triplexes and fourplexes—the “missing middle” housing types that are needed most. One of the primary reasons is the Land Use Plan Map refrained from reclassifying more of the single-family and large-lot zoned residential areas to higher-density neighborhood designations that would have allowed for more housing opportunity.

Single-family-only zoning<sup>5</sup> accounts for 46% of the urban residential zoned land (i.e., with smaller lot sizes generally in the AWWU water and wastewater service area) in the Bowl. This means that nearly half of all urban residential land can only be used for one detached single-family home and an ADU<sup>6</sup> per property. Including the large-lot low-density Hillside residential zones, two-thirds of the residential land supply in the Bowl is either single-family-only or large-lot zoning. This has removed most of Anchorage’s residential land from being able to allow more “missing middle” or multifamily housing. Because the Anchorage Bowl is constrained in area, there is limited land for new residential development. Reforming single-family-only zoning may be a way to allow more housing in the neighborhoods that already exist and relieve the residential land supply deficit.

It would also give Anchorage residents more choices when it comes to housing, especially smaller, more affordable units needed by contemporary households. There is a mismatch between the share of land zoned only for single-family homes versus the contemporary housing needs of Anchorage’s residents, and the size of housing they can afford. Average household size is declining, and most households are no longer nuclear families with children and two adults.

However, the materials submitted with the public hearing draft do not provide an analysis or evidence to support why reclassifying all R-1 single-family zoned areas into a two-family zone is the best solution for Anchorage. Alternative solutions that other U.S. cities are exploring, adopting, and implementing show promise and may be found more effective. For example, a careful assessment may find that it is not in the public interest to eliminate all areas with single-family-only zoning—i.e., to increase density in all areas of the Bowl, without exception—because that would increase housing density and population in areas with natural hazards, critical or sensitive environmental functions, or inadequate transportation infrastructure or utilities. In some areas currently zoned R-1 and R-2, it may be in the public interest to retain existing allowed densities, to avoid increasing life-safety and economic risks, traffic impacts, or environmental impacts. Identifying these areas and determining ways to avoid placing more people and economic investment at risk, or causing externalities that harm the public good, should be a part of the zoning reform.

A careful assessment may also find that the public hearing draft proposal to limit all former single-family-only and two-family zoned areas to no more than two principal residences per lot, and name the merged zone as a “Single and Two Family” district, may not yield adequate housing to meet Anchorage residents’ needs. Single-family-only and two-family

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<sup>5</sup> Including the PCD zone in Bayshore/Klatt and R-3 SL zones in Rabbit Creek.

<sup>6</sup> Accessory Dwelling Unit (ADU).



zoned areas comprise 57% of urban residential land. This could constrain the community's land capacity to supply needed "missing middle" housing types such as townhomes, triplexes, and fourplexes in areas with adequate infrastructure and access.

Other jurisdictions reforming single-family-only zoning, such as St. Paul, MN, have avoided limiting the number of allowed dwellings per lot to two units. They are showing that more than two principal dwelling units on property can still "fit" in a low-density single-family neighborhood by managing building scale, traffic and parking, and other potential impacts. "Missing middle" housing contains multiple units but can be compatible, in size and appearance with stand-alone single-family homes. Because Anchorage is more constrained for developable land and affected by higher construction costs than most U.S. cities of comparable size, there is a higher policy risk that cutting off single-family zoning reform at only two principal dwellings per lot could bring Anchorage up short for housing capacity.

It is in the best interest of Anchorage and its residents to properly diagnose our housing problem to find the best solutions for effective housing reform. Adopting the solution proposed in the public hearing draft without an analysis could result in a lost opportunity to provide a more flexible, low-density residential zone that is compatible with single-family homes and more effectively meets Anchorage's contemporary housing needs, while avoiding increasing densities in environmentally sensitive or hazardous areas or in neighborhoods without adequate infrastructure and services.

***Multifamily Zones: Allowing Commercial without Limit; Allowing Bigger Buildings.***

The public hearing draft ordinance does not make substantial changes to the allowed residential uses in the existing R-3 medium-density and R-4 high-density multifamily residential zoned areas, or in the niche R-3A and R-4A mixed-use residential zones. The primary implied change in all four zones is to allow unlimited non-residential use of a property. By allowing commercial uses throughout the R-3 and R-4-level zones without limits on how much of a development can be non-residential or on the scale of commercial use, the ordinance is poised to enable more mixed-use as well as the complete conversion of multifamily zoned properties and housing stock to non-residential use.

Multifamily zoned land is more limited in supply than the lower-density residential zones, accounting for less than 10% of residentially zoned land. It is typically located closer to employment centers, public transportation, and other urban services. This is where housing is needed the most and where residential land is under more pressure to convert to a "higher and better" commercial use. R-3 and R-4 zoned land provides not only for large multi-story ("stacked") apartment housing, but also helps fill the 2040 LUP forecast land capacity gap for neighborhood-scale, "missing middle" housing—duplexes, triplexes, fourplexes, and townhomes.

Unlimited commercial entitlement is more likely to result in the displacement of existing rental (tenant) households, higher costs of renting or purchasing a home for households in general, and increased land acquisition costs for homebuilders who could find

themselves in competition with commercial brokers and establishments for the acquisition of residential property. Conversion to commercial uses would remove housing units and residential land from the R-3 and R-4 zones, reducing residential land capacity in areas where it is needed most—near Downtown and Midtown.

For example, residentially zoned properties in certain areas near Downtown and Midtown could be attractive to establishments as lawyers' offices, doctors' offices, larger medical establishments, inns and hotels, etc. Other situations of concern include expanding medical centers and other large institutions that tend to acquire residential properties in surrounding residential areas, such as the area near 42<sup>nd</sup> Avenue south of the UMED District. Elsewhere in the Anchorage Bowl, where commercial businesses adjoin residential properties, business establishments could purchase and remove housing from adjoining residential properties to expand their parking. Within neighborhoods, businesses could convert existing apartment buildings into inns and hotels, even as the Municipality is considering an ordinance that is partly intended to monitor and better understand the impacts of short-term rentals (STRs) on housing supply<sup>7</sup>.

Anchorage's manufactured home communities (mobile home parks), which still contain a significant part of Anchorage's stock of affordable housing, may also be vulnerable. Mobile home parks are typically located on large parcels in the R-3 zoning district near arterial streets, which could make them inviting targets for conversion to commercial use by establishments seeking to expand or relocate. Under the proposed ordinance, a mobile home park could trade hands and then be replaced by a non-residential use with no more land use entitlement review than a Title 21 by-right land use permit.

The Municipality created the R-4A and R-3A residential mixed-use zoning districts because of experience with negative housing outcomes from rezonings of mobile home parks and other residential properties to allow commercial use with a promise of mixed-use development including new replacement housing. For example, the 30-acre Centerpoint office campus on the west side of C Street between 36<sup>th</sup> and 40<sup>th</sup> Avenues was formerly the Plaza 36 Mobile Home Park, zoned R-3. The rezoning to B-3 SL in 2001 emphasized mixed-use but did not require residences to be built during the first phase of the office redevelopment. More than 20 years later, there is still no housing to replace the 300 lost mobile home dwelling units. Based on these lessons, the R-4A and R-3A zones allow substantial commercial uses but within limits, including a guarantee that at least half of the development will be residential units to be constructed during the first phase—hence their inclusion in the residential category of zoning districts.

Zoning districts that allow commercial use as the principal use of the property without limits are not residential zones. Title 21 residential and commercial zoning districts are hierarchical, meaning that the less intense uses—such as houses—can be in the higher zones designed for more intense uses—such as apartment buildings and businesses. For example, the R-4 multifamily zoning district allows single-family and two-family uses,

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<sup>7</sup> A.O. 2023-110.

but the R-4 multifamily zone is not considered a single-family zone or a two-family zone. It is a multifamily zone because it allows (and produces) a “higher and better” use of the land, in the form of multifamily development.

Commercial zoning districts allow a wide range of commercial uses without requiring any residential use on the property, even though they permit residential uses. For example, the B-3 general commercial zone allows high-density housing. It permits residential-only projects and mixed-use projects that include housing. In theory, a rezoning to B-3 creates opportunity for more housing, but relatively few B-3 developments include housing. In practice B-3 zones have not produced much housing, because most B-3 developed properties have only commercial uses. The *Anchorage 2040 Land Use Plan (2040 LUP)* buildable land capacity analysis found that the average residential density on developed B-3 zoned lots was 1.5 dwelling units per acre. By comparison, developed properties in the R-3 zone yielded 16 dwelling units per acre on average, and in the R-4 zone nearly 24 dwelling units per acre. Even the R-1 single-family zone has produced nearly four times the housing per acre as the B-3 zone—an average of nearly 6 dwellings per acre.

Residential development projects in recent years have shown that B-3 zoned properties can be a good housing option. There could be several reasons, such as the availability of developable parcels, or that the B-3 has the least restrictive dimensional standards for building construction. The reasons may have little to do with B-3 allowing commercial uses. The current challenges for housing production in the R-4 zone may include its location: much of the R-4 land is in Fairview and Spenard on small, urban lots with existing structures. The challenges for the R-3 zone may include that several of its dimensional standards are too tight to fit allowed housing types. Introducing commercial establishments without limits into these multifamily zones will not solve these problems.

The *2040 LUP* housing capacity analysis reconfirmed the findings of previous studies that to provide enough housing, the best land use policy is to use existing residential multifamily lands more efficiently—for housing. Instead of allowing conversion to commercial use, preserving and adding housing stock in the multifamily zones should be the priority. Ensuring residential as a principal use helps protect rental households in lower-cost housing from displacement. Homeownership is not a viable option for many households and should not be the only way to ensure stability.

The implied changes that are likely to relax the dimensional standards for lots and buildings in the existing R-3 zone could benefit the public good by making it easier to fit the desired housing developments on the lot. These changes include reducing minimum front setbacks, increasing maximum lot coverage, and raising the maximum allowed building height from 35 to 40 feet. However, the prospective changes to the R-3 dimensional standards need further evaluation for effectiveness in the R-3 setting than simply copying them from the dimensional standards of the R-3A mixed-use district. For example, increasing the maximum building height to 40 feet may not be adequate to fully resolve the difficulty developers have had fitting three-story apartments within the current height limit because of contemporary construction methods and building codes.

Implied changes that are likely to relax the R-4A mixed-use district dimensional standards and apply those relaxed standards throughout the existing R-4 zoned neighborhoods (including to commercial uses) seem more excessive and unnecessary. This includes removing the R-4A approval criteria for building height increases above 45 feet to the 70-foot maximum and allowing the 70-foot height by-right throughout the existing R-4 zoned neighborhoods. These proposals come without an analysis to determine if they are necessary for housing, or their potential impacts on surrounding properties or streets.

Like in the lower density zones, the ordinance's implied changes in the R-3 and R-4 zones do not consider areas with natural or technological hazards, such as in the Very High Seismic Ground Failure Susceptibility Zone 5 underlying Bootleggers Cove in South Addition or the JBER Accident Potential Zone I (APZ I) covering eastern Mountain View.<sup>8</sup> In this way, the proposed changes do not direct growth in housing and population in a way that minimizes risks to life safety and property in hazardous areas.

***Large-Lot Low-Density Zones: Reclassifying Unlike Districts on the Hillside.*** The public hearing draft ordinance's proposed consolidation of the large-lot residential districts is unlikely to yield much additional housing capacity. Conversely, it is likely to lead to decreasing residential capacity in the existing R-5 zone and most of the R-7 zone, based on implied changes that would lead to increasing the minimum lot size to one acre.

The only areas that might gain housing capacity are in the R-8, R-9, and R-10 zones on the Upper Hillside, which combined include a total of 1,400 properties. With the proposed reduction in minimum lot size to one acre, some of these properties could be further subdivided into one-acre parcels. The ordinance is likely to lead to allowing duplexes in the existing R-10 alpine/slope zone. However, the minimum lot size requirement of two acres for adding a second principal dwelling on on-site well and septic will continue to be a barrier. The R-8 zoned area would experience the biggest reduction in lot size, but it is limited in area and comprises only 150 lots.

The moderate increases in the number of acre-or-larger-sized lots on the Upper Hillside would not provide the most needed housing types. While the 2040 LUP has a residential capacity shortfall for "missing middle" housing types in urban parts of the Bowl, it yields a surplus of land supply designated for large-lot (semi-rural) homes at the low end of the density range, as shown on Figure 1-10 on page 12 of the plan. In fact, it would reduce urban housing capacity in R-5 and R-7 zoned areas on the Lower Hillside, where there is better access to transportation infrastructure, utilities, and other urban amenities.

Increases in allowed densities in the Upper Hillside could exacerbate known safety issues where emergency ingress and egress is limited at the wildland interface. This could put more people in harm's way in the event of a wildland fire. Additionally, more issues with on-site well water quality on the Hillside may ensue due to increased draw from aquifers and wastewater discharge into aquifers.

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<sup>8</sup> The U.S. Air Force classifies single-family and multifamily residential uses as incompatible uses with public safety in APZ I zones (*Joint Base Elmendorf-Richardson Air Installations Compatible Use Zones (AICUZ) Study*, 2019).

***Simplifying the Zoning Ordinance: Does Merging Zones Make Life Easier for Development or Benefit the Public?*** The intent of this ordinance is to simplify the zoning ordinance by consolidating the number of zoning districts, condensing 15 zones down to 5 zones. Reducing the number of districts seems like it is reducing regulation, at least on the face of it. It may look to casual observers like the Municipality is clearing red tape and reducing the complexity of regulations for property owners.

However, fewer zoning districts does not necessarily simplify the zoning regulations or make them less complicated for residential developments. For any given housing project in a zoning district, the number of other zoning districts that exist in the rest of town or the code is irrelevant to how complex the land use regulations will be for that development, or how restrictive the regulations will be at the property. The number of other residential zones in existence has little to no effect on the developer or the ease of using the code.

The substantive change is that the merged zones take on the regulations of the most permissive or intensive zoning district in each group of existing zoning districts to be merged, so that the newly consolidated zones are more flexible in most parts of town. This can help neighborhoods to diversify, grow, and adapt over time. However, amending land use regulations to be more permissive does not require merging zoning districts.

***Different Outcomes in Zoning Districts with Special Limitations (SLs).*** There are 105 residentially zoned areas in the Anchorage Bowl with Special Limitations (SLs), incorporating 7% of the properties and 18% of the land area in the residential zones<sup>9</sup>. Special Limitations (SLs) are area-specific requirements that respond to the given site conditions and restrict some aspects of development to a greater degree than the zoning district would otherwise. Therefore, an R-1A SL zone in one place will have different SLs from an R-1A SL zone elsewhere, and so on. The SLs are incorporated into the Assembly ordinances approving the rezonings rather than codified in Title 21.

The purposes of SLs most commonly include:

- To conform the rezoning to the *Comprehensive Plan*, or further the goals and policies of the plan.
- To prohibit structures or uses of land that would adversely impact the surrounding neighborhood.
- To mitigate adverse effects of the development on the surrounding neighborhood or on public facilities, such as lighting glare, noise, traffic, parking, etc.

For example, some SLs limit density, such as through larger minimum lot sizes. Others require compliance with specific development standards or an approved site plan. Other SLs may require the construction of improvements or impose time limits for taking subsequent development actions.

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<sup>9</sup> Much of the SL zoned land area is on larger tracts on the Hillside.

The public hearing draft H.O.M.E. ordinance, if implemented by a rezoning, would remove all Special Limitations attached to the residential zones. This would have different effects on land use and development entitlements in different SL-zoned areas.

Because SLs accompany some rezonings to ensure consistency with the *Comprehensive Plan* policies, the outcome of removing those would likely be contrary to the *Comprehensive Plan*. For example, it would merge the R-3 SL zoning districts in Rabbit Creek Community Council, which require single-family densities, with all other R-3 zoning districts into a medium-density multifamily apartment zone allowing commercial uses and small lots. This would allow uses and densities very different from what the current zoning and the *2040 LUP* and *Hillside District Plan* intended for the affected areas.

In other areas, the ordinance would remove the SLs that were designed to mitigate nuisance impacts of the rezoning on surrounding neighborhoods, such as glare, traffic, or buffering from parking or drive-through facilities. In these cases, the removal of the SL may be inconsistent with the public health, safety, and welfare, and with the *Comprehensive Plan*. In other cases, the existing SLs may be antiquated and no longer serve a need and removing them could eliminate a hassle or barrier for desired developments.

**Implementation Challenges.** Because the public hearing draft A.O. 2023-87(S) is incomplete, and even the 1-12-24 sponsors' version (Attachment 4) does not include all the amendments that would be needed to Title 21, the timing of completing the incomplete parts of the amendment could create uncertainty for developers regarding what the remaining changes to Title 21 will be and could negatively affect development, if the public hearing draft ordinance is not revised for completion and all-at-once implementation.

If the public hearing draft Title 21 text amendments are adopted without an accompanying rezoning, and the Municipality had to apply three (3) versions of Title 21,<sup>10</sup> it could defer implementation of the public hearing draft ordinance for an undetermined length of time. It would result in a piecemeal implementation as individual properties or areas are rezoned to the new districts, with the surrounding areas remaining in the previous version of the code. Complications within the code could ensue. The new version of Title 21 would apply to all commercially zoned properties, but the Title 21 site perimeter buffering and setback standards for commercial properties are partly based on the residential zoning of abutting property.

For example, if the Zoning Map designates the abutting property as R-1, the current Title 21 zoning regulations in effect now requires the commercial property to provide greater site perimeter buffers and setbacks. Once the code text is amended to no longer recognize R-1, then what buffering and setback rules would apply to mitigate impacts to the residential lot? The outcome could be confusion, delays, greater costs in time for both applicants and the Municipality, and even discouragement of development projects.

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<sup>10</sup> The potential for three versions of Title 21 is discussed on page 13.

## **APPROVAL CRITERIA 2: THE PROPOSED AMENDMENT MUST BE CONSISTENT WITH THE *COMPREHENSIVE PLAN***

***The Standard is Not Met.*** The public hearing draft ordinance conflicts with multiple elements and policies of the *Comprehensive Plan* (principally the *Anchorage 2020—Anchorage Bowl Comprehensive Plan* and the *Anchorage 2040 Land Use Plan*). Although some elements of the proposed ordinance support additional housing, most proposals are in contention with the policy direction and Land Use Plan Map of the *Anchorage 2040 Land Use Plan* and other plans. Some elements appear to run counter to increasing or maintaining a stable supply of residentially zoned lands and housing stock in the multifamily zones. The proposed changes seem to disregard or set aside adopted strategies of the *Comprehensive Plan* that could add housing capacity in other ways.

A public process to amend the *Comprehensive Plan* would be necessary to support most of the proposals in the draft ordinance. As discussed in Strategy 12 of the *2040 LUP*, the *Comprehensive Plan* is intended to be a “living document” and is designed to be updated and amended as the community evolves and responds to new circumstances. The process of amending the Plan first can support the H.O.M.E. Initiative and residential zoning reforms. It can inform and guide refinements to the public hearing draft Title 21 text amendments. Policy 1.8 of the *2040 LUP* calls for the Municipality to “Engage Anchorage residents, businesses, and property owners in a predictable and transparent process to leading to the adoption of plans that guide growth,” and “Engage affected communities when making long-term land use decisions...”

The Municipality may also consider Land Use Plan Map amendments concurrently with associated development proposals. A rezoning that deviates from the *2040 LUP* may be appropriate if it demonstrates community-wide benefits or responds to new issues, needs, or opportunities not addressed in the *Comprehensive Plan*. Such a rezoning should demonstrate consistency with the Goals and Policies of the *2040 LUP*, and should not set precedents or pose long-term effects that run contrary to the Plan.

Land use decisions, such as rezonings...that deviate from the Land Use Plan Map should be accompanied by a concurrent amendment to the *Anchorage 2040 Land Use Plan*. (*2040 LUP*, page 79, Strategy 12)

***The Mandatory Relationship of the Comprehensive Plan to Zoning Regulation.*** Approval Criteria 2 for Title 21 text amendments is a reflection of Alaska law and the Anchorage Municipal Charter that establish municipal land use decisions must be consistent with Anchorage’s *Comprehensive Plan*. Anchorage is required to adopt and periodically update a comprehensive plan and implement land use regulations in accordance with the plan, by state statute and its own charter. State law requires that, to implement the plan, the Assembly must adopt or amend provisions governing the use or occupancy of land in accordance with the plan. The Municipal Charter provides that the *Comprehensive Plan* must set forth goals, objectives, and policies governing the future development of the Municipality, and that the Municipality must implement the plan. To



“govern” means to control, direct, or strongly influence actions. To “implement” means to give the plan practical effect through the zoning ordinance and land use decisions.

The Alaska Supreme Court, in applying state law over the years, has established that municipalities must write comprehensive plans before enacting new zoning regulations. It has held that a comprehensive plan must be in place before new zoning regulations can be implemented. The Supreme Court has found that it makes little sense to require comprehensive planning after the relevant land use decisions have been made. Planning must precede regulatory decision-making, and only zoning regulations that are consistent with comprehensive plans are valid.

The zoning ordinance is the main regulatory tool by which the Municipality implements its *Comprehensive Plan*. It follows that the zoning code must be consistent with the *Comprehensive Plan* if the plan is to govern, or exert a determining influence, over the community’s future development.

Section 5 on page 31 of the public hearing draft A.O. 2023-87(S) gets this relationship backwards. Section 5 directs that, upon passage of this ordinance, the Planning Department initiate an amendment to the *Comprehensive Plan* “to be consistent with this ordinance, if the Planning Department determines there are any inconsistencies of this ordinance with the comprehensive plan.” In other words, it calls for the Municipality to amend the plan after the relevant land use decisions have been made, to justify those land use decisions. As discussed below, most of A.O. 2023-87(S) is inconsistent with the *Comprehensive Plan* as currently adopted. Because it substantially departs from the plan, it would take a substantial revision to the *Comprehensive Plan* to bring the plan into alignment with its implementing ordinance. The proposed ordinance puts the cart in front of the horse and breaks the plan’s governance, in conflict with state law and Anchorage Municipal Charter.

These legal requirements reflect the practical reality that it does not make sense to fill out a prescription before making the diagnosis. It is the analysis and public discourse involved in amending a comprehensive plan that clarifies goals for the future, identifies the problems getting in the way, determines the most effective changes and solutions, and sets the policies to direct implementation actions such as regulatory reforms to single-family zoning.

Other communities have done this, including in Minnesota’s Twin Cities. For example, Minneapolis, MN, amended its comprehensive plan (*Minneapolis 2040*) first to build the policy basis and public support for its zoning reforms, and then undertook a zoning ordinance amendment to allow duplexes and triplexes on every lot in the city. The webpage for *Minneapolis 2040* states the following, “Following adoption of Minneapolis 2040, the City of Minneapolis will update its Zoning Code and Zoning map to reflect the guidance of the Future Land Use and Built Form Maps.”<sup>11</sup> In neighboring St. Paul, MN, a

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<sup>11</sup> “How to Navigate” section of the Minneapolis 2040 Plan webpage. Accessed March 7, 2024.  
<https://minneapolis2040.com/how-to-navigate/>.

2018 City Council resolution called for “zoning studies by the Planning Commission to explore ways to increase density in residential districts,” and the *St. Paul 2040 Comprehensive Plan* in Policy H-49 called for the consideration of “amendments to the zoning code to permit small single-family houses and duplexes to facilitate the creation of small-home development types, such as pocket neighborhoods and cottage communities.” The housing study recommendations were implemented in two phases, with Phase 1 going into effect in March 2022 and Phase 2 adopted in October 2023<sup>12</sup>. The specifics of the zoning code reform can flow from the diagnosis and policy guidance in the plan.

By comparison, the public hearing draft ordinance pre-supposes a specific remedy. It limits housing in former single-family zoned areas to single- and two-family residences, and includes all existing single-family zoned areas without exception. By naming the merged zone “Single and Two Family Residential” (to appear consistent with the *Anchorage 2040 Land Use Plan Map’s* land use designation of the same name), the public hearing draft ordinance forecloses the possibility of allowing more than two units on a lot. A *Comprehensive Plan* amendment might provide the basis for a simpler, more flexible, and more effective zoning solution; perhaps a zoning district allowing for more housing types than just duplexes—e.g., townhouses, triplexes, and fourplexes—in more areas. It might also find that there are certain areas with natural hazards, poor infrastructure in outlying locations, or critical/sensitive environmental resources where it is in the public interest to allow no more than single-family homes to limit risks and other impacts. Moreover, through the community conversation involved in amending the plan, members of the community become more (a) informed on current land development patterns and problems with existing zoning restrictions, and (b) motivated to pursue zoning reforms that support greater, more equitable housing opportunities.

***Applicable Elements of the Comprehensive Plan.*** The Anchorage Bowl *Comprehensive Plan* comprises more than one document. A set of interrelated plans—the adopted “elements” of the *Comprehensive Plan*—together govern municipal land use decision-making in the Anchorage Bowl. These include the *Anchorage 2020—Anchorage Bowl Comprehensive Plan (Anchorage 2020)*, the *Anchorage 2040 Land Use Plan (2040 LUP)*, approximately 15 area-specific neighborhood and district plans, and “functional” plans such as transportation plans and public facility plans. Amendments to zoning rules must implement these elements of the *Comprehensive Plan*. The full list of adopted comprehensive plan elements is provided in Table 21.01-1 in AMC 21.01.080B.1.

***The Governing Role of Policy Statements.*** The elements of the *Comprehensive Plan* set the direction for the future through community vision statements, goals, objectives, and policies. While *goals* set a broad direction consistent with the community vision statement, and *objectives* can supplement goals with more specific, measurable desired outcomes, it is the **policies** that provide the guidance for land use decision-makers. As the *2040 LUP* reads, “Policies are statements or guidelines that direct decisions and

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<sup>12</sup> City of St. Paul Planning Current Activities webpage. Accessed March 7, 2024.  
<https://www.stpaul.gov/departments/planning-and-economic-development/planning/current-activities>

actions of the Municipality toward achieving the goals of the *Comprehensive Plan*.” The 2040 LUP policies work in conjunction with the policies of *Anchorage 2020*, both of which carry the same authority in municipal land use decisions and other implementation actions.

Chapter 5 of *Anchorage 2020* sets forth its policies (numbered 1 through 100) and states, “The policies are statements of intent that govern implementation of *Anchorage 2020*.”<sup>13</sup> Section 1.3 of the 2040 LUP sets forth its policies, which supplement *Anchorage 2020*. Most area-specific plans also have policies or equivalent statements. Adherence to these policies is the essential test of consistency with the *Comprehensive Plan*.

The initial policy statements in both *Anchorage 2020* and the 2040 LUP establish that municipal land use decisions on future development patterns, land uses, and allocation of future urban growth must conform to the land use plan elements of the *Comprehensive Plan*. For example, 2040 LUP Policy 1.4 reads, “Use the Anchorage 2040 LUP and area-specific plans...to determine appropriate zoning in the Bowl and evaluate proposed changes to land use regulations.” A central component of the 2040 LUP is the Land Use Plan Map and the narrative description of its color-shaded land use categories.

***Analysis of Consistency with the Anchorage 2040 Land Use Plan Map.*** The public hearing draft ordinance A.O. 2023-87(S) and the accompanying Assembly Memoranda in the PZC case packet misinterpret the *Comprehensive Plan*’s intention and direction in the 2040 LUP Land Use Plan Map and its color-shaded land use categories (called “Land Use Designations”). The 2040 Land Use Plan Map breaks down land use designations based upon their general development intensity for visual simplicity and ease of interpretation. The Land Use Plan Map is not intended to serve as a suggested zoning map, but instead provides broad categories of varying land use intensities that account for future land use needs.

As currently adopted, the 2040 LUP land use designations neither anticipate nor support a merger of the R-1 single-family-only zones with two-family zones, or the permitting of two-family dwellings throughout the existing single-family zone areas. The plan does not support or indicate a housing-needs basis for converting all multifamily-zoned areas into mixed-use zones allowing unlimited commercial usage, nor does it support merging the large-lot Hillside zones together. As adopted, the 2040 LUP did not anticipate such actions, and instead recommends improving housing capacity and types of housing in other ways, including adding to the lineup of zoning tools available in the policy toolbox.

The public hearing draft ordinance is therefore a significant departure from the Land Use Plan Map as currently adopted. A transparent public process to amend the *Comprehensive Plan* must come first—to evaluate the zoning issue and recommend the direction for residential zoning reform.

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<sup>13</sup> *Anchorage 2020*, Chapter 5, page 68.

Following is a more detailed assessment of conflicts with the Land Use Plan Map:

1. 2040 LUP Land Use Designations Are Not Intended to become Zoning Districts. The 2040 LUP Land Use Plan Map and its five residential Land Use Designations are a generalized representation of the long-term plan. The Land Use Plan Map “illustrates a more general picture of future land use for the Bowl” (2040 LUP, page 31). It is not a proposed design for a future zoning map. It does not support each of the land use designations becoming the prototype of a single zoning district or having all the zoning districts that are listed under each land use designation becoming the same as one another. Instead, the Land Use Plan Map rolls up multiple zoning districts into the broader five residential categories simply to present a map that is clear and legible. Figure 1-2 on page 6 of the 2040 LUP visualizes how the Land Use Plan Map provides general policy direction for future rezonings, while the Zoning Map remains a more detailed, flexible regulatory blueprint containing more zoning district options than there are land use designations on the Land Use Plan Map.
2. Each of the Five Residential Land Use Designations Includes More than One Zoning District. The introduction to the Land Use Plan Map in the 2040 LUP defines how its Land Use Designation categories relate to zoning:

Most every land use designation has a corresponding set of zoning districts which can be used to implement it. This allows for a range of possible zoning densities to reflect the site and surrounding area.<sup>[14]</sup> The area’s land use designation does not imply that the most intense corresponding zoning district is necessarily the most appropriate for every parcel. (2040 LUP, page 29)

Figure 3-2 on page 76 of the 2040 LUP summarizes the range of zoning districts that fall under each land use designation. The approach, as currently adopted, is to have different zoning districts available like multiple tools in a toolbox. It is like having more than one type of hammer or screwdriver in a toolbox helps a carpenter address the full range of building needs.

For example, areas in peripheral locations with poor access, or that have natural hazards or environmental features, may be more appropriate to remain in one of the lower-density zoning districts listed under the land use designation. The 2040 LUP suggests no intent to consolidate zoning districts as one of its strategies for “simplifying and streamlining” zoning regulations to encourage housing. Instead, its action items included creating more zoning districts, such as Action #2-6, “to create a medium-density residential district that allows mixed-use commercial,” which led to creation of the R-3A zone.

The “Single-family and Two-family” Land Use Designation is defined on page 37 of the 2040 LUP as providing for a variety of low-density residential

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<sup>14</sup> Meaning, to reflect site and neighborhood specific conditions and characteristics.

neighborhoods. It includes “single-family subdivisions,” and separately “includes some neighborhood areas with more compact forms of single-family homes such as attached single-family, small-lot housing, and two-unit dwellings, to support affordable housing opportunities in these areas.” It calls for a density of “3 to 5 units per gross acre in single-family areas” and “5 to 8 units per gross acre in two-family areas.” It lists a variety of implementation zoning districts including R-1 and R-2 zones. The *2040 LUP* recommends upzonings in some areas to allow more compact housing options and code amendments to reduce other regulatory barriers to compact housing, but it did not envision condensing the R-1 and R-2 zoned areas into the same zoning district.

3. Neighborhood and District Plans Delineate Single-family Areas. The public hearing draft ordinance further conflicts with the applicable land use designations of the neighborhood and district plans. For example, the *2040 LUP* “Single-family and Two-family” land use designation defers to the area-specific neighborhood and district plans that delineate single-family detached neighborhoods from attached/two-family areas on their respective land use plan maps.

Nearly 15 neighborhood, district, and other area-specific plans with area-specific land use plan maps have been adopted as elements of the *Comprehensive Plan* in the Anchorage Bowl. As the *2040 LUP* states, “These plans provide tailored land use designations and development guidance that is too detailed for planning at the citywide scale.” In its role as the overarching, areawide plan for the Anchorage Bowl, the *2040 LUP* “illustrates a more general picture of future land use for the Bowl” by distilling all 70 land use designations used by Anchorage’s various neighborhood and district plans into 18 overarching generalized land use designations. It cross-references its generalized land use designations with more specific corresponding designations applied in the area-specific plans<sup>15</sup>:

This system retains the land use designation categories in the neighborhood and district plans, which refine the citywide land use categories in order to address area-specific needs. (*2040 LUP*, page 31)

The *2040 LUP* further states that “area-specific plans may assign narrower categories as long as they align within the 2040 Land Use Plan Map Designations,” and directs the reader to refer to the land use plan map of the area-specific plan for more detailed guidance.

Figure 2-4 on page 32 of the *2040 LUP* provides the crosswalk between the Bowl-wide and Area-specific land use designations. It shows that the area-specific land use plan maps of the *East*, *West*, *UMED*, and *Hillside* district plans, and the *Fairview Neighborhood Plan*, subdivide the *2040 LUP* Single-family and Two-family designation into single-family detached versus attached/two-family land use designations. These area-specific delineations of single-family detached areas

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<sup>15</sup> *2040 LUP*, page 32, Figure 2-4: Crosswalk between Bowl-wide and Area-specific Land Use Designations.

apply as the *Comprehensive Plan*'s governing land use plan map designation in most cases.

4. The *Comprehensive Plan* Calls for R-3A/R-4A Residential Mixed-use Zones to be Separate from R-3/R-4 Multifamily Zones. The public hearing draft ordinance conflicts with the Land Use Plan Map's direction for residential mixed-use development in the R-3 and R-4 zoned areas. The *2040 LUP* and several area-specific plans, including the *Fairview Neighborhood Plan* and *Spenard Corridor Plan*, designate certain existing residential and commercial areas as "residential mixed-use development" areas that allow supportive commercial uses. The Anchorage 2040 Land Use Plan Map identifies these areas using a white stipple-dot pattern that overlays its Land Use Designations.

The description of this residential mixed-use development feature begins on page 65 of the *2040 LUP* and identifies R-3A and R-4A as primary implementation zones in these areas. It reads that, "Housing remains essential" and the goal is to "retain and grow local housing capacity, not erode the residentially zoned land supply." It discusses where these types of areas should be located, such as in Fairview's Gambell Street mixed-use corridor and the Rangeview mobile home park near Creekside Town Center in Muldoon. Where these areas are in existing residential zones, it explains that residential units are required at minimum densities to avoid loss of the residential land base.

The *2040 LUP* called for creating the R-3A medium-density residential mixed-use district (Action #2-6, which was completed in 2018 via A.O. 2017-176) and simplifying existing mixed-use regulations, such as in the R-4A high-density residential mixed-use district (Action #3-1, completed in 2023 via AO 2023-42). The policy direction of the *2040 LUP* is that the Municipality needs zoning tools that simultaneously allow mixed-use commercial and require housing.

The *2040 LUP* direction for the multifamily R-3 and R-4 zoned areas is that housing will be the principal use on the lot. Its medium and high-density residential land use designations do not include commercial in their lists of allowed uses. Both *Anchorage 2020* and the *2040 LUP* emphasize prohibiting commercial-only development from encroaching into existing residentially zoned areas because that would take away space needed for housing. The 2040 growth forecast and capacity analysis on pages 12-13 of the *2040 LUP* indicate that residential land supply is in deficit or at best barely adequate to meet housing needs. By contrast, it indicates the commercial land supply will be adequate for business needs.

***Analysis of Consistency with the Policies of the Anchorage 2020—Anchorage Bowl Comprehensive Plan.*** Following are conflicts with the policies of *Anchorage 2020*:

- Policy 5
  - Given the extent of this ordinance, it will automatically rezone every residential parcel within the Municipality without regard to the parcel's classification within applicable neighborhood or district plans, as well as disregard the appropriateness of that rezone in relation to its effect on adjoining parcels or location.
- Policy 14
  - The district specific standards for the R-3A and R-4A are being eliminated as part of this ordinance. The concern is the elimination of requiring a percentage of the site to be developed with residential dwellings, prior to occupation of adjoining or attached commercial structures. Removing this requirement opens these districts to unrestricted commercial development which has the potential to degrade the residential land base and reduce Anchorage's housing capacity.
- Policy 41
  - This ordinance will remove several district-specific design standards which consider Anchorage's northern climate by regulating building bulk, height, and articulation. These design requirements are intended to reduce the impacts of shadowing and maintain a small-scale commercial aesthetic within residential neighborhoods.
- Policy 49
  - This ordinance will remove several district-specific design standards that are intended to influence site design in a manner that reduces impacts to neighboring properties and retain the overall neighborhood form and function of the residential districts. Removing these requirements eliminates these protections.
- Policy 57
  - The district-specific standards for the R-3A and R-4A are being eliminated as part of this ordinance. Specifically, the concern is the elimination of requiring a percentage of the development to be residential dwellings, prior to occupation of adjoining or attached commercial structures. Removing this requirement opens these districts to unrestricted commercial development which has the potential to degrade the residential land base and reduce Anchorage's housing capacity. This appears to run contrary to the intent and purpose of this ordinance which is to encourage the development of more housing.
- Policy 72
  - This ordinance will eliminate the single-family district, which can be a useful land use tool to mitigate the risks to human life and natural environment associated with residential developments within high-hazard areas such as those with steep slopes, significant seismic ground-failure hazard, flood hazard, and/or environmentally sensitive areas.



***Analysis of Consistency with the Policies of the Anchorage 2040 Land Use Plan.***  
Following are conflicts with applicable policies of the *2040 LUP*:

- LUP 1.1
  - Although the land use capacity calculations in 2040 preside over previously adopted neighborhood or district plans, this ordinance would automatically rezone parcels to each land use designation's greatest intensity without consideration of a given parcel's classification within the applicable neighborhood or district plan. This severs the ability and function of a neighborhood or district plan's land use recommendations to be factored into land use decisions.
- LUP 1.4
  - Reasons are similar to those mentioned under LUP 1.1.
- LUP 1.5
  - This ordinance does not account for existing infrastructure and transportation system capacity or planned investments to determine areas for growth.
- LUP 1.6
  - This ordinance does not guide growth in housing in a way that seeks to minimize risk to life safety and property in hazardous areas.
- LUP 1.8
  - The process to develop this ordinance has not engaged Anchorage residents and property owners in a predictable and transparent process to amend the *Comprehensive Plan* to support the proposed changes or engaged affected communities in an open forum when making land use decisions, such as important changes to land use regulations.
- LUP 2.1
  - This ordinance will rezone every residential parcel within the Municipality to the most intensive implementing zoning district under its corresponding land use designation within the 2040 Land Use Plan Map. This type of action does not provide the level of detail necessary to determine whether a given parcel can adequately absorb or accommodate this increased use intensity. Specific concerns would be increased demand on municipal services including utilities and transportation.
- LUP 4.1
  - This ordinance is likely to lead to allowing the conversion of multifamily zoned lands and properties to non-residential uses. Multifamily zoning districts are often located where housing is needed most, near employment and services, but because of this proximity to employment centers and corridors comes under pressure for rezonings or conversions to expanding commercial use. The ordinance does not support maintaining a stable, sufficient land base or housing stock to meet housing needs or preserve the integrity of residentially zoned areas from expanding commercial corridors or non-residential activities.

- LUP 4.4
  - Does not provide protections to minimize housing displacement or maintain affordability for residents in the multifamily zones.
- LUP 5.1
  - Reasons are similar to those mentioned under LUP 2.1.
- LUP 7.1 and 7.2
  - The *2040 LUP* recommends infill housing be complementary to existing neighborhoods. This ordinance will remove the district-specific standards which include limitations on building bulk and form that assist in the development transition between districts of differing intensities. Removing these standards may increase the negative effects on properties that border a higher intensity district.

The ordinance deletes district-specific standards in the existing R-2M and R-4 zones that implement the goals, policies, and design guidelines of the *Comprehensive Plan*. *2040 LUP* Goal 7, Compatible Land Use, states, “This Plan recognizes that compatible design is a key part of growing successfully through infill and redevelopment.” The approach of the draft ordinance disregards and abandons that essential insight of the *2040 LUP* and other elements of the *Comprehensive Plan* by seeming to find any district-specific development standard in Title 21 guilty by association of impeding housing, without an analysis assessing a standard’s public purpose, benefits, or impacts on housing development. *LUP* Action #7-2 directs the Municipality to incorporate neighborhood compatibility standards into compact housing amendments to Title 21—as an important part of getting more housing and livable, walkable neighborhoods at the same time. *2040 LUP* Goal 7 explains:

While many people welcome more diverse housing options, current residents of the neighborhoods often see new or different housing as being incompatible with their neighborhood’s scale, character, and livability. The form and scale that new developments take—more than its density—is increasingly a primary concern. (*2040 LUP*, page 23)

**APPROVAL CRITERIA 3: THE PROPOSED AMENDMENT MUST BE NECESSARY OR DESIRABLE BECAUSE OF CHANGING CONDITIONS, NEW PLANNING CONCEPTS, OR OTHER SOCIAL OR ECONOMIC CONDITIONS**

***The standard is partially met.*** The Planning Department is supportive of the concept and general direction of more flexibility in the zoning regulations, reforming zoning to improve equity and housing opportunities, and allowing mixed-use where appropriate. However, the materials referred by the Assembly do not include evidence that the specific approaches of the proposed ordinance will accomplish the intended outcomes or why taking these approaches is necessary or desirable due to new trends in planning practice or changes in socio-economic conditions.

**Condensing Residential Zoning Districts.** Reforming single-family zoning has emerged nationwide and in civic conversations locally as an important strategy that can yield more affordable, diverse, and equitable neighborhoods and provide the contemporary housing and homeownership opportunities that the Anchorage public needs. It is important to engage the public on this discussion to determine whether this could be a viable solution for Anchorage to balance housing needs and desires. For example, Boise, Idaho, adopted their new zoning code in December 2023 after a three-year process to figure out its residential zoning reforms. The process included a 20-person Citywide Advisory Committee that was geographically representative of the city's planning areas.<sup>16</sup>

**Allowing More Commercial Use in Residential Zones.** The Planning Department supports changing Title 21 to allow more commercial use in the residential zones—but within limits, as supported by 2040 LUP Action #3-8 and other policies. Recent social, demographic, and employment trends of the post-COVID internet era indicate it would be beneficial for the Municipality to engage in a public process to update the residential zoning regulations to allow more neighborhood-scale commercial use. This would include relaxing restrictions on home-based businesses (“home occupations”), introducing new forms of mixed-use residential such as live-work units and accessory commercial units, and restoring the historical neighborhood-scale corner store. Home-based businesses fill an important economic niche, as they often grow into bigger businesses that eventually move to occupy brick-and-mortar commercial properties. Accessory commercial uses can, like short-term rentals (STRs), provide income for residents and help pay for costs of a mortgage or rent or housing improvements. Lastly, neighborhood services can fulfill local needs for childcare, health services, or “third places” like coffee shops that add vitality to a neighborhood.

However, reforming Title 21 to integrate commercial uses into neighborhoods should be a thoughtful, transparent, and well-informed reform effort. It should be accompanied by provisions to mitigate impacts on residential neighbors, such as glare, noise, parking, and traffic. It should limit the size of commercial uses or buildings in the R-3 and R-4 zones to the neighborhood scale, rather than copy the large-scale commercial entitlements of the R-3A and R-4A zones which were designed for a different purpose.

Reform to allow more commercial should also include other residential zoning districts in addition to the R-3 and R-4 multifamily zones, such as existing R-2M zoned areas. Most importantly, it should be accompanied by land policy guardrails against loss of strategic residential zoned land supply and housing stock to commercial uses, and displacement of households least able to cope with unplanned moves. As page 8 of the 2040 LUP explains, the biggest land policy risk facing the Municipality is to make land use decisions that result in inadequate land supply in this constrained land market: “Such a scenario would make current land capacity shortages and housing prices worse.”

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<sup>16</sup> City of Boise “A Modern Zoning Code” webpage. Accessed March 7, 2024.  
<https://www.cityofboise.org/zoning-code-rewrite>

## DEPARTMENT RECOMMENDATION

The public hearing draft H.O.M.E. Initiative ordinance A.O. 2023-87(S) sets a good direction, at least in concept. The proposals to reduce the line-up of residential zones, allow more kinds of housing in single-family areas, and introduce (within limits) neighborhood-scale commercial and new kinds of small-scale mixed-use to supplement residential areas should be supported. However, the draft versions provided in the packet pose practical and legal concerns in terms of the process for rezoning and amending the *Comprehensive Plan*, as well the choices, scope, and the mechanics of code text amendments. The Municipality should correct these critical concerns to move forward and achieve the ultimate goals of the sponsors of the H.O.M.E. Initiative ordinance.

The Planning Department recommends the Planning and Zoning Commission (PZC) postpone action on the public hearing draft A.O. 2023-87(S), to allow the Assembly to revise the public hearing draft and bring the revised public hearing draft back before the PZC for a public hearing, including taking the following actions:

1. **Follow the Comprehensive Plan Amendment Process.** Accompany the revised public hearing draft with a public hearing draft *Comprehensive Plan* amendment following the procedure of AMC 21.03.060, *Comprehensive Plan Amendments*, that engages Anchorage residents and property owners in a meaningful public process, to establish the basis and policy guidance for single-family zoning reform and other zoning ordinance amendments. The *Comprehensive Plan* amendment would include but not be limited to the following:
  - a. Amend the *Comprehensive Plan*, including the *Anchorage 2040 Land Use Plan (2040 LUP)* and the area-specific neighborhood and district plans, to change the land use designation of low-intensity detached (i.e., single-family-only) areas from the area-specific plans' land use plan maps.
  - b. Amend the *2040 LUP*, including Map 2-1: Anchorage 2040 Land Use Plan Map and the narrative descriptions of its *Neighborhoods* Land Use Designations, to update the land use plan as needed and simplify the lineup of residential land use designation categories, increase their flexibility to support different low-density urban residential zones, and provide some kind of allowance for commercial mixed-use.
  - c. Amend the implementation Strategies and Actions of the *2040 LUP* to update it to reflect Actions completed, retire Actions no longer needed, and to integrate the proposed zoning changes into the Strategies and Actions.
2. **Follow the Rezoning Process.** Accompany the revised public hearing draft Title 21 text amendment with a public hearing draft Zoning Map amendment (rezoning), following the procedure for a rezoning in AMC 21.03.160, *Rezonings*, to implement the zoning ordinance amendment.

3. ***Improve the Draft Zoning Ordinance Amendment.*** Revise the public hearing draft Title 21 text amendment and shape the accompanying Zoning Map Amendment using the following framework:
  - a. **Focus the main scope of the amendments on increasing housing opportunities where there is urban public infrastructure and services.** Focus the text amendments on condensing the urban low-density residential zones (D-2, R-1, R-1A, R-2A, R-2D, R-2M, and R-5), and target increases in housing opportunity where infrastructure and environmental systems can accommodate more density and there are fewer natural hazards. Avoid taking up resources and attention in less productive mergers of Hillside large-lot zones.
  - b. **Maintain low density in hazardous, inaccessible, and critical environmental areas.** As part of the merger of low-density residential zones, limit or avoid increases in allowed residential density in critical environmental areas, areas with natural or technological hazards, and areas with inadequate levels of access, public infrastructure, and urban services.
  - c. **Focus the scope of this public hearing draft text amendment on meeting housing needs in multifamily zones, rather than allowing unlimited commercial use.** Address residential zoning reforms to allow more mixed-use and *neighborhood-scale* commercial uses in a separate Title 21 amendment. Include an assessment of needs, risks, and opportunities, to avoid a hasty and potentially counterproductive merger and expansion of unlimited commercial zoning entitlements into all medium- and higher-density multifamily zoned neighborhoods. Include amendments to allow more home-based businesses, small-scale commercial uses, and corner stores into residential zones, not just in the higher-intensity zones but in the lower-intensity zones as well.
  - d. **Address impacts of more intensive uses on surrounding properties and infrastructure.** Changes to allow more intensive residential uses or commercial uses should be accompanied by improvements to Title 21 land use regulations and enforcement capacities to address impacts and nuisances such as lighting glare, noise, traffic, and parking.
  - e. **Provide a more completed version of the public hearing draft amendment, including the intended changes to the allowed use tables, dimensional standards, and development and design standards.** This is needed to give the Planning and Zoning Commission an opportunity to review and understand the most substantive intended changes, and the Assembly an opportunity to make all parts of the amended code effective all at once upon adoption.

**Other Recommendations.** Redirect resources and time saved from avoiding moving forward with mergers of Hillside zones and higher-density zones to carry out the following Actions that the *2040 LUP* recommends for encouraging housing production:

- *2040 LUP* Action #2-1: **Expand Financial Incentives.** Expand local tax abatement to encourage residential development in more areas zoned for multifamily housing.
- *2040 LUP* Action #2-12: **Reform Off-Site Improvement Requirements.** Reform the system for requiring developments to provide off-site public infrastructure improvements. Off-site improvement requirements, such as to construct the public streets and utilities that will serve a development, make the most sense for large suburban greenfield developments such as big subdivisions; but they may not make as much sense for the infill projects in existing neighborhoods that now characterize most development in the Anchorage Bowl. Requiring upgrades to existing public infrastructure in existing neighborhoods is more costly and more challenging for small infill projects, discouraging housing where it is needed most. They are also the most inequitable for the infill developer, as the upgrades benefit the whole community and the municipal budget. Lastly, the requirements create uncertainty for developers, because there is no consistency regarding where infrastructure is underdeveloped in existing parts of town, such as in Midtown. The Planning Department considers reforming the system for financing off-site infrastructure improvements to be more equitable and consistent and one of the most effective actions the Municipality could take to remove barriers to new housing construction.
- *2040 LUP* Actions #4-10 and #4-17: **Allow More Small-Lot Housing.** Amend Title 21 to allow housing on smaller lots.
- *2040 LUP* Actions for Targeted Area Rezoning: **Upzone Some Areas to Implement the *Comprehensive Plan*.** In one or more separate zoning amendments, identify areas currently in the zones where the *Comprehensive Plan* Land Use Plan Map calls for more “missing middle” housing opportunities than current R-1 or R-2 zoning allows, and rezone those areas to R-2M or higher residential zones to allow a greater mix of housing types. The 2040 Land Use Plan Map could also be amended to support upzoning wider swathes of town to allow for “missing middle,” mid-rise, and high-rise housing.

The Planning Department is available and ready to advise on the public process to revise the Zoning Map, *Comprehensive Plan*, and the public hearing draft text amendments to address reforming single-family-only zoning and other changes to provide more flexibility in the zoning ordinance.

## **ATTACHMENTS**

1. H.O.M.E. Initiative Draft A.O. 2023-87, dated 8-22-2023
2. H.O.M.E. Initiative Draft A.O. 2023-87(S), dated 9-26-2023
3. Floor Amendments #1 and #2 to Draft A.O. 2023-87(S)
4. Revised H.O.M.E. Initiative (Sponsors' Draft), dated 1-12-2024
5. Comments Received

**FOR PZC REVIEW  
FOR PZC REVIEW**