

Optional Independent Plan Review for Commercial Construction – Talking Points

This ordinance seeks to create an independent plan review option for commercial construction that maintains rigor and oversight by the Municipal Building Official while allowing more speed and flexibility in the process for permit applicants.

Goals

- Efficient and shorter turnaround time for the design phase of a construction project, which in turn lowers the cost of construction.
- Provide more flexibility in the review process and allow permit applicants to seek out specialists in relation to the project type that offer the added benefit of insurance protection.
- Maintain the choice for whether to engage a private, qualified independent plan reviewer or engage in the Municipality's plan review process.

Changes in New Version

- This proposal was brought forward 2022 as AO 2022-100 and -100(S); this new version contains recommended changes made by the MOA Development Services Department and Structural Engineers Association of Alaska.
- The required minimum amount of professional liability insurance is the greater of \$1,000,000 or fifty percent (50%) of the estimated valuation of the project for independent commercial plan reviewers, compared to \$250,000 for residential plan reviews.
- Excludes "significant structures" as defined in code, such as schools and medical facilities, from optional independent review.
- Establishes a minimum 10% for audits of structural plans using the independent reviewer option.
- The commercial optional independent plan review fee would use the same multiplier of 0.0017 that is in current Code for pre-approved plan review for new buildings; which mirrors the structure for residential plan review where the optional independent plan review multiplier is the same as that for pre-approved residential plans.
- There is no alternative option to submitting proof of maintaining professional liability insurance; waivers of all claims against the Municipality will not be accepted.

Details

- Allows the building permit applicant for a commercial building or structure construction project the option to utilize a qualified professional from the private sector to review building structural plans and calculations and stamp them, which can then be submitted with the application for a building permit.

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- The reviewing professional cannot be the same person or with the same engineering or architectural firm that designed the building plan drawings or the contractor that will build it - must be independent from those roles.

MOA Oversight Role

- Currently, in the building permit process in Title 23 of the Anchorage Municipal Code, this plan review function is performed by the Municipality's Development Services Department under supervision of the Building Official.
- The Municipal Building Official would continue to have oversight authority for third-party independent plan review, both for existing residential and the new commercial options
- Independent plan reviewer's privileges can be revoked by Building Official if their work is found to be incompetent or demonstrates a lack of knowledge in the field; if found to be grossly negligent in conducting reviews, Development Services Department may audit all of their plans for up to two years.
- If requested by the owner or owner's agent, the Building Official shall audit a plan submitted using an independent reviewing professional.
- The Building Official continues to have complete discretion to audit the reviews as necessary to enforce compliance with the Title 23 building codes.

Existing Program for Residential Optional Independent Review

- The option for a permit applicant to have an optional independent plan review has been available for one- and two-family dwelling structures about ten years ago by passage of AO 2012-62(S-1).
- This option has been successful and beneficial to the residential building industry and has not sacrificed or compromised the safety of residential construction built under its provisions.
- Currently the Code limits optional independent review to plans for one- and two-family dwelling structures; the sponsors are also working to extend 3rd party review to 3- and 4-plexes.
- Residential structures for four or more dwelling units must have plans reviewed under commercial permit applications, and this ordinance provides for optional independent plan review for structural plans only; third party review of fire, electrical, plumbing and other plans and drawings will be a future project.