

MUNICIPALITY OF ANCHORAGE

Development Services Department



Building Safety

Date: August 18, 2026

To: Anchorage Assembly Members

From: Greg Soule (Building Official, Development Services Department)
Daniel King (Engineering Services Manager, Development Services Department)

Re: Third Party Plan Review 2026 Annual Update

Members of the Anchorage Assembly,

Plan review is the initial phase for a permit application. It is where licensed engineers and architects review building plans before physical construction starts to assure that the design is compliant with applicable building codes which prescribe the standards for constructing safe buildings. Plan review provides the “second set of eyes” to spot what the designer may have missed in drafting the building plans.

Optional Third-Party Single Family and Two-Family Residential Plan Review was adopted into the Anchorage Municipal Code in 2012 under Assembly Ordinance (AO) 2012-62(S-1). At that time, it was limited to residential plan review only, which had historically been handled by municipal plan reviewers, and allowed any licensed structural or civil engineer to complete the structural review and any licensed architect or certified building plans examiner to complete the fire-life safety review. As there are no requirements for professional licensure, certification, or continuing education for the residential design professional, residential third-party reviewers play a crucial role in assuring that plans are consistent with accepted practices and level of performance for the different disciplines.

This change also allowed for audit of any third-party reviews by municipal staff. During that time, audits typically did not happen unless problems arose in field. In February of 2024, AO 2023-136(S)* expanded third party plan review to include all commercial and residential permits and all engineering disciplines (e.g. adding electrical, mechanical, and plumbing). The requirements to be qualified were modified, requiring a registry to be maintained of third-party reviewers approved by the Development Services Department (DSD). This also applied a mandatory audit of 10% of all projects with third party plan review and a required annual report due October 1 on the previous year of permitting.

The AO was passed and approved by the Anchorage Assembly on February 27th, 2024. The DSD updated the policy on third party reviews and created a procedure for tracking the expected third-party reviews and the requested data on audits. This updated policy was effective April 1st, 2024. With October of 2024 not creating a full year, October of 2025 was the first official audit. Due to staffing issues, the minimum 10% audit required by code was not achieved. The Anchorage Assembly extended the ordinance (see AO 2025-134) from a sunset at the end of 2025 to 2026 to allow

additional time for auditing and for this additional report. This is the second official audit report, to be delivered to the Assembly by October of 2026.

Approved Third-Party Reviewers

As of May this year, there are 15 approved reviewers, with one each for mechanical/plumbing and electrical, two for architectural, seven for structural, and five for residential (fire-life safety) reviews. One reviewer is dual listed for structural and residential. Last year there was one additional reviewer, however he changed jobs out of state and asked to be removed from the approved list.

Audit Results

The selected audit period is from June 1, 2025 to June 1, 2026.

Results for audits are categorized as Pass, Corrections, or Fail:

- Pass – No corrections are required.
- Corrections – Corrections by designer are required and both designer and third-party reviewer are notified of issues to be addressed.
- Fail – Corrections by designer are required that are considered substantial or life-safety risks. The designer and third-party reviewer are notified of issues to be addressed.

Commercial third-party reviews were completed on 13 different commercial permits. Assisted Living Homes with five or fewer guests are considered commercial permits, but they are constructed and reviewed identical to other residential permits; therefore, five of the commercial permits will be moved to the residential count. This makes for eight commercial third party reviews total.

There were almost 600 commercial permits (See **Figure A**) for new buildings, alterations, and additions during the audit period. Of those, 1% utilized third party plan review. Structural third-party review was utilized on all eight permits while architectural was used on one of the eight permits. We completed two audits of the eight permits submitted (or 25% of all commercial permits submitted with third party reviews). One was architectural and one was structural.

Of the two items audited, the one architectural was a pass and the one structural was corrections (see **Figure B**).

Permit Type	Commercial		
	Total Permits	Third Party	% Third Party
New Building	40	3	8%
Alteration	504	4	1%
Addition	15	1	7%
Total	559	8	1%

Figure A: Commercial third-party plan reviews.

Permit Type	Commercial Audit Results			
	Pass	Corrections	Fail	Total
Structural	0	1	0	1
Architectural	1	0	0	1

Figure B: Commercial third-party review audit results.

There were over 800 residential permits (See **Figure C**) for new buildings, alterations, and additions during the audit period. Residential would include single family, duplex, and triplex construction. Of those, 20% utilized third party plan review, though more than 50% are for new construction or additions. Residential permits only require structural and fire-life safety reviews. Structural third-party review was utilized on 96% of these permits, while fire-life safety was utilized on 86%. We completed 16 audits of the 168 permits submitted (or 9.6% of all residential permits submitted with third party reviews). All 16 audits included structural while half included fire-life safety, with the results of each as shown in **Figure D**.

Permit Type	Residential		
	Total Permits	Third Party	% Third Party
New Building	153	86	56%
Alteration	548	19	3%
Addition	123	62	50%
Total	824	167	20%

Figure C: Residential third-party plan reviews.

Permit Type	Residential Audit Results			
	Pass	Corrections	Fail	Total
Structural	9	5	2	16
Fire-Life Safety	6	1	1	8

Figure D: Residential third-party review audit results.

Commentary

As of December 2025, the Building Safety Section is fully staffed, employing four structural/residential reviewers, two mechanical/plumbing reviewers, one electrical reviewer, and one architectural reviewer. We work on cross training the disciplines to avoid slowdowns in permitting due to vacation or illness. Previously, the staffing only allowed two residential audits to be completed during the first six months of the audit period. The remaining 14 audits were completed in the last six months. Because of the improved staffing, we've been able to keep regular reviews moving quickly and efficiently as well. At the peak of the staffing issues in 2024, a majority of permits would average 9 days or less for a review cycle. Since Q4 of 2025, the majority of permits average 3 days or less for a review cycle. This is a great improvement even while we are still training reviewers on this work.

Timing of audits remains difficult. While the Department continues to seek improvements and streamline review processes to get the public permits faster, reviewing is naturally a slowdown. We continue to select permits for audit that have not been issued and will only audit permits in construction when brought to our attention by building inspectors. When we find substantive issues on a permit, we will immediately notify the designer and third-party reviewer involved and will put a hold on the permit; we do not want to issue a permit as approved when safety items have been identified or corrections to construction documents need to be made. Whenever it is minor and can be managed before issuing, we will often contact the designer directly to request additional information or corrections.

The third-party plan review process is unique in Anchorage. Other jurisdictions will have third-party review contracts with engineering firms to complete reviews when they don't have the capacity or knowledge to complete them (e.g. the City of Fairbanks contracts all structural reviews to engineering firms). This is not to speed up the review process necessarily but to provide adequate reviews on an adequate timeline. Anchorage is unique that this policy is expected to address delays in reviews but not necessarily due to a lack of qualified review staff. This is supposed to decrease the amount of time it takes to get from permit application to permit issuance, but we've heard there are delays in getting the third-party reviewers to complete the work in a timely manner themselves.

This also creates a conflict of interest for the third-party reviewers. Those reviewers are expected to be hired by the owner of the project, per the AO; however, they are typically recommended or selected outright by either project managers or contractors on behalf of the owner. They typically select them based on how quickly they can complete the review and if they agree with the comments being provided. It behooves the third-party reviewer to limit the number of comments to maintain relationships with their clients and not necessarily to meet the letter of the code. We've had engineers before stating they knew they'd done things wrong on drawings they've submitted for municipal plan review and were waiting for us to call them out so they could not be the one to have to say no to the client.

Over the last year, this option has been utilized on only eight commercial permits. This code change was done to allow alternative paths to compliance for commercial projects the same as has been allowed for residential. It was also intended to reduce the review burden on the department. While this has been historically successful for residential projects, it has not been utilized at a rate that has benefitted commercial reviews. With the department being fully staffed, it is less necessary for accommodating busy work schedules.

The requirement to have third party reviewers be approved by the department has been a helpful change. Third party reviewers must meet minimum qualifications to be approved and can have approval revoked if they are found to not maintain the requirements of code or the standards of approval. The previous language also said audit would be optional, while the update requires the audit. In the last six months, audits have increased to make sure we meet the mandatory audit amount. This has been noticed by developers and contractors who have been slowed down by this process. We appreciate the required audit, since it provides a mechanism for the Department to review the approved reviewers work within the bounds of code. One third-party reviewer was responsible for multiple egregious life-safety risks (i.e. missing fire-resistive construction and discontinuous lateral systems) that should have been caught in the review process; we were able to meet with this third-party reviewer and go over the duties of this role and remind them their approval could be revoked. This is expected to produce improved performance by them and hopefully increase safety in the designs they review.

Recommendations

The Department recommends the code changes from AO 2023-136(S)* remain in effect without a sunset. The sunset was modified to the end of 2026 by AO 2025-134. Removing the sunset would require a new AO.

This is considered the final report for the required audit reporting. If the Assembly would like to continue an annual reporting requirement, the AO should include new code language for the audit report.

Clearer language on the revocation of privilege for poor performance of third-party reviewers should be included with any upcoming AO. The following is proposed:

AMC 23.10.104.8.1 – Revocation of privilege. The Building Official may revoke the approved reviewer status of any individual who **displays incompetence or lack of knowledge in matters relevant to such status,** has their registration suspended or revoked by the state, is found to have provided materially false statements or information on the reviewer application or in a letter of review, or who commits fraudulent acts in the course of providing plan reviewer services. False statements are punishable as unsworn falsification under applicable law.

This additional language aligns with language used when a contractor license may be revoked (see AMC 23.10.103.7.2). Currently, the Building Official relies on “commits fraudulent acts” for enforcement when a third-party reviewer underperforms. The code requires that the third-party reviewer provide a letter stating they completed the review and found no issues on the final submittal. If there are egregious life-safety elements missed in review, we would consider this gross negligence and beyond a reasonable mistake and a fraudulent act to state otherwise. However, it is clearer to allow the Building Official the leeway to deem a third-party reviewer ineligible due to incompetence. This is still an appealable decision under AMC 23.10.103.3.3 but makes enforcement easier without having to prove malintent.