

MUNICIPALITY OF ANCHORAGE



ASSEMBLY MEMORANDUM

No. AM ____-2023

Meeting Date: ____, 2023

1 **From: Assembly Members Cross and Sulte**

2
3 **Subject: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **AMENDING BUILDING CODES AT ANCHORAGE MUNICIPAL**
5 **CODE CHAPTER 23.10, ANCHORAGE ADMINISTRATIVE CODE**
6 **2018 EDITION, TO ALLOW OPTIONAL INDEPENDENT PLAN**
7 **REVIEW OF STRUCTURAL DESIGN FOR COMMERCIAL**
8 **BUILDING PERMITS.**
9

10 This ordinance proposes to allow an owner, developer or contractor for a
11 commercial building or structure construction project to engage a qualified
12 professional from the private sector to review building structural plans and
13 calculations and stamp them, which can then be submitted with the application for
14 a building permit. It also allows review for all plans for and review of all plans for
15 residential three-family buildings to be by an independent plan reviewer. (Another
16 ordinance, AO 2023-130 introduced December 5, 2023, also makes this Code
17 amendment for independent plan review for three-unit dwellings, and this proposed
18 ordinance makes identical text changes for consistency should both pass.) The
19 reviewing professional cannot be the same person or with the same engineering or
20 architectural firm that designed the building plan drawings or the contractor that will
21 build it, but must be independent from those roles. Currently, in the building permit
22 process in Title 23 of the Anchorage Municipal Code, this plan review function is
23 performed by the Municipality's Development Services Department under
24 supervision of the Building Official. This ordinance allows that function for
25 commercial structural plan reviews and all plans for three-family buildings to instead
26 be performed by an independent reviewing professional at the option of the building
27 permit applicant.
28

29 This is not a new idea. The option for a permit applicant to have an optional
30 independent plan review has been available for one- and two-family dwelling
31 structures about ten years ago by passage of AO 2012-62(S-1). This option has
32 been successful and beneficial to the residential building industry and has not
33 sacrificed or compromised the safety of residential construction built under its
34 provisions. Additionally, this proposal was previously submitted to the Assembly in
35 November 2022 as AO 2022-100 and -100(S), and is renewed now with a clean
36 ordinance document with recommended changes incorporated as suggested from
37 the Development Services Department and Structural Engineers Association of
38 Alaska.
39

40 Currently the Code limits optional independent review to plans for one- and two-
41 family dwelling structures. A building with three-family dwelling units within it is not
42 a commercial structure under the applicable state and Municipal Code definitions,
43 so this ordinance includes them with the one- and two-family dwelling plan review

1 process. Buildings with four-family dwelling units are, by definition and state law,
2 covered by state law building code requirements and considered commercial in
3 nature. Residential structures for four or more dwelling units must have plans
4 reviewed under commercial permit applications, and this ordinance provides for
5 optional independent plan review for structural plans only, reviews of fire, electrical,
6 plumbing and other plans and drawings will continue to require Municipal plan
7 reviewers for all commercial building construction projects.

8
9 In addition to the above, the other differences of independent commercial structural
10 plan reviews from the independent review of one- and two-family plans and are:

- 11
- 12 - There is no option to submit a waiver of all claims against the Municipality as
13 an alternative to providing proof of maintaining professional liability
14 insurance. In the AO, *compare* AMC subsection 23.10.104.9.A.5.c.i. *with*
15 104.9.B.5.c.
- 16 - The required minimum amount of professional liability insurance is the
17 greater of \$1,000,000 or fifty percent (50%) of the estimated valuation of the
18 project for independent commercial plan reviewers, compared to \$250,000
19 for residential plan reviewers.
- 20 - The Municipal plan review fee based on valuation has a different multiplier
21 for commercial permits than residential. This new optional independent plan
22 review fee uses the same multiplier of 0.0017 that is in current Code for pre-
23 approved plan review for new buildings; which mirrors the structure for
24 residential plan review where the optional independent plan review multiplier
25 is the same as that for pre-approved residential plans.
- 26 - Excludes “Significant Structures” from the option to have an independent
27 reviewing professional for structural plan review. Significant structures are
28 currently defined in 12 AAC 36.990(a)(44) and includes, among other things,
29 hazardous facilities for toxic or explosive substances; special occupancy
30 structures such as schools, colleges and universities, medical facilities, jails,
31 and those for public assembly for more than 300; hospitals, fire and police
32 stations, aviation control towers; structures over 100 feet in height; and large
33 bridges and piers.
- 34 - Establishes a minimum 10% for audits of structural plans using the
35 independent reviewer option.
- 36

37 An important detail is the Municipal Building Official continues to have oversight
38 authority even for third-party independent plan reviewer, both for existing residential
39 and the new commercial independent reviewer options. An independent plan
40 reviewer’s privilege to engage in this process can be revoked by the Building Official
41 if the person’s work is found to be incompetent or demonstrates a lack of knowledge
42 in the field, and if found to be grossly negligent in conducting their reviews may have
43 all plans reviewed by that person audited by the Development Services Department,
44 for up to two years. In addition, the Building Official shall audit a plan submitted
45 using an independent reviewing professional if requested by the owner or owner’s
46 agent. Finally, the Building Official continues to have complete discretion to audit
47 the reviews as necessary to enforce compliance with the Title 23 building codes.

48
49 There are significant and substantial benefits to offering optional independent plan

1 review. The main benefit is the efficient and shorter turnaround time for the design
2 phase of a construction project. An independent plan reviewer may possess greater
3 flexibility in scheduling working hours that allow them to meet and discuss the plans
4 and drawings with the developer or owner quickly and at hours when Municipal plan
5 reviewers may not be available. This may reduce the time and communications that
6 occur in the Municipal plan review process where comments on submitted plans are
7 sent back for correction and modification for code compliance, a process that may
8 go through several rounds before a plan is approved by the Building Official. An
9 owner or developer may need to pay more for an independent plan reviewer
10 compared to the Municipal plan review fees, but save on time and associated cost
11 savings. It is a choice always up to the owner or developer whether to engage a
12 private, qualified independent plan reviewer or engage in the Municipality's plan
13 review process.

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15 The predecessor legislation, AO 2022-100, was introduced on November 9, 2022.
16 There have been several instances of community engagement and review of that
17 ordinance and its (S) version, including:

- 18
- 19 • Assembly Community and Economic Development Committee (CEDC)
20 reviewed October 6, 2022.
- 21 • Assembly worksession held December 1, 2022.
- 22 • Board of Building Regulation Examiners and Appeals (Building Board)
23 reviewed, with comment in a November 8, 2022 letter (attached to AIM 240-
24 2022), and on their meeting agenda January 19, 2023 with no further
25 comment or action.
- 26 • Discussed with the Structural Engineers Association of Alaska (SEAAK) in
27 February 2023.
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29 **We request your support for the ordinance.**

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31 Prepared by: Assembly Counsel's Office

32 Respectfully submitted: Kevin Cross, Assembly Member

33 District 2 - Eagle River, Chugiak and Eklutna

34
35 Randy Sulte, Assembly Member

36 District 6 – South Anchorage, Girdwood & Turnagain
37 Arm

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