ANCHORAGE, ALASKA
AO No. 2024-_____

AN ORDINANCE OF THE ANCHORAGE ASSEMBLY AMENDING THE COMPREHENSIVE PLAN AND ANCHORAGE 2040 LAND USE PLAN TO ALLOW IMPLEMENTATION OF THE HOME INITIATIVE INCLUDING TEXT AMENDMENTS TO TITLE 21.

(Planning and Zoning Commission Case No. 2024-0006 and {insert additional case number})

WHEREAS, The Municipality of Anchorage is a Home Rule Municipality; and

WHEREAS, AS 29.40.030(b) gives municipalities broad direction for adopting a comprehensive plan, and also for periodic review and updates, stating “The assembly shall, after receiving the recommendations of the planning commission, periodically undertake an overall review of the comprehensive plan and update the plan as necessary”; and

WHEREAS, AMC 21.01.080C states that the comprehensive plan shall be subject to periodic review in accordance with the procedure described in section 21.03.070, Comprehensive Plan Amendments; and

WHEREAS, AMC 21.03.070 states that the comprehensive plan should be reviewed and reassessed regularly in order to evaluate its effectiveness and adequacy in guiding the growth of the municipality and to determine whether or not the plan continues to meet the long-term planning needs of the municipality; and

WHEREAS, AMC 21.03.070B.3 further explains that in addition to regularly scheduled reviews, any review or decision-making body, or the director of any municipal department, may propose a plan amendment at any time; and

WHEREAS, the Assembly is empowered to change the Comprehensive Plan and its elements if there have been changes in projections or assumptions from those on which the comprehensive plan is based, identification of new issues, needs, or opportunities that are not adequately addressed in the comprehensive plan, and a change in the policies, objectives, principles, or standards governing the physical development of the municipality or any other geographic areas addressed by the comprehensive plan, or identification of errors or omissions in the comprehensive plan; and

WHEREAS, The 2040 Land Use Plan states that the Comprehensive Plan, the 2040 LUP, and its associated elements are intended to be a “living document” and it “should be updated based on performance indicators and new information as the
WHEREAS, the economic and housing market conditions facing Anchorage have changed significantly since the 2020 Comprehensive Plan was adopted in 2001, and the 2040 Land Use Plan was adopted in 2017, establishing a clear public need for targeted updates to both documents related to these issues; and

WHEREAS, American Community Survey data shows that household sizes in the Municipality decreased between 2000 and 2022, the result of a combination of local conditions and larger demographic trends, including a large aging population cohort (Baby Boomers), smaller family households, a larger proportion of people living alone, and a continuing outflow of working-age adults and families leaving Anchorage and Alaska, particularly over the last decade; and

WHEREAS, the Municipality’s 2012 Anchorage Housing Market Analysis found that “given the historic density of development and rate of redevelopment, the Anchorage Bowl does not have sufficient vacant buildable residential land to accommodate the demand for housing units forecasted over the next 20 years,” and that “building mid-rise residential and mid-rise mixed-use rental developments is not financially feasible in the current market”; and

WHEREAS, these findings continue to be applicable today, as the rate of new housing production has slowed further in the last decade, and the real estate development community has demonstrated the infeasibility of most housing developments without subsidies through multiple real-world projects, feasibility tests on a variety of properties, and proposed projects that ultimately do not get built; and

WHEREAS, the Planning Department’s May 2023 Housing White Paper identifies a persistent lack of housing production per year, documented through counts of new building permits and completed units, and inability to meet prior or revised (lower) targets for number of additional housing units needed, through comparison of projections from the 2020 Comprehensive Plan, 2040 Land Use Plan, 2012 housing analysis, and various neighborhood and district plans with localized housing needs projections; and

WHEREAS, the Municipality’s most recently approved 2018-2022 Consolidated Plan, dated January 10, 2020 and prepared by the Anchorage Health Department, states in the “Barriers to Affordable Housing” section that the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public

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1 Anchorage 2040 Land Use Plan, page 79.
4 One example: the Housing Anchorage presentation “Does It Pencil?” to the Municipality and key organizations, June 6, 2014: https://mtviewpost.com/2014/06/07/coalition-seeks-assembly-support-easing-housing-crunch/
5 Municipality of Anchorage Planning Department, Housing White Paper, May 2023, pages 6-8.
policies, particularly those of the Municipality; and

WHEREAS, the Municipality’s 2023-2027 Draft Consolidated Plan identifies several of those public policies as parts of Title 21, including residential design standards, regulatory processes, accessory-dwelling-units regulations, land use codes and controls, zoning ordinances, parking requirements, infrastructure standards and requirements, open space requirements, and off-site improvements requirements; and

WHEREAS, in 2023 the Anchorage Community Development Authority (ACDA) commissioned a report, Incentives for Market-Rate Attainable Housing Development, which identified current zoning regulations as a barrier for development of more housing in Anchorage, and recommended changes to minimum lot size, setback and height requirements, and overall reducing the time and cost associated with the permitting and entitlement process, including reducing the need for rezones and variances; and

WHEREAS, in addition to the longstanding challenges to developing new housing in Anchorage, the community continues to experience steep housing price increases year over year, with both 2022 and 2023 data demonstrating rapidly-rising rent and housing purchase prices; and

WHEREAS, policy statements emphasizing the need to plan for additional housing in the Anchorage Bowl to accommodate future growth has been a consistent theme in the broad intent and policies of the Municipality’s comprehensive plans, evidenced in language in the Land Use and Housing objectives from the 1982 plan: “The Municipality should encourage a range in choices of housing within neighborhoods”; “Residentially zoned land should be brought into balance with housing needs”; “Higher residential development densities should be permitted and encouraged in those areas where amenities can be provided, where the land is suited to such development, where access may be provided without constituting a hazard or overloading of residential streets, and where the development can be designed to minimize conflicts with other uses”; and “Zoning, subdivision and building requirements should be reviewed to determine if changes in these requirements could be made which would lower housing costs while maintaining housing quality”; and

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8 Anchorage Community Development Authority, Incentives for Market-Rate Attainable Housing Development, October 2023, pages 17-18 (barriers) and 40-41 (recommendations).
WHEREAS, the Anchorage 2020 Comprehensive Plan identified Anchorage’s preferred growth scenario as “Urban Transition” and includes the following goals: “General Land Use: A forward-looking approach to community growth and redevelopment; “Residential Uses: A variety of housing types and densities in safe, attractive neighborhoods that offer a choice of urban, suburban, and rural lifestyles that are appropriate for northern conditions and in harmony with our natural setting”; “Neighborhood Identity and Vitality: A variety of safe, pleasant, and distinctive neighborhoods responsive to the diverse needs of residents, with good access to schools, recreation, natural areas, and community facilities”; and “Housing: A balanced, diverse supply of affordable, quality housing, located in safe and livable neighborhoods with amenities and infrastructure, that reflects Anchorage’s varied social, cultural, and physical environment”\(^{11}\); and

WHEREAS, the Anchorage 2040 Land Use Plan re-affirms this policy direction in “Goal 1: Plan for Growth and Livability, Anchorage achieves residential and commercial growth, which improves community resiliency and citizens’ quality of life as it supports their vision for the future expressed in the Comprehensive Plan;” “Goal 2: Infill and Redevelopment, Infill and redevelopment meet the housing and employment needs of residents and businesses in Anchorage;” and “Goal 4: Neighborhood Housing: Anchorage’s neighborhoods provide a range of places to live, meeting the housing needs of residents of all income levels, household sizes, interests, ages, abilities, races and ethnicities”\(^{12}\); and

WHEREAS, the Anchorage 2040 Land Use Plan states that “where comprehensive plan elements conflict, the most recently adopted shall govern,” that “the 2040 LUP governs if it was adopted more recently than [a] neighborhood or district plan,” and that for smaller-area plans, “new and updated plans are expected to maintain or increase housing and employment capacity and help achieve the citywide goals, policies, and growth strategies” of the 2040 LUP\(^{13}\); and

WHEREAS, The comprehensive plan is intended to shape adaptive changes to zoning over time, the residential zoning districts and their dimensional standards in the Anchorage Bowl are largely unchanged when comparing the dimensions of each district between current Title 21 and the 1982 code; and

WHEREAS, in June 2021 the White House published a policy brief entitled Exclusionary Zoning: Its Effect on Racial Discrimination in the Housing Market, stating that “...some zoning laws have been used to discriminate against people of color and to maintain property prices in suburban and, more recently, urban neighborhoods”\(^{14}\); and

WHEREAS, a piece published in the April 2023 HUD Policy & Practice bulletin entitled Pro-Housing Land Use and Zoning Reforms stated that “restrictive land use


\(^{13}\) Anchorage 2040 Land Use Plan, adopted 2017, pages 4-5.

and zoning laws are major drivers of the national housing shortage [and] these policies can drive up housing prices, limit economic growth, exacerbate climate change, and maintain residential segregation";[15]

WHEREAS, Article II, Part 7 of the Bill of Rights in the Municipal Charter guarantees the right to opportunities in housing without regard to race, religion, sex, color, national origin, marital status, or physical disability; and the right to an equal rights commission at the municipal level in aid thereof; and

WHEREAS, 2040 LUP Policy 4.5 calls for the Municipality to consider actions that will affirmatively further fair housing and avoid having the effect of housing discrimination in decisions regarding land use, allocation of housing opportunities, and zoning map or land use regulation amendments; and

NOW THEREFORE, THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. The Anchorage 2020 Comprehensive Plan, Land Use & Transportation Policies and Strategies, page 71, is hereby amended as follows (the remainder of the Plan is not affected and therefore not set out):

<table>
<thead>
<tr>
<th>Policy #</th>
<th>Policy</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>These Statements provide direction to public officials and the general public until Strategies are implemented</td>
<td>Strategies that are “essential” to the implementation of the corresponding Policy. All others are “secondary” to its implementation</td>
</tr>
</tbody>
</table>
| 5       | Rezones and variances shall be compatible [IN SCALE WITH ADJACENT USES] with adopted policy and community needs and consistent with the goals and policies of [ANCHORAGE 2020] the most current comprehensive planning guidance. | • Zoning and Platting Review Process  
• Neighborhood or District Plans  
- Synchronize Zoning with Land Use Maps  
- Development Rights–Purchase  
- Development Rights–Transfer |

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### Section 2

The Anchorage 2020 Comprehensive Plan, Design & Environment Policies and Strategies, page 81, is hereby amended as follows *(the remainder of the Plan is not affected and therefore not set out)*:

<table>
<thead>
<tr>
<th>Policy #</th>
<th>Policy</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>Retention [CONSERVATION] of residential lands for housing is a high community priority. New residential development at densities less than identified in the Neighborhood or District Plans is discouraged. [NO] [R]Regulatory action under Title 21 shall seek to avoid [RESULT IN] a conversion of dwelling units or residentially zoned property into commercial or industrial uses unless consistent with an adopted plan, or the rezone provides for the housing density recommended in the plan.</td>
<td>- Minimum Residential Density - Neighborhood or District Plans - Small-Lot Housing - Development Rights–Transfer</td>
</tr>
</tbody>
</table>

#### General Design & Environment

<table>
<thead>
<tr>
<th>Policy #</th>
<th>Policy</th>
<th>Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>49</td>
<td>Site plan layout and building design for new development shall consider the development needs of the Municipality and use types of adjacent developments. [THE CHARACTER OF ADJACENT DEVELOPMENT.] The Municipality may require layout[S] and design[S] options to incorporate the functional and aesthetic character of the adjacent streetscape [DEVELOPMENT].</td>
<td>- Landscape Ordinance - Design Standards - Major Project Site Plan Review</td>
</tr>
</tbody>
</table>

#### Landscape

- Landscape Use Regulation Amendment
- Development Impact Assessment
- Landscape Design Criteria Manual
Encourage the maintenance and upkeep of existing housing in order to extend its useful life and neighborhood stability, including adaptive reuse for increasing housing units in existing residential areas.

The Municipality shall minimize the incidence of new developments for human occupancy in high natural hazard areas. Consider regulations that are not tied to the zoning districts and may be applied independently based on environmental hazards that exist across the Bowl.

Section 3. The 2040 Land Use Plan, 2040 LUP Policies, beginning on page 16, is hereby amended as follows (the remainder of the Plan is not affected and therefore not set out):

LUP 1.5. Align Anchorage’s land use, transportation, and infrastructure planning, design guidelines, and investments. Account for existing infrastructure and transportation system capacity, changing patterns and utilization of transportation modalities, and planned facility investments when determining areas of growth. Link capital improvement priorities with the elements of the Comprehensive Plan, including the 2040 LUP and area-specific plans.

LUP 1.8. Engage Anchorage residents, businesses, and property owners in a predictable and transparent process leading to the adoption of plans that guide growth. Engage affected communities when making long-term land use decisions, with particular attention to communities that are historically underrepresented, balancing the diverse interests of all current residents and property owners, as well as the housing needs of future residents.

LUP 2.1. Identify and prioritize public investment in areas best positioned to absorb growth meeting housing and employment needs. These areas may have all existing infrastructure necessary to support housing, but can include areas with proximity and access to destinations and amenities that need infrastructure upgrades.
LUP 4.1. Provide sufficient land to meet the diverse housing needs of Anchorage’s residents and carefully consider which neighborhood scale commercial uses to allow, consistent with adopted plans[CITIZENS, WHERE THE INTEGRITY OF THE RESIDENTIAL NEIGHBORHOOD AREAS IS PROTECTED FROM EXPANDING COMMERCIAL CORRIDORS OR NON-NEIGHBORHOOD EMPLOYMENT ACTIVITIES].

LUP 4.4. Encourage property owners to preserve, rehabilitate, or redevelop properties in ways that minimize housing displacement and maintain affordability, health, and safety for residents, including adding new units alongside older ones, rehabilitating older housing, diversifying the uses allowed on a property to support financial stability, or other incentives.

LUP 7.1. Preserve and[ ,] accommodate the existing form and[ , AND CONTRIBUTE TO THE CHARACTER,] scale [, AND IDENTITY] of [ESTABLISHED] neighborhoods while allowing for gradual increases in housing density with infill development [AS NEW INFILL HOUSING AND MIXED-USE DEVELOPMENT OCCURS]. Protect [AND RESTORE] the natural environment as development occurs in these neighborhoods.

Policy LUP 7.2. Ease the transitions between more intensive non-residential uses and adjacent residential [LOWER-DENSITY] neighborhoods—in terms of the built scale, height, level of activity, and character.

Section 4. The 2040 Land Use Plan, in Figure 3-5, Actions Checklist, page 83, is hereby amended as follows (the remainder of the Plan is not affected and therefore not set out):

<table>
<thead>
<tr>
<th>#</th>
<th>Action</th>
<th>Responsible Agency</th>
<th>Time Frame</th>
<th>Related Plans and Studies</th>
</tr>
</thead>
<tbody>
<tr>
<td>goal 2</td>
<td>Infill and redevelopment meets the housing and employment needs of residents and businesses in Anchorage. Actions 1-1, 5-3, 6-2, 6-4, and 6-8 in other sections of this table are also integral to this Goal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-6</td>
<td>Amend Title 21 to allow more mixed-use activity at neighborhood scale[CREATE A MEDIUM-DENSITY RESIDENTIAL DISTRICT THAT ALLOWS MIXED-USE COMMERCIAL IN AN INTEGRATED NEIGHBORHOOD SETTING. REQUIRE PROJECTS TO PRIORITIZE RESIDENTIAL USE AND MEET OR EXCEED AN ESTABLISHED MINIMUM HOUSING DENSITY. PROMOTE ]</td>
<td>Planning</td>
<td>Now</td>
<td>EADP</td>
</tr>
</tbody>
</table>
### Mixed-Use Development

**Mixed-Use Development That is Compatible with the Surrounding Neighborhood.** Direct this district to locations next to centers or corridors.

<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
<th>Responsible Agencies</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-12</td>
<td>Reform the system for requiring off-site public infrastructure improvements to be more flexible and enhance certainty in the development approval process. Flexibility may include a lower level-of-service (LOS) standard for off-site Transportation Improvements or a different standard reflecting different priorities for travel behavior, especially in areas where transit and pedestrian access exist or are planned. Retain the objective to provide adequate public facilities.</td>
<td>OECD, DevServ, Traffic, Planning, PM&amp;E, Utilities, PRIV, Finance, OMB</td>
<td>1-3</td>
</tr>
</tbody>
</table>

### Goal 3

**Mixed-use, walkable commercial centers and corridors thrive within their neighborhood context, offer housing affordable to a range of incomes, and enable business growth.**

Actions 2-1 to 2-7, 4-2, 5-1 to 5-3, 6-2 to 6-5, and 6-8 are also integral to this Goal.

<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
<th>Responsible Agencies</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-1</td>
<td>Amend Title 21 to simplify zoning regulations, ensuring that regulations are clear, understandable, and evenly-applied.</td>
<td>Planning</td>
<td>Now</td>
</tr>
</tbody>
</table>

### Goal 4

**Anchorage’s neighborhoods provide a range of places to live, meeting the housing needs of residents at all income levels, household sizes, interests, ages, abilities, and races and ethnicities.**

Actions 1-1, 2-1 to 2-5, 2-12, 5-3, 6-2, 6-8, and 7-2 to 7-4 are also integral to this Goal.
Amend Title 21 to allow compact housing where feasible. Adjustments to allow more compact housing may include changes to dimensional standards and the number of dwelling units per lot on R-2M or R-3 zoned lots near designated centers. May include increased height or allowed units per lot, subject to additional urban design and neighborhood compatibility standards, such as for building massing and scale, lot coverage, setbacks, and vehicle access. Determine appropriate measures through a public process including collaboration with neighborhoods and stakeholders.

Section 5. Anchorage Municipal Code 21.01.080 is amended as follows (the remainder of the subsection is not affected and therefore not set out):

21.01.080 COMPREHENSIVE PLAN

A. Purpose. The purpose of the comprehensive plan is to set for the goals, objectives, strategies, and policies governing land use
development of the municipality. As adopted, this section and the documents incorporated in this section constitute the comprehensive plan of the municipality.

B. *Elements.*

1. *Adopted Elements.* The comprehensive plan consists of the adopted elements identified in the following table, and which are incorporated in this chapter by reference. Plans or other elements that are not listed below are not official elements of the comprehensive plan, though they may be valid planning tools.

*** *** ***

<table>
<thead>
<tr>
<th>Area/Topic</th>
<th>Plan</th>
<th>Adoption Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anchorage Bowl</td>
<td>Anchorage 2020, Anchorage Bowl Comprehensive Plan</td>
<td>AO 2000-119(S); 2-20-2001</td>
</tr>
<tr>
<td></td>
<td></td>
<td>AO 2002-119; 9-10-2002 AO 2024-- (insert effective date of this ordinance)</td>
</tr>
<tr>
<td></td>
<td>Anchorage 2040 Land Use Plan</td>
<td>AO 2017-116, as amended; 9-26-2017</td>
</tr>
<tr>
<td></td>
<td></td>
<td>AO 2019-142, as amended; 12-17-2019; AO 2021-40, 5-12-2021; AO 2021-78, 11-1-2021; AO 2021-80, 11-1-2021; AO 2022-1, 2-15-2022; AO 2022-54, 5-24-2022; AO 2023-21, 4-11-2023; AO 2023-83, 9-12-2023; AO 2024-1, 2-27-2024; AO 2024-- (insert effective date of this ordinance)</td>
</tr>
</tbody>
</table>

*** *** *** revisor’s note: the rest of this table omitted because no changes *** *** ***


Section 6. The zoning map is amended as provided in appendix A.

Section 7. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this day of ________________, 2024.
Chair

ATTEST:

Municipal Clerk

(Planning and Zoning Commission Case No. 2024-0006 and {insert additional case number})
From: Assembly Vice Chair Zaletel, and Assembly Members Brawley and Volland.

Subject: AN ORDINANCE OF THE ANCHORAGE ASSEMBLY AMENDING THE COMPREHENSIVE PLAN AND ANCHORAGE 2040 LAND USE PLAN TO ALLOW IMPLEMENTATION OF THE HOME INITIATIVE INCLUDING TEXT AMENDMENTS TO TITLE 21.

Since the Municipality adopted the Anchorage 2020 Comprehensive Plan in 2001, the plan has been amended several times – adoption of neighborhood and district plans (which get adopted into the Comprehensive Plan as elements in AMC 21.01.080, Table 21.01-1: Comprehensive Plan Elements), the process to produce and adopt the 2040 Land Use Plan, and multiple individual rezones of properties, which also required a change to the land use plan map and land use designation(s) of those parcels.

However, a review of prior ordinances in the Municipality's Document Portal between 2001-2024 indicates that there have been few, and potentially not any, substantive review and updates to the policies in the Comprehensive Plan (or Land Use Plan) since those documents were officially adopted. The exception to this statement is a targeted update made after adoption of Our Downtown Plan (adopted in AO 2022-27), by inserting the names of new Downtown zoning districts into the 2040 Land Use Plan via AO 2023-21, passed 2/21/23.

During this time, the economic and community conditions in the Municipality have changed, particularly around the increasing urgency and scale of our housing shortage, from lack of affordable housing, to an extremely tight housing market, to a sustained slow-down of housing production over the last decade. A full review, not only to housing and residential land use policies but to all components of the Comprehensive Plan, would be a valuable exercise, especially for evaluating the efficacy of our current implementation strategies, and whether and how they are anticipated to achieve our goals in the Land Use Plan’s stated timeframe (the next 16 years). However, this larger review would take significant time and resources, in an environment in which there are known urgent issues to address (like housing supply) and very limited staff resources, particularly in the Planning Department.

Therefore, the sponsors of the HOME Initiative have conducted a targeted, outcomes-focused review of our current plans, and where the “what” (i.e., plan vision, goals, and description of how we want our community to development over time) is disconnected from the “how” (i.e., implementation strategies in the plan, to achieve those goals). The sponsors are not proposing changes to the vision or goals, and propose only targeted changes to the Land Use policies in both documents, to bring the “how” into better alignment with the “what.” Just as the
sponsors contemplate the HOME Initiative and changes to residential zoning as a direct implementation action of the 2020 Comprehensive Plan and 2040 Land Use Plan, the plan amendments contemplated in this ordinance are intended to increase our likelihood and opportunities for success in achieving the community’s well-supported goals for how the Municipality grows over time.

We request your support for the ordinance.

Reviewed by: Assembly Counsel’s Office

Respectfully submitted: Meg Zaletel, Vice Chair of the Assembly District 4, Midtown
Anna Brawley, Assembly Member District 3, West Anchorage
Daniel Volland, Assembly Member District 1, North Anchorage