

Submitted by: VICE CHAIR OSSIANDER on behalf  
of the Title 21 Committee

Prepared by: Assembly Counsel  
For reading: September 25, 2007

CLERK'S OFFICE

APPROVED

Date: 11-6-07 ANCHORAGE, ALASKA  
AO NO. 2007-131

1 AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY ADOPTING  
2 ANCHORAGE MUNICIPAL CODE SECTION 21.08.060, SUBDIVISION  
3 AGREEMENTS, EFFECTIVE RETROACTIVE TO JUNE 12, 2007, THE DATE OF  
4 ASSEMBLY APPROVAL OF AO 2007-82.  
5

6  
7 WHEREAS, the intent of AO 2007-82, as reflected in the ordinance title, included  
8 authorizing section 21.08.060, as amended, to be effective immediately; and  
9

10 WHEREAS, under AO 2007-82, AMC 21.87 is deleted in its entirety, and the Code  
11 Revisor is instructed to cross reference 21.08.060;  
12

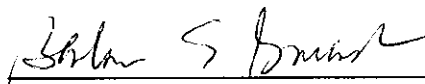
13 NOW, THEREFORE, THE ANCHORAGE ASSEMBLY ORDAINS:  
14

15 **Section 1.** Anchorage Municipal Code section 21.08.060, Subdivision Agreements,  
16 as provisionally adopted under AO 2006-172, and as amended in subsections H and K  
17 by AO 2007-82, is effective retroactive to June 12, 2007, the date of Assembly approval  
18 of AO 2007-82.  
19

20 PASSED AND APPROVED by the Anchorage Assembly this 6<sup>th</sup> day of  
21 November, 2007.  
22

23  
24  
25  
26 Chair   
27

28 ATTEST:  
29

30   
31 Municipal Clerk  
32  
33  
34  
35  
36  
37

Submitted by: ASSEMBLY MEMBERS OSSIANDER,  
COFFEY, SELKREGG

Prepared by: Assembly Counsel

For reading: May 22, 2007

CLERK'S OFFICE

APPROVED

Date: 6-12-07

ANCHORAGE, ALASKA

AO NO. 2007-82

1 AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING  
2 ANCHORAGE MUNICIPAL CODE, SUBSECTIONS 21.08.060H AND 21.08.060K AS  
3 ADOPTED UNDER AO 2006-172, CLARIFYING CROSS-REFERENCES, DELETING  
4 CHAPTER 21.87 IN ITS ENTIRETY, AND AUTHORIZING SECTION 21.08.060, AS  
5 AMENDED, TO BE EFFECTIVE IMMEDIATELY.  
6

7  
8 WHEREAS, Anchorage Municipal Code chapter 21.08, Subdivision Standards,  
9 referenced as Attachment C to AO 2006-172, was passed and approved as  
10 provisionally adopted on April 10, 2007, the effective date to be simultaneous with other  
11 chapters of title 21 in the future; and  
12

13 WHEREAS, AO 2007-71 as introduced at the Request of the Mayor on April 17, 2007,  
14 would provide an immediate effective date for section 21.08.060; and  
15

16 WHEREAS, the Title 21 Committee supports an immediate effective date, with  
17 amendment to subsections 21.08.060 H and K;  
18

19 THE ANCHORAGE ASSEMBLY ORDAINS:  
20

21 **Section 1.** Anchorage Municipal Code subsection 21.08.060H, as provisionally  
22 adopted on April 10, 2007 in a new chapter 21.08, Subdivision Standards, as attached  
23 to AO 2007-172, is hereby amended as follows:  
24

25 **H. Release of Guarantee of Improvements**  
26

27 1. Inspection will be made by the municipality prior to acceptance of  
28 the improvements for warranty. The municipality shall have 14 30 days,  
29 ~~which shall begin on the day of the first inspection~~, to complete the  
30 inspection and provide a list of deficiencies, except that the municipal  
31 engineer may extend the 14 30 day period for unusual circumstances  
32 such as extreme weather. The 14 day period shall begin on the day  
33 the municipality receives written notice from the subdivider that his  
34 or her comprehensive inspection has confirmed that construction of  
35 all required improvements is complete, all applicable subdivision  
36 agreement requirements are fulfilled, and the project is ready for  
37 municipal inspection. ~~Upon notification by the subdivider, the~~

~~municipality shall inspect to confirm the correction of the deficiencies.~~

2. When all listed deficiencies have been corrected, the subdivider shall notify the municipality in writing and the municipality shall perform a final inspection of the listed deficiencies within 7 days of receiving the notification, except that the municipal engineer may extend the 7 day period for unusual circumstances such as extreme weather. If the final inspection reveals uncorrected listed deficiencies, this procedure shall be repeated.

2.3. The municipality shall release the obligation for performance guarantees upon the acceptance of the improvements for warranty, together with the posting of adequate security for warranty.

3.4. The municipality may refuse to release the obligation for any particular public improvement if the subdivider or contractor is in present or imminent default in whole or in part on the completion of any other public improvement or warranty covered by the subdivision agreement.

**Section 2.** Anchorage Municipal Code subsection 21.08.060K, as provisionally adopted on April 10, 2007 in a new chapter 21.08, Subdivision Standards, as attached to AO 2006-172, is hereby amended as follows:

**K. End of Warranty Period**

1. The municipality shall inspect the required improvements and provide a list of deficiencies to the subdivider no later than 30 days before the end of the warranty period, except that the municipal engineer may extend this time due to inappropriate weather or other conditions that impede complete inspection. Inspection will be made by the municipality at the end of the warranty period and prior to the release of guarantees. The municipality shall have 30 days, which shall begin on the day of the first inspection, to complete the inspection and provide a list of deficiencies, except that the municipal engineer may extend the 30 day period for unusual circumstances such as extreme weather.

2. All deficiencies identified in the warranty period shall be corrected, inspected, and approved within 30 days, except that the municipal engineer may extend the 30 day period for unusual circumstances or inappropriate weather. The municipality is under no obligation to

**release any remaining security if the subdivider fails to correct any identified deficiencies.**

**3.** Upon final acceptance, the municipality will release the remaining security within 90 days.

**4.** If the municipality does not timely inspect and provide a report **as required in K.1. above** ~~before the warranty period expires~~, the warranty period ends.

**Section 3.** This ordinance AO 2007-82 is effective immediately upon passage and approval and shall apply to all preliminary plat applications submitted after the effective date.

**Section 4.** Until the effective date of the remainder of chapter 21.08, as adopted on April 10, 2007, the following references in section 21.08.060 shall be interpreted as follows:

- A. Any reference to section 21.08.050 shall be to chapter 21.85;
- B. Any reference to section 21.08.060D shall be to 21.85.050;
- C. Any reference to section 21.08.060F shall be to 21.85.070;
- D. Any reference to section 21.08.060S shall be to section 21.85.190;
- E. Any reference to table 21.08-3 shall be to chapter 21.85, Table A;
- F. Any reference to table 21.08-4 shall be to chapter 21.85, Table C;
- G. Any reference to table 21.08-5 shall be to chapter 21.85, Table B; and
- H. Any reference to section 21.07.080 shall be to section 21.45.125 and 21.45.200.

**Section 5.** Anchorage Municipal Code chapter 21.87 is deleted in its entirety, and the Code Revisor is instructed to place a note at chapter 21.87 substantially as follows:

*Editor's Note: Chapter 21.87 repealed on May \*\*, 2007, AO 2007-\*\*, code provisions regarding subdivision agreements are now located in section 21.08.060.*

1 PASSED AND APPROVED by the Anchorage Assembly this 12<sup>th</sup> day of  
2 June, 2007.

3  
4  
Chair 

5 ATTEST:

6   
7 Municipal Clerk  
8  
9  
10  
11  
12  
13  
14



**MUNICIPALITY OF ANCHORAGE**  
**ASSEMBLY MEMORANDUM**  
**NO. AM 370-2007**

**Meeting Date:** May 22, 2007

**From:** Assembly Vice Chair Ossiander

**Subject:** AO 2007-82 – AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE SECTION 21.08.060 AS ADOPTED UNDER AO 2006-172, CLARIFYING CROSS-REFERENCES, DELETING CHAPTER 21.87 IN ITS ENTIRETY, AND AUTHORIZING SECTION 21.08.060, AS AMENDED, TO BE EFFECTIVE IMMEDIATELY.

AO 2007-71, introduced at the request of the Mayor, proposes that AMC Section 21.08.060 become effective immediately, with clarifying cross-references and deletion of chapter 21.87 in its entirety. AO 2007-71 was referred to the Title 21 Committee and is attached with AM 293-2007 as introduced on April 17, 2007.

The Title 21 Committee recommends amendments to subsections 21.08.060 H and K, and supports the proposal for section 21.08.060 to become effective immediately provided these amendments are included.

AO 2007-82 includes the Title 21 Committee's recommended changes to subsections 21.08.060H and K, and incorporates the other provisions of AO 2007-71 as proposed.

Respectfully submitted:

Debbie Ossiander, Title 21 Committee Chair  
Assemblymember, Section 2

**R. Landscaping**

The subdivider shall be responsible for the provision of landscaping required under section 21.07.080, *Landscaping, Screening, and Fences*, except the tree provisions of subsection 21.07.080F.8., and it shall be installed by the subdivider or guaranteed under the provisions of subsection 21.08.060E.

**21.08.060 SUBDIVISION AGREEMENTS**

**A. Agreement Required; Application; Contents**

**1. Agreement Required**

Before a final plat for a subdivision where improvements are required under section 21.08.050 is approved or filed, the subdivider shall enter into a subdivision agreement with the municipality in accordance with this section.

**2. Application**

Application for a subdivision agreement shall be made to the department of project management and engineering. The application shall include a copy of the platting summary of action, a copy of the preliminary plat, a tentative schedule of all proposed construction of public improvements and utilities, and an engineer's estimate of the cost of each required public improvement. The engineer's estimate shall be based on the schedule of prices for standard items for private development projects, published by the municipal engineer. The municipality may require a showing of the subdivider's financial responsibility.

**3. Contents**

Except as provided in subsection A.4. below, the subdivision agreement shall include but need not be limited to the following provisions:

- a. A designation of the public improvements required to be constructed.
- b. The construction and inspection requirements of the municipality or utility for which the improvements are constructed.
- c. The time schedule for completing the improvements.
- d. The guarantee required by subsection 21.08.060E.
- e. A schedule for any payments required under this section.
- f. The allocation of costs between the municipality and the subdivider for required public improvements.
- g. The warranty required by subsection 21.08.060G.
- h. The consent of the subdivider for the ownership of specified public improvements to vest with the municipality upon final acceptance by the municipality.
- i. A warranty that the subdivider has title to the subdivision property and the authority to execute the subdivision agreement.
- j. Where the subdivision is within the flood hazard district, a requirement that the subdivider will submit certification of floodproofing, information on the elevation of

the lowest habitable floor, and information on the elevation to which the structure is floodproofed, for each building or structure to be constructed as part of the subdivision agreement.

- k. A provision requiring the subdivider to submit plans, specifications, descriptions of work, the limits of the work area, the methods to be employed, a traffic control plan, and any other pertinent data and information necessary for the municipal engineer to evaluate the proposed installation.
- l. A provision that all designs conform to the *Design Criteria Manual*, and that all work shall be performed pursuant to the *Municipality of Anchorage Standard Specifications*.
- m. A provision that work shall not commence until plans have been approved by the municipal engineer and notice to proceed is given.

4. **Exceptions**

If the subdivider elects to complete and obtain acceptance of all required public improvements before the approval or filing of a final plat for the subdivision, the subdivision agreement need not include the guarantee provisions specified in items 3.c. and d. above.

B. **Approval by Assembly**

Approval by the assembly shall be required to enter into those subdivision agreements where municipal participation in the cost of the required public improvements is estimated to be \$30,000.00 or more.

C. **Time Limit for Completion of Improvements**

- 1. The municipal engineer shall determine the time duration of the subdivision agreement, which shall not be less than two years nor more than three, based on the size, complexity, and possible phasing of the subdivision. The improvements required under the terms of the subdivision agreement shall be fully completed and accepted for warranty within that time period. However, before the expiration of the subdivision agreement, the subdivider may request a time extension from the municipal engineer. The municipal engineer may grant one subdivision agreement time extension, up to two years in length, upon a showing of good cause by the developer and provided such extension does not unreasonably impact adjacent properties or the general public. The municipal engineer does not have the authority to modify conditions placed by the platting board. The municipal engineer may refer any extension application to the platting board if the project is in default or he or she deems further or more extensive analysis and public comment concerning the continuation of the subdivision agreement may be needed. In considering whether an extension should be granted, the following shall be considered: the manner in which safety hazards, drainage problems, sanding, snow removal, grading, and other matters will be handled during the extension period. Performance conditions may be imposed on the extension to ensure that such matters are adequately handled.
- 2. Requests for subsequent two-year time extensions require platting board approval. All time extensions shall be conditioned to require provision of an adequate performance guarantee when the existing guarantee is inadequate.



**D. Payment of Costs of Required Improvements Outside the Anchorage Roads and Drainage Service Area**

1. Outside of the Anchorage Roads and Drainage Service Area, the subdivider/developer shall pay 100 percent of all costs associated with construction, including but not limited to design, engineering, project administration and inspection, testing, surveillance, related bank fees and interest payments, fair market value of right-of-way, as well as all work, labor, and materials furnished for the construction of required improvements. The exception shall be those utilities whose tariffs provide cost participation.
2. The subdivider shall retain an independent registered engineer who has no financial interest in the development, to inspect and test the improvement construction. The engineer shall maintain in good standing professional liability insurance in the amount of \$1,000,000 during the term of the agreement. Policies written on a "claims-made" basis must have a two year tail of coverage from the completion of the subdivision agreement term. The required insurance policy shall provide for no less than 30 days advance notice to the municipality prior to cancellation.

**E. Payment of Costs of Required Improvements Inside the Anchorage Roads and Drainage Service Area**

The cost of any public improvement shall be defined to include the cost of design, engineering, contract administration, inspection, testing, and surveillance as well as all work, labor, and materials furnished for the construction of the improvement. The subdivision agreement shall provide for the apportionment of the cost of required public improvements between the municipality and the subdivider as follows:

1. **Administrative and Recording Costs Relating to Public Improvement Guaranties**  
The subdivider shall pay 100 percent of all costs incurred in supplying and administering any method of public improvement guarantee provided for in subsection 21.08.060.
2. **Inspection, Surveillance, and Testing**
  - a. The subdivider shall pay 100 percent of all costs relating to any inspection, surveillance, and testing by the municipality, necessary for warranty acceptance of any required public improvement or during the warranty period. Surveillance shall be performed by the municipality during the course of construction and up to the point of final acceptance of the completed project.
  - b. The subdivider shall retain an independent registered engineer who has no financial interest in the development, to inspect and test the improvement construction. The engineer shall maintain in good standing professional liability insurance in the amount of \$1,000,000 during the term of the agreement. Policies written on a "claims-made" basis must have a two year tail of coverage from the completion of the subdivision agreement term. The required insurance policy shall provide for no less than 30 days advance notice to the municipality prior to cancellation.
3. **Administration of Agreement**  
The subdivider shall pay 100 percent of all costs of plan review, agreement administration, and attendant costs.
4. **Arterial and Collector Streets**  
Reasonable costs incurred in the construction of a street designated on the *Official Streets and Highways Plan* (OSHP) as a collector, arterial, or greater shall be

apportioned as specified in subsections E.4.a. through d. below. For purposes of this subsection, construction costs means only those costs associated with construction, design engineering, project administration and inspection, related bank fees and interest payments, and fair market value of right-of-way dedicated to the street in excess of 70 feet.

**a. Interior Collector Streets**

If a collector street lies within the subdivision, the municipality shall reimburse the subdivider a sum equal to the reasonable construction cost of building to the standard specified by the platting authority, less the estimated cost of construction in accordance with the residential standard approved by the platting authority under tables 21.08-3 and 21.08-5, provided that:

**I. When the subdivision agreement is executed:**

- (A)** The street is programmed for improvement to the designated standard in the six-year capital improvement program; and
- (B)** Sufficient funds (bonds, designated state grants, or mil-levy) have been appropriated for reimbursement in the capital improvement budget for the current fiscal year; or

**II. When the preliminary plat of the subdivision is approved:**

- (A)** Construction to the designated standard is required by the platting authority;
- (B)** Improvement to the designated standard is programmed in the six-year capital improvement program; and
- (C)** Sufficient funds (bonds, designated state grants, or mil-levy) have been appropriated for reimbursement in the capital improvement budget for the current fiscal year.

If the conditions set forth in subsections 4.a.i. or II. are not met at the time specified, then the total cost of construction required by the platting authority shall be borne by the subdivider.

**b. Interior Arterial Streets**

If an interior arterial or greater street is required to be constructed to arterial standards by the platting authority, the municipality shall reimburse the subdivider 100 percent of the reasonable construction cost subject to the availability of bond funds, state grants, or mil-levy funds appropriated for the construction of that street. If the platting authority has not required construction to arterial or greater standards, the subdivider shall construct the street to the standards required under subsection 21.08.050D. and shall bear 100 percent of the construction cost.

**c. Peripheral Streets**

If the subdivider is required to construct an abutting collector street, the municipality shall reimburse a sum equal to the reasonable construction cost of the standards specified by the platting authority less the estimated cost of construction in accordance with the residential standards under table 21.08-4, subject to the conditions specified in subsection 4.a. above. If a subdivider is

required to construct an abutting arterial or greater street to arterial or greater standards, the municipality shall reimburse in a manner and subject to the conditions set forth in subsection b. above. If the subdivider is not required to construct an abutting street to arterial or greater standards, the subdivider shall construct the street to the standards required under subsection 21.08.050F, and shall pay 100 percent of the cost of construction.

**d. Access Streets**

If the platting authority requires the construction of an access street under the authority of subsection 21.08.050D, that is designated as a collector, arterial, or greater, the municipality shall reimburse a sum equal to the reasonable construction cost of the standard specified by the platting authority less the estimated construction cost in accordance with the residential standards under table 21.08-4, subject to the availability of bond funds, state grants, or mill-levy funds appropriated for the construction of that street. If the platting authority has not required construction to collector or greater standards, the subdivider shall construct the street to the standards required under subsection 21.08.050D, and shall pay 100 percent of the construction costs.

**5. Other Streets**

Except as provided in subsection E.4., the subdivider shall pay 100 percent of the cost of streets within the boundaries of the subdivision. The subdivider shall additionally pay 100 percent of the cost of all peripheral streets and access roads except as provided in subsection E.4. of this section whose construction may be required by the municipal engineer. The property within subdivisions that is later assessed by the municipality for final improvements to access and peripheral streets shall receive credit for the cost of salvageable improvements to those peripheral and access streets. Nonsalvageable improvements will not receive credit. Credit will be provided only when:

- a. The municipality approved the award of the contract which included the work for which the credit is to be issued; and
- b. The subdivider provided the municipality with a sworn notarized statement setting forth the distribution of the costs of salvageable improvements, which he utilized for purposes of establishing lot price, for each lot within his subdivision to which such costs were spread.

The credit will be applied as a reduction of assessment to each applicable lot, except that in no case will the amount of credit given to any lot exceed the amount of the assessment to that lot.

**6. Curbs, Sidewalks, and Walkways Adjacent to Streets**

The subdivider shall pay the cost of constructing curbs, and sidewalks and walkways adjacent to streets, in the same manner as the cost of constructing the streets to which they are adjacent as provided in subsections E.4. and 5.

**7. Sidewalks and Walkways not Adjacent to Streets**

The subdivider shall pay 100 percent of the cost of constructing all sidewalks and walkways not adjacent to streets.

**8. Storm Drains, Inlets, and Manholes**

The subdivider shall pay 100 percent of the cost of storm drains, inlets, and manholes necessary to serve the subdivision, provided that, within areas where the municipality provides drainage maintenance, the municipality shall reimburse the subdivider those

costs attributable to oversizing required by the municipality. In those areas where the municipality does not maintain drainage facilities, the subdivider shall pay all costs, including those for any required oversizing.

**9. Water Improvements**

If the subdivision is to receive water service from a public utility, the subdivider shall provide water facilities, including service connections to all lots, with cost participation as provided in the current approved tariff of the utility. If the subdivision is to receive water service from a community water system, the subdivider shall provide water facilities, including service connections to all lots, and pay 100 percent of the cost of those facilities.

**10. Sanitary Sewer Improvements**

The subdivider shall provide sanitary sewer facilities, including service connections to all lots, with cost participation as provided in the current approved tariff of the municipal sanitary sewer utility.

**11. Electrical and Telecommunication Facilities**

The subdivider shall provide electrical and telecommunication facilities with cost participation as provided in the current approved tariffs of the applicable utility companies.

**12. Deferred Utilities**

When paved street or sidewalk improvements are installed prior to placement of traffic control devices and electrical and telecommunication cable placement, the subdivider shall, at appropriate crossings as directed by the municipality, provide any necessary underground conduit consistent with conduit size, type, and installations standards provided by the utility.

**13. Street Lighting**

The subdivider shall pay the cost of street lighting apparatus in the same manner as the cost of constructing the streets to which it is adjacent as provided in subsections E.4. and 5.

**14. Traffic Control Devices**

The subdivider shall pay 100 percent of the cost of traffic control devices. Traffic control devices, except electric-operated traffic signals, shall be installed prior to any structure being occupied in the subdivision.

**15. Landscaping**

The subdivider is responsible for required landscaping as stated in subsection 21.08.050S. Landscaping shall meet the standards of section 21.07.080, *Landscaping, Screening, and Fences*.

**F. Subsequent Development Reimbursement**

[RESERVED]

**G. Guarantee of Completion of Improvements Required; Amount; Methods**

**1. Guarantee Required**

To ensure the installation of required public improvements that are not accepted at the time the final plat is filed, the subdivision agreement shall require the subdivider to guarantee the completion of all such improvements by one or more of the methods

specified in this section. The means of a guarantee may be changed during the guarantee period upon approval by the municipal engineer. The amount of the guarantee shall be determined on the basis of the subdivider's cost estimate. The guarantee shall remain in effect until warranty acceptance of the public improvements and the posting of an acceptable security for the warranty period.

2. **Cost Estimate; Overrun Allowance**

The engineer's cost estimate shall state the estimated cost of completion for each required public improvement. Cost estimates for each required public improvement must be approved by the department of project management and engineering. For purposes of establishing the amount necessary for the guarantee of completion of public improvements, a percentage for overrun allowance shall be added to the total estimated cost of public improvements as follows:

TABLE 21.08.080 PERCENT FOR OVERRUN ALLOWANCE	
Estimated cost of public improvements	Percentage for overrun allowance
\$0.00-\$500,000.00	20
\$500,000.00-\$1,000,000.00	15
\$1,000,000.00 and over	10

3. **Methods**

The subdivision agreement shall include one or more of the following methods to guarantee the construction of required public improvements:

a. **Performance Bond**

The subdivider may elect to provide a surety bond from a company authorized to do such business in the state. The bond shall be in a form acceptable to the municipal attorney and in an amount equal to the estimated cost of all required public improvements, plus an overrun allowance as provided in subsection G.2. above. The bond shall be payable to the municipality if any required public improvements are not finally accepted in accordance with the provisions of this title, and shall be posted by no person other than the subdivider or a contractor obligated by written contract to the subdivider for construction of all the required public improvements. In the event a contractor posts the bond, the subdivider and the municipality may be dual obligees under mutually agreed terms.

b. **Deposit in Escrow**

The subdivider may elect to deposit a cash sum equal to the estimated cost of all required public improvements plus overrun allowances as provided in subsection G.2. above, either with the municipality or in escrow with a responsible financial institution authorized to do such business in the state. In the case of an escrow account, the subdivider shall file with the municipality an escrow agreement that includes the following terms:

- I. Funds of the escrow account shall be held in trust until released by the municipality and may not be used or pledged by the subdivider as security in any matter during that period other than payment for the improvements.
- II. In the case of a failure on the part of the subdivider to complete any improvement within the required time period, the institution shall

Immediately make all funds in such account available to the municipality for use in the completion of those improvements.

c. **Letter of Credit**

The subdivider may elect to provide from a bank or other responsible financial institution authorized to do such business in the state an irrevocable letter of credit. Such letter shall be filed with the municipality and shall certify the following:

- i. That the creditor irrevocably guarantees funds in an amount equal to the estimated cost of all required public improvements plus overrun allowances as provided in subsection G.2. above, for the completion of all such improvements; and
- ii. That in the case of failure on the part of the subdivider to complete any specified improvements within the required time period the creditor shall pay to the municipality immediately and without further action such funds as are necessary to finance the completion of those improvements up to the limit of credit stated in the letter.

H. **Release of Guarantee of Improvements**

1. Inspection will be made by the municipality prior to acceptance of the improvements for warranty. The municipality shall have 30 days, which shall begin on the day of the first inspection, to complete the inspection and provide a list of deficiencies, except that the municipal engineer may extend the 30 day period for unusual circumstances such as extreme weather. Upon notification by the subdivider, the municipality shall inspect to confirm the correction of the deficiencies.
2. The municipality shall release the obligation for performance guarantees upon the acceptance of the improvements for warranty, together with the posting of adequate security for warranty.
3. The municipality may refuse to release the obligation for any particular public improvement if the subdivider or contractor is in present or imminent default in whole or in part on the completion of any other public improvement or warranty covered by the subdivision agreement.

I. **Improvement Warranty**

1. The subdivider shall warrant and guarantee that required public improvements constructed under the agreement will remain in good condition and meet operating specifications for two years, commencing with warranty acceptance of each public improvement when it is completed. Such warranty includes defects in design, workmanship, materials, and any damage to improvements caused by the subdivider, his or her agents, or others engaged in work to be performed under the subdivision agreement. If the municipal engineer deems appropriate, extensive repairs or modifications made during the warranty period may extend the duration of the warranty period for those repairs or modifications only. The subdivider shall not be responsible for cleaning, snow removal, ditching, grading, dust control, or similar activities during the warranty period. Nothing in this title, however, is intended to waive the requirements of AMC chapter 24.80, pertaining to miscellaneous use provisions.

**2. To secure the warranty:**

- a. The guarantee of performance provided for in subsection G. shall remain in effect until the end of the warranty period. If the guarantee is a performance bond posted by a contractor, the bond cannot secure the warranty unless the subdivider and contractor, by written agreement, elected this option at the time the performance bond was posted; or
- b. The subdivider shall furnish the municipality with a corporate surety bond, cash deposit, or letter of credit in an amount equal to a percent of the total construction costs as set forth in this subsection. This security shall guarantee the payment of any reconstruction or repair costs that may be undertaken due to failures occurring during the warranty period. Responsibility for identifying the necessity of repairs or reconstruction of the improvements shall rest with the municipality.

TABLE 21.08.10 PERCENT TO SECURE WARRANTY	
Construction Costs	Percent to Secure Warranty
\$0.00-\$500,000.00	10
\$500,000.00-\$1,000,000.00	7 1/2
\$1,000,000.00 and higher	5

**J. Correction of Deficiencies Under Warranty**

Within 30 days, or a reasonable extension at the sole discretion of the municipal engineer, of notification by the municipality of the need for repair or reconstruction, the subdivider shall correct the deficiencies, satisfactory to the municipality. Such notification shall be made by certified mail. If the subdivider fails to repair or reconstruct the deficiency within the time specified in this section, the municipality will make the repair at the subdivider's sole expense. The municipality may then bill the subdivider for the cost of the repair and associated administrative costs, or declare the bond or deposit forfeited.

**K. End of Warranty Period**

Inspection will be made by the municipality at the end of the warranty period and prior to the release of guarantees. The municipality shall have 30 days, which shall begin on the day of the first inspection, to complete the inspection and provide a list of deficiencies, except that the municipal engineer may extend the 30 day period for unusual circumstances such as extreme weather. All deficiencies identified in the warranty period shall be corrected, inspected, and approved within 30 days, except that the municipal engineer may extend the 30 day period for unusual circumstances or inappropriate weather. Upon final acceptance, the municipality will release the remaining security within 90 days. If the municipality does not timely inspect and provide a report before the warranty period expires, the warranty period ends.

**L. Default**

If the subdivider defaults on any obligation to construct required public improvements or the obligation to warrant and repair such improvements, the municipality may demand immediate payment on the performance or warranty guarantee. In the case of a performance bond, deposits in escrow, or letter of credit, the municipality may demand immediate payment of a portion of all sums obligated for the performance or warranty of any improvement. All funds received by the municipality shall be used for any construction, repair, or reconstruction necessary to ensure that:

1. All required public improvements are built to specifications necessary to receive warranty acceptance; and

2. The improvements remain in good condition for the completion of the warranty period. The municipality may use guarantee funds for the construction, repair, or maintenance of required public improvements from the date of initial default until three years after the funds have become available to the municipality for such use, except that no use shall be made of the funds later than two years after satisfactory completion and warranty acceptance of the work. Following either: (1) the warranty acceptance of all public improvements and posting of the warranty security, or (2) final acceptance, or (3) the three-year period provided for in this subsection, the municipality shall pay to the subdivider all guarantee funds which were not used or obligated for the completion of the improvements.

**M. Agency Coordination**

Upon receipt of notification of violation or concern by municipal departments or outside agencies, the municipal engineer may suspend approval on work authorized through the subdivision agreement until such time that the issue is resolved.

**N. Standards May Not Be Altered; Enforcement of Chapter**

All provisions of this chapter are mandatory and may not be altered by the subdivision agreement. The obligations contained in this chapter shall be enforceable by methods of enforcement of ordinance as well as contract.

**21.08.070 CONSERVATION SUBDIVISIONS**

**A. Purpose**

A conservation subdivision is an alternative type of residential development in which the lots are allowed to be smaller in area or narrower than otherwise required in the zoning district, but in which the overall number of lots does not exceed the maximum number of lots allowed in a conventional subdivision by the zoning district. Conservation subdivisions are intended to create a more compact residential development to preserve and maintain open areas, high value natural lands, and lands unsuitable for development, in excess of what would otherwise be required by this title.

**B. Applicability**

The conservation subdivision option may be used on any parcel with a minimum of at least two acres in any residential district in which detached single-family housing is permitted, provided that the proposal is consistent with the requirements in this section 21.08.070.

**C. Conservation Design Process**

Conservation subdivisions shall be approved through the procedure set forth in section 21.03.200, *Subdivisions and Plats*.

**D. Reduction in Minimum Lot Area Allowed**

Conservation subdivisions may include one or more lots that do not conform to the minimum lot size or lot width requirements of chapter 21.06, or the dimensional requirements of subsections 21.08.030J.1. and 2., provided that:

1. The amount of any reduction in minimum lot size shall be used for common open space, pursuant to F. below;



Municipality of Anchorage  
MUNICIPAL CLERK'S OFFICE  
**Agenda Document Control Sheet**

AO 2007-131

(SEE REVERSE SIDE FOR FURTHER INFORMATION)

<b>1</b>	SUBJECT OF AGENDA DOCUMENT adopting AMC 21.08.060, Subdivision Agreements, effective retroactive to June 12, 2007, the date of Assembly approval of AO 2007-82.	DATE PREPARED 9/25/07
		Indicate Documents Attached <input checked="" type="checkbox"/> AO <input type="checkbox"/> AR <input type="checkbox"/> AM <input type="checkbox"/> AIM
<b>2</b>	DEPARTMENT NAME Assembly	DIRECTOR'S NAME Dan Coffey, Assembly Chair
<b>3</b>	THE PERSON THE DOCUMENT WAS ACTUALLY PREPARED BY Julia Tucker, Assembly Counsel	HIS/HER PHONE NUMBER 343-4419
<b>4</b>	<b>COORDINATED WITH AND REVIEWED BY</b>	<b>INITIALS</b>
	Mayor	
	Municipal Clerk	
	Municipal Attorney	
	Employee Relations	
	Municipal Manager	
	Cultural & Recreational Services	
	Fire	
	Health & Human Services	
	Merrill Field Airport	
	Municipal Light & Power	
	Office of Management and Budget	
	Police	
	Port of Anchorage	
	Public Works	
	Solid Waste Services	
	Transit	
	Water & Wastewater Utility	
	<b>Executive Manager</b>	
	Community Planning & Development	
	Finance, Chief Fiscal Officer	
	Heritage Land Bank	
	Management Information Services	
	Property & Facility Management	
	Purchasing	
	Other	
<b>5</b>	<b>Special Instructions/Comments</b>  Laid on the Table Item - Consent Agenda-Introduction	
<b>6</b>	ASSEMBLY HEARING DATE REQUESTED 9/25/07	<b>7</b> PUBLIC HEARING DATE REQUESTED 10/23/07

2007 SEP 25 PM 1:55  
 N.O.A.  
 CLERK'S OFFICE