

Submitted by: Assembly Members
Volland, Cross, and Sulte
Prepared by: Legislative Services Office
and Assembly Counsel's
Office
Reviewed by: Planning
Department, Building
Services Department and
Department of Law
For reading:

ANCHORAGE, ALASKA
AO No. 2023-103

1 **AN ORDINANCE OF THE ANCHORAGE ASSEMBLY AMENDING CERTAIN**
2 **PROVISIONS OF ANCHORAGE MUNICIPAL CODE TITLE 21 TO CREATE A**
3 **CLASSIFICATION OF RESIDENTIAL DEVELOPMENT FOR THREE AND FOUR**
4 **DWELLING UNIT CONSTRUCTION; APPLY THE RESIDENTIAL DESIGN**
5 **STANDARDS FOR ONE- AND TWO-FAMILY DWELLINGS TO SUCH**
6 **DEVELOPMENTS; AND CONFORMING CODE AMENDMENTS.**

7
8 **WHEREAS**, with one-third of Alaska's population and nearly half of its jobs in a 100-
9 square-mile area, the Anchorage Bowl is the urban center of an emerging
10 metropolitan region and home to a vibrant community burdened by a housing
11 shortage; and

12
13 **WHEREAS**, in 2022, Alaska built 2.4 new housing units for every 1,000 people, on
14 average. In the same year, the Matanuska-Susitna Valley added 7.0 new housing
15 units and Anchorage only added 1.3 new housing units; and

16
17 **WHEREAS**, the median single family home listing price in Anchorage rose 43% in
18 only three years from \$311,000 in January 2020 to \$446,000 in May 2023,
19 increasing financial barriers for residents who want to become homeowners; and

20
21 **WHEREAS**, the costs of new construction in the Municipality of Anchorage are
22 historically higher than in other local jurisdictions in the state and country, with hard
23 costs from almost \$300 per square foot in Anchorage compared to hard costs of
24 \$120 per square foot in the Lower 48¹; and

25
26 **WHEREAS**, AR 2022-416 identifies actions to alleviate Anchorage's housing
27 shortage and affordability crisis through support of the development of housing
28 across the Municipality and encourages actions that create opportunities for
29 increased and more dense development; and

30
31 **WHEREAS**, the policy principals adopted via AR 2023-260(S) aim to increase the
32 local housing stock and create more diverse, affordable opportunities for home
33 ownership by establishing that the Municipality will work to enact policies that 1)
34 increase the supply of housing for sale, 2) increase the supply of rental housing, 3)
35 increase the proportion of resident-occupied housing, and 4) reduce housing cost

¹ Based on housing development analysis by Agnew::Beck, SALT, NeighborWorks Alaska, and ONC,
[Housing Alaskans: 2023 Data Takeaways](#)

1 burdens on residents; and

2
3 **WHEREAS**, the *Anchorage 2040 Land Use Plan (2040 Plan)* assesses the housing
4 and employment needs of current and future Anchorage residents and includes
5 goals, priorities and actions to address those needs; and

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7 **WHEREAS**, Goal 2 of the *2040 Plan* envisions that “infill and redevelopment meets
8 the housing and employment needs of residents and businesses in Anchorage,”
9 with Policy 2.3 to “remove barriers to desired infill development” and “to promote
10 adaptive reuse of older buildings and compact infill/redevelopment;” and

11
12 **WHEREAS**, Goal 3 of the *2040 Plan* envisions thriving, walkable mixed-use
13 commercial centers within a neighborhood context with “housing affordable to a
14 range of incomes;” and

15
16 **WHEREAS**, Goal 4 of the *2040 Plan* envisions that Anchorage’s neighborhoods
17 provide a range of places to live, meeting the housing needs of residents at all
18 income levels, household sizes, interests, ages, abilities and races and ethnicities,”
19 with Policy 4.2 to “allow and encourage innovative compact housing types and a
20 variety of housing options,” Policy 4.3 to “promote balanced neighborhoods with
21 diverse infill housing,” and Policy 4.4 to “encourage property owners to preserve,
22 rehabilitate, or redevelop properties in ways that minimize housing displacement
23 and maintain affordability, health and safety for residents;” and

24
25 **WHEREAS**, the *2040 Plan* envisions compact mixed residential areas with low
26 density, with the “Compact Mixed Residential – Low” land use designation identified
27 by zones R-2M and R2-D, providing for “a compatible diversity of single-family,
28 attached and multi-family housing choices in the same neighborhood,” at eight to
29 fifteen units per gross acre; and

30
31 **WHEREAS**, the *2040 Plan* envisions compact mixed residential areas with medium
32 density, with the “Compact Mixed Residential – Medium” land use designation
33 identified by zones R-2M and R-3, providing for “multi-family and a mix of compact
34 single-family and attached housing,” at fifteen to thirty-five units per gross acre; and

35
36 **WHEREAS**, the *2040 Plan* envisions urban residential areas with high density, with
37 the “Urban Residential – High” land use designation identified by zones R-3 and
38 R-4, providing for “urban living opportunities” through “apartment buildings,
39 condominiums and townhouses,” at thirty-five units per gross acre; and

40
41 **WHEREAS**, the 2018 Housing Survey Report from the Anchorage Economic
42 Development Corporation² reports that only 21 percent of respondents said that they
43 would like to see more large, single-family homes in Anchorage – the bulk of what
44 has been developed for several decades – revealing that this segment may be
45 overbuilt and small high-density or multi-family housing is lacking; and

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47 **WHEREAS**, the same study revealed that the most attractive housing type to
48 respondents was cottage-style, with 64 percent of respondents wanting more of this
49 type of housing in Anchorage, and that of those surveyed who had attempted to buy

² [Anchorage Economic Development Corporation, 2018 Housing Survey Report](#)

1 a home in the previous three years, 69 percent reported they were unsuccessful
2 because housing was too expensive; now, therefore,
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5 **THE ANCHORAGE ASSEMBLY ORDAINS:**

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7 **Section 1.** Anchorage Municipal Code section 21.04.020 is hereby amended to
8 read as follows (*the remainder of the section is not affected and therefore not set*
9 *out*):
10

11 **21.04.020 Residential districts.**

12 *** *** ***

13
14 F. *R-2M: Mixed residential district.*

15 1. *Purpose.* The R-2M district is intended primarily for residential
16 areas that allow for a variety of single-family, two-family, small
17 multifamily, and multifamily dwellings, with gross densities
18 between five and 15 dwelling units per acre. The R-2M district
19 provides residential neighborhoods with a greater diversity of
20 housing by allowing a mix of both detached and a variety of
21 attached dwelling types in close proximity to each other, rather
22 than separated into different zoning districts. The R-2M district
23 is to be located in established or redeveloping residential
24 neighborhoods or is to create a transition between single-
25 family, two-family, small multifamily, and higher density
26 multifamily and mixed-use areas. The design of new
27 development, such as building scale and setbacks, parking
28 facility size and location, and yard landscaping, should be
29 complementary to the existing neighborhood and mix of
30 dwelling types.

31 2. *District-specific standards.*

- 32 a. Residential buildings shall contain no more than eight
33 dwelling units.
34 b. The maximum length of a building elevation that is 30
35 feet [TWO AND A HALF STORIES] or more in height at
36 any point shall be 150 feet. Otherwise, the maximum
37 length shall be 180 feet.
38 c. The minimum side setback established in Table 21.06-1
39 for multifamily dwellings in the R-2M district is reduced
40 from ten feet to five feet, provided the building elevation
41 facing the side lot line is:
42 i. No more than 72 feet in length, in order to be
43 compatible in scale to a single-family, two-family,
44 or small multifamily dwelling [OR DUPLEX]; or
45 ii. No more than 48 feet in length without a recess
46 in its wall plane, such that the remaining portion
47 of the building elevation has a minimum side
48 setback of at least 15 feet, in order to appear as
49 an arrangement of smaller, connected structures
50 with backyard space.
51

G. *R-3: Mixed residential district.*

1. *Purpose.* The R-3 district is a multifamily residential district with gross densities between 15 and 40 dwelling units per acre, provided, however, that housing allowed in the R-1, R-1A, R-2A, and R-2D are a permitted use. It is intended primarily for small multifamily, multifamily and townhouse dwellings characterized by low-rise multistory buildings. It allows a higher percentage of lot coverage than the R-2M zone, while also maintaining the residential living environment with landscaping, private/common open spaces, and other amenities for residents. This district provides greater housing opportunities and efficient use of residential land near commercial, community activity centers, town centers, and areas well served by transit.

*** *** ***

I. *R-4: Multifamily residential district.*

1. *Purpose.* The R-4 district is a multifamily medium to high density residential district. It is intended primarily for multifamily and multi-story residential buildings, but also allows single-family, duplex, small multifamily, and townhouse residential development. For multi-story buildings, the maximum size of buildings and intensity of use is regulated by floor area ratio (FAR) and other site development standards. Multi-story development is intended to be applied in areas well served by transit and/or arterial streets, and by supportive commercial services near the major commercial and employment centers in downtown and midtown. Although some commercial development is allowed within a residential development, the district is intended to be primarily residential. For multi-story buildings, development is intended to be oriented to the sidewalk with windows, entrances, and walkways to provide strong pedestrian connections to nearby services.

*** *** ***

(AO 2012-124(S), 2-26-13; AO No. 2015-100, § 1, 10-13-15 ; AO No. 2017-176 , § 3, 1-9-18; AO No. 2019-58 , § 2, 5-7-19; AO 2022-36 , § 2, 4-26-22)

Section 2. Anchorage Municipal Code subsection 21.05.030A. is hereby amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

21.05.030 Residential uses: Definitions and use-specific standards.

*** *** ***

A. *Household living.* This category is characterized by residential occupancy of a dwelling unit by a "household," which is defined in Chapter 21.15. Tenancy is arranged on a month-to-month or longer basis. Common accessory uses include recreational activities, raising of pets, gardens, personal storage buildings, hobbies, and parking of the occupants' vehicles. Specific use types include:

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1. *Dwelling, mixed-use.*
 - a. *Definition.* A dwelling that is located on the same lot or in the same building as a non-residential use, in a single environment in which both residential and non-residential amenities are provided.
 - b. *Use-specific standards.*
 - i. Two or more mixed-use dwellings in the same building with a non-residential use constitute a mixed-use development.
 - ii. Two or more mixed-use dwellings shall comply with the applicable design standards of Section 21.07.110, Residential Design Standards, as determined by the building style.
 2. *Dwelling, multifamily.*
 - a. *Definition.* A residential building or multiple residential buildings comprising five [THREE] or more dwelling units on one lot. The definition includes the terms "apartment" or "apartment building."
 - b. *Use-specific standards.*
 - i. Multifamily developments that consist of five [THREE] or more units in one building shall comply with subsection 21.07.110C., standards for multifamily residential, except as provided in subsection b.iii. below.
 - ii. Dwellings with single-family style and two-family style construction in multifamily developments except those with four units or fewer shall comply with the residential design standards in subsection 21.07.110D.
 - iii. Dwellings with townhouse style construction except those with four units or fewer in multifamily developments shall comply with subsection 21.07.110C., standards for multifamily and townhouse residential.
- *** *** ***
6. *Dwelling, two-family.*
 - a. *Definition.* One detached building on one lot designed for and constituting two dwelling units. The definition includes the term "duplex."
 - b. *Use-specific standard.* Two-family dwellings constructed after January 1, 2014 shall comply with the applicable residential design standards in Section 21.07.110, Residential Design Standards.
 7. *Dwelling, small multifamily.*
 - a. *Definition.* One or more detached residential buildings not exceeding three stories, with two to four dwelling units on one lot.
 - b. *Use-specific standard.* Small multifamily dwellings shall comply with the applicable residential design standards in Section 21.07.110, Residential Design Standards.

8[7]. *Dwelling, mobile home.*

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(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2014-58, § 1, 5-20-14; AO No. 2015-133(S), § 4, 2-23-16 ; AO No. 2017-160 , § 1, 12-19-17; AO No. 2018-118 , § 2, 1-1-19; AO No. 2020-23 , § 2, 3-10-20; AO No. 2020-24 , § 1, 3-10-20)

Section 3. Anchorage Municipal Code subsection 21.05.010E., *Table of Allowed Uses*, is hereby amended to read shown in Exhibit A, attached hereto.

Section 4. Anchorage Municipal Code section 21.06.020B.A., Table 21.06-1 Table of Dimensional Standards - Residential Districts, is hereby amended to read shown in Exhibit B, attached hereto.

Section 5. Anchorage Municipal Code Chapter 21.07 is hereby amended to read as follows (*the remainder of the chapter is not affected and therefore not set out*):

Chapter 21.07 DEVELOPMENT AND DESIGN STANDARDS (NEW CODE - Effective January 1, 2014)

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21.07.030 Private open space.

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C. *Exemptions.* The following are exempt from the private open space requirement:

1. Single-family, two-family, small multifamily, mobile home, and townhouse residential uses;

*** *** ***

(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2015-100, § 4(Exh. B), 10-13-15 ; AO No. 2017-176 , § 8, 1-9-18; AO No. 2020-38 , § 8, 5-28-20)

21.07.040 Drainage, storm water treatment, erosion control, and prohibited discharges.

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F. *Snow storage and disposal.*

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2. *Applicability.* Except where stated otherwise, all existing and new uses with on-site surface areas to be plowed for motorized vehicle access or parking shall comply with this section. For example, this includes surface areas such as parking spaces, circulation and parking aisles, associated driveways, queuing lanes, emergency vehicle access lanes, loading areas, tractor trailer areas, and vehicle sales and display areas. The following uses and surfaces are exempt:
 - a. Single-family, two-family, small [THREE-UNIT] multifamily, townhouse, and mobile home dwellings on

individual lots;

- b. Snow disposal sites subject to subsection 21.05.060 E.8.; and
- c. Ice-free (snow-melting) surfaces and/or covered surfaces.

*** *** ***

(AO 2012-124(S), 2-26-13; AO No. 2015-100, § 5, 10-13-15 ; AO No. 2021-89(S) , § 21, 2-15-22)

*** *** ***

21.07.110 Residential design standards.

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C. Standards for multifamily and townhouse residential.

2. Applicability. These standards apply to:

- a. Any multifamily structure (five [THREE] or more units);
- b. The residential portion of a mixed-use structure;
- c. Any townhouse development;
- d. Any townhouse-style structure, including any attached single-family, [OR] two-family, or small multifamily use that is constructed in townhouse-style.

This section does not apply in Girdwood or the DT districts.

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D. Standards for some single-family, [AND] two-family, and small multifamily residential uses [STRUCTURES].

1. Applicability. The standards of this subsection D. apply to the developments listed below that are constructed after January 1, 2014. This section does not apply to dwellings constructed prior to January 1, 2014, accessory dwelling unit uses, or in Girdwood or the DT districts.

- a. Any single-family use except for single-family residential uses on lots of 20,000 square feet or greater.
- b. Any small multifamily [TWO-FAMILY] use that is not constructed in townhouse-style and is on a lot less than 20,000 square feet.
- c. Any multifamily use with single-family or two-family style construction.

2. Mix of housing models. Any subdivision or development of five or more buildings [UNITS] shall have a mix of housing models, as determined during the building permit process, according to Table 21.07-10. This applies to abutting or adjacent lots.

TABLE 21.07-10 MIX OF HOUSING MODELS	
Number of <u>buildings</u> [UNITS]	Number of different models required
5—10	2
11—20	4

21—30	5
31 or more	6

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F. *Site design.*

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2. *Multiple structures on one lot.*

a. *Intent.* This section regulates the development of multiple residential structures on a single lot. The section is intended to allow flexibility from the subdivision regulations while still achieving neighborhoods that are healthy, safe, and convenient, and meet the goals of the comprehensive plan. The approval processes and standards are intended to result in a development with a cohesive neighborhood identity, an attractive and functional streetscape, a hierarchy of streets and driveways, convenient and safe pedestrian circulation, sufficient parking near each dwelling unit, usable and well-located open space, a positive image of higher density residential development, and well designed and visually pleasing structures and neighborhoods.

b. *Applicability and review process.*

i. This section applies to the development of three or more principal residential structures on a single lot. It does not apply to the development of an accessory dwelling unit or a caretaker's unit.

ii. Multiple residential structures on a single lot are permitted in the R-2A, R-2D, R-2M, R-3, R-3A, R-4, R-4A, R-5, R-6, B-3, and RO districts.

iii. Applicable developments with between three and 30 dwelling units shall be approved by administrative site plan review pursuant to subsection 21.03.180C. Applicable developments with 31 or more dwelling units shall be approved by major site plan review pursuant to subsection 21.03.180D.

*** *** ***

(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2015-36, §§ 8, 9, 5-14-15 ; AO No. 2015-100, § 8(Exh. C), 10-13-15 ; AO No. 2016-34(S), § 2, 4-12-16 ; AO No. 2016-136am , § 5, 1-1-17; AO No. 2017-160 , § 5, 12-19-17; AO No. 2017-176 , § 9, 1-9-18; AO No. 2018-59 , § 2, 7-31-18; AO No. 2020-38 , § 8, 5-28-20; AO No. 2021-89(S) , §§ 14, 21, 2-15-22)

*** *** ***

Section 6. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2023.

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Chair _____

ATTEST:

Municipal Clerk

DRAFT

Exhibit A – AO for 3 and 4 dwelling unit construction

21.05.010 Table of allowed uses.

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E. Table of Allowed Uses - Residential, Commercial, Industrial, and Other Districts

TABLE 21.05-1: TABLE OF ALLOWED USES - RESIDENTIAL, COMMERCIAL, INDUSTRIAL, AND OTHER DISTRICTS
 P = Permitted Use S = Administrative Site Plan Review C = Conditional Use M = Major Site Plan Review
 For uses allowed in the A, TA, and TR districts, see section 21.04.060.
 All other uses not shown are prohibited.

Use Category	Use Type	RESIDENTIAL														COMMERCIAL					INDUST.			OTHER					Definitions and Use-Specific Standards		
		R-1	R-1A	R-2A	R-2D	R-2M	R-3	R-3A	R-4	R-4A	R-5	R-6	R-7	R-8	R-9	R-10	B-1A	B-1B	B-3	RO	MC	I-1	I-2 ¹	MI	AF	DR	PR	PLI		W	
RESIDENTIAL USES																															
Household Living	Dwelling, mixed-use							P	P	P								P	P	P	P	C								21.05.030A.1.	
	Dwelling, multifamily					P/S	P	P	P	P									P	P	P									21.05.030A.2.	
	Dwelling, single-family, attached			P	P	P	P	P	P																					21.05.030A.3.	
	Dwelling, single-family, detached	P	P	P	P	P	P	P	P		P	P	P	P	P	P											P			21.05.030A.4.	
	Dwelling, townhouse					S	S	S	S	S											S	S									21.05.030A.5.
	Dwelling, two-family			P	P	P	P	P	P		P	P	P	P	P																21.05.030A.6.
	Dwelling, small multifamily					<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>									<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>C</u>								<u>21.03.030A.7.</u>
	Dwelling, mobile home														P																21.05.030A.8[7].
	Manufactured home community					C	C		C		C																				21.05.030A.9[8].

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¹ See subsections 21.04.050B. and C. for interim provisions allowing for additional uses in the I-2 district.

² Uses with structures with a gross floor area over 20,000 square feet require a major site plan review through subsection 21.07.120A., Large Commercial Establishments.

³ Marijuana cultivation facilities are permitted in the B-3 district when collocated with and attached to a marijuana retail sales establishment. Marijuana manufacturing facilities producing extracts using water-based, food-based, closed-loop carbon dioxide extraction systems, or other methods not employing solvents or gases, as described in 3 AAC 306.555, are permitted in the B-3 district. Marijuana retail sales establishments are permitted in the I-2 district when collocated with and attached to a marijuana cultivation facility or a marijuana manufacturing facility.

⁴ In accordance with subsection 21.05.040K.3.g., a tower or antenna that is not permitted in a district may be requested through the conditional use process.

Exhibit A – AO for 3 and 4 dwelling unit construction

⁵ In the AF district, three towers per lot are permitted by right (or, for Type 2 towers, by administrative site plan review). The installation of more than three towers per lot requires a conditional use permit.

⁶ Health services facilities not to exceed 15,000 gross square feet per individual parcel.

⁷ See subsection 21.05.060D.1.b. for specific use provisions applicable within the Port of Anchorage Security Area.

(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2013-139, § 1, 1-28-14; AO No. 2014-58, § 2(Att. A), 5-20-14; AO No. 2015-133(S), § 3(Exh. A), 2-23-16 ; AO No. 2015-142(S-1), § 3(Exh. B), 6-21-16 ; AO No. 2016-3(S), §§ 6, 7, 2-23-16 ; AO No. 2016-131 , § 1, 11-15-16; AO No. 2016-136am , § 2, 11-15-16; AO No. 2016-156 , § 1, 12-20-16; AO No. 2017-10 , § 1, 1-24-17; AO No. 2017-57 , § 1, 4-11-17; AO No. 2017-74 , § 1, 5-23-17; AO No. 2017-176 , § 4, 1-9-18; AO No. 2017-175(S) , § 3(Exh. A), 2-13-18; AO No. 2020-38 , § 6, 5-28-20; AO No. 2020-56 , § 2, 6-23-20; AO No. 2021-54 , § 1, 6-22-21)

Exhibit B: AO for 3 and 4 Dwelling Unit Construction

21.06.020 Dimensional standards tables.

*** *** ***

A. *Table of Dimensional Standards: Residential Districts*

TABLE 21.06-1: TABLE OF DIMENSIONAL STANDARDS - RESIDENTIAL DISTRICTS								
(Additional standards may apply. See district-specific standards in Chapter 21.04 and use-specific standards in Chapter 21.05.)								
Use	Minimum lot dimensions ¹		Max lot coverage (%)	Minimum Setback Requirements (ft)			Max number of principal structures per lot or tract ²	Maximum height of structures (ft)
	Area (sq ft)	Width (ft)		Front	Side	Rear		
*** *** ***								
R-2A: Two-Family Residential District (larger lot)								
Dwelling, single-family detached	7,200	60	40	20	5	10	1	Principal: 30[, NOT TO EXCEED TWO AND ONE-HALF STORIES, EXCEPT WHERE THREE STORIES ARE ALLOWED PER 21.06.030D.7.] Accessory garages/carports: 25 Other accessory: 12
Dwelling, two-family	8,400	70	40	20	5	10	1	
Dwelling, single-family attached	3,500	35 (40 on corner lots)	40	20	N/A on common lot line; otherwise 5	10	1	
All other uses	7,200	60	40	20	5	10	N/A	
R-2D: Two-Family Residential District								
Dwelling, single-family detached	6,000	50	40	20	5	10	1	Principal: 30[, NOT TO EXCEED TWO

Exhibit B: AO for 3 and 4 Dwelling Unit Construction

Dwelling, two-family	6,000	50	40	20	5	10	1	AND ONE-HALF STORIES, EXCEPT WHERE THREE STORIES ARE ALLOWED PER 21.06.030D.7.] Accessory garages/carports: 25 Other accessory: 12
Dwelling, single-family attached	3,500	35 (40 on corner lots)	40	20	N/A on common lot line; otherwise 5	10	1	
All other uses	6,000	50	40	20	5	10	N/A	
R-2M: Mixed Residential District								
Dwelling, single-family detached	6,000	50	40	20	5	10	1	Principal: 30[, NOT TO EXCEED TWO AND ONE-HALF STORIES, EXCEPT WHERE THREE STORIES ARE ALLOWED PER 21.06.030D.7.] Accessory garages/carports: 25 Other accessory: 12
Dwelling, small multifamily [TWO-FAMILY]	6,000	50	40	20	5	10	1	
Dwelling, single-family attached	3,000	35 (40 on corner lots)	40	20	N/A on common lot line; otherwise 5	10	1	
Dwelling, townhouse	2,400	24 (30 on corner lots)	60	20	5	10	1	
Dwelling, multifamily (5 [UP] to 8 units permitted per building)	8,500 + 2,300 for every unit	50	40	20	10, except where 5 is allowed as provided in 21.04.020F.2.c.	10	More than one principal structure may be allowed on any lot or tract in	

Exhibit B: AO for 3 and 4 Dwelling Unit Construction

	over <u>5</u> [3]						accordance with subsection 21.07.110 F.2.	
Dwelling, multifamily, with single- or two-family style construction of multiple buildings on a lot	3,000 per unit	50	40	20	10, except where 5 is allowed as provided in 21.04.020F.2.c.	10		
All other uses	6,000	50	40	20	5	10		
R-3: Mixed Residential District								
Dwelling, single-family attached	3,000	35 (40 on corner lots)	40	20	N/A on common lot line; otherwise 5	10	1	35
Dwelling, single-family detached	6,000	50	40	20	5	10	1	35
Dwelling, single-family, attached	3,000	35 (40 on corner lots)	40	20	N/A on common lot line; otherwise 5	10	1	35
Dwelling, single-family detached	6,000	50	40		5	10		
Dwelling, townhouse	2,000	20 (30 on corner lots)	60	10	N/A on common lot line; otherwise 5	10	More than one principal structure may be allowed	35

Exhibit B: AO for 3 and 4 Dwelling Unit Construction

Dwelling, small multifamily	6,000	50	60		5	10	on any lot or tract in accordance with subsection 21.07.110F.2.	45 ⁴
Dwelling, multi-family	6,000	50	60		5 plus one foot for each 5 feet in height exceeding 35 feet	10		45 ⁴
All other uses	6,000	50	60			10		45
R-4A: Multifamily Residential Mixed-Use District								
Dwelling, townhouse	2,000	20 (30 on corner lots)	60	Min: 10 Max: 20 ⁵ A minimum of 50% of the front building elevation shall be within the maximum front setback (see 21.06.030 C.5.)	N/A on common lot line; otherwise 5	15 if adjacent to a residential district (except R-4 or R-4A); otherwise 10	More than one principal structure may be allowed on any lot or tract in accordance with subsection 21.07.110F.2.	35
Dwelling, mixed-use	6,000	50	75		10 if adjacent to a residential district (except for R-4 or R-4A); otherwise 5			70 ⁶
Dwelling, small multifamily	6,000	50	75					75
Dwelling, multi-family	6,000	50	75					
All other uses	6,000	50	75					75
*** *** ***								

*** *** ***

(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2015-100, § 2(Exh. A), 10-13-15 ; AO No. 2016-71, § 1, 6-21-16 ; AO No. 2017-160 , § 3, 12-19-17; AO No. 2017-176 , § 6, 1-9-18; AO No. 2018-43(S) , § 3(Exh. B), 6-12-18; AO No. 2019-11 , § 4, 2-12-19; AO No. 2019-58 , § 3, 5-7-19; AO No. 2020-38 , § 7, 5-28-20; AO No. 2021-89(S) , § 9, 2-15-22; AO No. 2022-36 , § 3, 4-26-22)



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 756-2023

Meeting Date: September 26, 2023

From: Assembly Members Cross, Sulte and Volland

Subject: AN ORDINANCE OF THE ANCHORAGE ASSEMBLY AMENDING CERTAIN PROVISIONS OF ANCHORAGE MUNICIPAL CODE TITLE 21 TO CREATE A CLASSIFICATION OF RESIDENTIAL DEVELOPMENT FOR THREE AND FOUR DWELLING UNIT CONSTRUCTION; APPLY THE RESIDENTIAL DESIGN STANDARDS FOR ONE- AND TWO-FAMILY DWELLINGS TO SUCH DEVELOPMENTS; AND CONFORMING CODE AMENDMENTS.

This ordinance is one of two components to revise Anchorage Municipal Code (AMC) to classify “small multifamily” construction as residential development to cut red tape and allow faster, less expensive building of three- and four-unit residential projects with the aim to increase Municipality’s supply of abundant, diverse housing options. A second ordinance with proposed amendments to Title 23 Building Codes will be introduced in the coming months.

The Problem

Anchorage is experiencing a housing shortage crisis. Between rising construction costs, increasing interest rates, an aging population and smaller household sizes, there are more households to house and fewer housing opportunities to house them. This is a basic economic problem: less supply raises costs.

According to data collected from the Federal Reserve Bank of St. Louis (FRED) database, the median single family home listing price in Anchorage rose 43% in only three years from \$311,000 in January 2020 to \$446,000 in May 2023. For prospective homebuyers, this abrupt increase creates financial barriers that prevent residents from becoming homeowners. This data is evidence of the supply and demand imbalance—there are not enough housing options for everyone who wants to live here.

But there are barriers to building new housing; the cost of new construction in the Municipality of Anchorage is higher than in other jurisdictions in the state and country. Whereas the hard costs are roughly \$300 per square foot in Anchorage, those hard costs are \$120 per square foot in the Lower 48¹.

The high cost of construction contributed to Alaska’s rank as 45th in the US for new units built in 2022. That year, Alaska built an average of 2.4 new housing units for

¹ Based on housing development analysis by Agnew::Beck, SALT, NeighborWorks Alaska, and ONC, [Housing Alaskans: 2023 Data Takeaways](#)

1 every 1,000 people. The Matanuska-Susitna Valley added 7.0 new housing units
2 per 1,000 residents, while Anchorage only added 1.3 new housing units for every
3 1,000 residents.

4 Seeing this problem on the horizon, our community committed to a comprehensive
5 plan to designate land use to house current and future Anchorage residents: the
6 *Anchorage 2040 Plan (2040 Plan)*. As the 2017 iteration of the *2020*
7 *Comprehensive Plan*, the *2040 Plan* projects recent trends to cast a light on the
8 future population of Anchorage, including:

- 9
- 10 • Accelerated growth in aging households and smaller households with fewer
11 children.
- 12 • Continued evolution into one of the most racially and ethnically diverse
13 communities in the U.S.
- 14 • Diverse households and income levels that need more affordable housing
15 options and more transportation choices.
- 16 • Talented professionals from all fields that are attracted to Anchorage's
17 unique setting.
- 18 • A growing number of multigenerational families and less transient
19 population.
- 20

21 Based on these predictions, the *2040 Plan* forecasts that over the next 25 years,
22 more people will be in “starter home,” moderate income, or downsizing households
23 and that, as a result, people will be looking for smaller, more urban residences
24 with walkable neighborhood amenities.

25

26 Recent housing preference data affirms the trends predicted in the *2040 Plan*. The
27 2018 Housing Survey Report from the Anchorage Economic Development
28 Corporation reports that 41 percent of respondents said they would like to see
29 high-density, mixed-use residential and 36 percent would like to see duplexes, and
30 32 percent would like to see more rowhouses/townhouses. The survey did not ask
31 about triplex or fourplex housing, but 26 percent of respondents said they would
32 like to see more high-density condos or apartments. All of the options provided
33 ranked higher than single-family homes, with only 16 percent wanting to see more
34 high-density single-family and 22 percent wanting to see more large single-family
35 homes. The top preferences reinforce the predictions forecast in the *2040 Plan*
36 that Anchorage wants more high-density housing with smaller footprint options and
37 more walkable areas.

38

39 Cook Inlet Housing Authority reviewed MOA property records from 1970 and 1985
40 and identified that 326 triplexes were built during this time frame, or about 22 a
41 year. Since 1999 only 31 triplexes, or about 1 year, have been built.

42

43 Through the development of this ordinance, the sponsors also heard of multiple
44 instances where a land owner sought to build a triplex or fourplex, but when faced
45 with the bureaucratic hurdles, opted instead to build a duplex. This practice
46 reduces the number of new units coming online and wastes valuable land that
47 could otherwise be available for a higher density.

48

49 Although Anchorage residents have communicated their housing preferences, the

1 market has not responded and provided these options, which may be the result of
2 onerous requirements in the Anchorage Municipal Code.

3 **Barriers to Building Small Multi-family Housing**

4 The *Anchorage 2040 Land Use Plan* proposes a solution to Anchorage’s housing
5 shortage: infill development and gentle density.

6
7 Infill development identifies existing development patterns and builds within
8 unused and underutilized lands, accommodating additional housing and
9 supporting environmentally sustainable growth. Gentle density recognizes that
10 neighborhoods could contain more housing units by increasing the production of
11 triplexes and fourplexes.

12
13 In February 2023, stakeholders, including industry experts and municipal staff as
14 noted in the attached AIM, identified what barriers stand in the way of building
15 triplexes and fourplexes throughout the Municipality. Over months of meetings, the
16 group considered the question: “If a triplex and a duplex were built on the same
17 lot, in the same footprint, what makes the triplex more expensive and more time
18 consuming?”

19
20 The results of the initial discussion revealed obstacles written in code and
21 embedded in development processes:

- 22 • *Where three and four-unit developments can be built.* While triplexes and
23 fourplexes are technically allowed per Title 21 in residential districts from R-
24 2M to R-4A, the dimensional standards (such as lot size and setback
25 requirements) limited the actual potential lots that could be built on.
- 26 • *Which design standards apply.* Because triplexes and fourplexes are
27 considered “multifamily” by default, development projects of this type have
28 historically been held to the same design standards as apartment buildings,
29 which restricts the design possibilities and creates an unintended effect of
30 increased expense for professional services and materials to meet
31 compliance.
- 32 • *Which permitting regulations apply.* Because triplexes and fourplexes cross
33 the Municipality’s threshold for commercial development at three or more
34 units, the permitting requirements to complete these projects are the same
35 as major commercial construction and come at higher costs than residential
36 construction in terms of both fees and professional services.

37
38 To address the housing crisis and land constraints and provide Anchorage
39 residents with more choices, this legislative package proposes code changes that
40 **support infill development and make building triplexes and fourplexes more**
41 **time efficient and cost effective.** This missing middle housing increases the
42 number of units with gentle density, limiting the impact on neighborhoods. Gentle
43 density provides housing compatible in scale with the existing building inventory
44 and function of the neighborhood and meets the demand for compact, efficient,
45 and walkable urban living.

46 **The Ordinance**

47
48 Through multiple roundtable meetings with industry stakeholders and municipal
49 staff, these barriers were traced back to two chapters of Anchorage Municipal

1 Code (AMC): Title 21 – Land Use and Title 23 – Building Codes.
2

3 *Title 21 – Land Use*

4 Proposed changes to Title 21 – Land Use were drafted and vetted through the
5 roundtable group to determine at what level the 2040 Land Use plan allows for
6 “small multifamily” residential development, or two-, three- and four-family lots.
7 With an explicit definition for this type of development, this ordinance proposes
8 establishing dimensional standards to permit small multifamily development in
9 residential zones R2-M, R-3, and R4-A, as well as commercial zones B1-A, B1-B,
10 B-3, and RO, with conditional use in MC.

11
12 *Title 23 – Building Codes*

13 Proposed changes to Title 23 – Building Codes establishes “small multifamily”
14 development as residential development for the purposes of permitting processes
15 and creates local amendments to allow for flexibility in building codes, where
16 possible without jeopardizing residents’ safety.

17
18 A companion AO to address the Title 23 changes is forthcoming and will include a
19 copy of this AM.
20

21 **I request your support for the ordinance.**

22
23 Reviewed by: Assembly Counsel’s Office

24
25 Respectfully submitted: Kevin Cross, Assembly Member
26 District 2, Chugiak / Eagle River

27
28 Randy Sulte, Assembly Member
29 District 6, South Anchorage

30
31 Daniel Volland, Assembly Member
32 District 1, North Anchorage



**MUNICIPALITY OF ANCHORAGE
ASSEMBLY INFORMATION MEMORANDUM**

No. AIM 193-2023

Meeting Date: September 26, 2023

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

2
3 **Subject: Community engagement information: AO 2023-103**

4
5 The Assembly sponsors provide the following additional information on this
6 ordinance and its companion ordinance with proposed amendments to Title 23
7 Building Codes that will be introduced in the coming months:

- 8
9 • The idea for these ordinances was raised during the Assembly Retreat on
10 September 9, 2022, when a panel of industry experts including planners,
11 builders and realtors, expressed their experiences, concerns and ideas on the
12 topic of housing development in Anchorage. The session informed a list of
13 policy ideas to be explored, developed and considered in the months to come.
14
15 • In spring 2023, Assembly Members Kevin Cross, Randy Sulte and Daniel
16 Volland initiated a collaborative process to deregulating the development of
17 triplexes and fourplexes in mid- to high-density residential zones by treating
18 triplexes and fourplexes as residential instead of commercial development. The
19 sponsors invited industry stakeholders and municipal staff to provide ideas and
20 inform the draft legislation over a series of working group roundtables.
21
22 • Working group roundtable attendees included:
23 ○ Assembly Members Kevin Cross, Randy Sulte and Daniel Volland
24 ○ Municipal staff, including:
25 • Municipal Manager Kent Kohlase
26 • Director of Economic & Community Development Lance
27 Wilber, Acting Building Official Ross Noffsinger, Acting
28 Municipal Engineer Brandon Telford, Acting Development
29 Services Director Greg Soule and Project Management &
30 Engineering staff: Melinda Kohlhaase and Kristi Bischofberger
31 • Director of Planning Craig Lyon, with Planning Department
32 staff: David Whitfield, Sonnet Calhoun, Tom Davis, Kristine
33 Burnell, Daniel McKenna-Foster, and Elizabeth Appleby
34 • Assembly staff: Allie Hartman, Shelley Routon and Clare Ross
35 ○ Local housing enthusiasts, including Jeanette Lee, John Weddleton,
36 Chris Schutte, Tyler Robinson, Devin Kelly, Andre Spinelli, Eric
37 Visser, Brandon Marcott and Amanda Moser
38
39 • Working group roundtables convened on the following dates:
40 ○ *February 24, 2023 – Kickoff Discussion & Brainstorm*
41 Industry stakeholders and municipal staff discussed the existing cost
42 and procedural barriers to building more three and four-unit
43 residential buildings. The discussion identified limitations in Title 21

1 and Title 23 as well as obstacles outside of Anchorage Municipal
2 Code.

- 3 ○ *April 28, 2023 – Proposed Code Changes Review*
4 Assembly staff presented an early list of potential code changes for
5 the group to scrutinize and reflect on. The discussion eliminated,
6 redefined and added items to the list of potential changes.
 - 7 ○ *May 12, 2023 – Title 21 Deep Dive*
8 Assembly staff presented the second iteration of potential code
9 changes, and the group specifically focused on possible
10 amendments to Title 21, concerning land use and where small
11 multifamily units could be made more accessible to small-scale
12 developers and residents investing in their community.
 - 13 ○ *June 23, 2023 – Title 21 Site Access Review*
14 As the potential changes to Title 21 crystalized, the roundtable cross-
15 referenced the potential changes against AO 2023-50, which made
16 several changes to site access regulations. Ultimately, the
17 roundtable group decided to align with the pending legislation and
18 remove site access changes from the roundtable group’s work as to
19 let AO 2023-50 establish new site access rules.
 - 20 ○ *July 21, 2023 – Title 23 Deep Dive*
21 Finally, the group turned to potential changes to Title 23, which
22 would incorporate local amendments to International Building Code
23 (IBC), International Fire Code (IFC) and International Residential
24 Code (IRC).
 - 25 ○ *August 18, 2023 – Final Review of Title 21*
26 The roundtable group reviewed the final drafts of this ordinance.
- 27
 - 28 • Outside of the working group roundtable conversations, community
29 stakeholders contributed to drafting this AO, including the following:
 - 30 ○ April 5, 2023 – Sponsors’ Meeting with Planning Department
 - 31 ○ April 12, 2023 – Sponsors’ Meeting with Development Services
 - 32 ○ May 25, 2023 – Lunch n’ Learn with Shelby County
 - 33 ○ July 6, 2023 – Sponsors’ Meeting with Development Services
 - 34 ○ August 1, 2023 – Sponsors’ Meeting with Project Management &
35 Engineering
 - 36
 - 37

38 Respectfully submitted: Daniel Volland, Assembly Member