

(S) Submitted by: Assembly Members Volland, Cross, and Sulte
(S) Prepared by: Legislative Services Office and Assembly Counsel's Office
(S) Reviewed by: Planning Department, Building Services Department
For reading: December 19, 2023

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**ANCHORAGE, ALASKA
AO No. 2023-103(S)**

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.

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

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

WHEREAS, 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, increasing financial barriers for residents who want to become homeowners; and

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

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

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

WHEREAS, the *Anchorage 2040 Land Use Plan (2040 Plan)* assesses the

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

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housing and employment needs of current and future Anchorage residents and includes goals, priorities and actions to address those needs; and

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

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

WHEREAS, Goal 4 of the *2040 Plan* envisions that 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,” with Policy 4.2 to “allow and encourage innovative compact housing types and a variety of housing options,” Policy 4.3 to “promote balanced neighborhoods with diverse infill housing,” and Policy 4.4 to “encourage property owners to preserve, rehabilitate, or redevelop properties in ways that minimize housing displacement and maintain affordability, health and safety for residents;” and

WHEREAS, the *2040 Plan* envisions compact mixed residential areas with low density, with the “Compact Mixed Residential – Low” land use designation identified by zones R-2M and R2-D, providing for “a compatible diversity of single-family, attached and multi-family housing choices in the same neighborhood,” at **five [EIGHT] to fifteen units per gross acre, with eight or more near Centers or Transit-supportive Development corridors**; and

WHEREAS, the *2040 Plan* envisions compact mixed residential areas with medium density, with the “Compact Mixed Residential – Medium” land use designation identified by zones R-2M and R-3, providing for “multi-family and a mix of compact single-family and attached housing,” at **ten to thirty units per gross acre, with fifteen or more near Centers or Transit-supportive Development corridors [FIFTEEN TO THIRTY-FIVE UNITS PER GROSS ACRE]**; and

WHEREAS, the *2040 Plan* envisions urban residential areas with high density, with the “Urban Residential – High” land use designation identified by zones R-3 and R-4, providing for “urban living opportunities” through “apartment buildings, condominiums and townhouses,” at **fifteen to eighty housing units per gross acre, with twenty or more near Centers or transit corridors [THIRTY-FIVE UNITS PER GROSS ACRE]**; and

WHEREAS, the R-2M Mixed residential zoning district currently states an **intended gross density between five and 15 dwelling units per acre (AMC 21.04.020F.1.)**, but the *2040 Plan* includes the R-2M in both designations for **Compact Mixed Residential – Low and Compact Mixed Residential – Medium, the latter which has an intended upper density limit of thirty housing units per gross acre, inclusive of the R-2M district; and**

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

WHEREAS, the same study revealed that the most attractive housing type to respondents was cottage-style, with 64 percent of respondents wanting more of this type of housing in Anchorage, and that of those surveyed who had attempted to buy a home in the previous three years, 69 percent reported they were unsuccessful because housing was too expensive; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

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

21.04.020 Residential districts.

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F. R-2M: Mixed residential district.

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

2. *District-specific standards.*

- a. Residential buildings shall contain no more than eight dwelling units.
- b. The maximum length of a building elevation that is **two and a half stories [30 feet]** [TWO AND A HALF STORIES] or more in height at any point shall be 150 feet. Otherwise, the maximum length shall be 180 feet.
- c. The minimum side setback established in Table 21.06-1 for multifamily dwellings in the R-2M district is reduced from ten feet to five feet, provided the building

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

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elevation facing the side lot line is:

- i. No more than 72 feet in length, in order to be compatible in scale to a single-family~~[, two-family, or small multifamily]~~ dwelling **or duplex** [OR DUPLEX]; or
- ii. No more than 48 feet in length without a recess in its wall plane, such that the remaining portion of the building elevation has a minimum side setback of at least 15 feet, in order to appear as an arrangement of smaller, connected structures with backyard space.

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.

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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.

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(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)

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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.

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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:

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 **three [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, **and multifamily and townhouse developments with less than five units, [except those with four units or fewer]** shall comply with the residential design standards in subsection 21.07.110D., **Standards for Some Single-Family and Two-Family Residential Structures and Multifamily Developments With Less Than Five Units.**
 - iii. Dwellings with townhouse style construction **with five or more units [except those with four units or fewer]** in multifamily developments shall comply with

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subsection 21.07.110C., standards for multifamily and townhouse residential.

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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.*~~

~~7[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 **not amended by this ordinance [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.**Rev1**, attached hereto.

Section 5. **[New AO section in the (S) version]** Anchorage Municipal Code section 21.06.030C. is hereby amended to read as follows (*the remainder of the chapter is not affected and therefore not set out*):

21.06.030 - Measurements and exceptions.

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C. *Setbacks.*

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2. Projections into required setbacks. The following structures or features may project into required front, side, or rear setbacks as specified in this subsection:

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I. Primary Front Setback Encroachments. A single-family or two-family dwelling, **or multifamily and townhouse construction with less than five units**, may encroach into the primary front setback by up to five feet when there is no garage, or where there is a garage (attached or detached) where the front wall of the garage is located at least 8 feet behind the front façade of the house.

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D. Height
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7. Three-Story Entitlement in R-2A, R-2D, and R-2M Zoning Districts

a. *Purpose*

The intent of this section is to allow three-story buildings in the R-2 zoning districts at transitions to higher-intensity zones or in locations that minimize bulk, shadowing, privacy, and character impacts on R-2 zoned residential neighborhoods.

b. *Three-story Entitlement on Large or Transitional Sites*

Development sites that meet one or more of criteria i. to **iv[III]**. are exempt from the two-and-one-half story limit in Table 21.06-1, provided all structures meet the 30- foot height limit and provide the height/bulk transition described in subsection c.:

i. The development site is at least ½ acre;

ii. The site is located at a transition to an R-3, R-3A, R-4, R-4A, RO, B-1B, B-3, I-1, or I-2 zoning district, either abutting at its side lot line (except not the side lot line opposite the primary front lot line on a corner lot), or adjacent facing across a local or collector street (except not a secondary frontage opposite the primary frontage on a double-fronted lot); **[OR]**

iii. The site is adjacent only to non-residential or three-story residential uses; **or**

iv. The site is multifamily and/or townhouse developments with less than five units.

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(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2015-100, § 3, 10-13-15 ; AO No. 2017-176 , § 7, 1-9-18; AO No. 2018-12 , § 1, 2-27-18; AO No. 2020-10(S) , § 1, 3-10-20; AO No. 2020-38 , § 7, 5-28-20; AO No. 2021-89(S) , § 10, 2-15-22; AO 2022-36 , § 3, 4-26-22; AO 2023-77, § 10, 7-25-23)

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Section 6[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 dwellings with less than five units**, mobile home, and townhouse residential uses;

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(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; AO 2023-77, § 10, 7-25-23)

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 dwellings with less than five units**, 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.

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

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[NOTE: Subsection 21.07.080F.4.b. is newly added to the (S) version, with only the amendments to its current text indicated by legislative drafting

***** DRAFT *******markup.]****21.07.080 - Landscaping, screening, and fences.**

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F. *General landscaping requirements and standards.*

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4. *Installation of landscaping.*

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b. *Guarantee of landscaping survival.*

- i. The owner shall be responsible for landscaping installed to fulfill the requirements of this title and the approved site landscape plan. In order to ensure the preservation or replacement of required and installed landscaping, the owner shall provide to the municipality a warranty guarantee such as a letter of credit, escrow, performance bond, or other surety as approved by the director. Single-family and two-family homes **and multifamily and townhouse developments with less than five units** on individual lots, and lots less than 10,000 square feet in area are exempt from providing this guarantee. The warranty guarantee shall be in an amount equal to the following schedule, and shall remain in effect for two years, starting on the date the municipality witnesses the installation per the approved landscape plan.

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(AO 2012-124(S), 2-26-13; AO 2013-117, 12-3-13; AO No. 2015-82, § 4, 7-28-15 ; AO No. 2017-55 , § 11, 4-11-17; AO No. 2017-160 , § 4, 12-19-17; AO No. 2020-11 , § 2, 2-25-20; AO No. 2020-38 , § 8, 5-28-20; AO No. 2020-93 , § 2, 10-1-20; AO No. 2020-133, § 1, 1-14-21; AO No. 2021-89(S) , §§ 11, 21, 2-15-22)

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21.07.110 Residential design standards.

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C. *Standards for multifamily and townhouse residential.*

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2. *Applicability.* These standards apply to:

- a. Any multifamily **or townhouse development with five or more units** [STRUCTURE ([~~five~~] [THREE] [OR MORE UNITS])]; **and**
- 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

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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** [.] [AND] two-family[~~, and small-multifamily~~] residential **structures [uses]** [STRUCTURES], **and Multifamily and Townhouse Developments with Less Than Five Units.***

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 **two-family [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 **with less than five units.**

d. Multifamily and townhouse developments with less than five units.

2. *Mix of housing models.* Any subdivision or development of five or more **principal structures [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 principal structures [buildings] [UNITS]	Number of different models required
5—10	2
11—20	4
21—30	5
31 or more	6

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E. *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

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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.*

This section applies to the development of **five [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, or to developments in the R-4A district, **or to developments of two to four principal residential structures.**

c. Review process.

i. 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-1B, B-3, and RO districts.

iii. Applicable developments with between **five [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.

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(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; AO No. 2022-80(S) , § 2, 11-22-22; AO No. 2023-30 , § 1, 3-22-23; AO 2023-42, 8-22-23; AO 2023-50, § 2, 7-11-2023; AO 2023-77, § 14, 7-25-23)

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Section 7[6]. This ordinance shall be effective **January 1, 2024 [IMMEDIATELY UPON PASSAGE AND APPROVAL BY THE ASSEMBLY].**

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

Chair _____

ATTEST:

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Municipal Clerk

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