



## Agenda

### Planning Commission Worksession

Wednesday, December 17, 2025 at 5:00 PM

City Hall Cowles Council Chambers In-Person & Via Zoom Webinar

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**Homer City Hall**

491 E. Pioneer Avenue  
Homer, Alaska 99603  
[www.cityofhomer-ak.gov](http://www.cityofhomer-ak.gov)

**Zoom Webinar ID: 936 2815 3389 Password: 865591**

<https://cityofhomer.zoom.us>  
Dial: 346-248-7799 or 669-900-6833;  
(Toll Free) 888-788-0099 or 877-853-5247

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**CALL TO ORDER, 5:00 P.M.**

**AGENDA APPROVAL**

**DISCUSSION TOPIC(S)**

A. Discussion with Agnew Beck and Stantec to review Title 21 Zoning Code Draft

**DISCUSSION TOPIC(S)**

**DISCUSSION TOPIC(S)**

**COMMENTS OF THE AUDIENCE** (3 minute time limit)

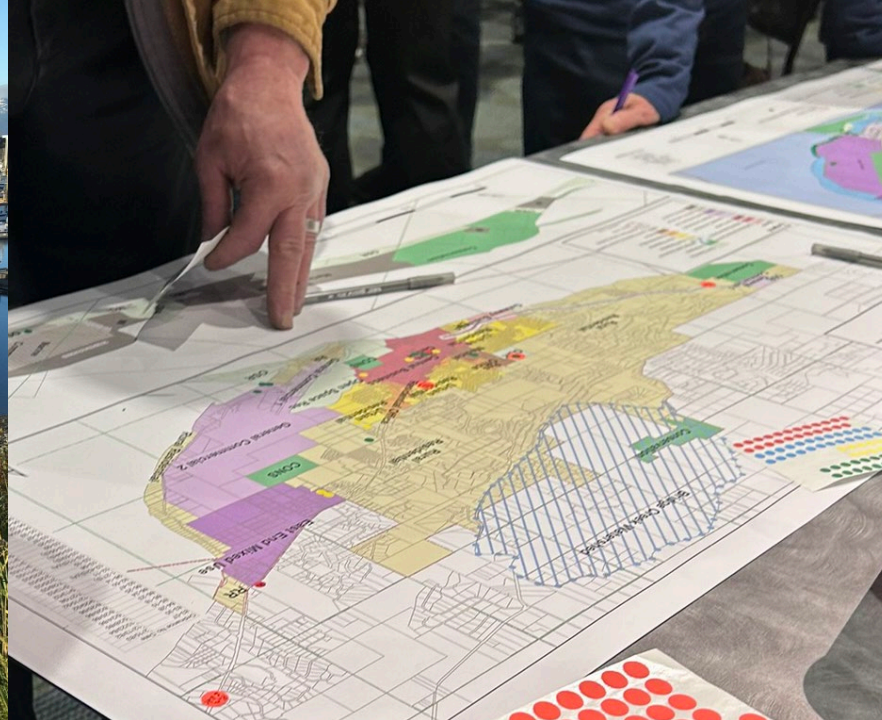
**ADJOURNMENT**

Next Regular Meeting is January 7th, at 6:30 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

# Preparation for December 17<sup>th</sup> Work Session

To ensure we have a successful December 17<sup>th</sup> special meeting on the Title 21 Update effort, please find the following outline of topics for discussion and how you can prepare.

Topic	<b>How You Can Prepare</b> – In addition to these guiding slides, please review the following provided excerpts (i.e., sections/pages) of the <i>10-08-25 Working Draft – Clean Version of the Code</i> . We will have a detailed discussion on these topics. Your preparation, including any initial comments or questions, will help facilitate a productive dialogue among commissioners and with the project team. Thank you!
<b>Proposed Development Process Changes</b>	<p>The following sections/pages in the 10-08-25 Working Draft –Clean Version of the Code:</p> <ol style="list-style-type: none"><li>1. Chapter 21.09 Conditional Use Permits, pages 31-32</li><li>2. Chapter 21.10. Variances and Administrative Adjustments, pages 34-35</li><li>3. Chapter 21.23 CMU Commercial Mixed Use District, pages 75-76</li></ol>



# **Phase 2: Title 21 Update**

## **Planning Commission Work Session: Development Process**

*December 17, 2025*

*Facilitated by Project Team Members: Shelly Wade, Agnew::Beck Consulting & Erin Perdu, Stantec*

# Context



# Updated Schedule

## January – March 2025

- Compile background and gather initial feedback from City staff, Planning Commission, and key stakeholders.
- Review existing code and identify updates
- Develop proposed code type and structure.

## June – November 2025

- Draft early version of revised code.
- Staff and legal team conduct review of draft code.
- Share preliminary revisions to Title 21 ("lined version").
- Gather input from public on potential changes, including November Open House.

WE ARE  
HERE

## November 2025 – Spring 2026

- Conduct Planning Commission work sessions on key topics. →
- Share **Public Review Draft of Revised Code** (*tentatively late January*)
- Consider and incorporate revisions based on feedback.
- *Code adoption process starts spring 2026.*

## PC Work Session Dates & Topics

**COMPLETED**, December 3:  
Housing & Zoning Districts  
*work session*

**TODAY**, December 17:  
Development Processes  
*special meeting*

January 7:  
Steep Slopes & Environmental  
Constraints  
*work session*

Presentations to review the process for the public review draft, comment collection, and next steps toward adoption are tentatively set for:

- January 21: Planning Commission
- January 26: City Council

# Objectives for This Work Session

- Review and discuss proposed changes to the **Development Process**, to include:
  - Conditional Use Permits
  - Variances
  - Administrative Adjustments
  - Building Inspections
- Review and consider public input received at the November 6<sup>th</sup> open house.
- Confirm **next steps**, including timeline and topics for future PC work sessions.



# November 6<sup>th</sup> Open House

- Slides and posters are on the [project website](#).
- **New!** Open house summary.
- **New!** Virtual open house for those who were unable to participate. ***Open through January 16, 2026.***



Project website: [HomerT21CodeUpdate.com](https://HomerT21CodeUpdate.com)

Topic-specific  
feedback is featured  
on upcoming slides

# **CUPs and Variances – A Refresher – What are they? How do they differ?**



# What is a CUP?

Clean code  
reference:  
pages 31-32

In current code, some uses require a conditional use permit (CUP). A conditional use permit may be granted to approve land uses and structures with special design or site requirements, operating characteristics, or potential adverse effects on surroundings.

*Example: a gas station is a conditional use in the Central Business District because the potential impacts of noise, vehicle traffic, and lighting are greater than other uses permitted in the district.*

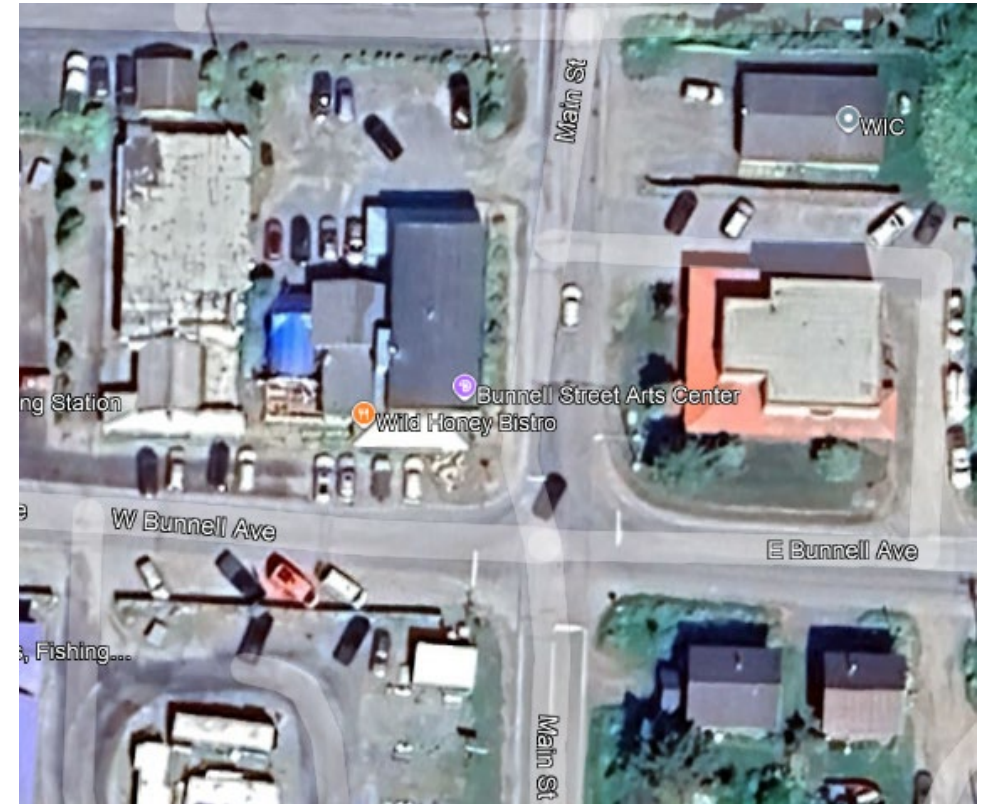


# What is a variance?

Clean code  
reference:  
pages 34-35

A variance is a request to deviate from the requirements of the zoning code. These requests can be deviations from dimensional requirements like lot size, setbacks or height, or other requirements like off-street parking. Variances for uses (i.e.- asking for a use that is not allowed in the zoning districts) are **prohibited**.

*Example: buildings like the Bunnell Street Arts Center require a variance because they do not meet side setback requirements.*



# CUPs & Variances – How are they different?

Conditional Use Permit	Variance
<u>What</u> : A <b>permitted use</b> to which reasonable conditions may be attached based on factual findings.	<u>What</u> : A request to depart from the requirements of the zoning ordinance; permission to “break the rules.”
<u>When</u> : Adds a layer of scrutiny and additional standards to uses which have potential adverse effects on surroundings.	<u>When</u> : Usually applies to dimensional or site development requirements (setbacks, lot coverage, parking requirements).
<u>Approval Criteria</u> : Applicant must demonstrate that the proposed use meets the standards set forth in the ordinance. If the application meets the standards, it must be approved.	<u>Approval Criteria</u> : Applicant must demonstrate a <u>practical difficulty</u> in meeting the requirements of the ordinance. Heavy burden on the applicant

# Conditional Use Permits

# Remove CUPs for Common Requests

## Why?

- The PC nearly always approves such requests, with the same conditions.
- The common conditions can be made standards in the code for those uses and reviewed by staff.
- Reduces the time it takes to get a development approved.
- Gives more predictability for residents and developers.
- Reserves CUPs for uses that require a higher degree of scrutiny due to community impacts.

*Multiple principal structures on one lot*

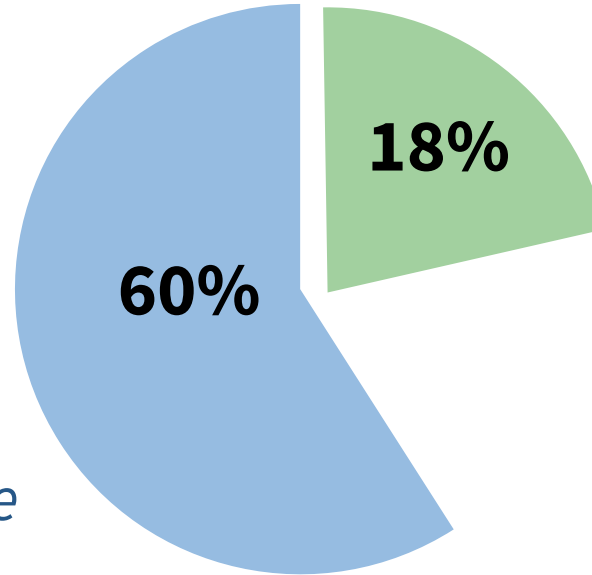




# Context: Homer's CUPs 2020-2024

**60%** of CUPs were for more than one principal structure on a lot. Out of 30, all but one was approved.

*Conditions of approval typically included outdoor lighting (must be downlit) and dumpster screening.*



**18%** of CUPs were for building coverage over 30% or building area over 8,000 sf. All were approved.

*Conditions of approval typically included screening, outdoor lighting, and conformance with setbacks.*

**Why change?** Nearly universal approval of these requests and similar conditions of approval suggest that both triggers for CUPs could be eliminated, and special standards for approval could include outdoor lighting, screening, and setback conformance. Those standards can be reviewed by staff.

# What are the proposed CUP changes?

Current code reference:  
21.17.040(d)  
Clean code reference:  
page 75-76

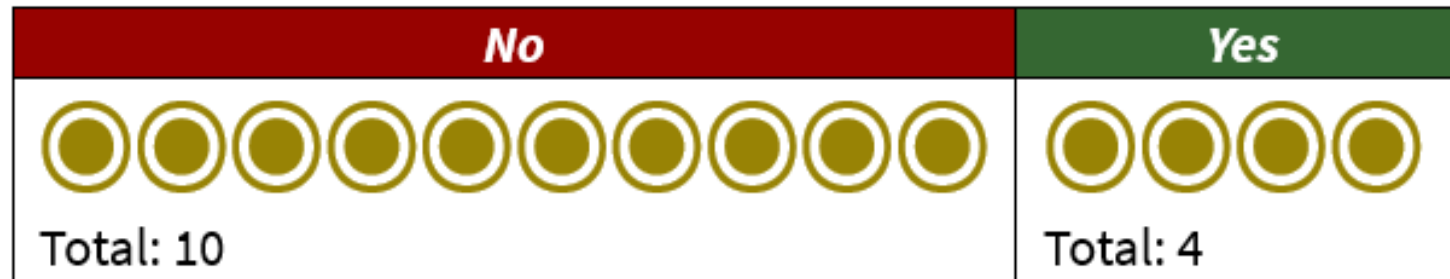
Currently requires a CUP	Proposed Change	Rationale
More than one principle building on a lot	Remove requirement for CUP.	Accounts for majority of past CUP requests; all but one were approved.
Buildings more than 8000 sf or more than 30% lot coverage	Remove the 8,000 sf building size max, but any project that exceeds district lot coverage requirements will still have to get a variance, requiring a public hearing.	Any request to deviate from the dimensional requirements of the code should require a variance or administrative adjustment (both of which have higher standards for approval than a CUP) and not a CUP.
Auto, marine, and RV sales, rental, repair and storage (in some districts)	CUP not required in Commercial Mixed Use or Light Industrial Mixed Use.	Limited potential for negative impacts on surrounding properties in these areas.

# CUP Changes: Community Input

What did we hear from the community at the open house?

*23 comments on this topic; this slide features topics repeated 3+ times)*

**Do you support the proposed changes? (● = 1 vote)**



# CUP Changes: Community Input

What did we hear from the community at the open house?

*23 comments on this topic; this slide features topics repeated 3+ times)*

## **Strengthen CUP criteria, oversight, and enforcement** *(11 Comments)*

Participants wanted a more rigorous CUP process that prevents poor-quality or out-of-scale development.

## **Support streamlining CUP triggers to reduce unnecessary barriers** *(3 Comments)*

Some attendees supported refining the CUP process to reduce unnecessary delays, especially when projects meet underlying standards.

## **Keep the CUP process unchanged** *(4 Comments)*

Several comments expressed a desire to retain the existing Conditional Use Permit (CUP) process without major revisions.

## **Improve clarity, definitions, and public understanding of permitting tools** *(3 Comments)*

A few requested better explanations of CUPs and how public input should be used.

# Administrative Adjustments



# What is an administrative adjustment?

A request for a small (as defined in the code) deviation from the code requirements that is evaluated by staff. Uses the same criteria that are used by the Planning Commission to evaluate variances.

## Why?

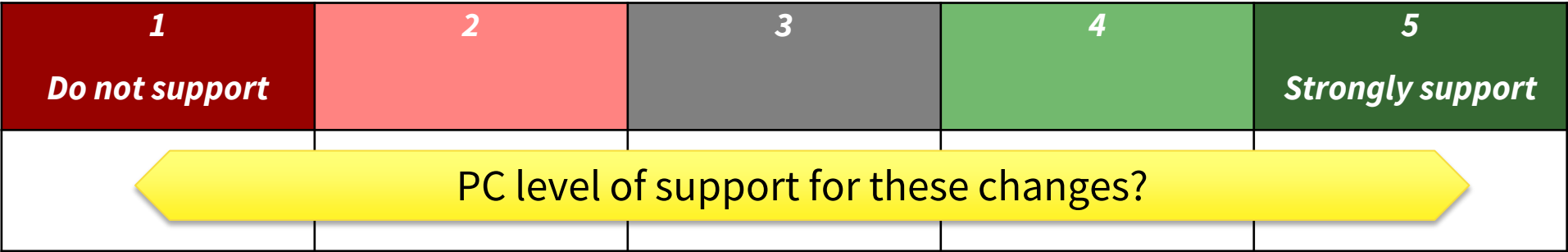
- The City currently allows some dimensional exceptions via CUP because variance criteria are hard to meet. However, CUPs are not meant for deviations from the code.
- If flexibility is desired, and small requests are almost always granted, an administrative adjustment is most appropriate.

*Title 21 Goal:  
Increase code  
clarity and  
flexibility*

# Proposed Administrative Adjustments

- Up to 2 ft. reduction in setbacks
- Up to 10% more lot or building coverage
- Up to 10% of required landscaping
- Up to 10% of accessory structure size
- Expansions of legal nonconforming uses
- Building height in LIMU (for boat building)
- Lighting standards
- Off-street parking

*Clean code  
reference: pages  
34-35*



# Building Inspections

# Building Inspections – To Require in Code?

The City is considering whether to require building inspections for **single-family homes and duplexes (1–3 dwelling units)**.

Most Alaska municipalities either:

1. Adopt a building code and conduct their own inspections, or
2. Do not require inspections at all.

Homer does not currently require building inspections, and the working draft of the revised code does not currently feature this change.

*A third option exists: **require inspections by Alaska state-licensed inspectors** without adopting a local building code.*

*→ For example, the Alaska Housing Finance Corporation (AHFC) uses third-party inspectors under its **PUR-102 process** to verify construction quality and energy standards in communities that do not have their own building departments.*

# What are the pros and cons of requiring building inspections in City code?

Let's take a look...



**Advantages of Requiring Building Inspections**



**Risks and Considerations of Requiring Building Inspections**



# Building Inspection: Potential Pros

## Potential Advantages of Requiring Building Inspections

**Lower Administrative Burden:** The City does not need to adopt or enforce a building code or staff a building department.

**Professional Oversight:** Inspections are conducted by state-licensed professionals who already meet training, insurance, and bonding requirements.

**Financing Compatibility:** Aligns with AHFC PUR-102 and lender requirements, improving access to mortgages and energy programs.

**Flexibility for Builders:** Local builders retain flexibility in methods, while inspectors verify compliance with accepted standards.

**Reduced Political Controversy:** Avoids debates tied to adopting or updating local building codes.

Any  
additional  
advantages  
missing from  
this list?

# Building Inspections: Potential Cons

## Potential Risks and Considerations of Requiring Building Inspections

**Variability in Standards:** Different inspectors may apply different codes or practices.

*Mitigation: Require inspectors to declare the standard used (e.g., AHFC PUR-102, model code reference).*

**Oversight and Quality Assurance:** The City will need a mechanism to track reports and respond to complaints.

*Mitigation: Maintain an approved inspector list, require digital reports, and reserve the right to audit.*

**Liability and Consumer Expectations:** Residents may look to the City if an inspector misses a defect.

*Mitigation: Require inspectors to carry insurance, and make clear that liability rests with the inspector.*

**Inspector Availability and Cost:** Licensed inspectors may not be locally available, raising fees due to travel.

*Mitigation: Allow clustered scheduling, video/photo documentation, or partial municipal audits.*

**Equity Concerns:** Out-of-pocket inspection costs may burden low-income builders.

*Mitigation: Consider fee waivers, subsidies, or limiting inspections to new construction and major systems.*

Any additional disadvantages missing from this list?

# Should the City require building inspections in City code?

1 <i>Do not support</i>	2	3	4	5 <i>Strongly support</i>
PC level of support for requiring building inspections?				

# Next Steps

# Next Steps

## Open House Follow Up

- Promote virtual open house for residents who missed the event to share their feedback.

## One-on-One Conversations with Planning Commissioners

- Optional conversations to talk through ideas, concerns, and questions about the draft code.

## Next PC Work Session

- January 7, 2026; focus is on Environmental Features. This will be the last topic-specific work session, held from 4-6:20 pm ahead of the Regular Meeting.

## Launch of the Public Review Draft of the Code

- Anticipated late January 2026.
- Presentations with the Planning Commission and the City Council to go over the process for the public review draft, comment collection, and next steps toward adoption.



# Thank you! Questions, Comments?

## **Ryan Foster**

City of Homer City Planner

Phone: (907) 299-8529

Email: [rfoster@ci.homer.ak.us](mailto:rfoster@ci.homer.ak.us)

## **Shelly Wade**

Agnew::Beck Consultant Project Manager

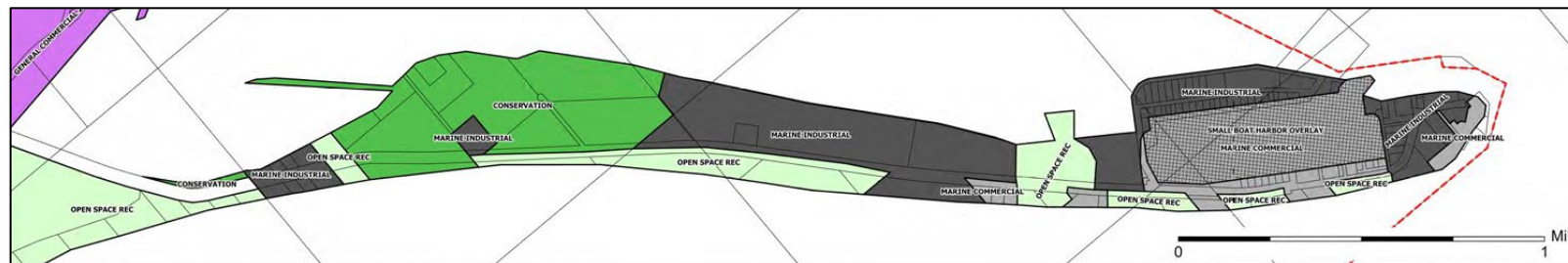
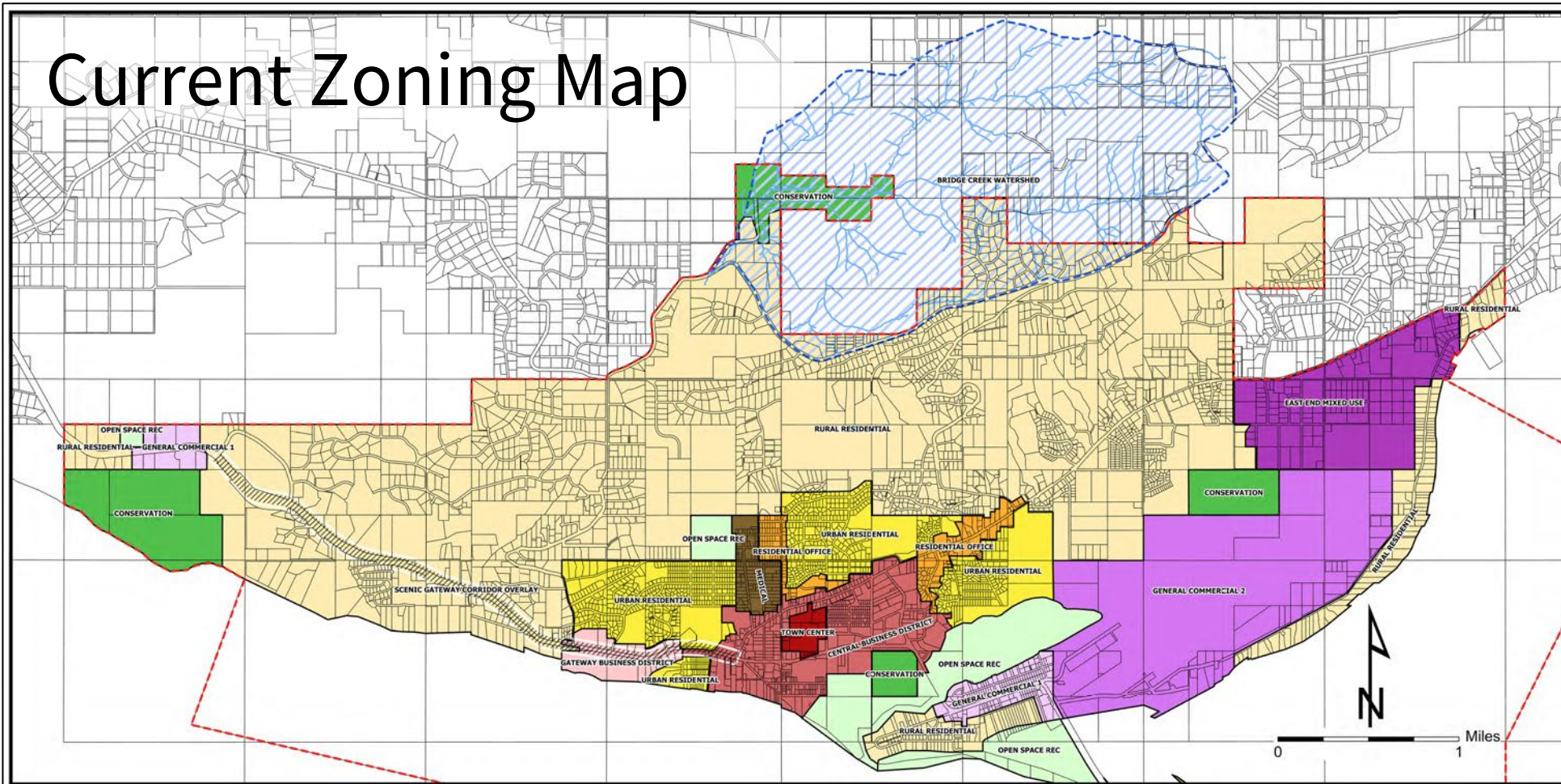
Cell: (907) 242-5326 (call or text)

Email: [shelly@agnewbeck.com](mailto:shelly@agnewbeck.com)

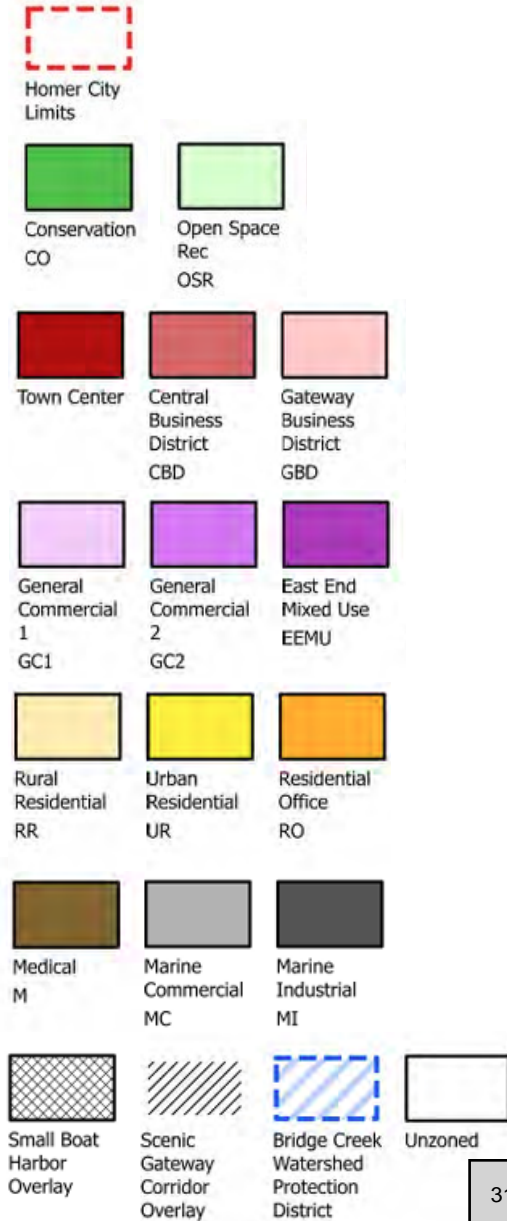
Project Website:  
[Homert21CodeUpdate.com](http://Homert21CodeUpdate.com)

# Reference Slides

# Current Zoning Map



## Key



City of Homer Title 21 Update

Homer City Code

Title 21 ZONING AND PLANNING

**October 8, 2025 Working Draft**

Clean Copy (no track changes)

*Excerpts for Reference at December 17, 2025 Planning Commission Special Meeting*

## **Chapter 21.09 Conditional Use Permits**

### **21.09.010 Scope and purpose.**

- a. This chapter applies to the review and approval of conditional use permit applications when a conditional use permit is required by other provisions of the zoning code.
- b. A conditional use permit may be granted to approve land uses and structures with special design or site requirements, operating characteristics, or potential adverse effects on surroundings. Approval may occur through Planning Commission review and, where necessary, the imposition of special conditions of approval.

### **21.09.020 Application for conditional use permit.**

- a. An application for a conditional use permit shall be submitted to the City Planner on a form provided by the City. The application shall include:
  1. Name and mailing address of the owner of the subject lot.
  2. Name and mailing address of the applicant for the permit.
  3. A legal description and the street address of the subject lot.
  4. A narrative description of all proposed uses and structures, specifically identifying those that require conditional use permit approval.
  5. A level one or higher site plan prepared according to Chapter 21.73 HCC. In addition to the requirements of Chapter 21.73 HCC, the site plan shall show the location of all outdoor areas to be used for the conditional use.
  6. A map showing neighboring lots and a narrative description of the existing uses of all neighboring lots.
  7. All additional information (including any permits, plans and analyses) required by other provisions of the zoning code applicable to the proposed use within the subject zoning district.
  8. Any additional information the City Planner may require to determine whether the application satisfies the criteria for issuance of a permit.
  9. If the applicant is not the owner of the subject lot, the owner's signed authorization granting applicant the authority to (a) apply for the conditional use permit and (b) bind the owner to the terms of the conditional use permit, if granted.
  10. The applicant's signed certification that all the information contained in the application is true and correct.
- b. The City Planner will determine if the application is complete. If not complete, the City Planner will advise the applicant what corrective actions should be taken to complete the application. [Ord. 08-29, 2008].

### **21.09.030 Review criteria.**

The applicant must produce evidence sufficient to enable meaningful review of the application. Unless exceptions or other criteria are stated elsewhere in this code, the application will be reviewed under these criteria:

- a. The proposed use is listed as a conditional use in that zoning district.
- b. The proposed use(s) and structure(s) are compatible with the purpose of the zoning district in which it is located.
- c. The proposal is compatible with surrounding land uses.
- d. Public services and facilities are or will be, prior to occupancy, adequate to serve the proposed use and structure.

- e. Considering harmony in scale, bulk, coverage and density, generation of traffic, the nature and intensity of the proposed use, and other relevant effects, the proposal will not cause undue harmful effect upon desirable neighborhood character.
- f. The proposal will not be unduly detrimental to the health, safety or welfare of the surrounding area or the City as a whole.
- .
- g. The proposal is not contrary to the applicable land use goals and objectives of the Comprehensive Plan.
- h. The proposal will comply with all applicable provisions of the Community Design Manual. [Ord. 08-60 § 1, 2008; Ord. 08-29, 2008].

**21.09.040 Approval of conditional use.**

- a. The Planning Commission will review and may approve, approve with conditions, or deny an application for conditional use permit. The application shall not be approved unless it is established that the proposal, with conditions if necessary, satisfies the applicable review criteria.
- b. In approving a conditional use, the Commission may impose such conditions on the use as may be deemed necessary to ensure the proposal does and will continue to satisfy the applicable review criteria. Such conditions may include, but are not limited to, one or more of the following:
  - 1. Special yards and spaces.
  - 2. Fences, walls and screening.
  - 3. Surfacing of vehicular ways and parking areas.
  - 4. Street and road dedications and improvements (or bonds).
  - 5. Control of points of vehicular ingress and egress.
  - 6. Special restrictions on signs.
  - 7. Landscaping.
  - 8. Maintenance of the grounds, buildings, or structures.
  - 9. Control of noise, vibration, odors, lighting or other similar nuisances.
  - 10. Limitation of time for certain activities.
  - 11. A time period within which the proposed use shall be developed and commence operation.
  - 12. Other conditions necessary to protect the interests of the community and surrounding area, or to protect the health, safety, or welfare of persons residing or working in the vicinity of the subject lot. [Ord. 08-29, 2008].

**21.09.050 Commission hearing and procedures.**

- a. When the application is determined to be complete, the City Planner shall schedule a public hearing before the Planning Commission and provide notice of the application as specified in Chapter 21.14 HCC. The public hearing shall be held within 45 days after determining the application is complete.

## **Chapter 21.10. Variances and Administrative Adjustments**

### **21.10.010 Scope and Purpose.**

The variance and administrative adjustments procedures are established to allow applicants to seek deviations and modifications from certain requirements of this title to overcome unique site conditions. Deviations or waivers from the Title 21 requirements may be necessary to accommodate infill projects, adaptive reuse activities, and redevelopment projects in established areas of the city. Variances are intended to allow applicants to seek regulatory relief through a public hearing process, whereas administrative adjustments are intended to allow applicants to seek minor regulatory relief through an administrative process. A variance may be granted by the Planning Commission to provide relief when a literal enforcement of the Homer Zoning Code would deprive a property owner of the reasonable use of a lot. [Ord. 08-29, 2008].

### **21.10.020 Application for a variance.**

Application for a variance shall be filed with the City Planner. The application shall include, but is not limited to, all of the following:

- a. All of the information required for a conditional use permit application, but referring to the requested variance instead of a conditional use.
- b. A precise description of the variance requested, including each section, paragraph and sentence of the zoning code from which the applicant wishes to deviate.
- c. A written narrative describing how the application satisfies each of the requirements specified in HCC 21.72.020. [Ord. 08-29, 2008].

### **21.10.030 Variance Procedures.**

- a. An application for a variance shall be reviewed by the Planning Commission following, to the extent practicable, the procedures for reviewing a conditional use permit application, except as provided in subsection (b) of this section.
- b. If the Commission fails to act on a variance application within 45 days after the close of the public hearing, the application is deemed denied for failure to prove entitlement to the variance. The time to appeal such a denial begins to run on the forty-sixth day following the close of the public hearing. [Ord. 08-29, 2008].

### **21.10.040 Administrative Adjustments.**

- a. An administrative adjustment is a process where applicants may seek minor and limited reductions, deviations or modifications from certain dimensional or site design standards of this title. Administrative adjustments may be approved through application and approval from the City Planner pursuant to Table 21.06.a.
- b. Applicants may seek administrative adjustments where specified in this title, and from the following code provisions:
  1. Up to ten percent of the maximum lot coverage.
  2. Up to ten percent of the required landscaping and/or screening standards.
  3. Up to two feet reduction of setback requirements.
  4. Up to ten percent of accessory structure size limitations.
  5. Expansions of legal nonconforming uses pursuant to Chapter 21.15.
- c. Administrative adjustments are reviewed by the Planning Department and acted upon by the City Planner per Table 21.06.a.



**21.10.050 Approval Criteria.**

- a. All of the following conditions shall exist before a variance or administrative adjustment may be granted:
  1. A literal interpretation of the provisions of the Homer Zoning Code would create a practical difficulty to the use of the property consistent with its zoning district.
  2. Special conditions and circumstances exist that are peculiar to the land or structures involved and are not applicable to other lands and structures in the same district.
  3. The special conditions and circumstances that require the variance have not been caused by the applicant.
  4. Granting the variance or administrative adjustment will not be detrimental to the public's health, safety, or welfare.
- b. Financial hardship or inconvenience shall not be the sole reason for granting a variance.
- c. Other nonconforming land use or structures within the district shall not be considered grounds for granting a variance.
- d. If approved, a variance or administrative adjustment shall be the minimum necessary to permit the reasonable use of the land or structure.
- e. A variance or administrative adjustment shall not be granted that will permit a land use in a district in which that use is otherwise prohibited. [Ord. 08-29, 2008].

## **Chapter 21.23 CMU Commercial Mixed Use District**

### **21.23.010 Purpose.**

The purpose of this district is to accommodate mixed-use development with a focus on businesses that serve visitors. Potential conflicts between residential and commercial uses should be minimized through thoughtful site design, building orientation, and buffering. The goals include reducing future traffic congestion along the Sterling Highway and maintaining a positive first impression for people entering Homer.  
[Ord. 08-29, 2008].

### **21.23.020 Permitted uses and structures.**

- a. Detached, duplex, and multi-unit dwellings, including townhouses;
- b. Factory built dwelling;
- c. Mixed-use building including both commercial and residential uses;
- d. Retail business;
- e. Offices;
- f. Restaurants and clubs;
- g. Drive-through establishments;
- h. Hotels and motels;
- i. Rooming house, bed and breakfast and hostel;
- j. Open space;
- k. Parks;
- l. Financial institutions;
- m. Places of assembly;
- n. Entertainment establishments;
- o. Museums and libraries;
- p. Schools;
- q. Day care homes; provided, however, that outdoor play areas must be fenced;
- r. Day care facilities; provided, however, that outdoor play areas must be fenced;
- s. Studios;
- t. Personal services;
- u. Plumbing, heating, and appliance retail and service;
- v. Retail and wholesale sales of building supplies and materials;

- w. Self-service laundries;
- x. Auto fueling stations;
- y. Auto, marine, and RV sales, rental, and repair;
- z. Itinerant or transient merchants;
- aa. Mobile food services;
- bb. Public utility facilities and structures;
- cc. More than one building containing a permitted principal use on a lot.

**21.23.030 Accessory uses and structures.**

- a. Accessory dwelling unit;
- b. Home occupations, provided they conform to the standards in HCC 21.40.010;
- c. One small wind energy system per lot having a rated capacity not exceeding 10 kilowatts;
- d. Customary accessory uses to any of the permitted uses listed in the CMU district; provided, that separate permit shall not be issued for the construction of any type of accessory building prior to that of the principal structure. [Ord. 23-40 § 5, 2023; Ord. 22-68(A) § 6, 2022; Ord. 11-23(A) § 6, 2011; Ord. 08-29, 2008].

**21.23.040 Conditional uses and structures.**

- a. Light or custom manufacturing, fabricating, and assembly;
- b. Large format development;
- c. Every use that:
  - 1. Is estimated to generate more than 100 vehicle trips during any hour of the day calculated utilizing the Trip Generation Handbook, Institute of Transportation Engineers, 9th Edition;
  - 2. Is estimated to generate more than 500 vehicle trips per day calculated utilizing the Trip Generation Handbook, Institute of Transportation Engineers, 9th Edition;
  - 3. Is estimated to generate an increase in the traffic to more than 100 vehicle trips during any hour of the day due to a change in land use or intensity of use; or
  - 4. Is expected to generate traffic that will detract from the safety of, or degrade by one level of service, the highway, road, street, alley or intersection. [Ord. 13-27 § 6, 2013; Ord. 08-29, 2008].
- d. One wind energy system having a rated capacity exceeding 10 kilowatts; provided, that it is the only wind energy system of any capacity on the lot.

**21.23.050 Dimensional requirements.**

- a. Lot Size.
  - 1. The minimum lot area shall be 20,000 square feet. Lawfully existing smaller lot sizes may be newly developed and used subject to the provision of off-site parking as specified in the City parking code, Chapter 21.35 HCC;



# Building Inspections – Pros and Cons

## Title 21 Code Update: Supplemental Context, Prepared Fall 2025

The Alaska Department of Labor and Workforce Development / Mechanical Inspection (MI) program inspects electrical/plumbing for **commercial buildings and dwellings of 3 units or more**; plumbing inspections also apply in communities with populations of **2,500+** for some work. This means **state MI jurisdiction generally does not require inspections for 1–2-unit dwellings** — local rules are decisive.<sup>1</sup>

The Alaska Housing Finance Corporation (AHFC) maintains an “**Approved Municipalities**” list: Municipalities on that list have adopted and enforce building and energy codes equivalent to state minimums — in those places **1- and 2-unit homes** are typically covered by local permits and inspections. Use AHFC’s list as a quick proxy.

## 1. Background

The Homer community is considering whether to require building inspections for **single-family homes and duplexes (1–3 dwelling units)**. Most Alaska municipalities either:

1. Adopt a building code and conduct their own inspections, or
2. Do not require inspections at all (e.g., Homer).

A third option exists: **require inspections by Alaska state-licensed inspectors** without adopting a local building code. This model has precedent in Alaska. For example, AHFC uses third-party inspectors under its **PUR-102 process** to verify construction quality and energy standards in communities that do not have their own building departments.

## 2. Legal Grounding

- **State Licensing:** The Alaska Department of Commerce licenses home and building inspectors. Inspectors must hold state registration, insurance, and bonding.
- **Municipal Authority:** Municipalities may condition permits or Certificates of Occupancy on inspection reports prepared by state-licensed inspectors.
- **Financing Tie-In:** AHFC and many lenders already require inspection documentation (e.g., PUR-102). Aligning municipal requirements with these standards streamlines financing eligibility.

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<sup>1</sup>Source: Alaska Department of Labor and Workforce Development:  
[https://labor.alaska.gov/lss/mi\\_jurisdiction.htm](https://labor.alaska.gov/lss/mi_jurisdiction.htm)

### 3. Advantages and Disadvantages/Risks of Requiring State-Licensed Inspections

Advantages	Risks and Considerations
<p>a) <b>Lower Administrative Burden:</b> The City of Homer does not need to adopt or enforce a building code or staff a building department.</p> <p>b) <b>Professional Oversight:</b> Inspections are conducted by state-licensed professionals who already meet training, insurance, and bonding requirements.</p> <p>c) <b>Financing Compatibility:</b> Aligns with AHFC PUR-102 and lender requirements, improving access to mortgages and energy programs.</p> <p>d) <b>Flexibility for Builders:</b> Local builders retain flexibility in methods, while inspectors verify compliance with accepted standards.</p> <p>e) <b>Reduced Political Controversy:</b> Avoids debates tied to adopting or updating local building codes.</p>	<p>a) <b>Variability in Standards:</b> Different inspectors may apply different codes or practices.</p> <p>○ <i>Mitigation:</i> Require inspectors to declare the standard used (e.g., AHFC PUR-102, model code reference).</p> <p>b) <b>Oversight and Quality Assurance:</b> The City will still need a mechanism to track reports and respond to complaints.</p> <p>○ <i>Mitigation:</i> Maintain an approved inspector list, require digital reports, and reserve the right to audit.</p> <p>c) <b>Liability and Consumer Expectations:</b> Residents may look to the City of Homer if an inspector misses a defect.</p> <p>○ <i>Mitigation:</i> Require inspectors to carry insurance, and make clear that liability rests with the inspector.</p> <p>d) <b>Inspector Availability and Cost:</b> Licensed inspectors may not be locally available, raising fees due to travel.</p> <p>○ <i>Mitigation:</i> Allow clustered scheduling, video/photo documentation, or partial municipal audits.</p> <p>e) <b>Equity Concerns:</b> Out-of-pocket inspection costs may burden low-income builders.</p> <p>○ <i>Mitigation:</i> Consider fee waivers, subsidies, or limiting inspections to new construction and major systems.</p>

### 4. Next Steps for Council Consideration

- Decide whether to pursue this inspection model in principle.
- If supported, direct staff to draft an ordinance specifying:
  - Scope of projects requiring inspections,
  - Use of state-licensed inspectors only,
  - Accepted inspection forms (e.g., AHFC PUR-102), and
  - A municipal registry and audit process.
- Consider a **pilot program** (12 months) limited to new construction and major mechanical work, with evaluation after one year.