ARKANSAS MUNICIPAL LEAGUE
GREAT CITIES MAKE A GREAT STATE

APA AR

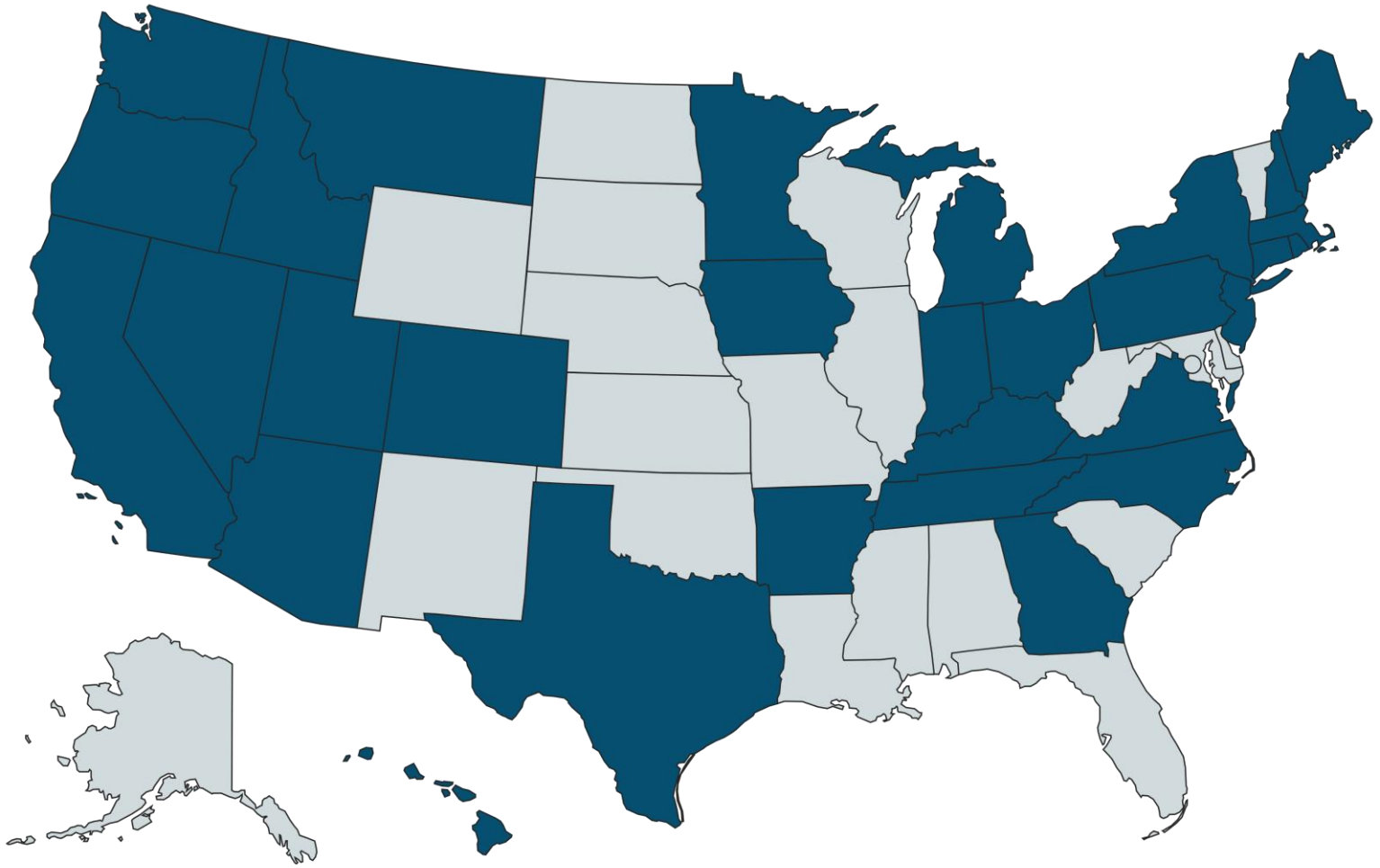
Groundwork

2027 ARKANSAS LEGISLATIVE IDEAS

JOHN WILKERSON, JD
JAMES WALDEN, AICP
DUKE MCLARTY, JD

101 DAYS UNTIL SESSION

MAJOR POLICY SHIFTS



STATES WITH SIGNIFICANT ZONING REFORM SINCE 2024.

STATE SHIFTS – WHAT WE ANTICIPATE

Ideas we suspect or have heard:

- Manufactured Housing
- Building Permit Reform
- Speed Up Inspections
- Building Inspector Licensure
- Private Property Rights Protection



APA+AML IDEAS

- Planning Statutes 3.0
- Pre-annexation + Developer Agreements
- Special Service Districts
- ETJ 2.0
- *Abandoned and Dilapidated Structures*
- *Land Banking*
- *Housing Policy*



PLANNING STATUTES 3.0

City Type	Description
Category A	Over 30,000 Over 10,000 + 3% AAGR
Category B	Over 15,000 Over 5,000 + 1% AAGR Over 3,000 in County over 200,000 (Washington, Benton, Pulaski)
Category C	Over 5,000 unless overwise Category B
Small Cities and Towns	Under 5,000

PLANNING STATUTES 3.0

- Little Rock
- Fayetteville
- Fort Smith
- Springdale
- Jonesboro
- Rogers
- North Little Rock
- Conway
- Bentonville
- Pine Bluff
- Hot Springs
- Benton
- Sherwood
- Bella Vista
- Centerton



PLANNING STATUTES 3.0

What's Unique to Category A?

- 1 mile ETJ authority (by default)
- Planning Requirements
  - Update Plans every 10 years
  - Growth Projections – 30 Yr +Housing Needs Projections – 30 Yr
  - Designated Housing Target
  - Utility Review
  - Vacant and Underutilized Property Analysis
  - Zoning Build out Analysis
- Plan to Designated Housing Target



PLANNING STATUTES 3.0

- Paragould
- Jacksonville
- Texarkana
- Russellville
- Cabot
- West Memphis
- Van Buren
- Searcy
- Bryant
- Maumelle
- El Dorado
- Siloam Springs
- Marion
- Lowell
- Beebe
- Farmington
- Pocahontas
- Prairie Grove
- Pea Ridge
- Ward
- Greenbrier
- Cave Springs
- Tontitown
- Elkins
- Johnson
- Gentry
- Highfill
- Gravette
- Little Flock



PLANNING STATUTES 3.0

What's Unique to Category B?

- 1 mile ETJ authority (by growth need)
- Planning Requirements
  - Update Plans every 10 years
  - Growth Projections – 30 Yr +Housing Needs Projections – 30 Yr
  - Designated Housing Target
  - Utility Review
- Plan to Designated Housing Target



PLANNING STATUTES 3.0

- Blytheville
- Harrison
- Forrest City
- Mountain Home
- Batesville
- Magnolia
- Malvern
- Camden
- Arkadelphia
- Helena-West Helena
- Greenwood
- Clarksville
- Hope
- Monticello
- Wynne
- Stuttgart
- Newport
- Trumann
- Pocahontas
- Morrilton
- Osceola
- Heber Springs
- De Queen
- Alma
- Berryville
- Mena
- White Hall
- Warren
- Walnut Ridge



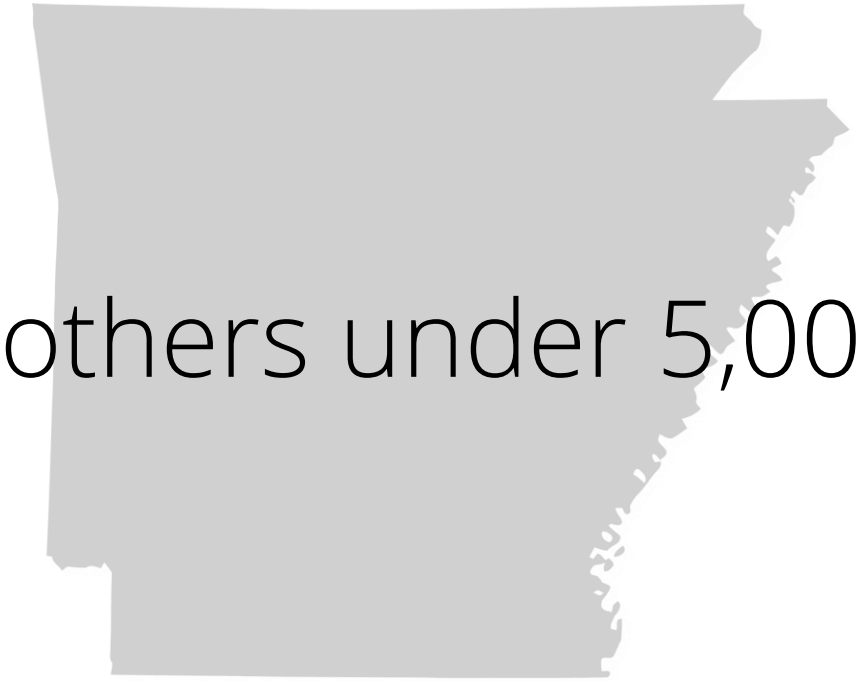
PLANNING STATUTES 3.0

What's Unique to Category C?

- 1 mile ETJ authority (by permission)
- Planning Requirements
  - Update Plans every 15 years
  - Growth Projections – 30 Yr
- Plan to Growth Target



PLANNING STATUTES 3.0



All others under 5,000

SMALL CITIES + TOWNS

PLANNING STATUTES 3.0

What's Unique to Small Cities and Towns?

- No ETJ authority
- Council as Planning Commission
- No Board of Adjustment
- Framework Guidance on Plan
- Second Class Cities + Towns
  - Unified Zoning Map and Plan

SMALL CITIES + TOWNS

PLANNING STATUTES 3.0

- Municipal Plan = Land Use Plan + Master Street Plan
- Planner + Planning Commissioner Training w/ Opt Out
- Transfer of Development Rights
- Codification of Moratoria
- Master Street Plans:
  - Plan for interjurisdictional networks
  - Required coordination in Large Metros
- Zoning connection to Land Use Plan
- Dedication of Improvements by Plat



SOUNDS LIKE A LOT

PREANNEXATION + DEVELOPER AGREEMENTS

- Codification of Existing Tools
- Preannexation Agreements:
  - Contractually require compliance with Zoning, Subdivision, Building Regulations
  - Provide enforcement mechanism to file petition on behalf of property owner(s)
- Developer Agreement
  - Transfer of Development Rights
  - Development Incentives
  - Contractually require compliance with Zoning, Subdivision, Building Regulations



SPECIAL SERVICE DISTRICTS

- Special Service Districts – Outside City
  - Allow municipal services outside City in Designated Areas
  - City enforces Building, Zoning, Subdivision
  - City can annex when becomes contiguous
- Special Service Districts – Inside City
  - City operated improvement districts
  - Governed by City Commission
  - Levy assessments for detention ponds, etc.
  - Collected with Property Taxes



ETJ 2.0

- Zoning, Subdivision, and Building Regulations
  - Administer, Implement, and *Enforce*
- Category A – 1 mile authority by right
- Category B – 1 mile authority by demonstrated need
- Category C – 1 mile authority by county permission
- Small Cities + Towns – no authority

- Require notification to all property owners?
- City maintenance?
- Annexation authority?





Groundwork

Groundwork

VISION

To strengthen the bonds in each community by creating a variety of housing options for individuals and their families employed in area businesses and services.

MISSION

To provide strategic leadership, expertise and resources to strengthen communities by expanding housing options across Arkansas

Areas of Focus

COMMUNICATIONS

Elevate the importance of housing attainability through a comprehensive marketing campaign.

Lead statewide collaborative communication and policy efforts

POLICY

Advocate for policies that remove barriers and offer incentives for housing development

Provide education, materials and direct support to municipalities as they navigate the implementation of best practices within their cities.

TEAM



Duke McLarty



Isabel Gamarra



Reid Adkins



Lindsey Navarrette



Payton Willhite

A STATEWIDE LISTENING TOUR

We went across the state and heard the same thing.

9
sessions

475+
people heard

80+
municipalities represented

THE ONE THING WE HEARD EVERYWHERE

It's too hard to build.

Groundwork

WHERE WE WENT

Nine stops, April to June 2026

Mayors, planners, developers, bankers and community leaders came out to tell us what's holding housing back. We joined several regional meetings with the Arkansas Municipal League.

COMING THIS FALL

Hot Springs and **Jonesboro,** Groundwork webinars, and today's summit.



WHAT WE HEARD MOST

The challenges that surfaced everywhere

01 Housing is simply too expensive

Construction costs are rising faster than local wages in every market we visited.

02 Vacant, abandoned and deteriorated properties

Blighted lots drain city budgets and tie up land. This was the most common theme we heard.

03 Little or no new housing

Some communities haven’t seen a new neighborhood since the early 2000s.

04 Too few developers, too little labor

Small markets can’t attract builders, and residents wait years for a contractor.

THE COMMON THREAD

Our regulatory framework makes it too hard to build a range of affordable options.

Groundwork

HOW THE CHALLENGES CLUSTER

Four barriers, heard again and again



Blight & vacant property

Vacant homes drain city budgets, and slow, costly demolition ties up land cities can’t reclaim.

HEARD IN
Paragould · Pine Bluff · El Dorado · Little Rock



Outdated rules & codes

Codes treat a fourplex like a hospital. Big lot minimums, fire rules and zoning block new homes.

HEARD IN
El Dorado · Fort Smith · Harrison · Conway



Too few builders & too little capital

Contractor shortages, financing gaps and rural logistics keep homes from getting built.

HEARD IN
Harrison · Fort Smith · Mena · Pine Bluff



A mismatch of housing types

No starter homes, nowhere for seniors to downsize, housing not allowed in many areas.

HEARD IN
Conway · Harrison · Little Rock · Mena

Groundwork

FROM WHAT WE HEARD…..

Groundwork

to what we're proposing

Our policy proposals for the 2027 session. Each one answers a challenge we heard on the road.

- **Blight & vacant property**
- **Outdated rules & codes**
- **Too few builders & too little capital**
- **A mismatch of housing types**

ANSWERS: TOO FEW BUILDERS & TOO LITTLE CAPITAL

POLICY PROPOSAL 1 OF 7

Modular Homes

1. Subject modular homes to just one building code - state code
2. A small fix that opens Arkansas to modular construction.
3. Solves for labor shortages in rural areas.
4. Alternative building technique for all housing types, single-family, missing middle, apartments
5. About 20% cheaper and 30% to 60% faster to build.
6. 40 other states have a modular program

WHAT WE HEARD *Fort Smith wants more modular and multifamily. Pine Bluff struggles to move modular homes into rural areas.*

Source: add citation for cost and speed figures



2+ years

how long some Harrison residents wait to hire a contractor

ANSWERS: A MISMATCH OF HOUSING TYPES

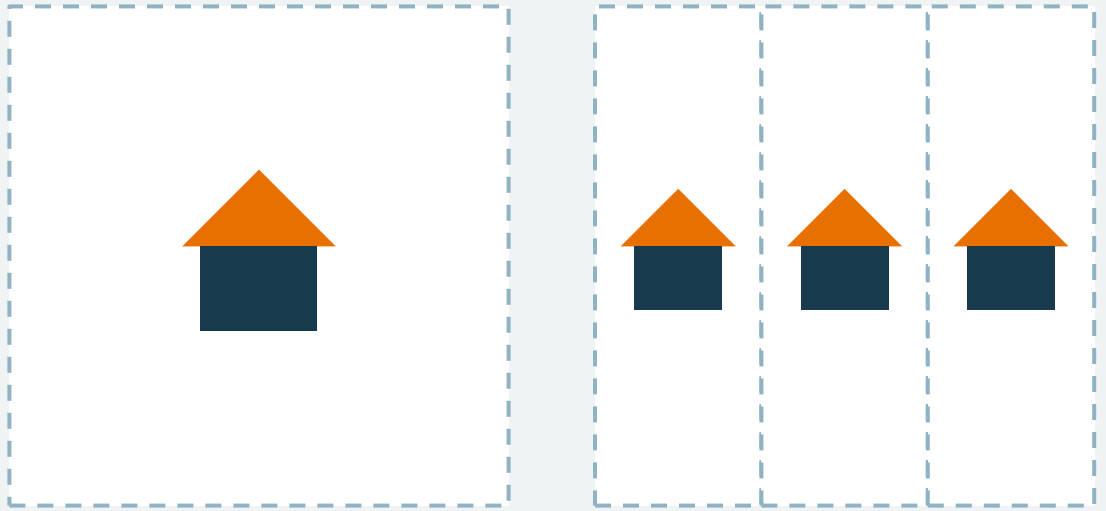
POLICY PROPOSAL 2 OF 7

Starter Homes on Smaller Lots

Cap minimum lot size at **3,500 sq ft** anywhere homes are allowed statewide. Local rules couldn't set a higher minimum. Developers could go larger by choice.

> *Walnut Ridge cut its lot minimums and finally saw a lot that sat empty for years get built. Conway lacks starter homes, and older residents in Harrison have nothing smaller to move into.*

THE SAME QUARTER ACRE



1 home

Today, under a typical large lot rule

3 homes

With a 3,500 sq ft cap

Illustration only. Lot sizes drawn to scale.

ANSWERS: A MISMATCH OF HOUSING TYPES

POLICY PROPOSAL 2 OF 7

Starter Homes on Smaller Lots

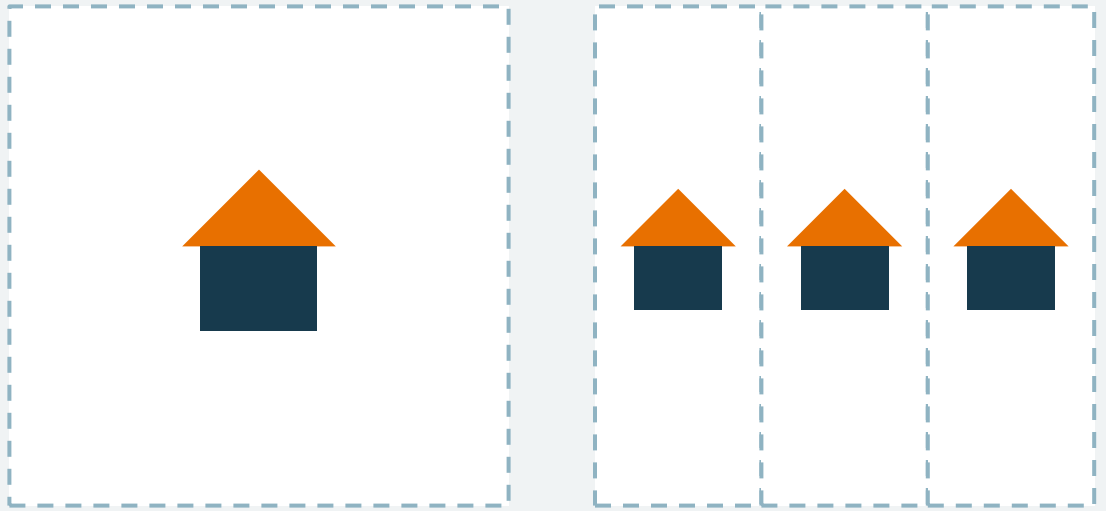
What other states have done:

1. Texas – New subdivisions over 5 acres
   - Caps minimum lot requirements at **3,000 sq. ft.**

2. Idaho – New subdivisions over 4 acres
   - Caps minimum lot requirements at **1,500 sq. ft**.

3. Kansas – Ties lot size relief to home size
   - **3,000 sq. ft.** minimum lot allowed for homes 2,500 sq. ft. or smaller

THE SAME QUARTER ACRE



1 home

Today, under a typical large lot rule

3 homes

With a 3,500 sq ft cap

Illustration only. Lot sizes not drawn to scale.

ANSWERS: A MISMATCH OF HOUSING TYPES

POLICY PROPOSAL 3 OF 7

Yes In God's Backyard

1. Let churches and nonprofits build housing on their land by right.
2. Unlock excess land held by faith organizations and not-for-profits
3. Add homes without new public land or subsidy.
4. Virginia, Florida, Kentucky, Maryland, Minnesota have all taken steps to help churches provide housing.

WHAT WE HEARD *Nonprofits serving low income and older residents were hopeful about another tool to build for the people they serve.*



Idle acres

Churches often hold land that local zoning won't let them build on.

ANSWERS: OUTDATED RULES & CODES

POLICY PROPOSAL 4 OF 7

Homes Near Jobs

1. Allow multi-family by right in commercially zoned areas as a residential use.
2. Bring housing to corridors and customers to the front step of local business.
3. Density along corridors makes public transit work better.
4. Put unused commercial land back to work by simply allowing residential to be built.
5. Florida, Nevada, Texas, Montana, Arizona, North Carolina have all taken similar steps

WHAT WE HEARD *In Little Rock and Conway, sprawl keeps pushing people farther from where they work.*



Empty corridors

Commercial land sat unused at nearly every stop.



14,000+

vacant lots Pine Bluff mows three times a year

ANSWERS: BLIGHT & VACANT PROPERTY

POLICY PROPOSAL 5 OF 7

Land Bank Authorization

1. Pass a statute that clearly authorizes land banks.
2. Allow counties and regions to form them through interlocal agreements.
3. Make it easier to put abandoned property back to use.
4. Give cities and counties a lasting tool to reclaim and redevelop blighted land.
5. **20+ states** have land bank authorization including; Missouri, Tennessee, Kentucky, Georgia and Louisiana

> ***WHAT WE HEARD*** *Paragould's land bank is already a model. Little Rock has no first right of refusal on vacant property, and demolition is too slow and costly for cities to keep up.*



Too few builders

El Dorado’s developer shortage keeps small towns from building.

ANSWERS: TOO FEW BUILDERS & TOO LITTLE CAPITAL

POLICY PROPOSAL 6 OF 7

Pre-approved Development Plans

1. A state entity keeps a catalogue of pre-approved home designs.
2. Less approval risk, cost and time, with attractive design built in.
3. A ready path for infill and vacant lots.
4. Gives small towns a consistent way to get homes built.

> ***WHAT WE HEARD*** *Pine Bluff leaders want durable structures and steady support, not organizations that come and go.*



Single-stair served apartment buildings

ANSWERS: OUTDATED RULES & CODES

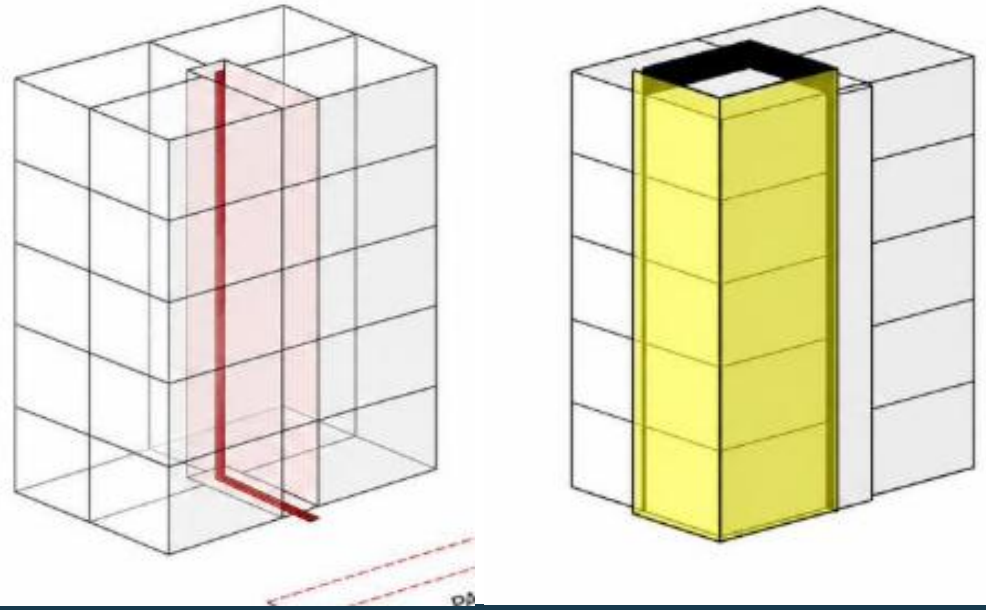
POLICY PROPOSAL 7 OF 7

Building Code Review #1

ACCOMPLISHED

1. Allow buildings with 12 or fewer units to be designed with only one central staircase
2. Right size fire requirements for smaller buildings.
3. Data shows these smaller apartment buildings are just as safe.
4. These buildings are able to be built on in-fill lots where a dual loaded design won't work

> ***WHAT WE HEARD*** *Fire code blocks housing above businesses, leaving space vacant In Harrison.*



Single-stair served apartment buildings

ANSWERS: OUTDATED RULES & CODES

POLICY PROPOSAL 7 OF 7

Building Code Review #1

What passed Code Review:

1. 4-stories allowed statewide
2. 6-stories allowed where prescriptive criteria are met
3. Next Step: 2027 Legislature still to adopt the Code Review Committee Recommendations



ANSWERS: OUTDATED RULES & C[illegible]ES

POLICY PROPOSAL 7 OF 7

Building Code Review #2

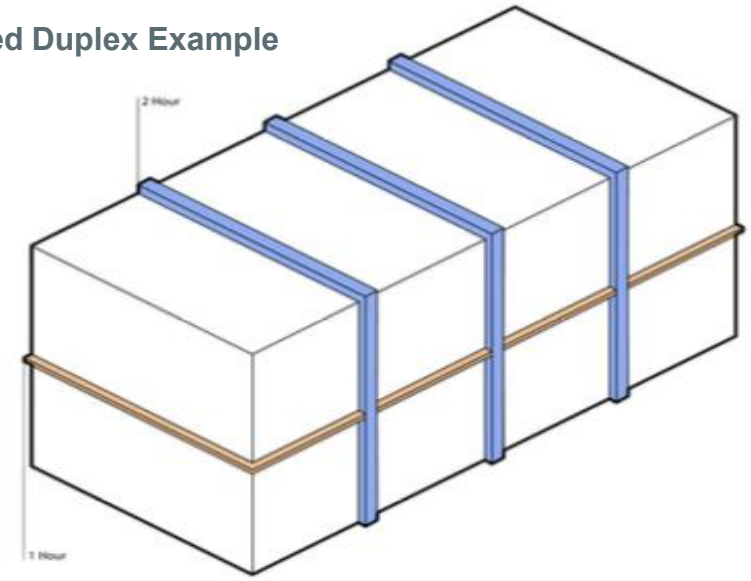
SIGNIFICANT PROGRESS

Home size buildings built to home size regulations

1. Allow buildings with [illegible] units to be built under the residential code [illegible] commercial.
2. Right size fire requirements for smaller buildings.
3. Reduce elevator size requirements in small buildings.
4. North Carolina, Utah, Rhode Island, Tennessee have all made similar changes

> ***WHAT WE HEARD*** *Fire code blocks housing above businesses, leaving space vacant In Harrison.*

Stacked Duplex Example



Home size buildings built to home size regulations

ANSWERS: OUTDATED RULES & CODES

POLICY PROPOSAL 7 OF 7

Building Code Review #2

Progress Includes:

1. Stacked duplexes with out sprinklers approved by code review committee. THANK YOU
2. Sprinkler requirements right-sized for 3-8 unit apartment buildings. THANK YOU

TENTATIVE, FOR THE 2027 SESSION

Six proposals. Four barriers.

Blight & vacant property

Outdated rules & codes

Too few builders & too little capital

A mismatch of housing types

5 Land banks

Put vacant property back to use

4 Homes Near Jobs

By right housing along corridors

1 Factory built & modular

Build to state code, cheaper and faster

2 Starter homes on smaller lots

A 3,500 sq ft cap on lot minimums

7 ~~Building code review~~

~~Small buildings under the residential code~~

6 Pre Approved development plans

A state catalogue to speed infill

3 Yes In God's Back Yard

Homes on church and nonprofit land

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Groundwork

TENTATIVE, FOR THE 2027 SESSION

Other Areas of Policy Exploration

1 Density Bonus for Low Income Tax Credit Developments

- Reduce per/unit costs -- Maximize the federal tax credit to produce more housing, putting more units on the same land and fixed costs
- Prevent local zoning from limiting application of LIHTC developments
- Development rights tied to public benefit

2 Planning for Growth

- Requires cities of a certain size to adopt a comprehensive land use plan, based growth projections
- Update zoning to match the plan
- Streamline review of proposed development that is in alignment with the plan
- Create predictability -- Move public debate earlier in the process

3 Existing use rehab / rebuilt by-right

- Allow existing use to be rebuilt by-right where zoning has made that use illegal
- Only applies to zoning, building and safety standards not impacted
- Create a clear path of approval to bring older buildings and vacant / abandoned lots back to use

4 Clarify what requires public review

- Plat and site plan review are not required to go to planning commission, require administrative approval
- Limit it to residential proposals
- Allow professional planners to decide
- Must approve anyway if objective standards are met

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Groundwork

HOUSING POLICY PLAN REQUIREMENTS

Required Housing Policy Plan

- Category A + B Cities
- Plan by July 1, 2028
- Regulations by December 31, 2028
- Required Reforms (Category A & B)
  - Multi-family in Commercial
  - Lot of Record Provision



HOUSING POLICY PLAN REQUIREMENTS

- Menu of Options (Category A) – X number required
  - Yes in God's Back Yard
  - Administrative Rezones
  - Transfer of Development Rights
  - Residential Parking Relief near Transit
  - Administrative Site Plan Review
  - Administrative Plat Review
  - Lot Size Requirement Reduction
  - Others by demonstrated practice



Pre-Session Communication

An email will go out next week inviting any interested current Arkansas Chapter members to sign up to be involved in the continuing pre-session discussion regarding evolving legislation details.

- There will be three pre-session meetings with invitations sent to those who sign up to be involved in this process.
- These pre-session meetings will be technical in nature and delve into the details of proposed legislation.

Tentative pre-session meeting dates

October 23, 2026
9:00-10:00 am, virtual meeting

November 6, 2026
9:00-10:00 am, virtual meeting

December 11, 2026
9:00-10:00 am, virtual meeting

Communication during the 2027 Session

Communication to all Arkansas APA Chapter membership:

Email Communication:

- A legislative summary email will be sent every two weeks (at minimum)
- Emails will increase for action alerts
- An email address that members can message with questions and input. All input is helpful and needed. Calls to James or Juliet

Special Legislative Chapter Meetings

Special Legislative Chapter Meetings may be called on an as-needed basis throughout the session to inform the membership

Communication during the 2027 Session

All input and feedback received from Chapter membership throughout the session is welcome and will be considered. However, as decisions must be made quickly during the session, it is proposed that the final AR APA legislative positions during the session be decided by the AR APA Legislative committee.

Proposed composition of the 2027 AR APA Legislative Committee:

5- member committee:

- James Walden and Juliet Richey, AR APA Legislative co-chairs
- Three additional chapter members appointed by the AR APA Chapter Executive Committee by the end of November 2027

Decision communications

Final legislative committee decisions will be communicated to the AR APA Membership in the regular summary emails sent to the Chapter Membership throughout the Session

Legislative Resource Roster

Creation of a larger Legislative Resource Roster of industry professionals who the Legislative Committee can consult with on an as-needed basis both prior to and during the legislative session. These Legislative Resource Roster members will come from different fields and areas of expertise related to likely legislative topics within the 2027 Session. It will be important to have roster members who represent differing geographic areas of the state.

Housing

- National home builder
- Regional/local home builder
- Multifamily builder
- Groundwork

Real Estate

- Brokers
- Commercial and Residential Representation

Code Officials of Arkansas

Banking

- Mortgage Bankers Association
- AR Development and Finance Authority
- Development Lending

Reps from other friendly organizations

- ULI
- AIA
- ASLA
- Others

Arkansas Homebuilders Association

Others