



Groundwork

Workforce Housing for Northwest Arkansas



Groundwork

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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 regional leadership, expertise and resources to strengthen communities by expanding housing for working families near employment, commercial and cultural centers in Northwest Arkansas

TEAM



Duke McLarty



Isabel Gamarra



Lindsey Navarrette

Areas of Focus

COMMUNICATIONS

- Elevate the importance of housing attainability through comprehensive marketing campaign outreach and direct community engagement
- Lead regional collaborative communication and policy efforts

POLICY

- Advocate for policies that remove barriers and offer incentives for workforce housing development
- Provide education, materials and direct support to municipalities as they navigate the implementation of best practices within their cities

Growth Will Continue

Fayetteville makes top 10 list of best places to live for fifth year in a row

By Todd Gill · Tuesday, Oct 13, 2020

Bentonville ranked 5th fastest-growing U.S. city; Northwest Arkansas cities lead growth in state

by Jeff Della Rosa (JDellaRosa@nwabj.com) · May 21, 2020 8:49 am · 12,842 views

NWA ranks fourth on 'Best Places to Live' report

Region climbs, passes Austin and Denver by Doug Thompson | July 13, 2021 at 4:33 a.m.

Northwest Arkansas continues to lead state growth, 13th fastest-growing U.S. metro over past decade

by Jeff Della Rosa (JDellaRosa@nwabj.com) · March 26, 2020 7:45 am · 8,283 views

Planners consider how to fit 1 million residents into Northwest Arkansas

by Ron Wood | April 13, 2020 at 1:00 a.m.

NWA Population

| | |
|----------|---------|
| Current: | 585,000 |
| 2045: | 975,000 |

Household Growth by 2040

80,000 new households
Half must accommodate for
workforce income earners

Daily Population Increase

NWA Gains
38 People a Day

Anti-Growth Emerging?

Bentonville Planning Commission rejects townhome large scale development plan,

Dickson Street development denied in Fayetteville

April 14, 2025 by Grace Hurt

City Council Denies Rezoning Appeal for Townhome Project

Updates from the Tuesday, Aug. 27 meeting

BY HEATHER MCCOMBS • NEWS • AUGUST 28, 2024

Bentonville City Council rejects requests tied to School District's teacher housing plan

Vote deals blow to district's teacher housing plan

February 14, 2024 at 8:11 a.m.

Bentonville Planning Commission shoots down rezoning request to develop neighborhood shops

Neighbors raise concerns over traffic, other issues

October 1, 2024 at 9:30 p.m.

City Council Denies Six-Unit Townhome Project in Downtown Bentonville

Ten residents who live nearby spoke against the proposed NW 7th St. Townhomes project.

BY HEATHER MCCOMBS • NEWS • SEPTEMBER 26, 2024



Workers are Priced Out

Single Family Home Prices

| | | | |
|---------------------|-----------|-----------------------|-----------|
| Benton Co..... | \$450,000 | Washington County... | \$402,000 |
| Bentonville..... | \$575,000 | Fayetteville..... | \$406,000 |
| Rogers..... | \$550,000 | Springdale..... | \$350,000 |
| Centerton..... | \$440,000 | W. Washington Co..... | \$323,000 |
| Siloam Springs..... | \$265,000 | | |

Income to qualify for mortgage

| | |
|----------------|-----------|
| \$100,000..... | \$300,000 |
| \$70,000..... | \$200,000 |
| \$50,000..... | \$150,000 |
| \$35,000..... | \$100,000 |

Single Family Highlights

SKYLINE REPORT DATA FOR 2H 2024



Average housing cost in NWA is 414,000, 2.9 % higher than the Spring 2024



In Benton County, home prices are 69.6 percent higher than five years ago.



In Washington County, home prices are 67.2 percent higher than five years ago.



Overall absorption rate of homes reached a 20-year high



Home sales increased 14.2 % from a year ago

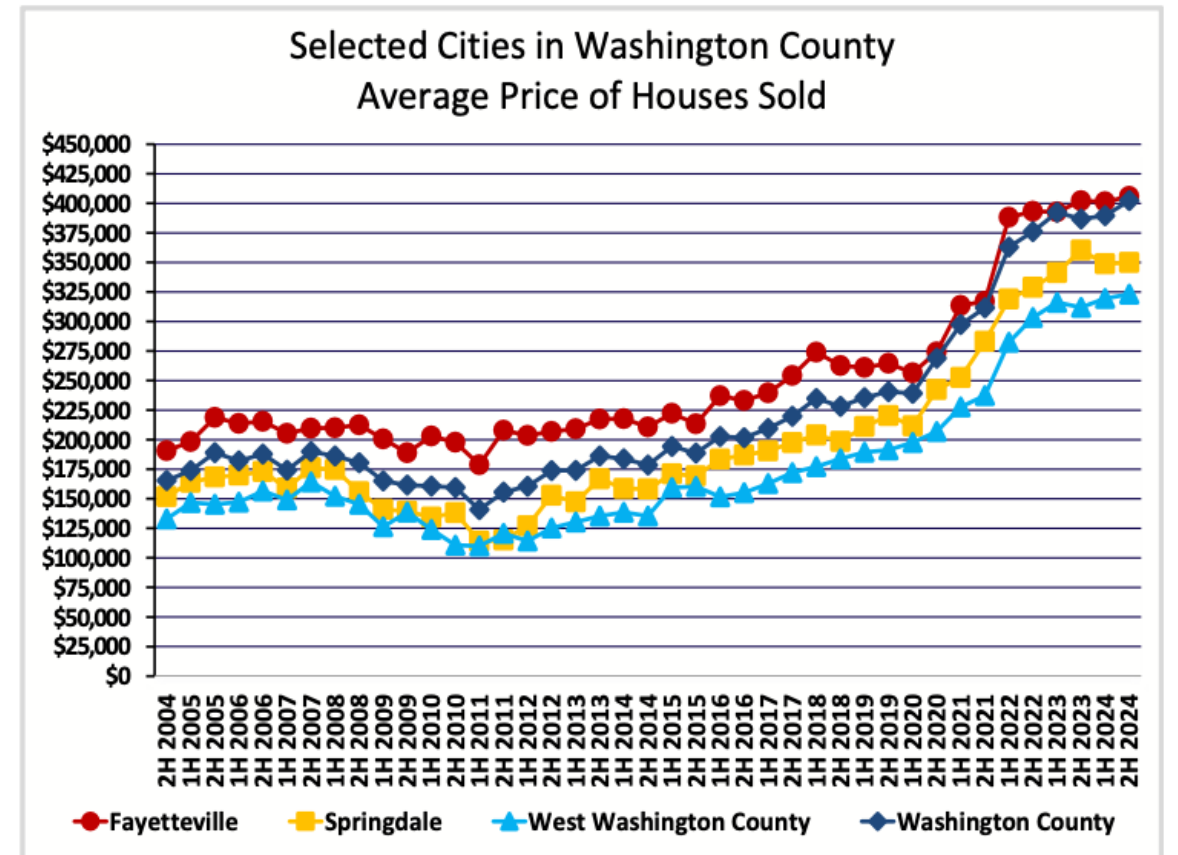
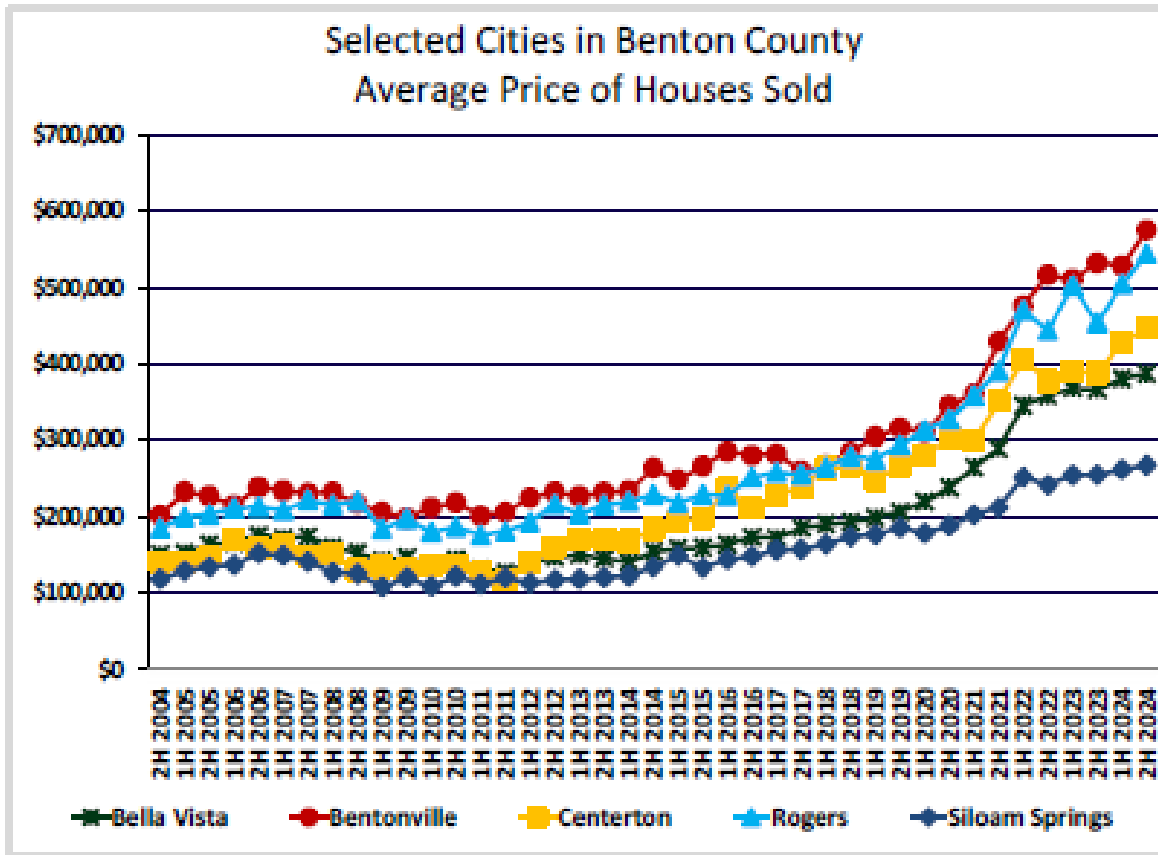


38.5% of total homes sold were new construction



SKYLINE REPORT DATA FOR 2H 2024

Groundwork





State of Housing

Housing & Transportation – Household cost burden
combining housing and transportation costs

| City | H & T | Breakout |
|-----------------|-------|-----------------|
| Raleigh, NC | 40% | H: 23% & T: 17% |
| Des Moines, IA | 41% | H: 22% & T: 19% |
| Denver, CO | 41% | H: 26% & T: 15% |
| Austin, TX | 42% | H: 26% & T: 16% |
| Madison, WI | 43% | H: 25% & T: 18% |
| New York, NY | 43% | H: 30% & T: 13% |
| NW Arkansas | 43% | H: 22% & T: 21% |
| Nashville, TN | 45% | H: 25% & T: 20% |
| Los Angeles, CA | 50% | H: 33% & T: 17% |

*Source: H&T Index: <https://htaindex.cnt.org/>



Who?

- Teachers
- First Responders
- Nurses
- Firefighters
- Police
- Building Trades
- Food Plant Employees
- Care Providers
- Bank Staff
- Plumbers
- Recent College Graduates

What is Workforce Housing?

AMI - Average Median Income between:

50% - 100%

\$52,000 - \$104,000

(Family of Four)



Who Can Afford What?

| Occupation | Annual Salary | Average Hourly Wage | Max Housing Cost |
|--|---------------|---------------------|------------------|
| INCOME CATEGORY: VERY LOW INCOME – 30% - 50% AMI | | | |
| Wait Staff | \$28,200 | \$13.55 | \$705 |
| Fast Food | \$28,700 | \$13.80 | \$717.50 |
| Childcare Providers | \$29,200 | \$14.00 | \$730 |
| Maids and Housekeepers | \$29,600 | \$14.23 | \$740 |
| Home Health Care Aides | \$29,900 | \$14.38 | \$747.50 |
| Retail Sales | \$31,500 | \$15.14 | \$787.50 |
| Janitors | \$31,800 | \$15.29 | \$795 |
| Preschool Teachers | \$33,300 | \$16.00 | \$832.50 |



Who Can Afford What?

| Occupation | Annual Salary | Average Hourly Wage | Max Housing Cost |
|--|---------------|---------------------|------------------|
| INCOME CATEGORY: LOW INCOME – 51% - 60% AMI | | | |
| Meat and Poultry Workers | \$38,300 | \$18.41 | \$957.50 |
| Construction Labor | \$39,100 | \$18.80 | \$977.50 |
| Bus Driver | \$41,600 | \$20.00 | \$1,040 |
| INCOME CATEGORY: LOW INCOME -- 61% - 80% AMI | | | |
| Firefighter | \$46,800 | \$22.50 | \$1,170 |
| Truck Driver (Heavy) | \$48,800 | \$23.46 | \$1,220 |
| Police Officer | \$49,800 | \$23.94 | \$1,245 |
| Social Workers | \$55,300 | \$26.59 | \$1,382.50 |
| Food Service Managers | \$56,700 | \$27.26 | \$1,417.50 |



Who Can Afford What?

| Occupation | Annual Salary | Average Hourly Wage | Max Housing Cost |
|--|---------------|---------------------|------------------|
| INCOME CATEGORY: MODERATE INCOME – 81% – 100% AMI | | | |
| Clergy | \$57,600 | \$27.69 | \$1,440 |
| Computer Occupations | \$58,200 | \$27.98 | \$1,455 |
| Paralegal | \$61,000 | \$29.33 | \$1,525 |
| Elementary Teacher | \$61,900 | \$29.76 | \$1,547.50 |
| HR Specialist | \$64,900 | \$31.20 | \$1,622.50 |
| Accountants | \$71,200 | \$34.23 | \$1,780 |
| INCOME CATEGORY: MODERATE INCOME – 101% – 120% AMI | | | |
| Registered Nurse | \$74,200 | \$35.67 | \$1,855 |
| Electrical / Mechanical Engineers | \$75,600 | \$36.35 | \$1,890 |
| College Teachers / Professors | \$83,500 | \$40.14 | \$2,087.50 |



Policy



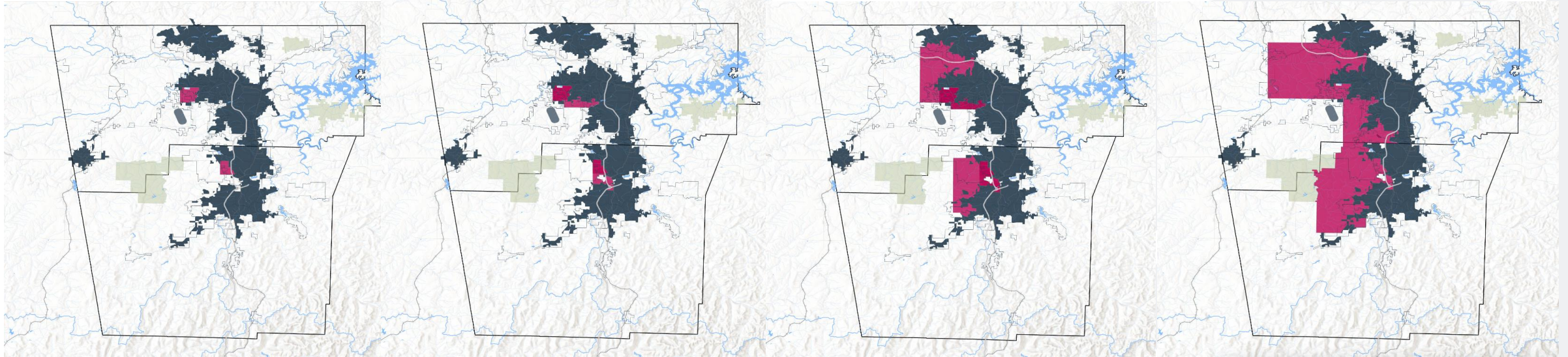
Current Growth Pattern: *Only Option for Many*





Current Growth Pattern

If Land Use Remains Status Quo



2025

2026

2035

2045



Impacts of Sprawl



**Traffic and
congestion will
worsen**

**Infrastructure
(roads & water) will
suffer**



Economic activity stifled:

- Recruitment, Retention
- Less \$ to spend

**Farms, natural and green
spaces, waterways and
lakes will be threatened**



**Health outcomes
will be impacted**

**Quality of life will
decrease**



What you might expect when you hear:

'Duplex'



'Townhouses'



'Apartments'





Fits Context of Community

Missing Middle / Gentle Density





Cottage Court Overlay Zone

Case Study: Finley Street Cottages Atlanta, GA

SINGLE LOT, CORNER

KRONBERG
URBANISTS
ARCHITECTS



COST BREAKDOWN:

- TOTAL COSTS: \$348,069
- DOWN PAYMENT: \$24,807
- MONTHLY PAY: \$1,944

120% AMI

BASED ON MONTHLY PAYMENTS

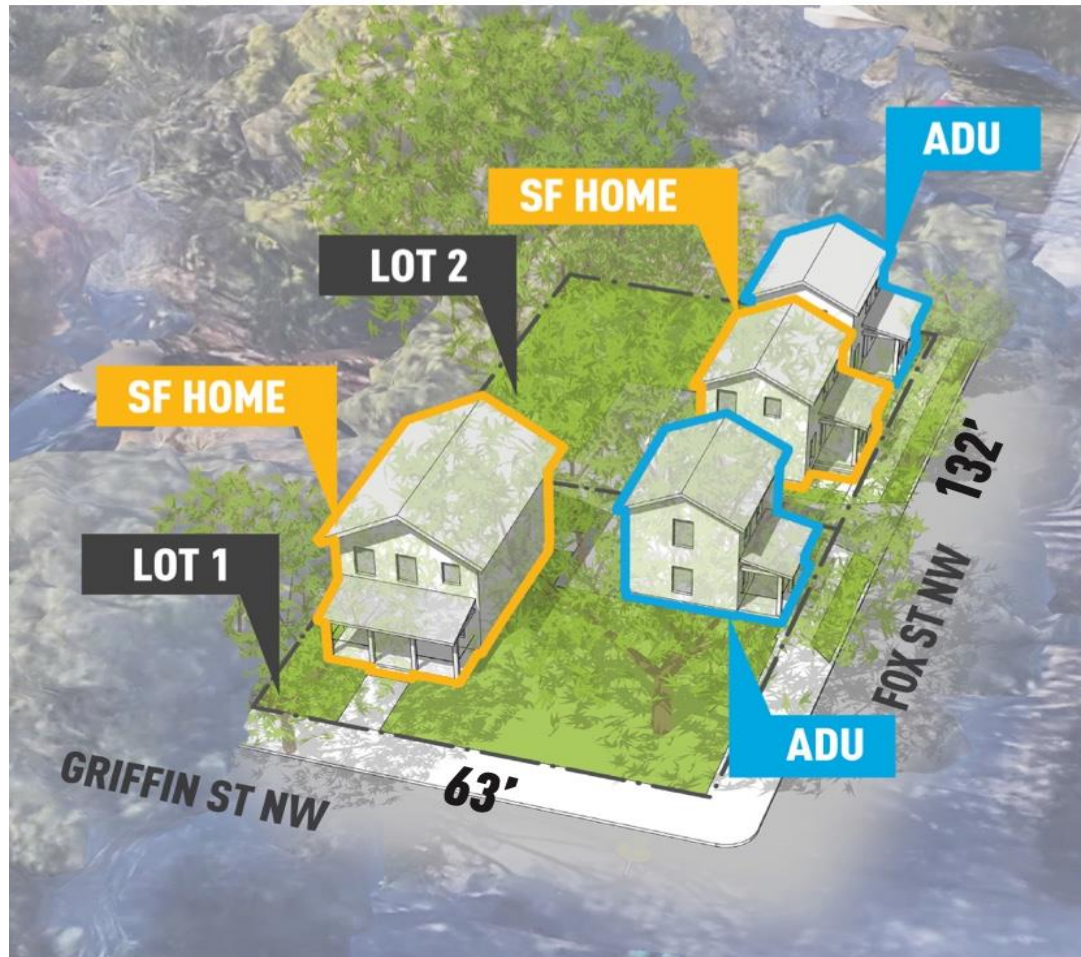


Cottage Court Zoning

Case Study: Finley Street Cottages Atlanta, GA

SINGLE LOT, CORNER

KRONBERG
URBANISTS
ARCHITECTS



COST BREAKDOWN

(LOT 2 OWNER):

- TOTAL COSTS: \$325,632
- DOWN PAYMENT: \$55,126*
- MONTHLY PAY: \$757

50% AMI

BASED ON MONTHLY PAYMENTS**

<https://www.kronbergua.com/post/griffin-street-case-study-why-zoning-matters-when-it-comes-to-housing-choice>

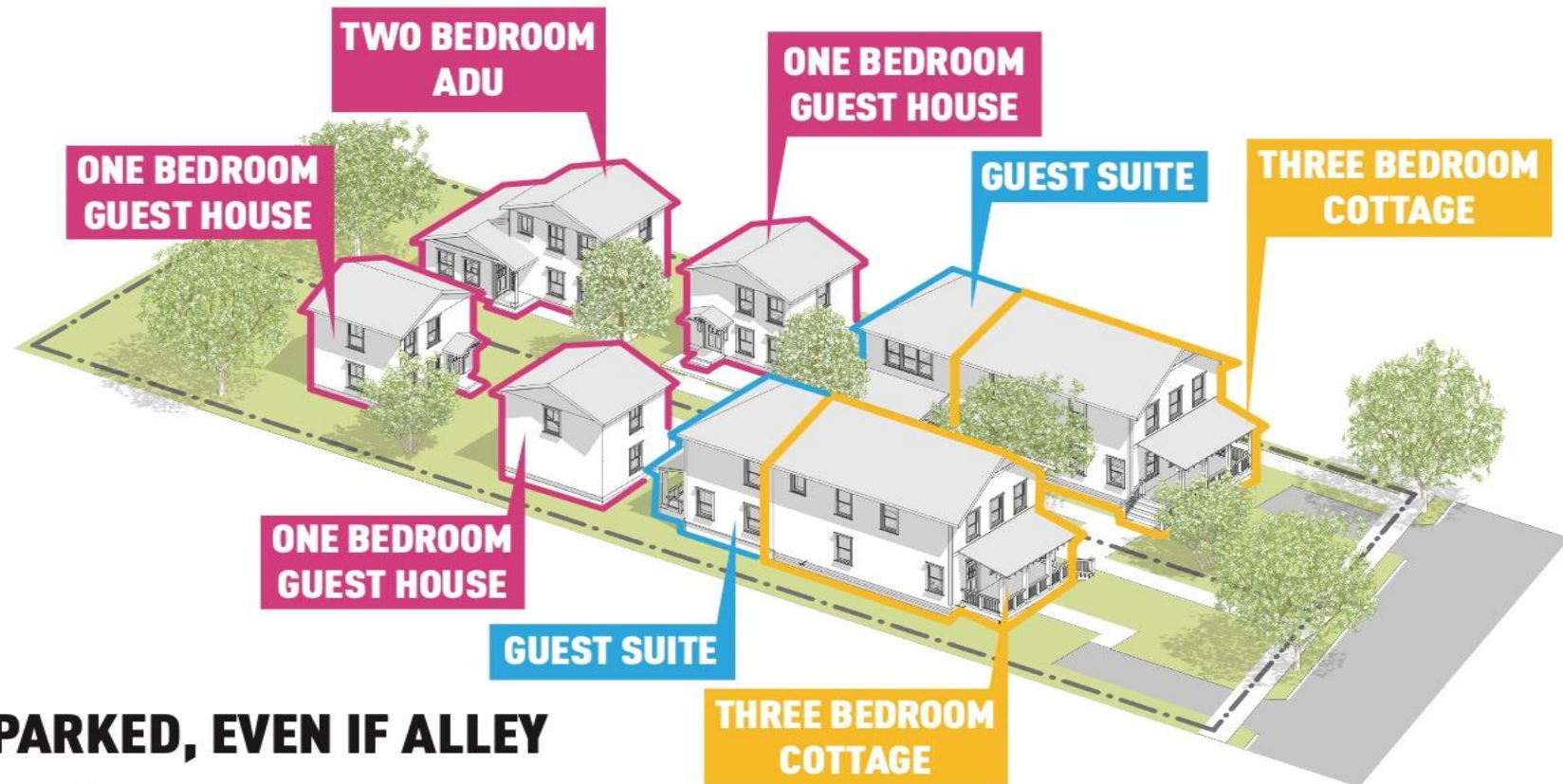


Cottage Court Zoning Change

Case Study: Finley Street Cottages Atlanta, GA

MULTI-LOT, MIDBLOCK

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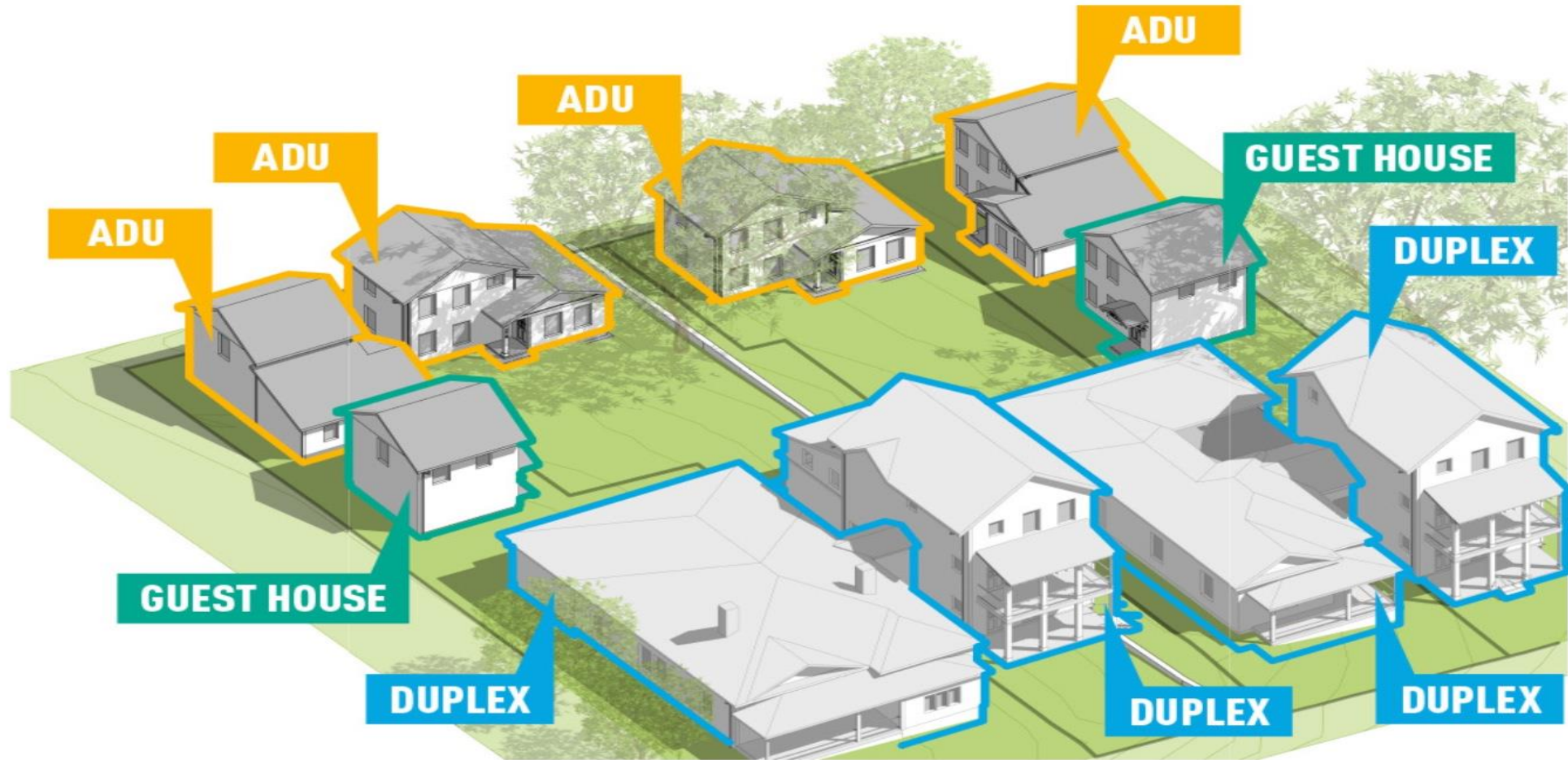
- **LOW PARKED, EVEN IF ALLEY AVAILABLE**



Cottage Court Zoning Change

Case Study: Finley Street Cottages Atlanta, GA

MULTI-LOT, MIDBLOCK





Cottage Court Zoning Change

Case Study: Finley Street Cottages Atlanta, GA





Cottage Court Zoning Change

Case Study: Finley Street Cottages Atlanta, GA

MULTI-LOT, MIDBLOCK



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GROW Policy Agenda

Model Policies

- **G**uide Zoning: Update municipal codes to support a variety of higher-density housing
- **R**emove Barriers: Implement incentives and reduce regulation to expedite housing production
- **O**rganize Partnerships: Become an engaged partner in the development of housing
- **W**elcome Advocacy: Promote and advocate for housing solutions

Download Document:





Solutions: We are going to get ahead of this

01

Need to Densify

Not heavy density, but missing middle duplexes, triplexes and small apartments. Strategically placed development

02

Regional Approach to Growth

Need to start acting together as a region. Target growth and types to certain areas

03

Best Use of our Land

We need to better use our land that is close to jobs, services, amenities, and infrastructure.

04

Streamline Development

Need to work with cities to identify opportunities for process improvements

05

Incentivize Developers

Offer density bonuses, existing infrastructure bonuses, streamlined process for targeted developments

06

Funding

Infusion of money to projects to make them feasible



Arkansas

HB 1503 – Act 313



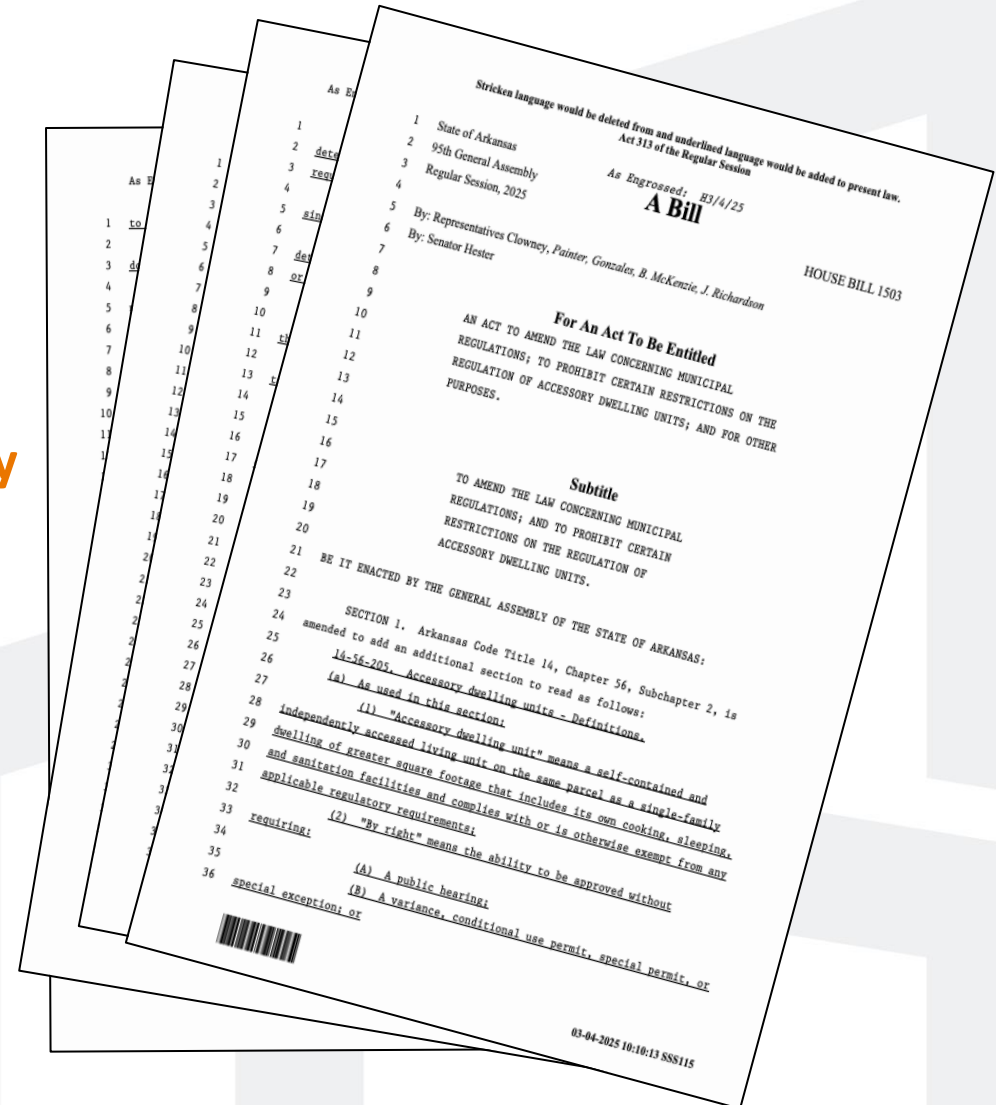
HB 1503 – Act 313 – “ADU Bill”

Sponsors:

Representative Nicole Clowney – Fayetteville

Senator Bart Hester – Cave Springs

- Requires “By-Right” approval of an Accessory Dwelling Unit (ADU) to any parcel statewide with a single-family dwelling
- Allows new construction ADUs and one to be built internally
- “By-Right” is key, no local approval needed
- Better use of land and infrastructure
- Can be built for less than \$120,000 – NO housing built at this price point
- No owner occupancy requirement





HB 1503 -- Timeline

2022

- Groundwork was founded
- Started highlighting and communicating “best practice” solutions – Rotary, Chamber, city council

2023

- Began a Speaker Series – 5 Speaker events
 - Design, **Zoning**, Financing, Community Engagement
- Webinars – Smart Growth, Homelessness, Transect Zoning
- Phase 1 -- “Future is Now” advertising campaign – Focus on people

2024

- Housing Summit – Featured speakers
 - **Dan Parolek**
 - Bruce Katz
- Phase 2 – “Future is Now” advertising campaign – Focus on solutions
 - **“Montana Miracle” at ULI Conference**
- Socializing with State Lawmakers

2025

- Examples provided to state officials
- 1503 Drafted
- Co-Sponsors Committed
- Introduced Feb. 17th
- Passed House; March 6th
- Passed Senate – March 12th
- Governor Signs – March 18th



HB 1503 – Act 313 – “ADU Bill”

HB1503
TO AMEND THE LAW CONCERNING MUNICIPAL REGULATIONS; AND TO PROHIBIT CERTAIN RESTRICTIONS ON THE REGULATION OF ACCESSORY DWELLING UNITS.

3rd Reading
Clowney

| | | |
|-----------------|-----------------|--------------------|
| Yea - 67 | Nay - 19 | Present - 7 |
| Y ACHOR | Y LUNDSTRUM | Y RICHARDSON, J. |
| Y ALLEN | N LYNCH | N RICHMOND |
| Y ANDREWS | Y MADDOX | Y RICHMOND |
| Y BARKER | Y MAGIE | Y ROSE |
| Y BARNES | Y MAYBERRY | Y RYE |
| Y BARNETT | Y MCALINDON | Y SCHULZ |
| Y BEATY | Y MCCLURE | Y SHEPARD, T. |
| Y BECK | Y MCCOLLUM | Y SHEPHERD, M. |
| Y BENTLEY | N MCCULLOUGH | Y SPRINGER |
| N BERRY, S. | Y MCCLROY | Y STEELE |
| N BREAUX | Y MCGREW | N STEIMEL |
| P BROOKS | Y MCGRUDER | TORRES |
| N BROWN, A. | Y MCKENZIE | Y TOSH |
| Y BROWN, K. | P MCNAIR | Y UNDERWOOD |
| Y BROWN, M. | Y MEEKS | N UNGER |
| Y BURKES, N. | Y MILLIGAN | P VAUGHT |
| BURKES, R. | Y MOORE, J. | Y WALKER |
| Y CARR, JOEY | P MOORE, K. | WARDLAW |
| P CARR, JOHN | Y NAZARENKO | Y WARREN |
| Y CAVERNAUGH | Y PAINTER | N WHITAKER |
| Y CHILDRESS | Y PEARCE | Y WING |
| Y CLOWNEY | Y PERRY | Y WOMACK |
| Y COLLINS | Y PILKINGTON | N WOOLDRIDGE |
| N COOPER | N PURYEAR | N WOOTEN |
| N COZART | Y RAY | Y MR. SPEAKER |

House:

Yes – 67

No – 19

Senate:

Yes – 29

No – 2

Total:

Yes – 96

No - 21



HB 1503

| | | |
|-----------|---------------|----------------|
| Y Boyd | Y Gilmore | Y Murdock |
| Y Bryant | Y Hammer | Y Payton |
| Caldwell | Y Hester | Y Penzo |
| Y Clark | Hickey | Y Petty |
| Y Crowell | N Hill | Y Rice |
| Y Davis | Y Irvin | Y Scott |
| Y Dees | Y Johnson, B. | Y Stone |
| Y Dismang | Y Johnson, M. | Y Stubblefield |
| Y Dotson | Y King | Y Sullivan |
| N English | Y Leding | Y Tucker |
| Y Flippo | Y Love | Y Wallace |
| Y Flowers | Y McKee | |

YEA 29 **NAY 2** **NV 4**
PRESENT 0 **LEAVE 0**



2025 State Legislative Themes



2025 Housing Themes

Housing at the Center of State Policy Reform

1. Multifamily in Commercial Zones
2. Building Code Reform
3. ADU Legalization
4. Parking Reform
5. YIGBY (Yes In God's Back Yard)
6. Starter Homes





Multifamily in Commercial Zones

Housing at the Center of State Policy Reform

Features of MF in Commercial

- By-Right Approval
- Population Limited
- Density Standards
- Parking Requirements Adjusted

States Where Introduced or Passed

- | | |
|-----------------|-------------|
| - New Hampshire | - Florida |
| - Rhode Island | - Montana |
| - Texas | - Minnesota |
| - Arizona | |





Building Code Reform

Housing at the Center of State Policy Reform

Features of Building Code Reform

- Single Stair Allowance
- Number of Units Under IRC
- Population Applicability

States Where Introduced or Passed

- Colorado
- Montana
- New Hampshire
- Texas
- Rhode Island
- Hawaii
- Maryland
- Cities also (Dallas, Memphis, etc...)





ADU Legalization

Housing at the Center of State Policy Reform

Features of ADU Legislation

- By-Right Approval
- Size Limitations
- Setback Standards
- Parking Requirements

States Where Introduced or Passed

- | | |
|-----------------|------------|
| - Arkansas | - Arizona |
| - New Hampshire | - Florida |
| - Texas | - Virginia |
| - Iowa | - Maryland |



PC: Cottage ADU



Parking Reduction

Housing at the Center of State Policy Reform

Features Parking Reform

- Caps Mandated Parking – 1 per unit
- Limit Applicability to Metro areas or corridors

States Where Introduced or Passed

- Maine
- Montana
- New Hampshire
- Washington
- Florida
- Connecticut
- Minnesota





YIGBY (Yes In God's Back Yard)

Housing at the Center of State Policy Reform

YIGBY Features

- Multifamily by-right on Church Property
- Density Limitations

States Where Introduced or Enhanced

- Texas
- Florida
- New York
- Virginia
- US Congress
- Cities – Atlanta, San Antonio, San Diego





Starter Homes

Housing at the Center of State Policy Reform

Starter Home Legislation Features

- Legalized starter homes on small lots in large subdivisions, 5+ acres
- Population Applicability Limitation

States Where Introduced or Enhanced

- Arizona
- Texas
- Minnesota
- Rhode Island

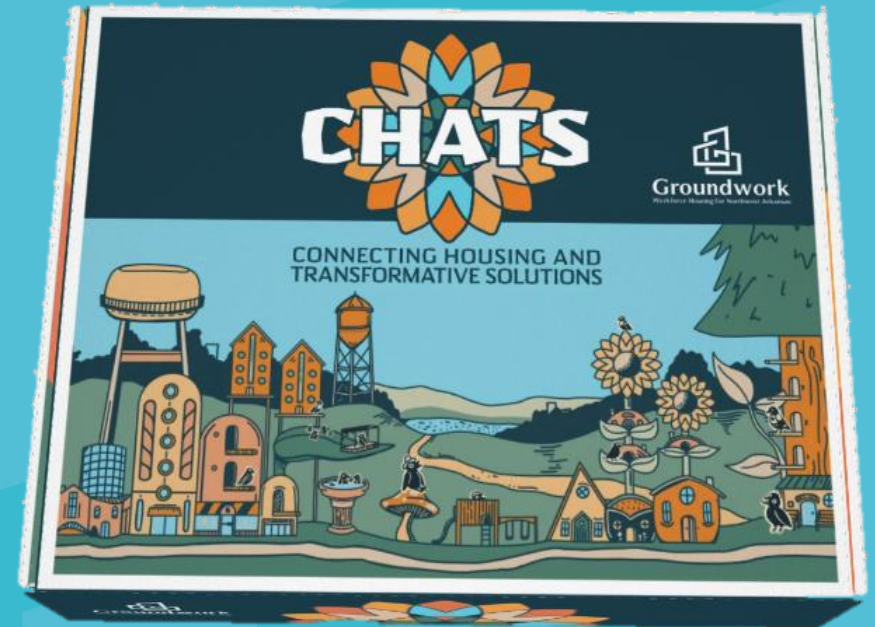




CHATS: Connecting Housing and Transformative Solutions

CHATS empowers residents to come together in small, supportive gatherings to discuss housing challenges and explore potential solutions for their communities. As a CHATS Host, you'll receive a comprehensive CHATS kit from Groundwork, complete with all the tools and resources needed to guide informed and productive discussions.

Be on the lookout for the opening of sign ups this May.



Join Groundwork's Mailing List





Groundwork

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Duke McLarty
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Isabel Gamarra
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Lindsey Navarrette
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Thank you!
groundworknwa.org