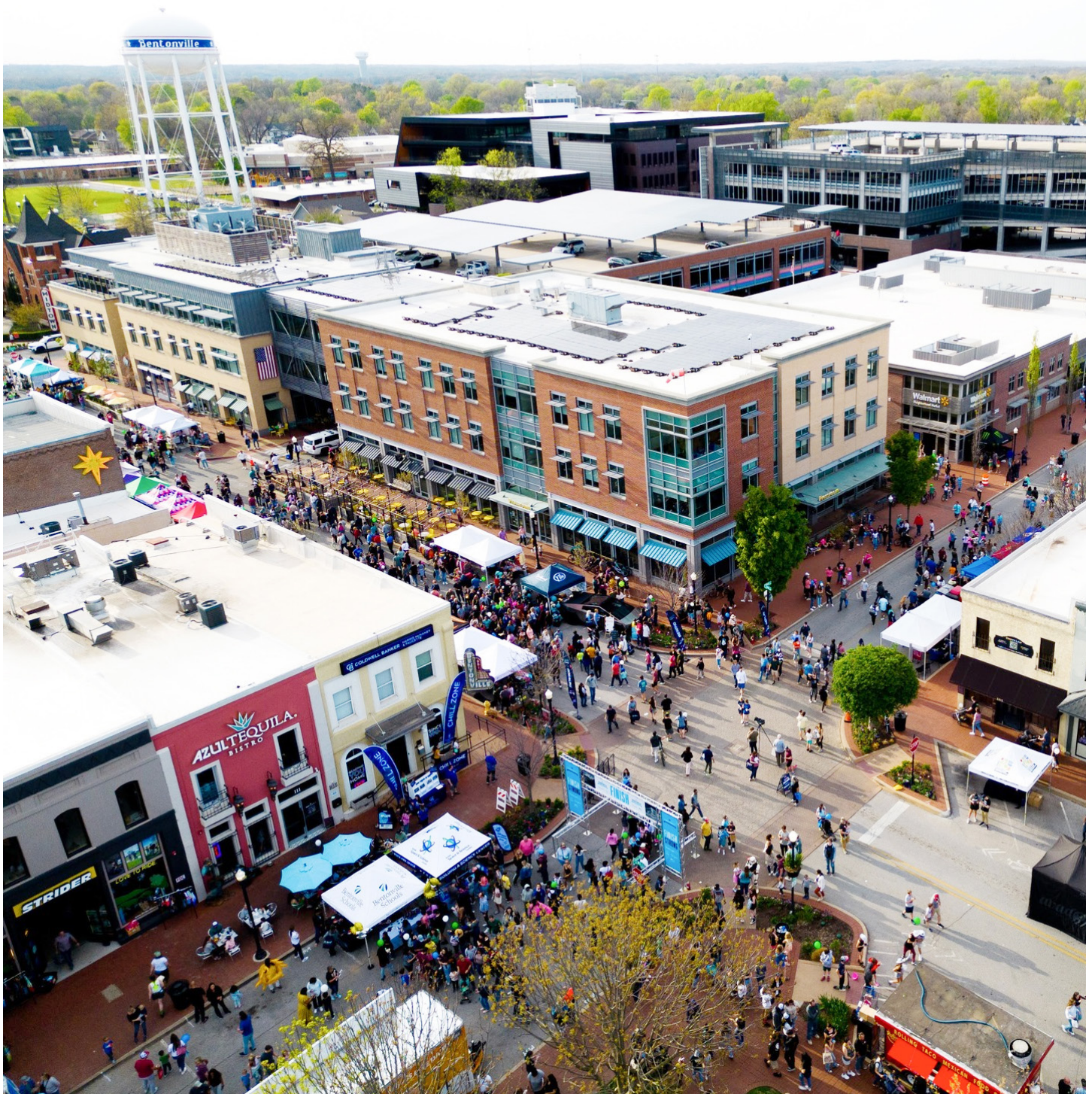




DPZ
CODESIGN

Regulatory Environment

Regional Growth Strategy For Northwest Arkansas

10/22/25

Regulatory Environment

Zoning

Introduction

How the analysis was conducted

As part of the Northwest Arkansas Regional Growth Strategy, DPZ CoDesign, PlaceMakers, and Crafton Tull conducted a comprehensive review of the region's regulatory environment. The team examined every zoning ordinance and zoning map across 24 municipalities that regulate zoning in Benton and Washington counties.

Over several weeks, the consultants analyzed district structures, land allocations, and procedures, comparing them with best practices in zoning and assessing likely economic, environmental, and social impacts. This analysis establishes a baseline for recommendations in the final phase of this work.

What the analysis found

This review identified clear patterns across the two-county region:

- 43% of urbanized acres are zoned for single-family detached housing, with 75% of all residentially zoned land allowing only that format.
- 9% of urban land permits multifamily housing.
- 5% of urban land supports mixed-use development.
- Nearly 20% of zoned land is governed by discretionary processes such as planned unit developments and conditional use permits.
- Rural land continues to fragment because the counties have not adopted zoning, and weak standards allow scattered subdivision.

These findings frame the larger discussion: Zoning in Northwest Arkansas is not unusual compared with national averages, but it is misaligned with local goals, market demand, and infrastructure realities.

How to read these numbers

This analysis is a snapshot of current zoning in Benton and Washington counties. It highlights how much land is dedicated to different uses and what outcomes those allocations are likely to produce. The findings do not prescribe a single correct percentage of single-family, multifamily, or mixed-use zoning. Ratios will vary across cities based on size, location, history, and growth trajectory. Lowell, Siloam Springs, and Elkins, for example, will each require a different balance to align zoning with local goals and infrastructure capacity.

This report identifies where the current map and code are out of step with stated policies and market realities. The next phase will translate those findings into recommendations for how Northwest Arkansas can better match zoning to its long-term vision.

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Zoning

Zoning is Shaping the Region. But Not Always in the Right Direction

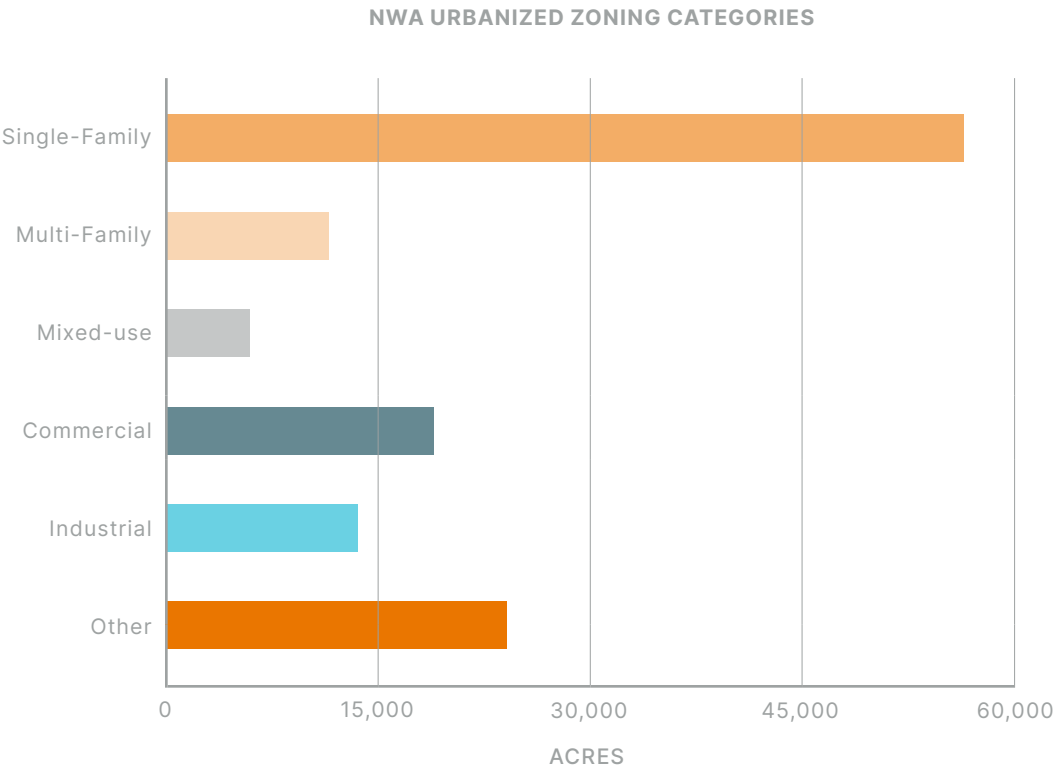
What the analysis shows

Zoning decisions across Benton and Washington counties are not keeping pace with on-the-ground realities. The region's cities are growing, households are changing, and infrastructure demands are increasing, but the zoning maps still reflect older patterns. The result is a system that limits what can be built, where, and by whom.

The zoning percentages are in the introduction. Compared with national norms, Northwest Arkansas falls near the middle of the spectrum. In most U.S. metropolitan areas, 40–60% of all city land is zoned exclusively for detached homes. In that context, the region's 43% single-family share places it at the lower end of the range. However, the comparison looks different when focusing only on land already zoned residential. There, about 75% of the region's residentially zoned land allows only detached homes, almost exactly the national average.

This means that Northwest Arkansas is not an outlier, but it is not a leader either. The region has already set aside more land than many metropolitan areas for commerce, employment, and mixed-use districts. Yet residential zoning remains just as restrictive as elsewhere. That combination suggests a key opportunity: because large areas are already reserved for other uses, small reforms, such as reclassifying just 5% of single-family acreage, can deliver significant gains without compromising neighborhood character or the regional development pattern.

These patterns are not neutral. They reflect a system in which subdivisions and separated commercial uses remain the easiest to build. Housing types that better match the region's evolving needs are often mapped narrowly or require multiple approvals. And while many cities have adopted plans that call for housing choice and walkable neighborhoods, the zoning map often prevents those goals from being realized.



Note: "Other" includes planned developments, conditional uses, institutional, parks, and agriculture

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Zoning

Consequences

When zoning fails to match household demand or public policy goals, the impact is immediate. Builders spend more time navigating procedures than producing housing. Smaller applicants face added costs, delays, and uncertainty. Staff capacity is consumed by processing one-off approvals for projects that should be routine.

The effects extend well beyond city limits. When infill is difficult to permit, development pressure shifts outward. Rural land is subdivided in response to demand that cities have not accommodated. That pattern fragments farmland, strains roads and utility systems, and raises long-term costs for local governments, without an intentional decision to direct growth that way.

Zoning might appear technical. The stakes are practical, visible, and increasingly urgent.

Methodology

Reform does not require starting over. Most zoning codes already contain tools that can be improved and applied more effectively. The path forward begins with targeted adjustments that increase predictability, reduce unnecessary barriers, and bring zoning maps into alignment with goals cities have already adopted.

Some actions require little effort but can yield immediate results. These include:

- legalizing duplexes and accessory dwellings by right,
- removing minimum lot sizes that serve no clear function, and
- consolidating zoning districts that are duplicative or outdated.

Other steps demand more coordination but unlock larger outcomes. These include:

- applying mixed-use zoning to key corridors and centers,
- simplifying approval pathways, and
- ensuring that common housing types can be permitted without special conditions.

Over time, cities can align zoning maps with adopted plans by introducing form-based or hybrid codes and coordinating annexation and infrastructure policy with county growth goals.

These are not abstract recommendations. Cities such as Fayetteville, Rogers, Bentonville, and Johnson have already begun these transitions. The difference is not a matter of staff size or budget. It is a matter of clarity and follow-through.

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Zoning

Regional Snapshot

Zoning is not neutral. It reflects choices, whether intentional or outdated. In Northwest Arkansas, those choices shape the physical form of growth across two counties, even when they do not reflect local goals.

The combined land area of Benton and Washington counties is 219,516 acres. Approximately 130,625 of those acres lie within city boundaries and most are subject to zoning. The remaining unincorporated land is not zoned. As a result, municipal governments set nearly all development rules. City zoning decisions largely determine where and how growth occurs.

Within city limits, the zoning map reveals a clear pattern. Most land is committed to single-family homes. Far less land is zoned to support multifamily housing or mixed-use neighborhoods. Even where broader uses appear to be allowed, district standards often make building them difficult or impossible.

How cities zone

Of the **130,000 urban acres** zoned by municipalities:

- 43% are designated for single-family housing.
- 9% are zoned to allow multifamily housing.
- 5% support mixed-use development.
- 15% are commercial.
- 10% are industrial.
- 18% fall into other categories, including civic uses and planned unit developments.

This is not just a breakdown of categories. It is a menu of outcomes the zoning codes can produce. Right now, that menu prioritizes low-density housing and separated uses. Housing formats that serve a range of household types, such as duplexes, fourplexes, or apartments over shops, are rarely permitted by right. Most are either mapped narrowly or require additional review.

Regional land allocation

Out of **219,516 total acres** in Benton and Washington counties, roughly 84,810 acres, almost 40%, are classified as agricultural or rural. These areas act as a reserve, buffering the edges of urban growth and anchoring the region's natural character. The remaining 130,625 acres are zoned for urban uses and allocated according to the percentages listed above.

Regulatory Environment

Zoning

Rules matter

Zoning maps define where each district applies. The text of the code defines what is allowed in those districts. Both matter. When either one is misaligned with a city's goals, development outcomes suffer.

Across the region, zoning codes include districts that appear to allow a mix of housing types, yet those districts are mapped sparingly or not applied at all. In other cases, the district is mapped, but standards make the intended outcomes difficult to deliver. Common blockers include:

- Use restrictions that exclude ordinary main-street or housing activities.
- Dimensional limits that force large lots or deep setbacks.
- Discretionary procedures that add steps without clear public benefit.

This is especially true for formats such as townhouses, duplexes, and three- or four-unit buildings. These housing types are often permitted only in a small number of mapped districts. Even within those areas, they may require discretionary approvals, adding time and uncertainty to projects that would otherwise be straightforward.

The legal structure of zoning is not the problem; the mismatch between mapped intent and procedural reality is. If cities want to see more diverse housing types and more walkable places, the zoning map must apply the right districts in the right locations, and the code must ensure those districts are functional.

Rural impacts are real, even when indirect

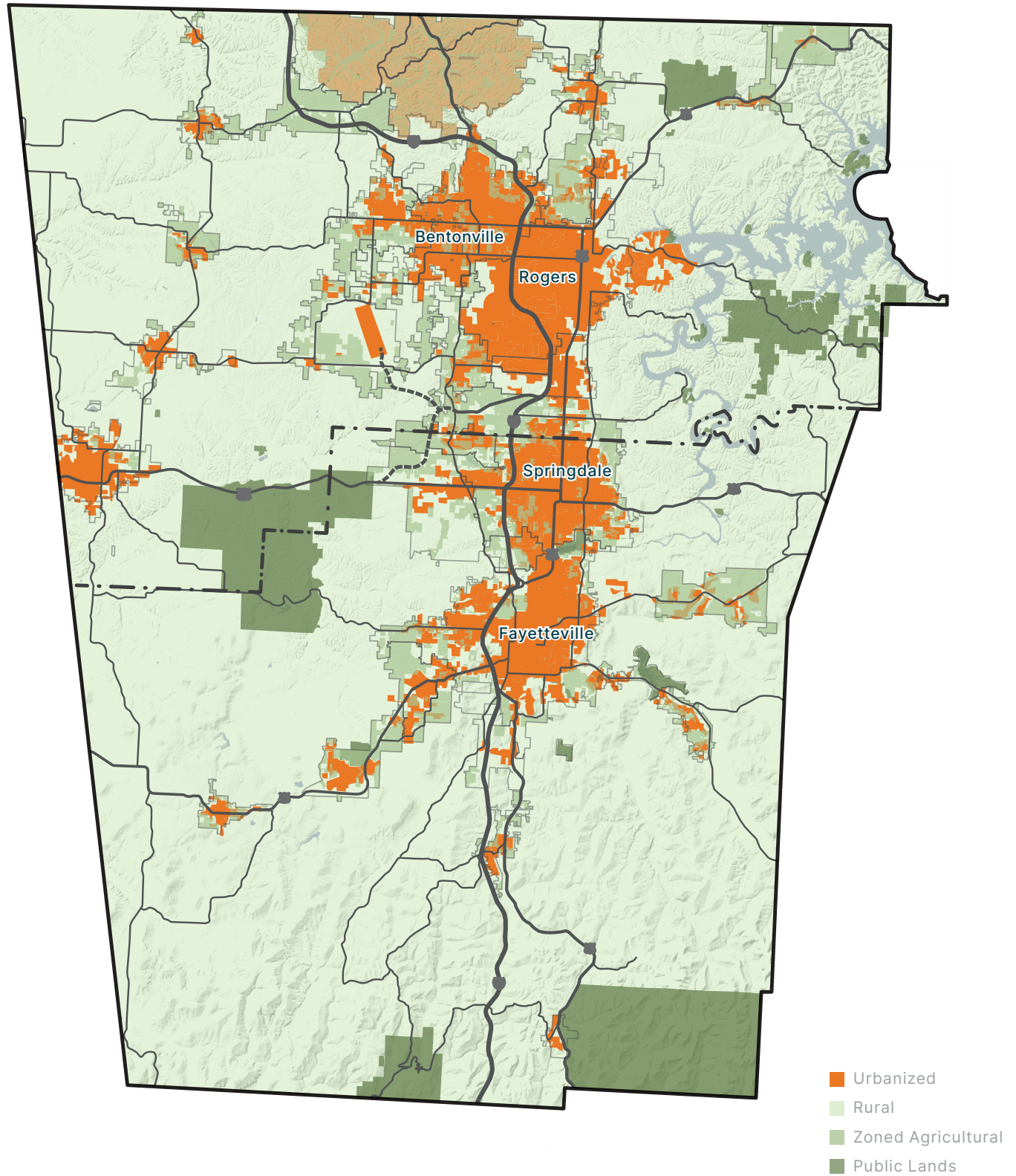
Because unincorporated county lands are not zoned or largely a 1-acre zoning, development pressure flows to where the process is easiest. When infill is difficult and approvals are unpredictable, growth pushes outward. That outward push fragments farmland, stretches infrastructure, and increases long-term costs for cities, counties, and school districts.

This is not about failure. It is about the mismatch. Zoning codes still operate on assumptions from a different era. Until those defaults change, the map will keep pointing growth in the wrong direction.

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Zoning

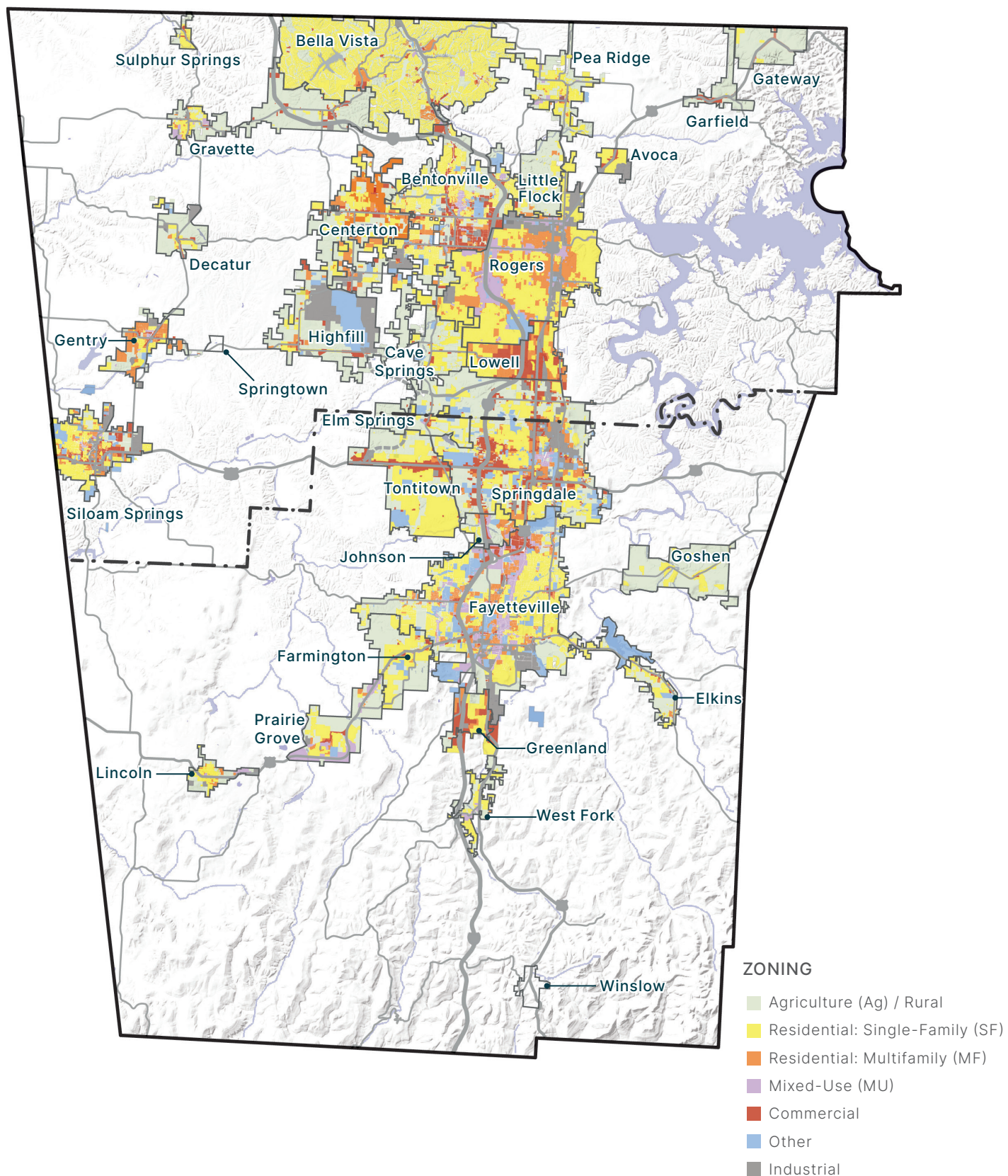
RURAL LANDS IN NORTHWEST ARKANSAS



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Zoning

NWA GENERAL ZONING CATEGORIES



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Zoning

The Cost of Complexity

When the path to approval is unclear, only the most experienced applicants make it through. Across Northwest Arkansas, zoning codes often offer flexibility only through layered, discretionary processes. For everyone else, that flexibility brings delays, uncertainty, and added cost.

A duplex that fits the scale and character of its surroundings may still require a zoning change or detailed site plan review. The same project in a neighboring city might face a different set of steps, or it might not be allowed at all. These inconsistencies create friction that discourages smaller builders and local property owners from participating in the market.

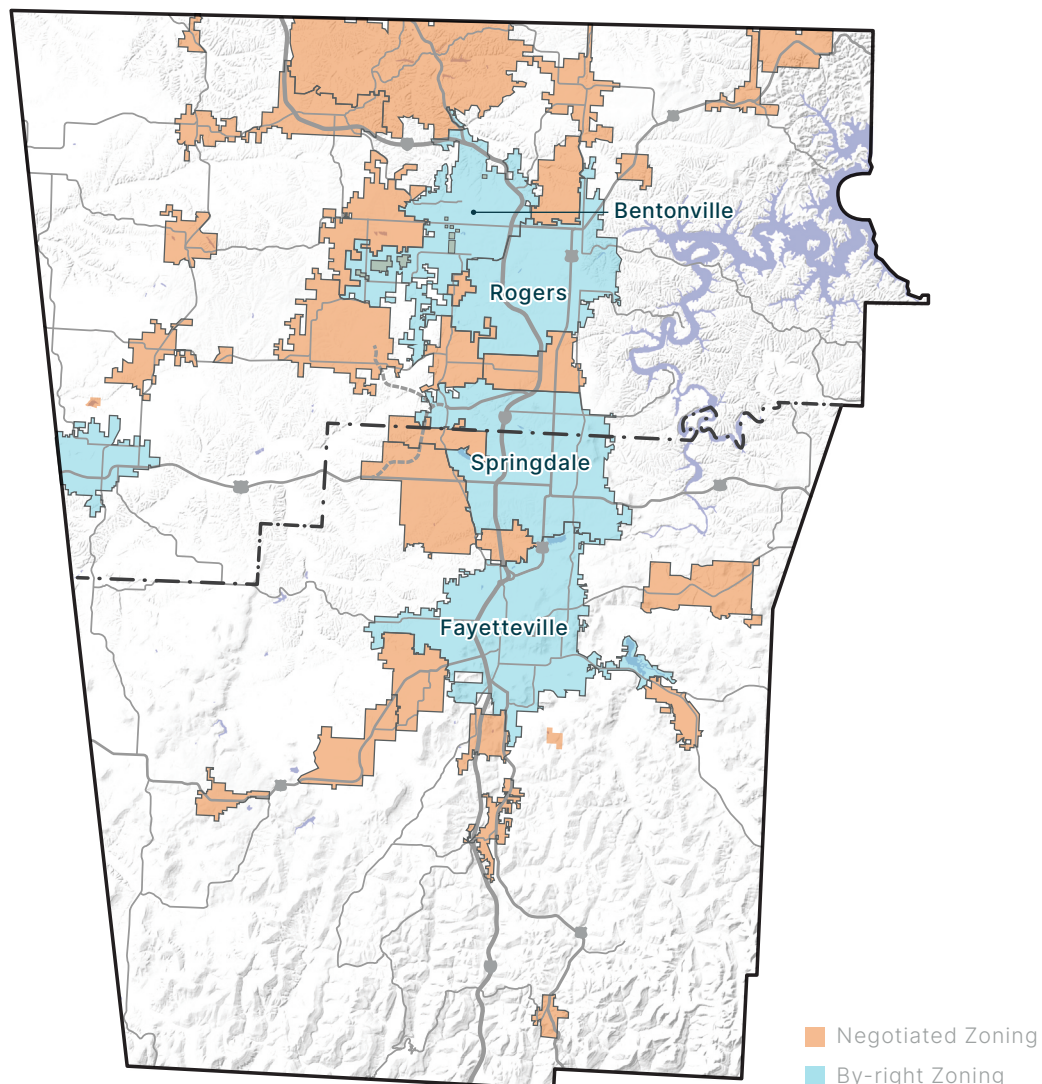
This is not flexibility. It is complexity. And complexity carries real consequences.

From exception to rule: discretionary approvals

Across the region, nearly 20% of zoned urban land is governed by discretionary tools. That includes land covered by planned unit developments, conditional use permits, negotiated rezonings, or overlays. These tools were intended to provide options for unusual or complex sites, yet in many cities they have become the default path for anything that does not fit a narrow set of base zones.

Who pays the price:

- City staff: more time spent reviewing custom applications, writing case reports, and managing expectations.
- Elected officials: more meetings and more pressure to make land use decisions one case at a time.
- Applicants: months of carrying costs, legal fees, engineering revisions, and the very real possibility of denial even when a project meets community goals.



NWA ZONING DISCRETION

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Complexity adds time, and time adds cost

Each step in a discretionary process adds time, and every month without approval adds cost.

- Land must be financed.
- Consultants must be paid.
- Plans must be revised.
- Delays can lead to lost financing or missed construction windows.
- In some cases, the project never moves forward.

Larger developers can navigate these hurdles. They often have in-house expertise and experience with local procedures. Smaller builders do not. As a result, the system favors scale over community fit and reduces the number of small, incremental projects that can diversify local housing supply.

Staff burden

Most small cities in Northwest Arkansas have one or two planners. Some have none, and rely on the Northwest Arkansas Regional Planning Commission for professional assistance. These teams are already managing daily permitting, public inquiries, and comprehensive planning. When routine projects

require custom approvals, staff time is consumed by administration rather than implementation.

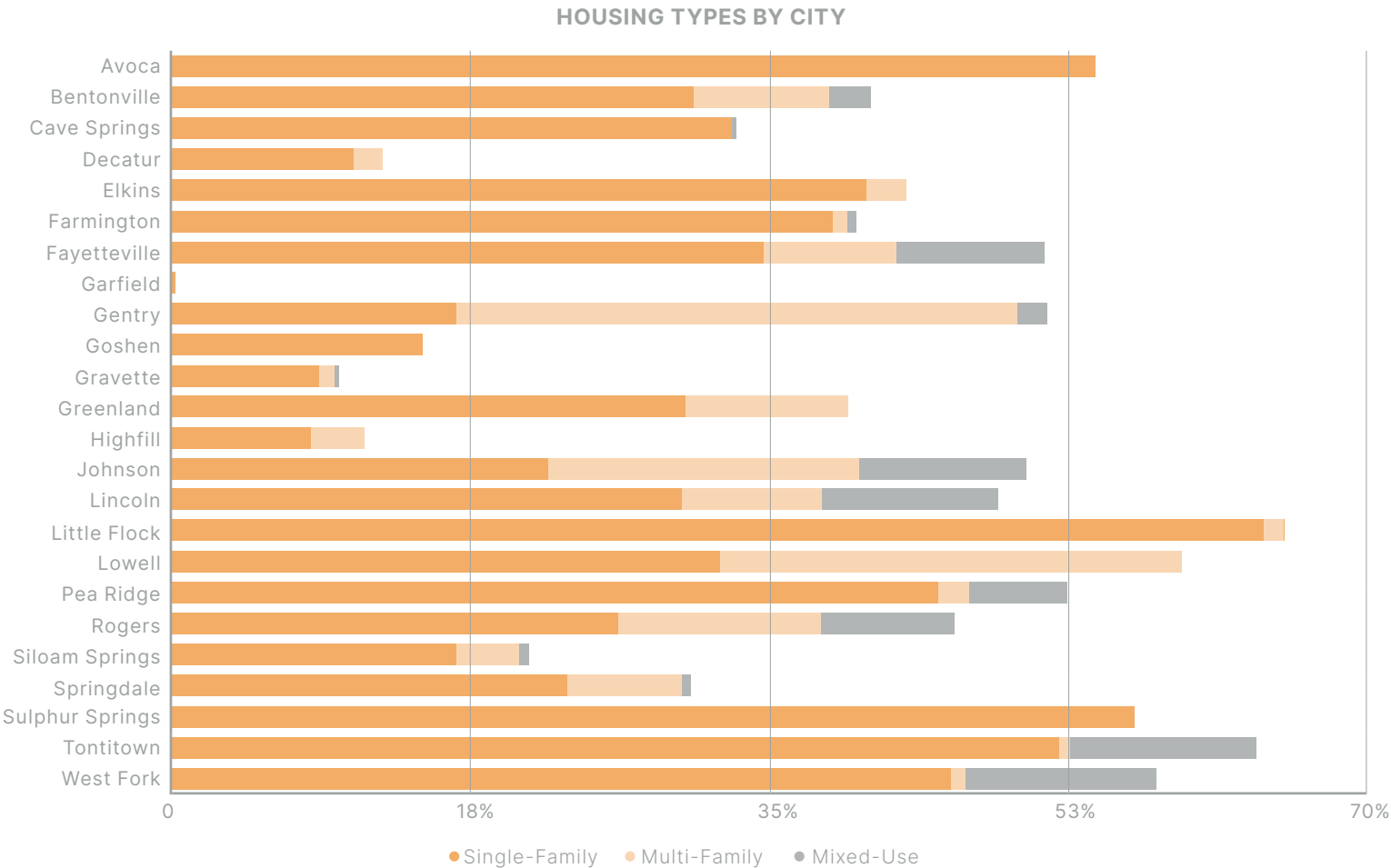
Discretionary review may offer the appearance of control. But over time, it undermines a city's ability to shape its future intentionally. Time spent processing special cases is time not spent updating the code to support broader goals.

Predictability supports stronger outcomes

A better system does not eliminate oversight. It focuses oversight where it matters most.

- Clearer zoning districts.
- More by right approvals for projects that already meet standards.
- Fewer unnecessary steps and clearer submittal requirements.

These changes do not remove standards. They shift attention to the work that adds value. If building what the city says it wants requires a special process, then the code is not doing its job. Zoning reform is not about removing rules. It is about ensuring that the rules help the city grow in the right way.



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Zoning

The Real Capacity Problem

Zoning maps may suggest that housing capacity exists, but most of that capacity supports only a single housing type. Of the urban land zoned by cities in Benton and Washington counties:

- 43% is designated for detached single-family housing
- 9% supports multifamily or missing middle options
- 5% is zoned for mixed-use

That leaves a narrow slice of land where diverse housing types are both permitted and practical to build.

In many cities, even that small share comes with conditions. Duplexes, townhouses, and small multifamily buildings are often limited to planned unit developments or other custom processes. These paths add cost and uncertainty, and they reduce the likelihood that housing types intended by policy ever reach the market.

Capacity on paper

Cities sometimes point to the number of acres zoned for housing as evidence that supply is adequate. The number alone does not tell the full story. If the zoning code allows

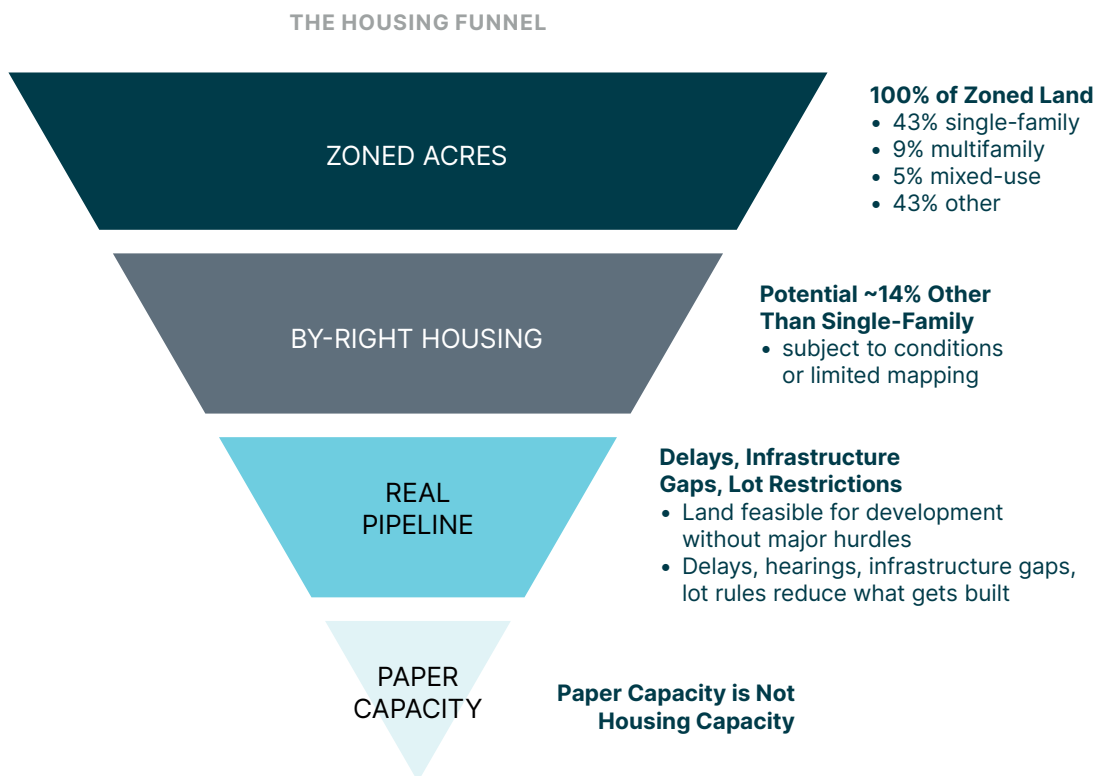
only one building type, or applies dimensional rules that make smaller formats infeasible, most of that capacity is theoretical.

The problem is especially acute for infill development. Many parcels in older neighborhoods or along underused corridors are small or irregularly shaped. They are well suited for duplexes, fourplexes, or accessory dwellings. Without a district that permits those formats by right, the land may sit vacant or underutilized.

A map is only as good as the rules behind it

Zoning reform may not require a full rewrite. It requires aligning the text and the map so that cities are not promising outcomes in their plans that the code makes impossible, or the reverse.

Many cities have already taken first steps. Fayetteville includes many multifamily and mixed-use districts. Bentonville is drafting a new zoning code that supports a range of housing types by right. Rogers is applying a form-based approach that ties development standards to walkable outcomes. These examples show what it looks like when zoning capacity becomes real.



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Zoning

Housing Variety

Across Northwest Arkansas, zoning codes continue to treat detached single-family housing as the default. Most districts are written around this model. They assume large lots, low densities, and uniform building types. As shown in the regional zoning snapshot, only a small share of urban land supports other housing formats, and an even smaller share allows them by right.

These patterns do not reflect current or future demand. They reflect policies that have not kept up with how people live.

Housing preferences

Across the region, more residents are living alone, in couples, or in small family groups. Cities are also home to growing numbers of seniors, essential workers, and young professionals. Many cannot, or do not wish to, purchase a detached house on a large lot.

Zoning codes that permit only one housing type across most of the map do not reflect that reality. They limit choices for current residents and make it harder for new residents to enter the market.

More housing types support more kinds of residents

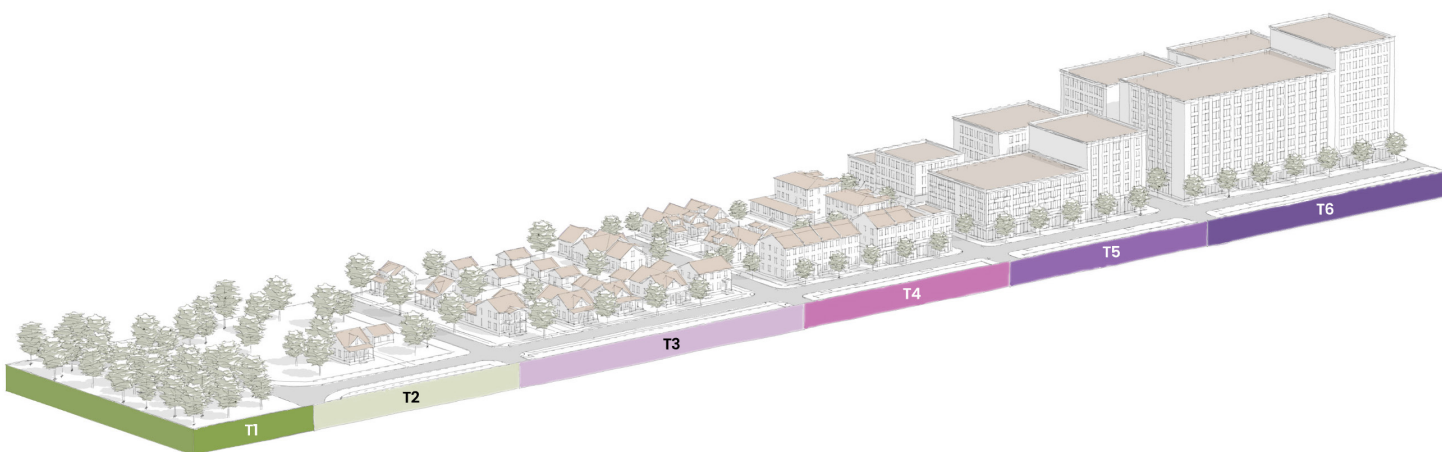
Zoning should not limit what kind of household can live in what part of town. When codes allow duplexes, fourplexes, cottage courts, and accessory dwellings by right, they open the door to gradual, adaptable change:

- Not every lot will develop, and not every block will shift.
- The option exists for homes that match today's needs.
- Existing infrastructure is used more efficiently.
- Longtime residents have more ways to remain in their neighborhood, and new residents have more ways to enter it.

Cities such as Fayetteville, Rogers, and Bentonville are already demonstrating this approach. Each has adopted reforms that legalize a broader range of housing types and make those types easier to permit. They are not eliminating standards. They are removing unnecessary barriers.

The illustration depicts the progression of zoning intensities from T1 Natural and T2 Rural on the left to T5 Town Center and T6 Urban Center on the right. These intensities accommodate a full range of housing, from single-family estates in T2 to apartments in larger buildings in T6.

BENTONVILLE TRANSECT



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Zoning

Mixed-use Zoning

Of the 24 cities in Northwest Arkansas with zoning, 10 do not include a mixed-use district in their ordinances. Among the 14 that do, most have mapped those districts in focused areas such as downtowns, main streets, and neighborhood centers. Sizes and applications vary, but mixed-use zoning is becoming more common in locations where walkability and reinvestment are priorities.

Separation

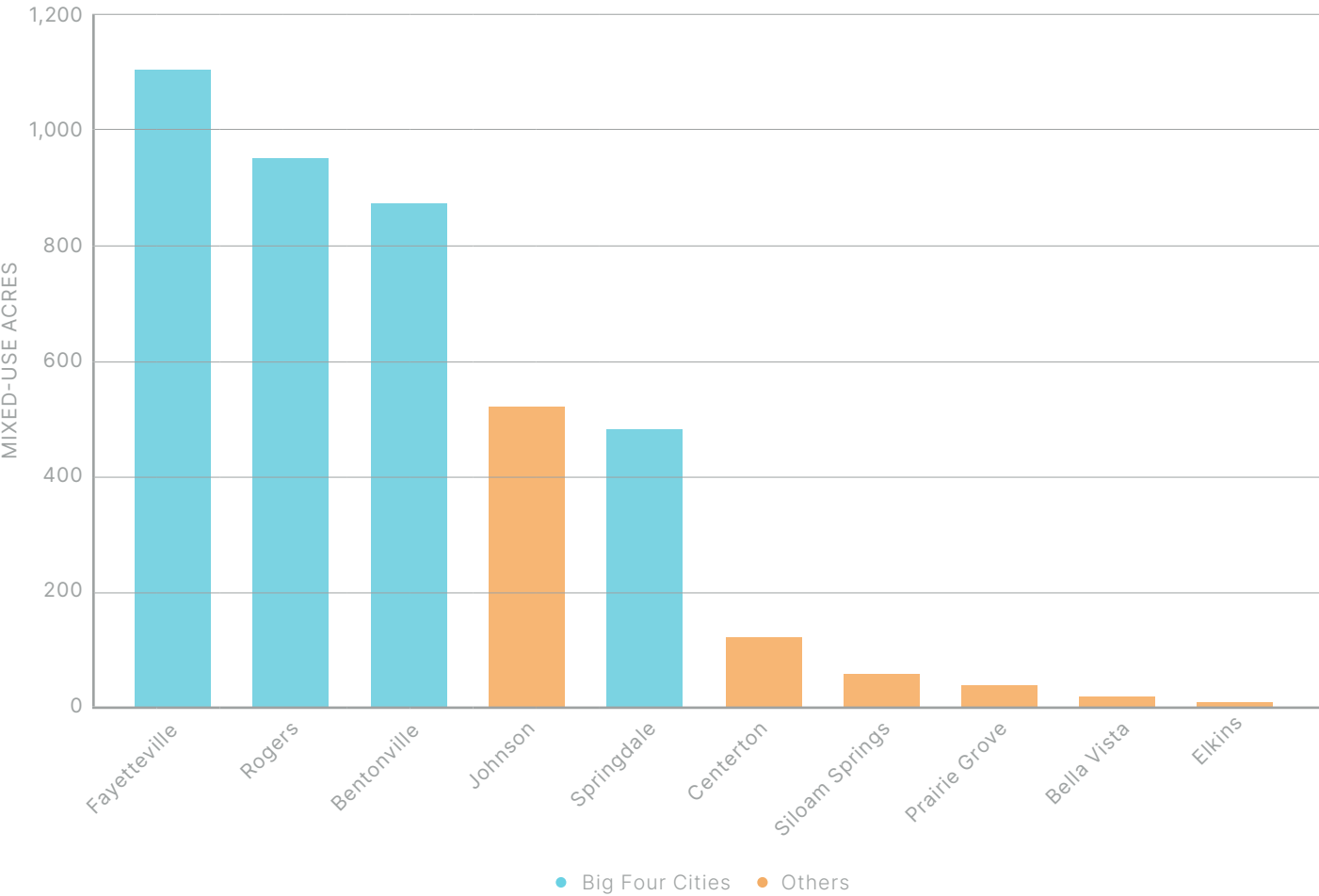
While mixed-use zoning appears in more than half of ordinances, most cities still separate housing, retail, services, and employment into distinct districts on the broader zoning map. That structure limits opportunities for walkable neighborhoods where homes, shops, offices, and civic spaces coexist. It also affects how easily small businesses can locate near customers and how efficiently services are delivered.

Application

- Fayetteville has mapped multiple areas for horizontal and vertical integration of uses.
- Rogers is applying a form-based approach that links development form with context.
- Bentonville is expanding the use of mixed-use districts through its ongoing code update.
- Johnson has adopted new districts that support compact, walkable neighborhoods with clear standards.

These efforts vary in scale and application, but each represents a step toward more intentional zoning practice.

MIXED-USE ZONING BY CITY



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Zoning

A Methodology

Zoning reform does not require starting from scratch. Across Northwest Arkansas, cities already use methods that support better growth outcomes. The difference between success and frustration is often how those methods are written and applied.

This section outlines practical strategies that help cities legalize the kinds of development they already support in principle. Each method is matched to municipal capacity, with emphasis on smaller cities. The goal is not uniformity; it is better alignment between the outcomes cities want and the processes used to deliver them.

General methods

These options are useful for most jurisdictions in the region. They improve clarity, remove unnecessary barriers, and reduce administrative burden for applicants and staff. Most can be adopted incrementally and do not require a full code rewrite. Examples include:

- Legalizing duplexes and accessory dwellings by right
- Removing minimum lot sizes or lowering front setbacks
- Regulating by setbacks and building heights rather than floor area ratio and density
- Clarifying use tables and consolidating overlapping zoning districts
- Creating small-scale mixed-use districts that apply beyond downtowns

These updates improve performance across settings, regardless of a city's size or growth rate.

Methods by municipal capacity

Small Cities

Smaller cities often have limited staff and modest permitting volume. Methods that are easy to administer and do not require extensive legal review are most effective. These include:

- By right approvals for common building types
- Clear procedures and reduced reliance on discretionary approvals

These options focus on efficiency: helping small teams manage growth without adding positions.

Mid-Sized Cities

Communities with moderate growth and a small planning team benefit from balancing flexibility with standards. Useful strategies include:

- Districts that allow a wider range of housing types by right
- Preapproved block patterns for new subdivisions
- Targeted mixed-use zones near commercial corridors or civic anchors

These methods improve predictability while preserving local discretion.

Methods by context

Counties

Benton County does not zone unincorporated land, yet they shape where growth goes. Washington County largely uses Conditional Use Permits. By setting infrastructure priorities, defining access and lot standards, and coordinating with cities on annexation and utilities, counties can steer new investment to serviced areas, protect working lands, and lower long-term costs without adopting countywide zoning.

Rural Towns

Places like Garfield, Sulphur Springs, and Winslow run lean. A few projects can set the tone for decades. Clear use tables, missing middle housing allowed by right on the existing grid, and simple growth area maps offer choice without complexity. Voluntary overlays help flag conservation or reinvestment priorities while keeping administration light.

Suburban Cities

Bella Vista, Centerton, and Farmington are absorbing fast growth with a suburban pattern. The move is to define a center, then make approvals predictable inside it. Enable small-site infill on underused commercial parcels, allow duplexes, townhouses, and small apartments by right, map mixed-use districts, and use clear transitions in height, setbacks, and lot size to fit nearby neighborhoods.

Compact Cities

Gravette, Siloam Springs, Prairie Grove, and Lincoln already compact centers. Apply mixed-use districts to main streets and adjoining blocks with clear form and frontage standards with assist with future investment. The result is more homes and active storefronts without new infrastructure.

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Zoning

Context, Moves and Rationale		
Context	Priority Moves	Rationale
Counties	- Infrastructure prioritization maps - rural conservation overlays with landowners - road access and lot configuration standards - growth policy coordination with cities	Supports working lands and steers growth to serviced areas
Rural Towns	- Clear use tables - missing middle by right on the existing grid - growth area maps - voluntary overlays for conservation or development	Simple tools fit limited staff and budgets, reinforce traditional form to maintain community character
Suburban Cities	- Infill zoning for small commercial parcels with housing and services - missing middle by right inside a designated center - mixed-use districts - clear transitions to neighborhoods using setbacks, height, or lot size	Creates a walkable center and absorbs demand near existing infrastructure
Compact Cities	- Mixed-use districts on main streets and adjoining blocks with clear form and frontage standards - residential zones allowing a range of types by right - objective infill standards - reduced parking minimums - simplified use tables	Removes barriers where streets already support walkability, brings buildings back into use

Code reform checklist

Each item is scored on two measures: impact on housing supply, and effort required to adopt. Ratings use a four-step scale, S, M, L, and XL. Scores reflect practical judgment about staff time, legal complexity, and political capital. S on effort signals a straightforward administrative update. XL on effort

may involve extensive negotiation, legal revision, or cultural shift. XL on housing impact marks reforms with the potential to unlock substantial new capacity. The checklist does not prescribe a single path; it helps communities select reforms that match current capacity and priorities.

Code Reform Checklist		
Reform method	Impact on Housing	Ease of Adoption
Legalize duplexes by right	L	XL
Allow ADUs by right*	M	S
Remove minimum lot sizes	XL	L
Reduce front setbacks	M	M
Remove density & FAR	L	M
Clarify use tables	M	M
Consolidate zoning districts	S	L

*Required by AR Act 313

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Rural Lands

Northwest Arkansas still includes a significant amount of rural land, yet current practices are not protecting that landscape. Unincorporated areas are not zoned, and some land is being subdivided without coordinated oversight. As a result, farmland is gradually converting to residential use without a clear policy choice to urbanize.

That pattern carries consequences:

- Scattered subdivisions fragment working lands and forests.
- Driveways multiply along rural highways, increasing safety risks.
- Infrastructure is stretched thin, and long-term service costs rise for cities and counties.

Cities have no authority to regulate beyond their borders, yet what happens just outside those borders matters. Rural land loss, rising infrastructure costs, and degraded watershed health are regional issues. So are the costs of missed opportunity when prime farmland or natural corridors are lost without an intentional choice.

What can be done?

The rural landscape will continue to evolve. The question is whether that evolution supports long-term value or erodes it. While unincorporated areas are not zoned, local governments can still shape outcomes through infrastructure policy, voluntary land conservation, and stronger city-county coordination.

Conservation easements offer one tool for landowners who want to preserve working lands, safeguard habitat, or protect watershed health. These voluntary agreements can be supported through partnerships with land trusts and reinforced by planning policies that recognize their long-term benefit to the region.

Unmanaged rural growth also creates challenges for public services. Fragmentation increases response times for emergency services and drives up infrastructure maintenance costs. While Arkansas is a school choice state, scattered development still affects how families access schools, roads, and utilities, and how those systems are funded.

Zoning alone cannot solve these challenges. Within city boundaries, however, it remains one of the few tools available to align growth with infrastructure and environmental goals. By applying zoning more strategically, cities can help reduce outward pressure, support rural preservation, and protect the landscapes that define the region's character.

Conclusion: A Region Ready for Results

Northwest Arkansas is not starting from scratch. It has strong local identities, a shared commitment to quality of life, and a regional economy that continues to attract residents and investment. What it needs now is a zoning framework that keeps pace with growth and reflects the values of the communities it serves.

Many of the region's most pressing challenges, including housing affordability, rural preservation, and infrastructure expansion, are shaped not only by market forces but by the rules that determine what can be built, where, and how. Zoning is one of the clearest levers cities can pull, but it must be structured to support the outcomes communities want to see: diverse housing choices, strong centers, and growth patterns that sustain infrastructure and protect land.

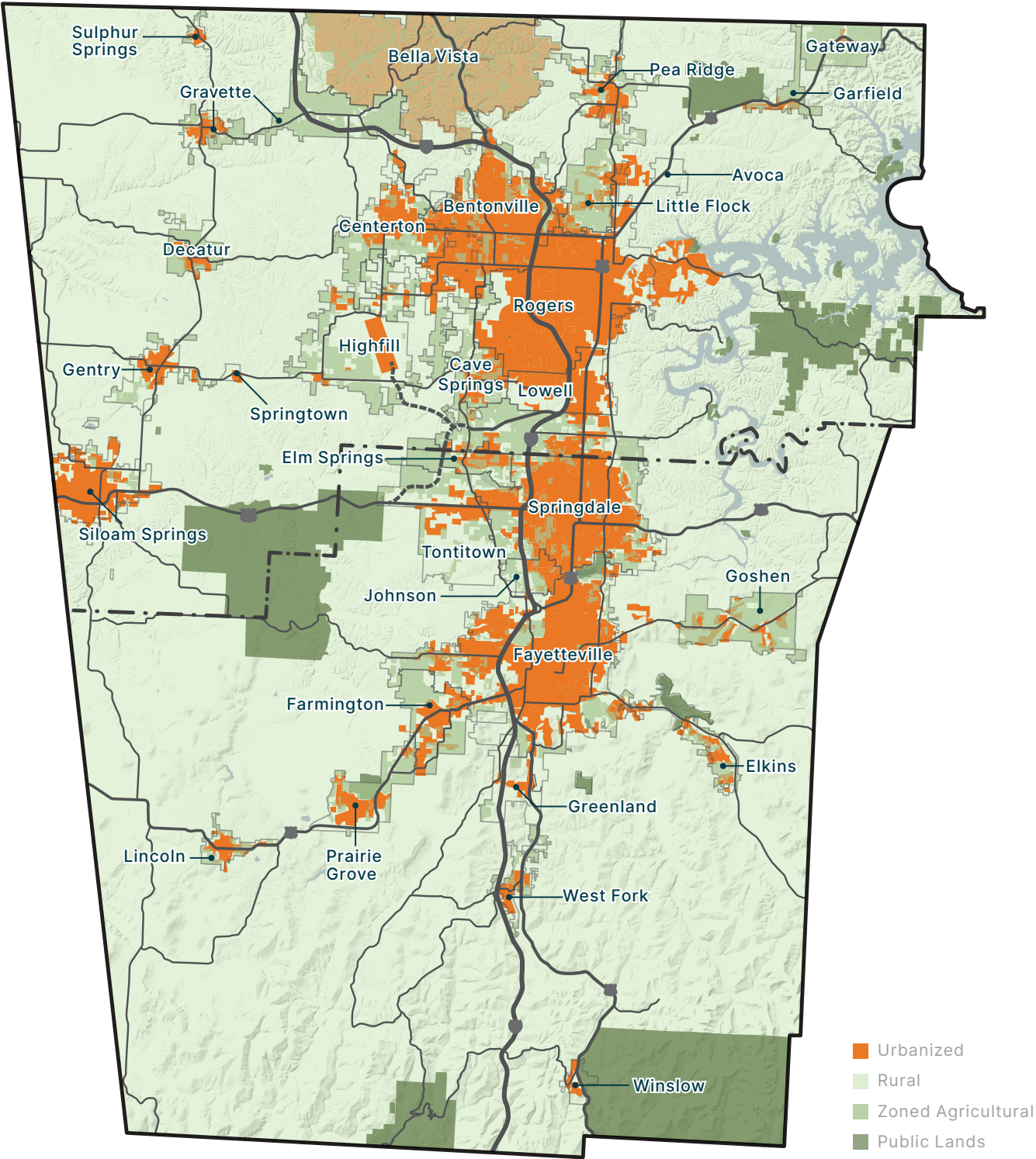
This analysis outlines a path forward that is practical, incremental, and within reach. It highlights shared challenges and provides a methodology that can be scaled to fit different places and different capacities. Not every city will use every recommendation, but each community can take steps to improve the performance of its zoning code, steps that align with its goals, staff capacity, and political will.

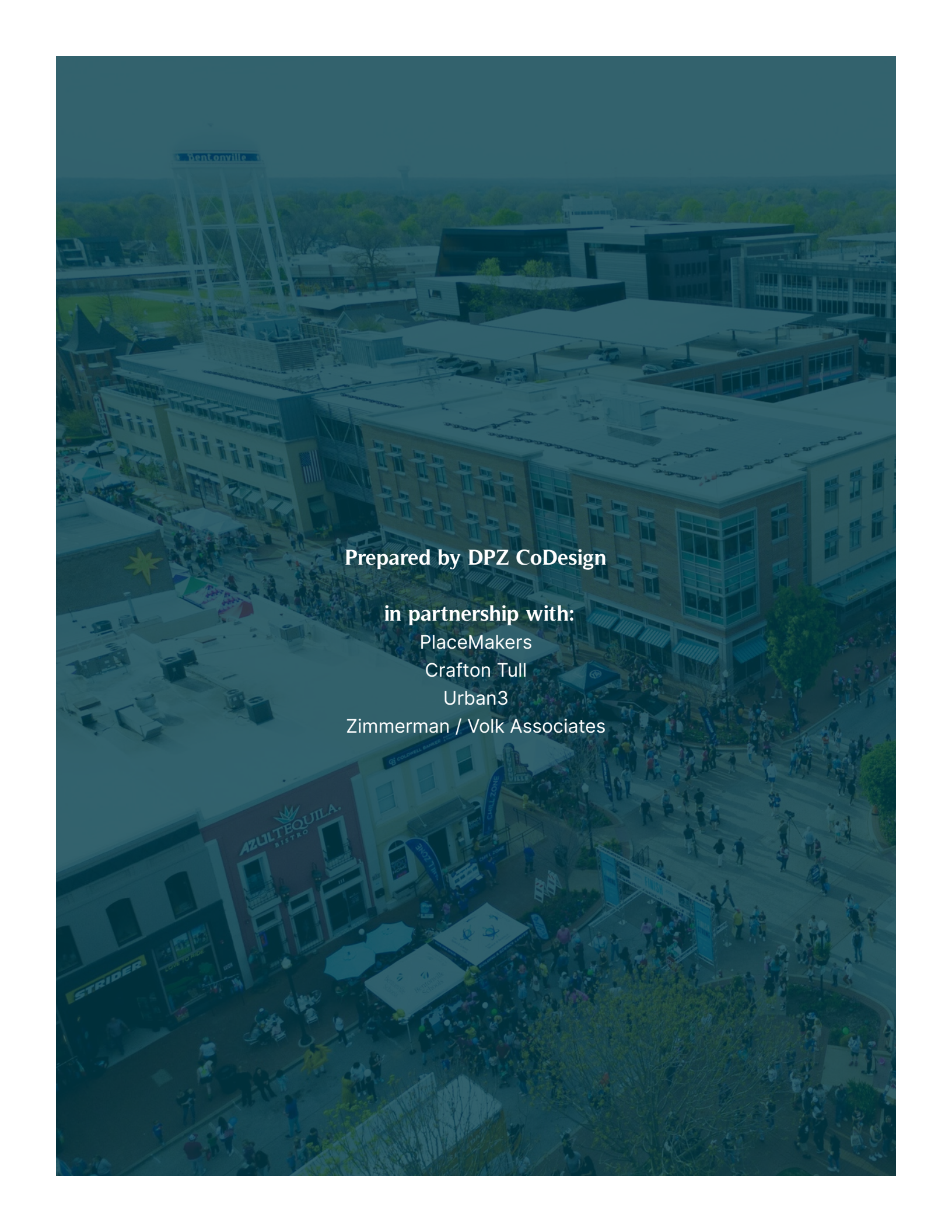
Regional alignment does not require uniformity. It requires clarity about what works, where the gaps are, and how local action adds up to regional progress. The work ahead is to apply the best solutions to local conditions, learn from what is working, and support one another in building places that meet today's needs and tomorrow's goals.

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RURAL LANDS IN NORTHWEST ARKANSAS



An aerial photograph of a bustling downtown street, likely in Dentonville, North Carolina. The street is filled with a large crowd of people, many of whom are walking or standing in groups. The buildings are multi-story, with a mix of brick and modern architectural styles. A prominent water tower with the word "Dentonville" on top is visible in the background. The street is lined with trees and there are various signs and banners, including one for "AZULTEQUILA BISTRO" and another for "STRIDER". The overall atmosphere is one of a lively community event or festival.

Prepared by DPZ CoDesign

in partnership with:

PlaceMakers

Crafton Tull

Urban3

Zimmerman / Volk Associates