

Fayetteville Housing Report (Part 2 of 3)

09.26.2023



CITY OF
FAYETTEVILLE
ARKANSAS

Presentation Series Outline

- August 29: Housing and Population Data
 - Population Growth & Characteristics
 - Housing Data from U.S. Census
 - Permit Data from City of Fayetteville
- **Today** (September 26): Land Use Policies & Housing
 - Additional Permit Data & Housing Cost Inputs
 - Land Use Policy Choices & Outcomes
 - Projected Growth Scenarios with Expected Outcomes
- October 31: Fayetteville Housing Report

Today's Presentation Outline

- **Presentation 1 Recap**
- **Example Housing Cost Inputs**
- **What Housing is Being Built and Why?**
 - A Quick Look at Zoning History
 - Residential Zoning by Ward
- **Land Consumption Analysis**
 - Projected Impacts of Population Growth
 - Policy Alternatives

Presentation 1 (August 29) Recap

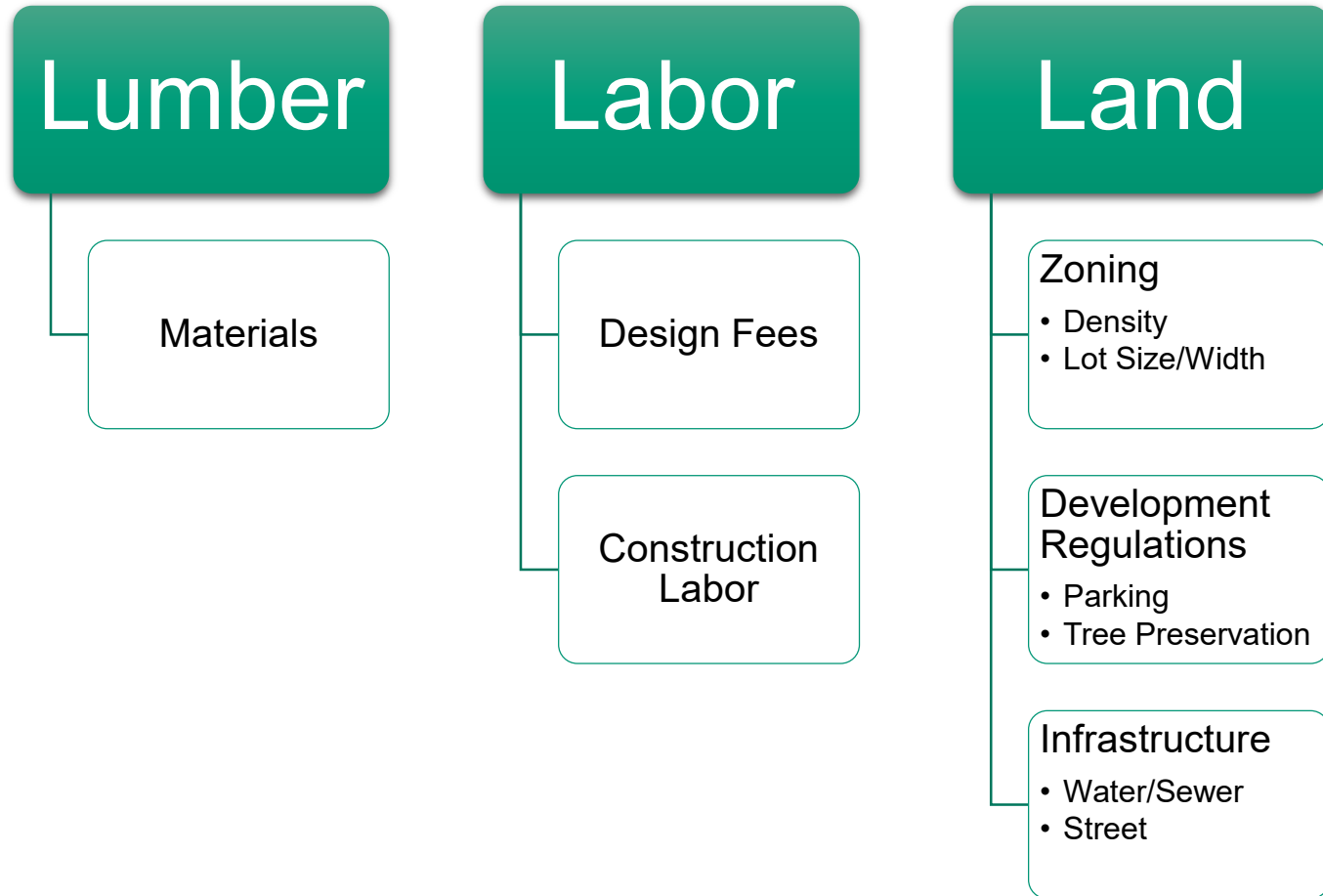
- **We need about 1,000 new units of housing annually to keep pace with projected population growth. However, our 2020-2022 population growth was 72.8% above the projected growth.**
- **An estimated 12,000 households or 30% of households in Fayetteville were cost-burdened by housing costs as of 2021.**
- **Half of Fayetteville households need housing at a cost below current average rent.**

Residential Building Permits Completed

Residential Building Type	2022	2023	Total
Single Family	495	529	1,024
Townhouse	192	31	223
Two Family	28	33	61
Two Family Units	56	66	122
ADU	5	12	17
Multi Family	7	15	22
Multi Family Units	98	372	470
Total Housing Units	846	1,010	1,856

Source: City of Fayetteville as of August 4, 2023

Inputs to Housing Costs



Inputs to Housing Costs

Summary	PSF	Amount	% of Cost
Land Cost	\$34.09	\$75,000	23%
Design/Engineering	\$2.18	\$4,800	1%
Hard Costs (Materials/Labor)	\$86.36	\$190,000	59%
Finance Costs	\$10.00	\$22,000	7%
Marketing/Closing Costs	\$14.55	\$32,000	10%
Total Costs	\$147.18	\$323,800	100%
Profit	\$43.00	\$53,000	16%
Sales Price	\$190.18	\$376,800	116%

Source: Cost estimates derived from local home builder interviews in 2023 and are based on a base model 2,200 sf spec single-family home in a newly constructed subdivision.

A Little Zoning History

P R E A M B L E

WHEREAS, it is recognized that land overcrowded with buildings is both the most prevalent and worst evil of cities, and

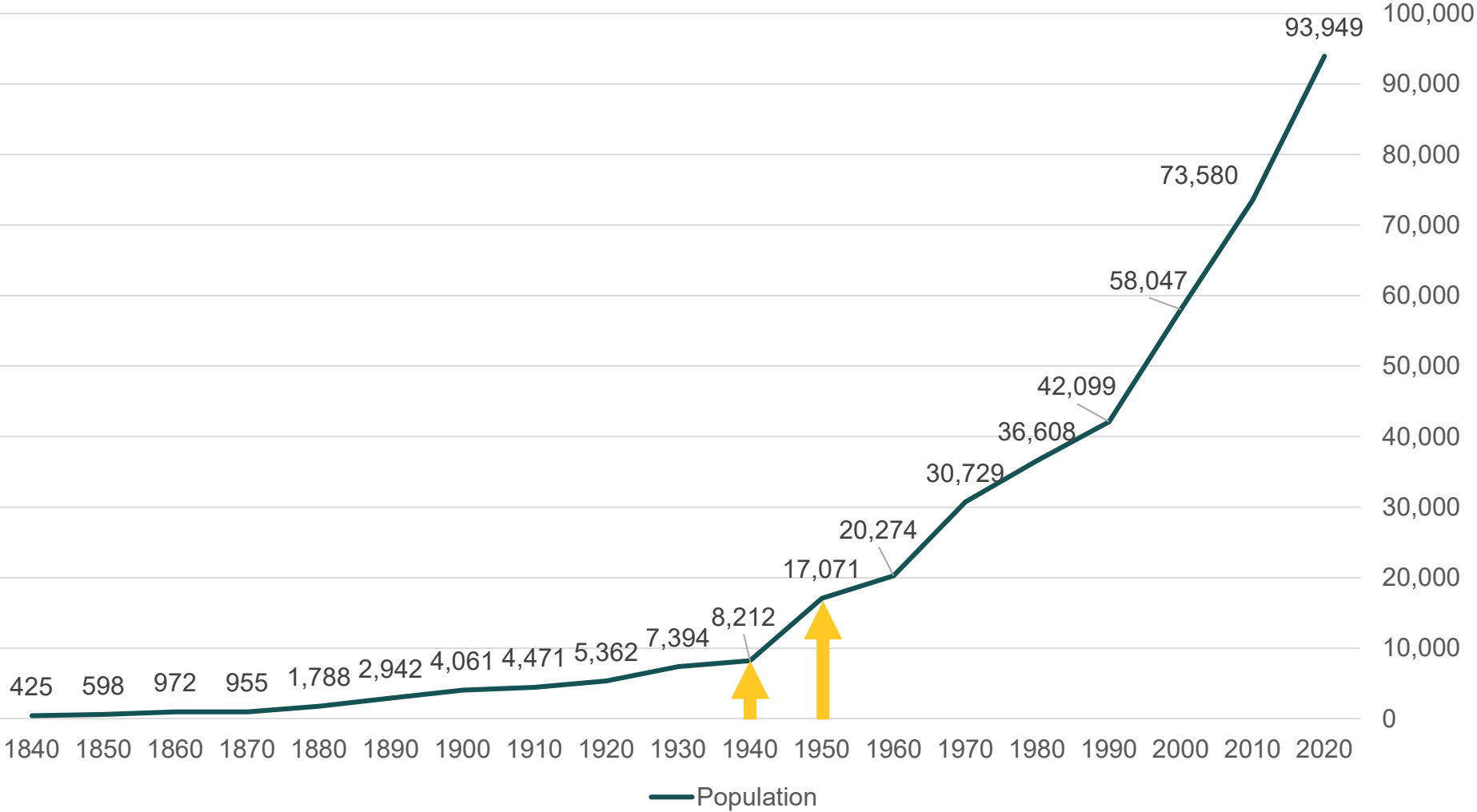
WHEREAS, It is recognized that immeasurable evils to the physical and mental welfare of individual citizens and to the well-being of the community inevitably arise from haphazard growth of populated places, and particularly where they are large, industrialized and congested, and

WHEREAS, Haphazard development of a city results in the deterioration in the desirability of certain residential sections by the encroachment of business and industrial establishments upon and into such sections, with the consequent destruction of property values and ultimate abandonment of such sections for residential purposes, and

WHEREAS, The separation of the City of Fayetteville into districts or zones for different purposes and for different kinds of buildings, for the regulation by prescribed districts of the kinds of buildings to be erected therein, the proportion of the lot to be covered, and the uses to which both may be put within the districts, including location, height, area, and use regulations of both land and buildings would tend to attract a desirable and assure a permanent citizenship, promote happiness and contentment, stabilize the use and value of property, and promote the peace, tranquility, and good order of the City of Fayetteville.

Source: Fayetteville Ordinance 1002 approved September 10, 1951

Fayetteville Population 1840-2020



Source: U.S. Decennial Census

A Little Zoning History (Continued)

DISTRICT R-1 LOW DENSITY RESIDENTIAL DISTRICT

Purposes

The low density residential district of four families per acre or less in the case of single family homes and seven families per acre or less in the case of two family dwellings is designed to permit and encourage the developing of low density detached dwellings in suitable environments, as well as to protect existing development of these types.

Bulk and Area Regulations

	Single Family	Two Family
Lot Width Minimum	70 ft.	80 ft.
Lot Area Minimum	8000 sq. ft.	12,000 sq. ft.
Land Area per Dwelling Unit	8000 sq. ft.	6,000 sq. ft.

DISTRICT A-1 AGRICULTURAL

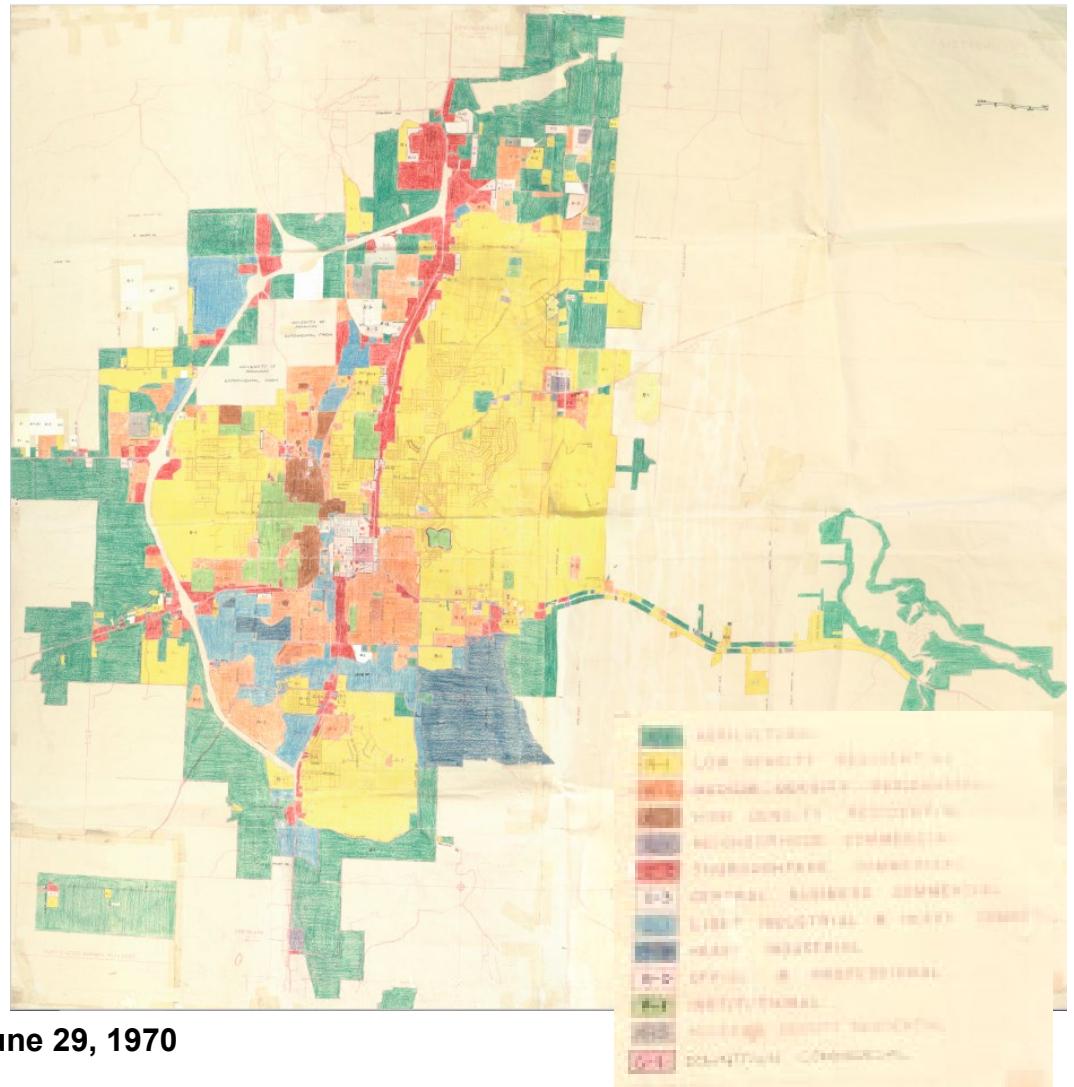
Bulk and Area Regulations

Lot Width	- 200 ft. minimum
Lot Area	
Residential	- 2 acre minimum
Non-Residential	- 2 acre minimum
Lot Area per Dwelling Unit	- 2 acre minimum

DISTRICT R-2 MEDIUM DENSITY RESIDENTIAL

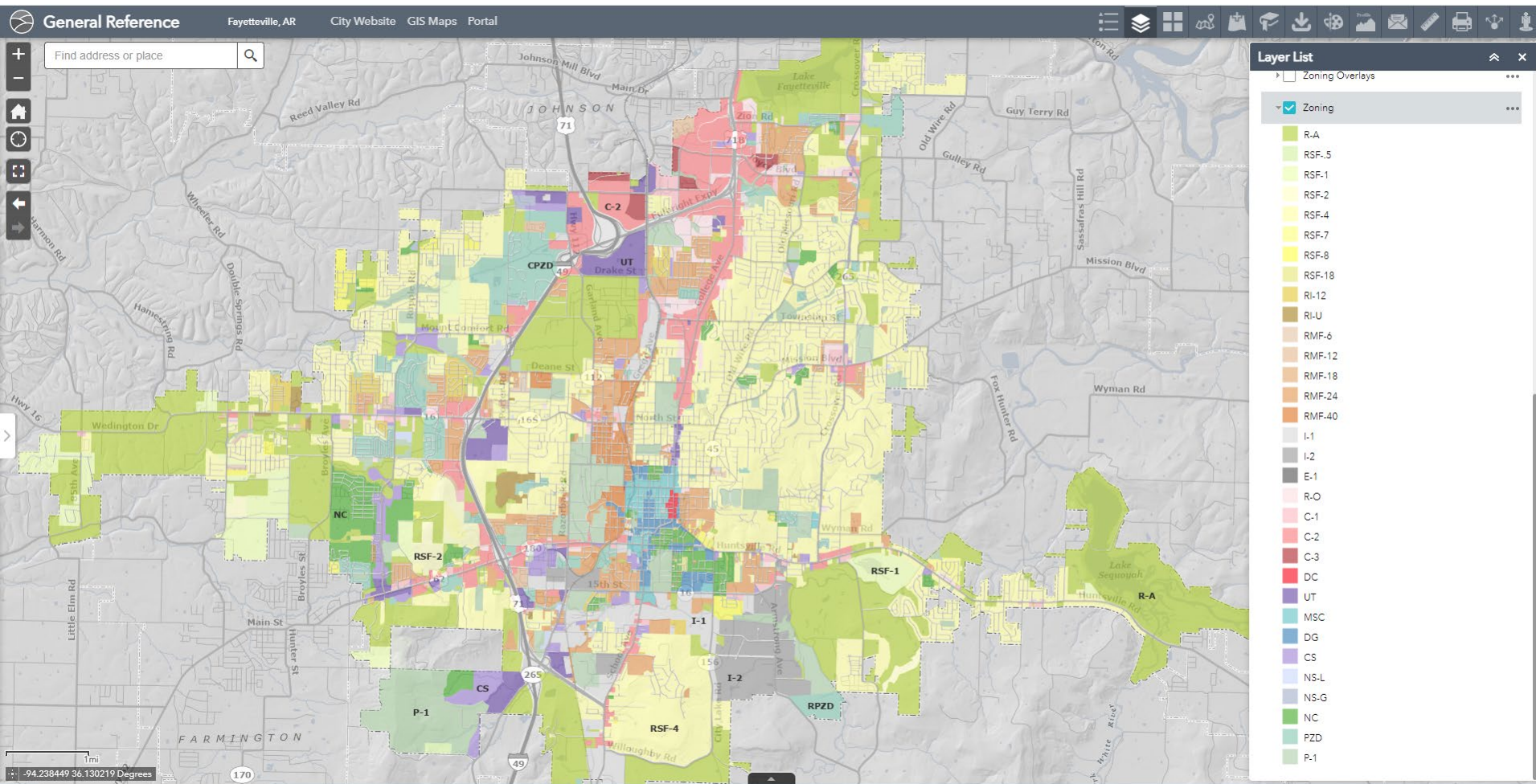
Purposes

The medium density residential district with four to twenty-four families per acre is designed to permit and encourage the developing of a variety of dwelling types in suitable environments in a variety of densities.



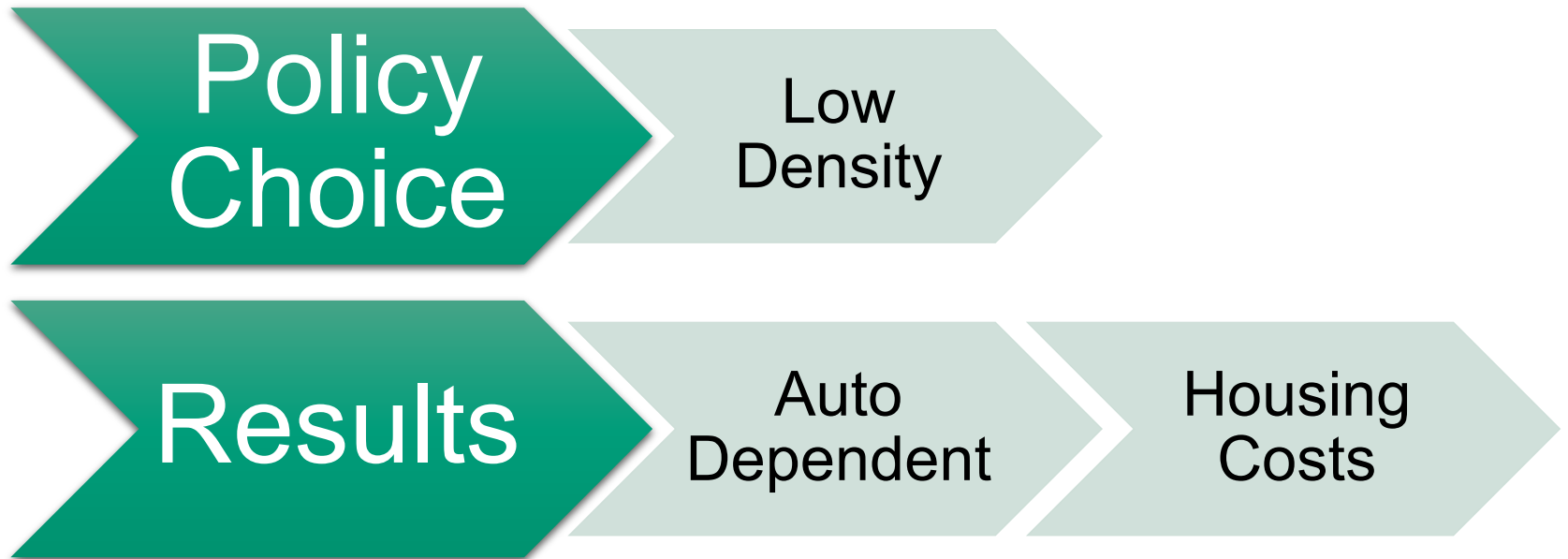
Source: Fayetteville Ordinance 1747 adopted June 29, 1970

Current Fayetteville Zoning Map



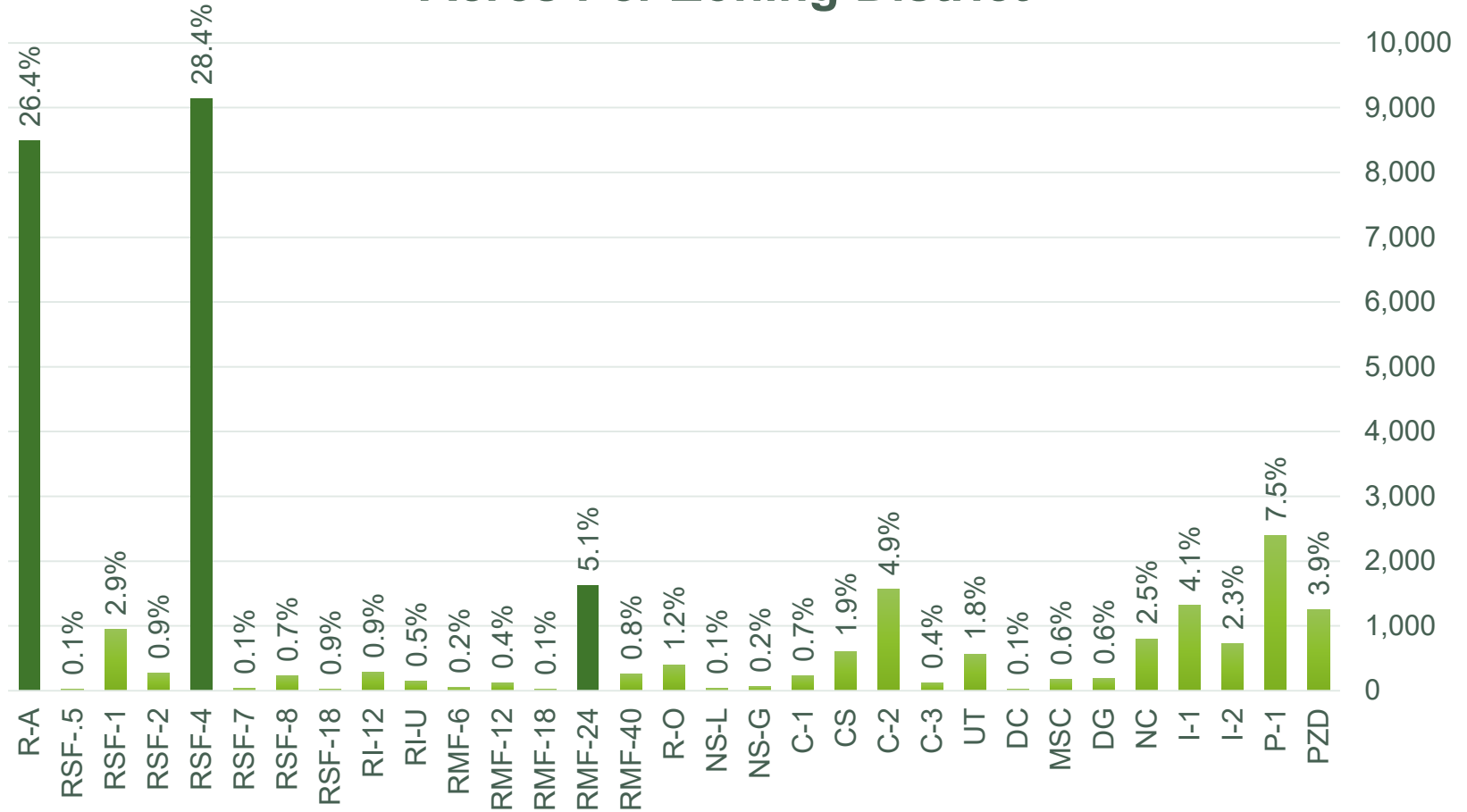
Source: City of Fayetteville September 12, 2023

Zoning Outcomes



Zoning Districts in Fayetteville

Acres Per Zoning District



Source: City of Fayetteville GIS July 21, 2023

Zoning Districts in Fayetteville



+

= 40,816 Units



RMF-24 Zoning :



= 38,942 Units

R-A, RSF-4 & RMF-24 Zoning by Ward

	Ward 1	Ward 2	Ward 3	Ward 4
Total Acres	14,830	4,943	8,456	7,689
R-A Zoning Acres	4,046	802	1,390	2,254
RSF-4 Zoning Acres	2,964	778	3,498	1,903
RMF-24 Zoning Acres	668	299	476	180
R-A, RSF-4, & RMF-24 as a Percent of Residential Zoning Acres	88%	82%	90%	74%

Source: City of Fayetteville GIS Data Downloads July 21, 2023

New Residential Units by Ward 2018-2022

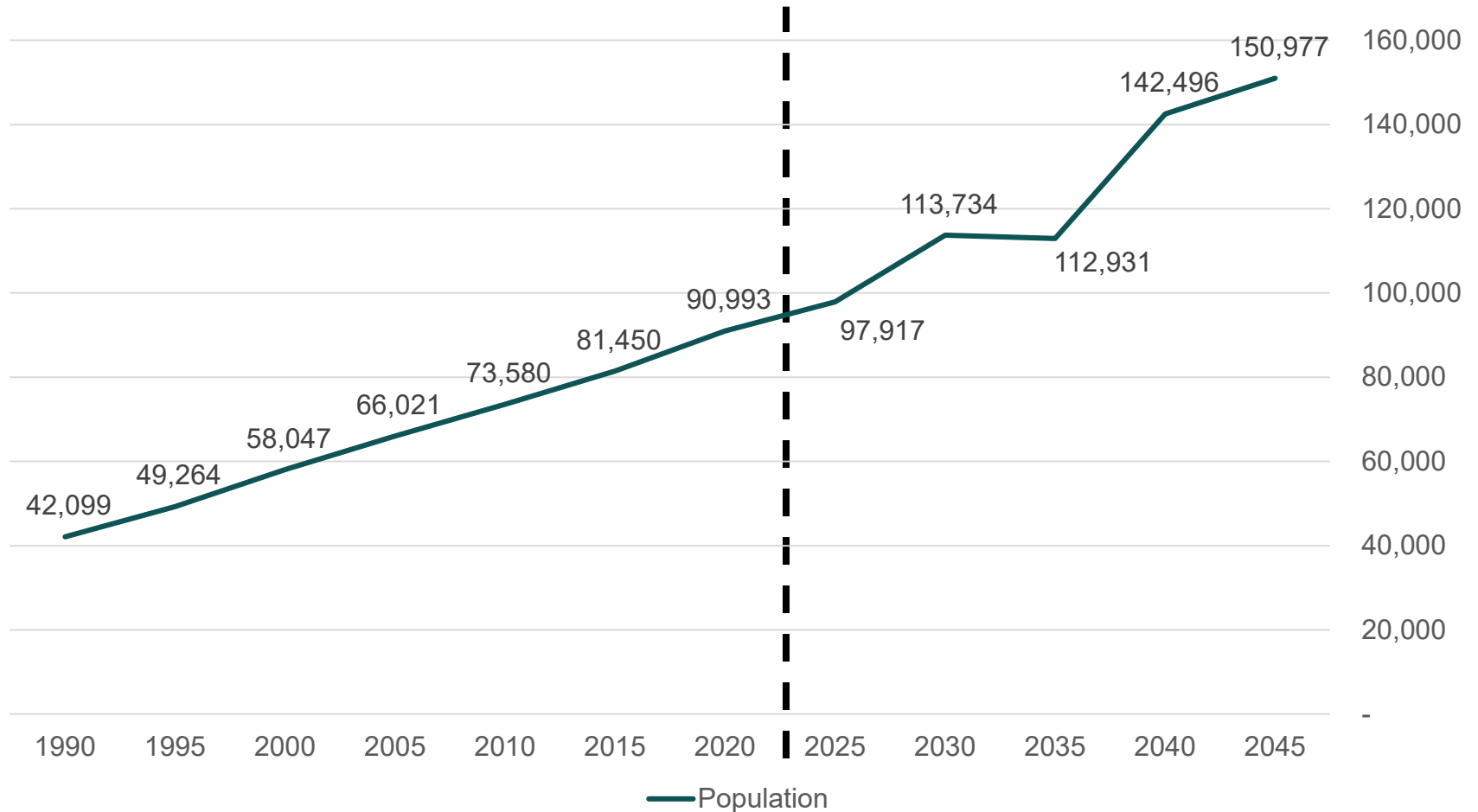
	Ward 1	Ward 2	Ward 3	Ward 4	Total
Single Family	1,344	166	285	1,194	2,989
Townhouse	273	139	0	58	470
Duplex	200	86	12	144	442
ADU	11	8	6	7	32
Multi Family	607	291	526	774	2,198
Total	2,435	690	829	2,177	6,131
Percent	39.72%	11.25%	13.52%	35.51%	100%

Source: City of Fayetteville Monthly Building Activity Reports 2018-2022

Zoning & New Residential Permits Recap

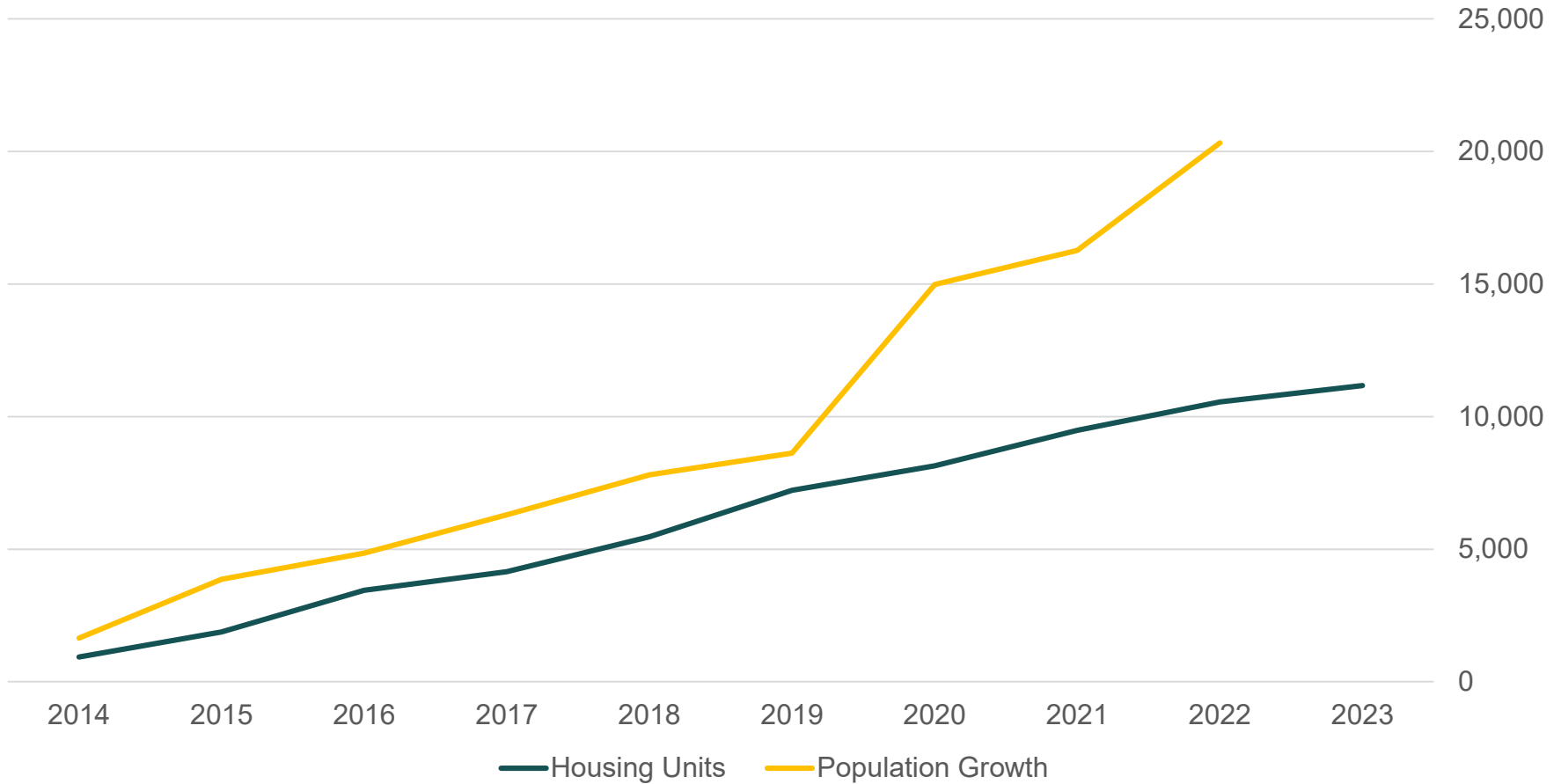
- **Our current residential zoning districts allow anywhere from $\frac{1}{2}$ a housing unit per acre to 40 housing units per acre.**
- **26% of the city is currently in R-A zoning (1/2 housing unit per acre) and 28% is in RSF-4 zoning (4 housing units per acre).**
- **Ward 1 has taken on the most permitted housing units with 40% of new residential units issued from 2018-2022, followed closely by Ward 4 with 35.5%. Wards 2 and 3 each have less than 15% of new residential units by permits issued.**

Fayetteville Pop. & Projection to 2045



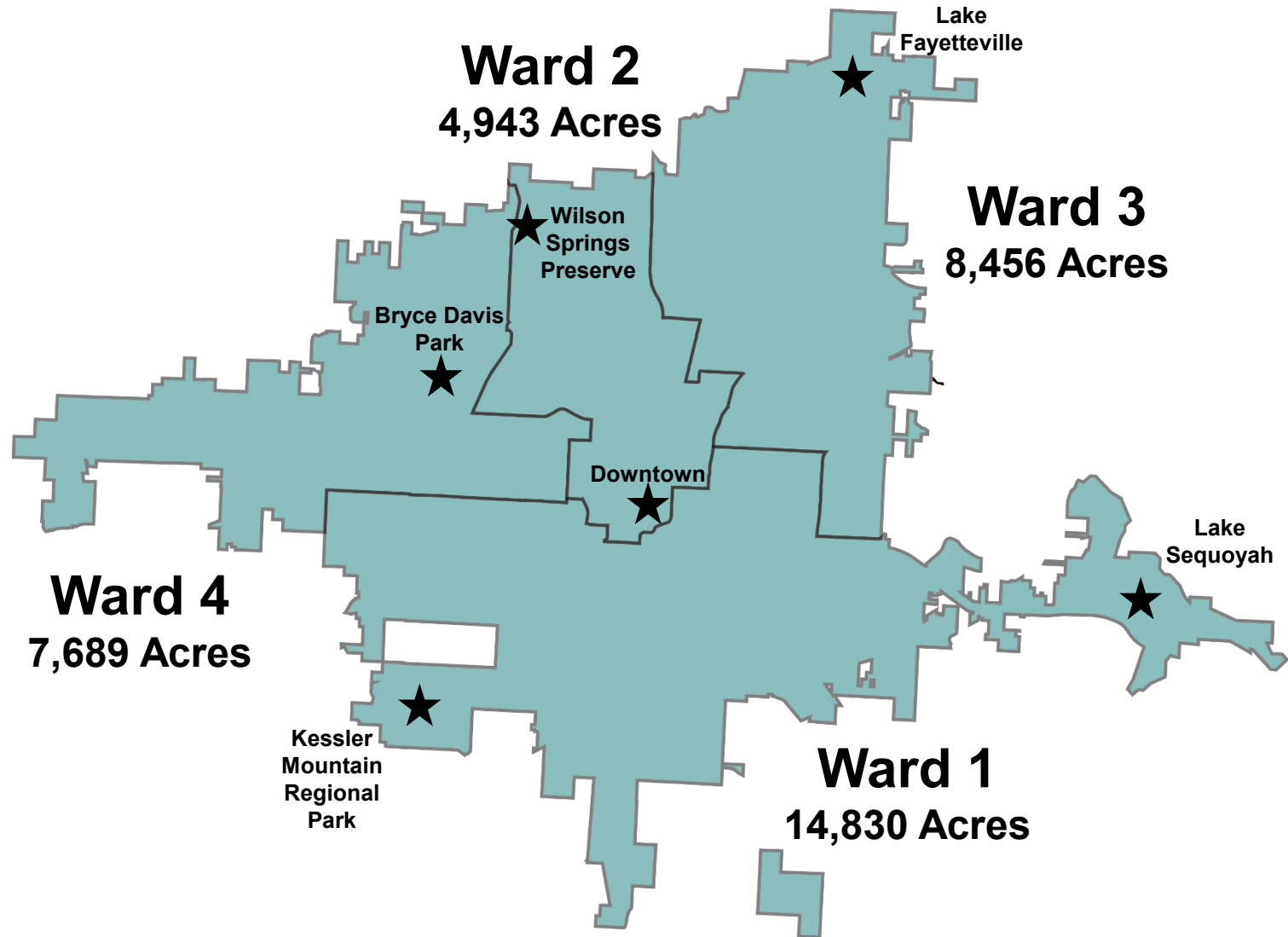
Sources: U.S. Census, Northwest Arkansas Regional Planning Commission Transportation Plans

Cumulative Housing Units Vs. Population Growth 2014-2023

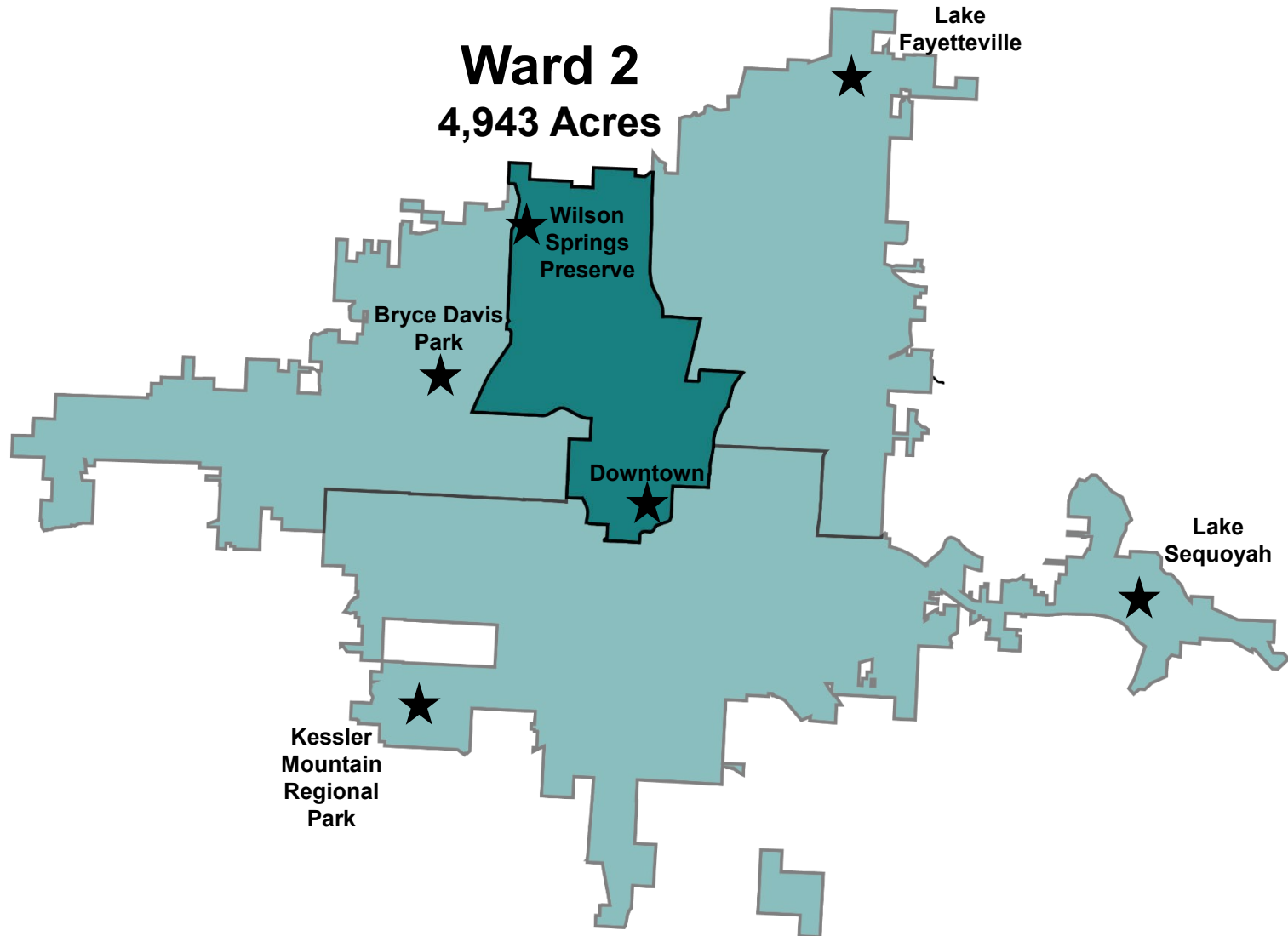


Source: City of Fayetteville Monthly Building Activity Reports, ACS 1-Year Estimates

Fayetteville Wards

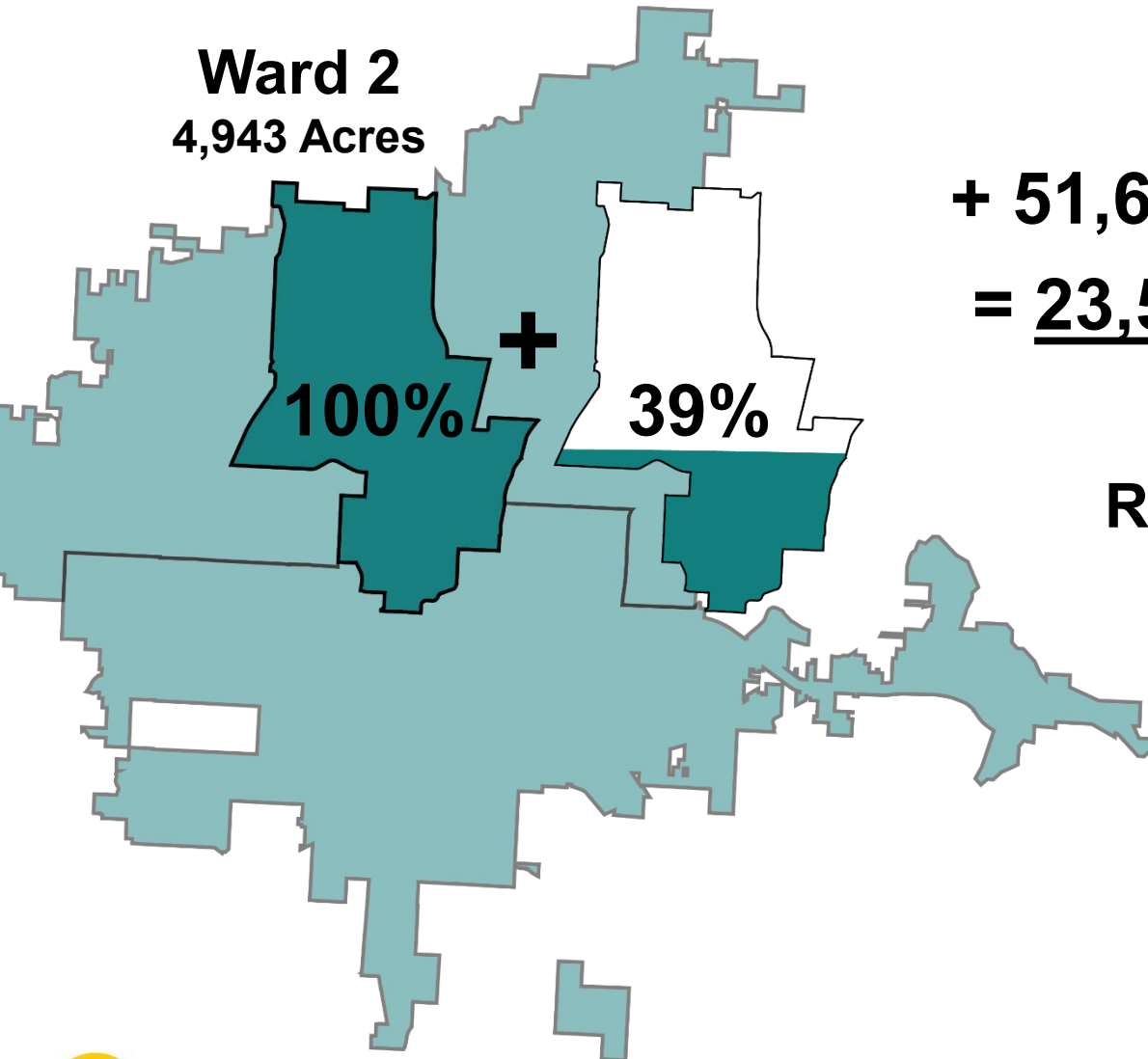


Fayetteville Wards



Growth Scenario: Projected Population

Ward 2
4,943 Acres

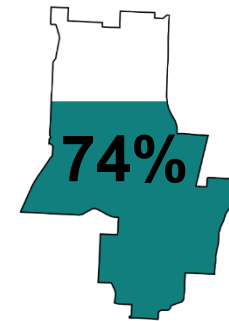


+ 51,692 people by 2045
= 23,506 housing units



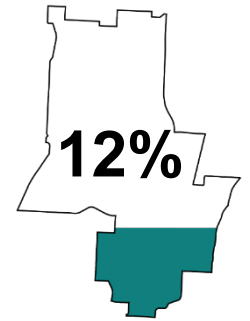
RSF-4 = 6,859 Acres

RSF-8



3,639 Acres

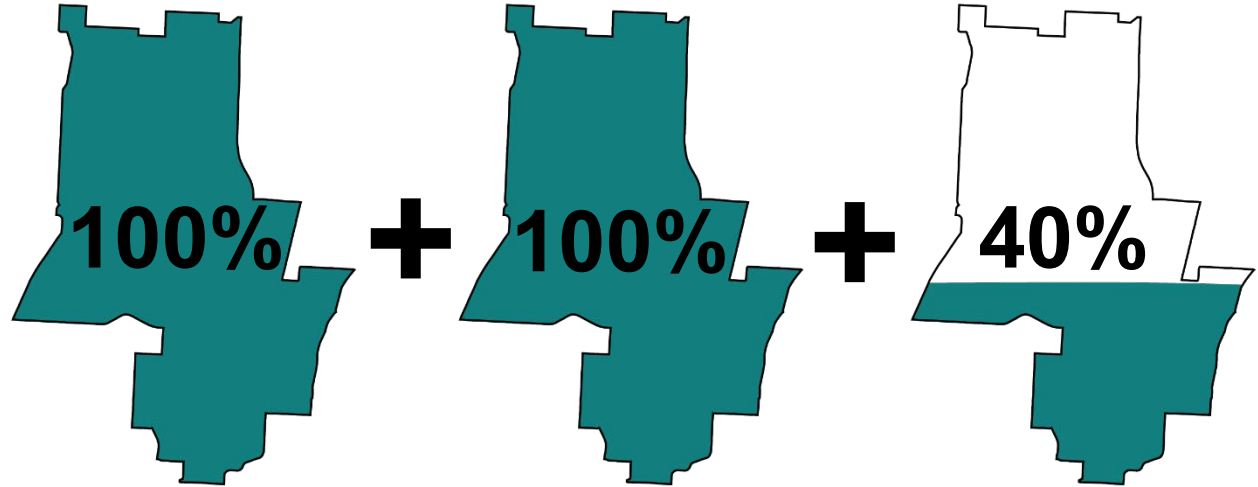
RMF-24



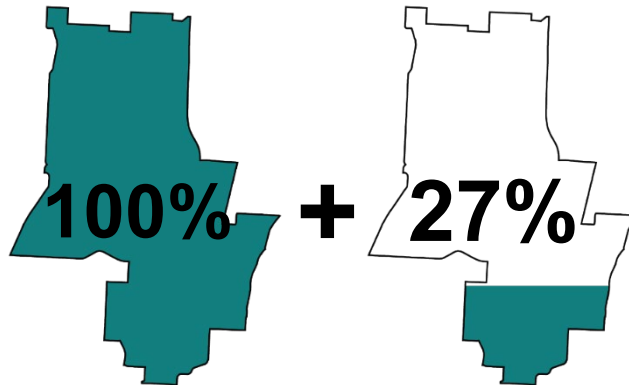
1,020 Acres

Growth Scenario: 72.8% Higher Growth

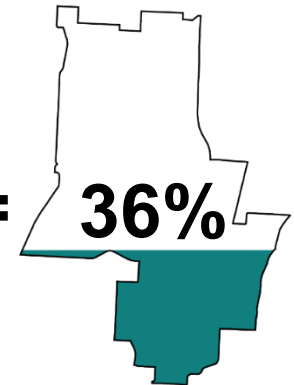
RSF-4 =
11,852 Acres



RSF-8 =
6,290 Acres



RMF-24 =
1,763 Acres

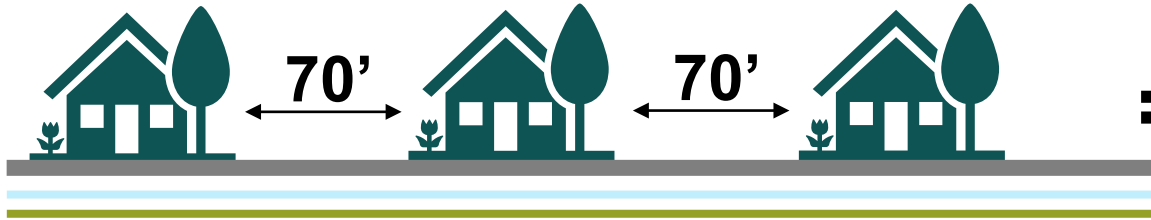


Additional Growth Impacts: Infrastructure



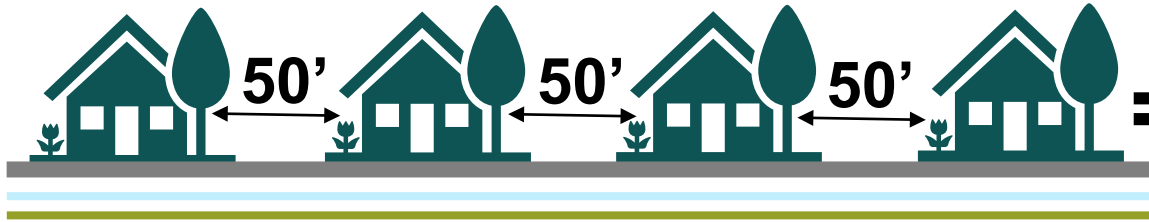
How Much City Infrastructure?

**RSF-4
Zoning**



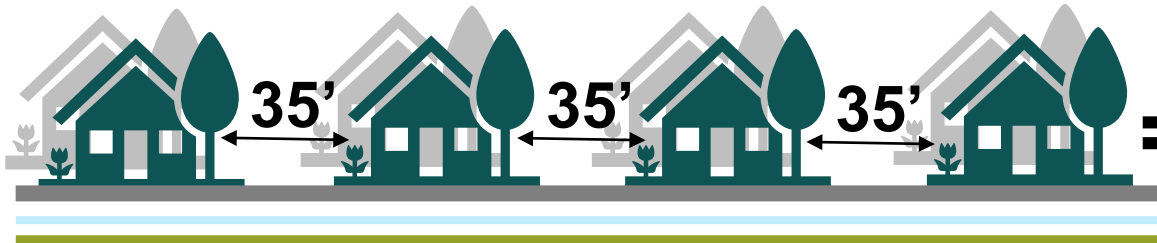
**= 156 Miles
\$1,094,204,300**

**RSF-8
Zoning**



**= 111 Miles
\$781,574,500**

**RMF-24
Zoning**



**= 39 Miles
\$273,551,075**

Recap & Next Steps

- **Our current zoning is similar to what it was in 1970, emphasizing low density development despite more than tripling our population growth since then.**
- **54% of the city is in low density residential zoning. RMF-24 zoning could accommodate 95% of the housing units allowed by the combined R-A and RSF-4 zoning in under a tenth of the land area.**
- **We have options for additional housing density in core areas that are already high intensity and offer close access to services.**
- **Third Presentation (3 of 3) and Report at the October 31 Agenda Session.**

Thank you!

LONG RANGE PLANNING, CITY OF FAYETTEVILLE

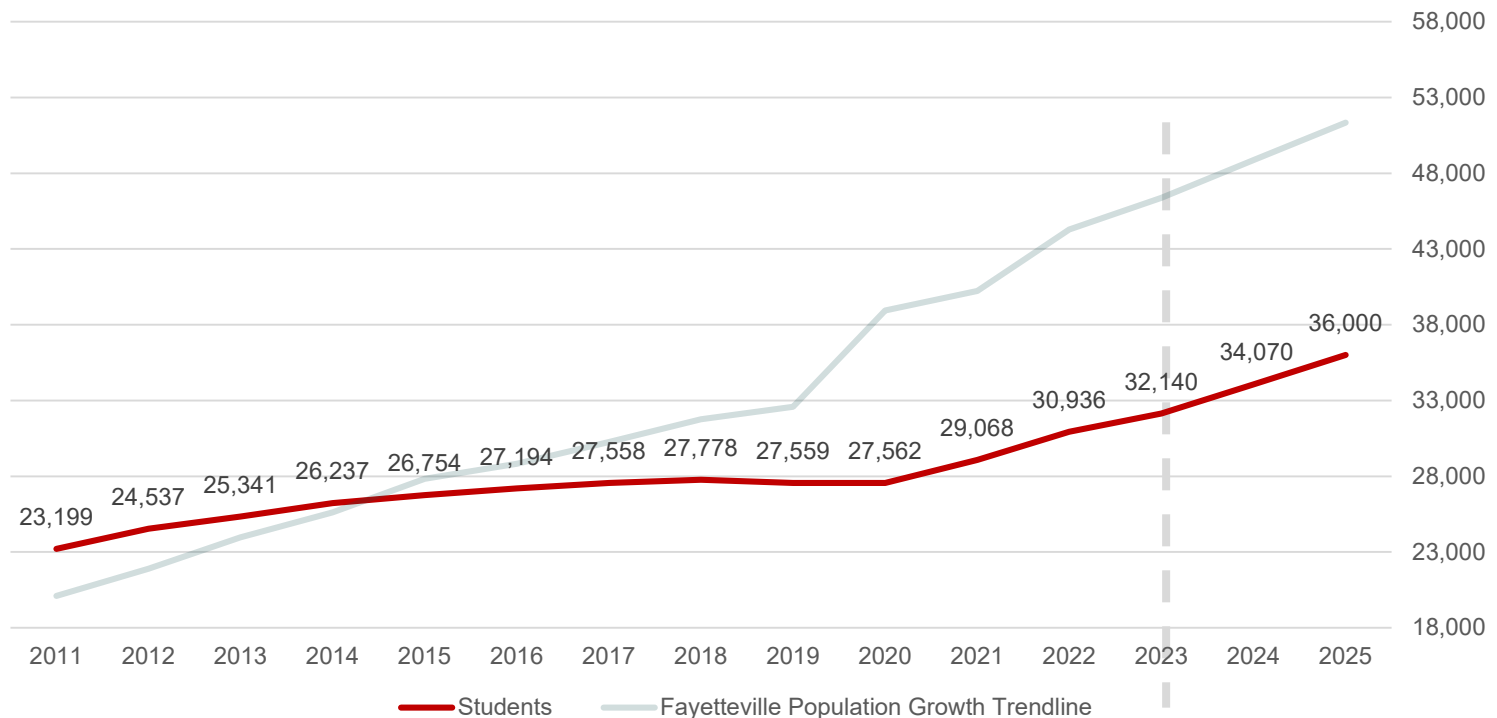


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Presentation 1 Questions

- **Do we have enrollment projections from the University of Arkansas?**

UARK Fall Enrollment 2011-2023 & Projected Enrollment to 2025



Source: University of Arkansas, U.S. Census ACS 1-Year Estimate Tables, Northwest Arkansas Regional Planning Commission Transportation Plans

Presentation 1 Questions

- **What is our population growth compared to regional growth?**
 - **Northwest Arkansas grew by 36 people per day from 2020-2022.**
 - **Fayetteville grew by 11 people per day from 2020-2022 (30.6% of regional growth).**

Source: U.S. Census Quickfacts

Presentation 1 Questions

- How do we compare to fast-growing/peer cities?

	Fayetteville	Springdale	Rogers	Bentonville
2020 Population	93,949	84,161	69,908	54,164
2022 Population	99,285	87,672	72,999	57,868
2020-2022 Population Growth Rate	5.68%	4.17%	4.42%	6.84%

	United States	Arkansas	Fayetteville AR	Lawrence KS	Columbia MO	Madison WI	Fort Collins CO	Lincoln NE	Asheville NC
2020 Population	331,449,281	3,011,524	93,949	94,934	126,254	269,840	169,810	291,082	94,589
2022 Population	333,287,557	3,045,637	99,285	95,794	128,555	272,903	169,249	292,627	93,776
2020-2022 Population Growth Rate	0.55%	1.13%	5.68%	0.91%	1.82%	1.14%	-0.33%	0.53%	-0.86%

Source: U.S. Census Quickfacts

Presentation 1 Questions

- Can we more clearly show students in the population and household estimates?

Householder Income By Age of Householder

Age	Number Estimate	Percent Distribution	Median Income
15 to 24 years	7,473	18.6%	\$31,972
25 to 44 years	16,462	41.0%	\$64,551
45 to 64 years	10,789	26.9%	\$74,800
65 years and over	5,380	13.4%	\$62,804

Source: American Community Survey 2021 ACS 1-Year Estimates Subject Tables S1903