

Planning & Zoning Commission

November 3, 2025 Meeting

6PM

City Hall

Meeting was opened by Chairman Rick Anderson at 6PM. Pledge of Allegiance was recited by all.

Commissioner Attendance: Rick Anderson, Scott Galiart, Scott Scholes, Tim Koenig, Merle Fawcett, Keith Hilburn

Keith made a motion to accept the October minutes into record and was seconded by Merle Fawcett. All approved.

Rick announced that two items were being taken off the agenda. One is the special permit for resorts and the public hearing on the special permit.

Rick brought up Bill 1503 enacted by the State of Arkansas. We need to include it into our codes. We should add it under R1. We also need to make a note under R2. We cannot add it in yet until the City Council discusses these changes. They have chosen to table the discussion until later. Bill 1503 states that anyone who owns property in Bull Shoals can add an accessory building or addition that is equal to 1,000 square feet or 75% of the size of the house that they have, whichever is less. They can rent it to anyone they want and the city will not collect any taxes on it. The building just has to fit our P&Z codes. The city can charge for a permit for the building. We can charge an application fee, but it cannot exceed \$250. A homeowner can also own more than one building. The bill states that a municipality cannot adopt a policy or ordinance that prohibits or restricts at least one accessory building. They have to meet the regulations. We think the State went too far with this, but we have to abide by it. R2 is possible only with a single family dwelling. It cannot be a multiple building. We do allow single family dwellings in R2. If there is a single family dwelling in a commercial district they will not be able to do this. We will add it into R1 when the time comes. Rick mentioned R1, page 14, under permitted

usage. Everyone was ok with the recommendation. Rick asked for a motion to add it. Scott Scholes made the motion to add it under Article 41, Section A and add a number 10. Seconded by Keith Hilburn. All approved.

Rick brought up the notes from the past City Council Meeting. The Council was given an answer that resorts here can rent to whomever they want for however they want and no one can stop them. Merle Fawcett said that is not how he heard it. He explained that a resort acting as a resort can rent long-term. Rick said we have too many people interpreting our codes. He thinks that this Commission is the one to interpret our codes. The city attorney says that resorts need to act as resorts. Meaning collecting the bed tax. If they don't collect the tax then they are more like a hotel. Scott Scholes said that a number of resorts called him after last month's meeting and he asked them if they were paying the state's tourist tax? They assured him that they were. They also told Scott that there was no designated bed tax. They need to pay the 2%. On long-term rentals they do not have to pay that. Keith stated that it sounds like they can do monthly rentals for however long as they want. Scott said that the city attorney can say whatever he wants, but that doesn't mean it is right. Merle said that they cannot do Section 8 vouchers. The question is...are they collecting the vouchers? They should not be operating as a HUD property. Can the resorts turn away a Section 8 voucher? Rick was under the impression that the city needs to approve a Section 8 property. That has not happened. The city attorney is making his opinions known without really knowing the facts. Rick read off a statement from an email he received. "I do not feel the need for a conditional use permit for our resorts to be a resort as long as they keep one unit for daily rental and the rest of the units they can rent out long-term." Resorts, hotels, and motels will not be paid for Section 8 housing as long as they remain this type of business, but if a resort is converted to a single family zoning then they can collect on Section 8 housing. Someone is misinterpreting our codes and they are not asking us for the correct interpretation. Scott said to check what the state is doing. There is a lot of hoops to go through to get a conditional use permit. Merle said that it is not a temporary thing, but a permanent thing. Rick said that someone has

been saying that we are going to rezone the resorts and that is not the case. The Council has lost their way a little bit when it comes to the resorts. We simply wanted to go after the resorts that were blatantly doing long-term rentals. That was always our goal. Now all of these resorts are coming after us. They were not on our radar. Rick added that there is one Council member that believes our codes are all outdated. Merle added that he is also a friend with Mike Salsa which is complicating things.

Rick added that too many people are reading our codes and coming up with their own interpretation. The Council is tying our hands and what we can do. They are holding us back. After the attorney finished the Council just tabled everything. Rick gave the Council all of the changes we made and we have not heard anything back. In our book we have a definition for hotels, motels and resorts. Out of those three if you put two together that are most similar motels and resorts are almost identical. The attorney thinks that resorts are most similar to hotels. We disagree with that. Motels and resorts are temporary housing. Hotels are inclined to longer stays. Keith said that he talked to two Council members and they could not clarify what the attorney was talking about. Scott Scholes asked that we ask the Council that we recommend that they use the Arkansas Municipal League to get their interpretations of the laws? Scott added that we should allow them to use those four months to give them that option to bring in the contractors or out-of-state rentals to nurses. Keith said that that code is C2 and not C4. Linda Masters from the Baxter Bulletin added that she was at the meeting and what spooked the Council was when the attorney said that limiting a length of stay in a C4 area is a lawsuit waiting to happen. That is why the Council backed off. If you mandate a length of stay then you are asking for trouble. Tim asked if Mountain Home has this issue. Rick stated that they do not have any resorts within city limits. We are not sure if there are other towns like us with resorts within the town. Scott brought up Eureka Springs. Rick said that they are very vague. Rick did say that he was using Hot Springs coding language and using some of their language in our codes.

Rick said that if there is a code violation then we go to the building official. He goes to the landowner. If they don't comply with the rules then he brings the police in to issue a citation, then they go to the courts. These threats of lawsuits are ridiculous. Rick was threatened with a lawsuit right away when he joined the Commission. We sent out a letter shortly after that and nothing happened. They are empty threats. The Council is scared of these threats. Rick said that is why we need to hold off until the Council decides what they want us to do. Merle and Keith said that yes, they have the power. We will stop whatever we are doing now.

Rick said he was okay with canceling the December meeting because we do not have anything to discuss. Rick then announced that there will not be a December meeting.

Rick then announced that Tim Koenig will be stepping down as the Secretary of the Commission. Linda Masters asked if his term was up. Yes his five years is up. Rick stated that if no one on the Commission will fill this position then it is possible we can bring in an outside person. Rick's wife may be a possibility. We do not have much money available in the budget. They did give us \$500. Give it some thought. Tim was thanked by everyone for his service. The minutes go right online.

Rick stated that ends New Business. Old Business there is nothing listed. Our building official is not present.

Commissioner's feedback: Keith brought up the paving of all of the parking lots. Council has not voted on that subject yet. That has been tabled. We can not do anything until the Council votes on it and approves it. Rick said that if nothing is done by the January meeting then we will bring it back up. Keith added about small manufacturing firms or properties in town. The city is losing money. We need to discuss this. Rick stated that we have very limited industrial zoned properties in town. Problem with industrial manufacturing is that they can make noise 24/7. We can regulate the noise levels. Scott Scholes stated that it sounded good to him. That we need to look at a new master plan. We can then add that into an overall master plan idea. Rick

stated that the problem is we need to bring in outside people to help us with the master plan. Scott Scholes stated that we can get help from Arkansas Municipal League. They can help us get a grant. Keith added that something like that will take months. Let us add this to the January meeting.

Rick said that if we don't fix the present we cannot move into the future. If we fix the present it will guide us into the future. This is probably something that is more for the future. Keith asked that we can work on both at the same time. Scott Scholes said it would be nice to have an industrial section. Anyone making something even as simple as a trout fly is manufacturing. We keep talking about resorts. We are tired of that subject. We need to move on to other areas of interest.

Merle brought up the difference with retail versus wholesale. Keith said he wants everyone in business to make money.

Rick said that we have two months to bring up things to add to the master plan. But if the Council doesn't address some of these issues then we are out of luck. Some think the resorts are the bread and butter of Bull Shoals, but I disagree with that. Many other businesses are keeping the City afloat.

Rick said that when the city receives a check from the state for that 2% bed tax, there is no breakdown as to where it is coming from. There is no breakdown between air bnb's or bed and breakfast places or resorts. Rick was told to contact Jason Nazarenko, our local congressman. He did give us some information. The city is not receiving what they should be. Scott Scholes said some of these resorts are in rough shape. Other resorts have fixed up their places. Rick said it was up to them. If they don't want to move forward then that will be the death of them. Keith said some resorts just take off during the offseason.

Rick asked for a motion to adjourn. Keith made the motion and was seconded by Scott Scholes. All were in favor. Meeting adjourned at 7:52PM.

Respectfully Submitted,

Timothy Koenig, Secretary

