

June 2011

# METRO TRENDS

Demographic Review and Outlook



## Census 2010

- Regional Growth Outpaces State, Nation
- Census 2010 and Central Arkansas
- Migration Trends Continue to Change
- The State of the City-State 2010
- A Shifting Ethnic Identity
- Housing: What is the New Normal?
- Core Area Comebacks
- Demographic Outlook 2011



METROPLAN

SMART PLANNING MAKES SMART PLACES.

## About Metroplan

Metroplan is a voluntary association of local governments that has operated by interlocal agreement since 1955. Originally formed as the Metropolitan Planning Commission of Pulaski County, Metroplan now has members in the six-county metro area (see below). Metroplan is the designated metropolitan planning organization (MPO) under Title 23 of the United States Code.

Metroplan serves as the regional voice on issues affecting central Arkansas, develops transportation plans required by federal law, convenes stakeholders to deal with common environmental issues, and provides information and staff resources to our member local governments, the business community and the public. As part of that mission Metroplan publishes *Metrotrends* twice yearly. The spring edition is the *Demographic Review and Outlook*; the fall edition is the *Economic Review and Outlook*.

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Metroplan’s *Demographic Review and Outlook* is an annual chronicle providing demographic and housing data and insight for the Little Rock-North Little Rock-Conway MSA.

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# Regional Growth Outpaces State, Nation

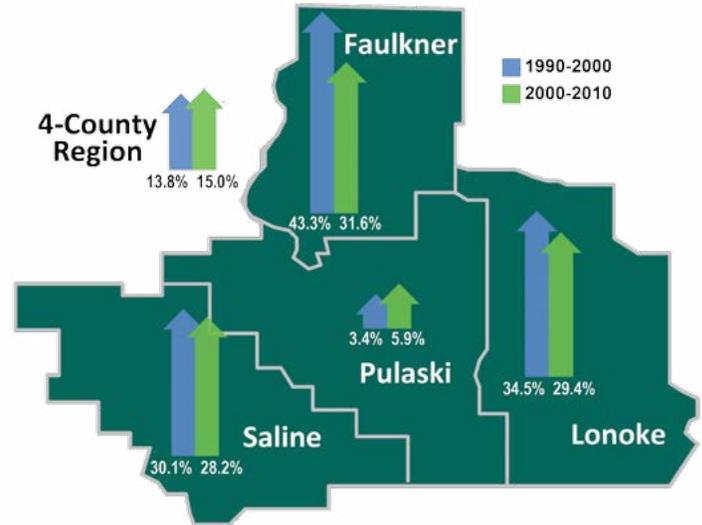
United States  
**Census  
2010**

Census 2010 results confirmed Metroplan's past estimates and projections, written in previous editions of this newsletter, about local growth patterns.

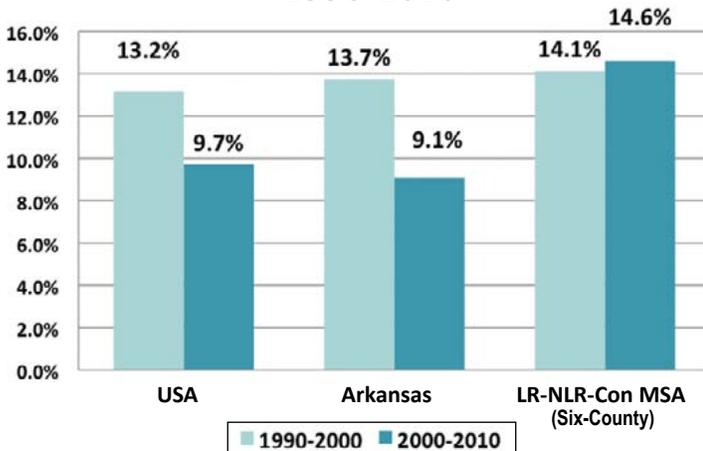
Population in central Arkansas continues to grow at a faster pace than state and national averages. The chart below shows that, while U.S. and state growth from 2000 to 2010 was slower than in the previous decade, the Little Rock-North Little Rock-Conway MSA grew at a faster rate.<sup>1</sup> The region's ten-year growth rate outpaced the U.S. average by nearly five percentage points.

The map at right shows central Arkansas population trends by county in the past two decades. Growth in the region's center – Pulaski County – sped up, while growth in outlying counties slowed, compared with the previous decade. That said, outlying areas continued growing at a faster pace than the central area. Metroplan's 2010 estimate for Saline County proved pretty accurate, in contrast with Census Bureau estimates, which undercounted the county by over 6,000 persons.<sup>2</sup> **M**

## Population Growth Rates Four-County Region 1990-2000 and 2000-2010



## Population Growth Rate by Decade 1990-2010



<sup>1</sup> In these figures, LR-NLR-Con MSA data refer to the six-county region, as defined by OMB in 2003.

<sup>2</sup> Based on the trend implied by the Bureau's July 1, 2009 estimates. By comparison, Metroplan's Saline County estimate was off by just 1,000, or nine-tenths of one percent.

## Adjusting to the American Community Survey

If you answered your census form back in the spring of 2010, you only answered ten questions in total. Nobody received the old "long form," which used to arrive at about 1 in 6 households. In past censuses, long form data provided detailed information on travel trends, employment, income, poverty, disability status, units in housing structures, and other factors.

Instead, the Census Bureau now relies on the American Community Survey (ACS), which sends forms to a small sample of U.S. households every month. From now on, detailed data will come from the ACS, not the decennial census. The ACS provides more up-to-date figures, compared with the once-a-decade census. But its accuracy is controversial. Only 1 in 9 households is surveyed over a ten-year period, and some evidence suggests coverage is even less. The sampling accuracy is based on a 90 percent confidence interval, compared with the 95 percent considered more standard in other sampling products. So use ACS data with care, especially with small geographies like census tracts and cities and counties under about 65,000 population. Of course, there is one consolation to questions about ACS accuracy: there's usually nothing better.

# Census 2010 and Central Arkansas

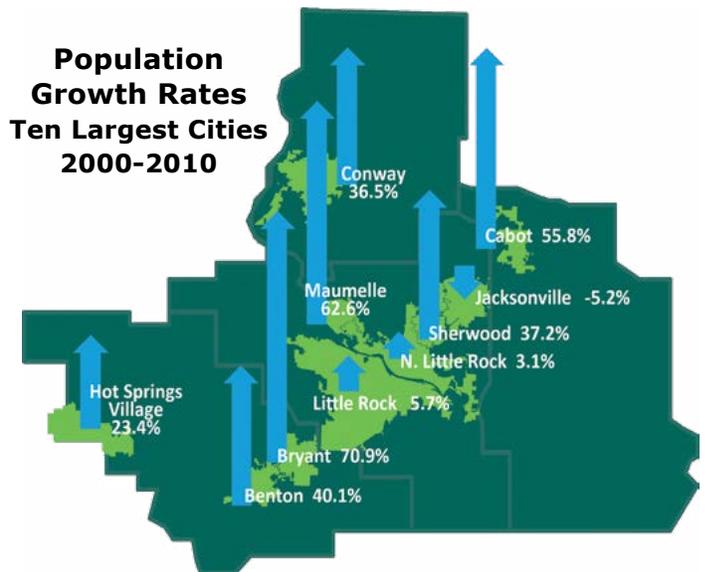
At the city level, growth trends fit with past Metroplan estimates. Little Rock exceeded its growth rate in the previous decade, growing 5.7 percent. It also did well compared with the largest cities in other South Central Metros. Little Rock outgrew Springfield, Missouri (+5.2 percent), Knoxville and Memphis, Tennessee (+2.9 percent and -0.5 percent, respectively), Baton Rouge, Louisiana (+0.7 percent), and Jackson, Mississippi (-5.8 percent).

North Little Rock grew 3.1 percent, bolstered by growth in single-family homes in the Baucum/Scott area to the east, and several large new apartment complexes near Maumelle Blvd. in the west. Conway was, as usual, one of the fastest-growing cities in Arkansas, with 36.5 percent growth. This exceeded Fayetteville (26.8 percent), Jonesboro (21.2 percent), and Russellville (17.9 percent). Conway ranked third in the state for absolute population growth 2000-2010, after Springdale and Rogers

Every census also brings a few surprises. One was Wrightsville, which grew faster than expected. Wrightsville's population grew 54 percent from 2000 to 2010. Much of this growth was group quarters population, but occupied housing units also grew by about 20 percent.<sup>1</sup> Even the housing unit growth somewhat exceeded Metroplan estimates.

<sup>1</sup>For Wrightsville, group quarters population represents inmates of the Arkansas Department of Correction's Wrightsville Unit, located within the city limits.

Two communities, Austin and Alexander, grew at very high rates. Austin's population more than tripled from 2000 to 2010. It has grown by nearly a factor of ten since 1990. Alexander grew mainly due to a large annexation in 2006. With just 201 people in 1990, Alexander grew by a factor of fourteen in the twenty years leading up to 2010. **M**



This map shows population for the ten largest central Arkansas cities by population growth rate 2000-2010. As you can see, Bryant and Maumelle grew most rapidly. All but three cities grew by over 20 percent, and only one lost population. With nearly 17,000 people in 2010, Bryant has more than tripled from its 1990 population of 5,269.

## Median Age Keeps Rising

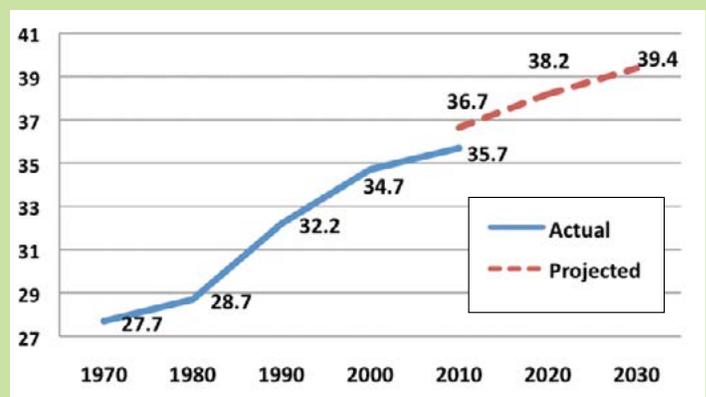
The chart below right shows median age in central Arkansas 1970-2010, with Metroplan projections to 2030.<sup>1</sup> The median is the point at which half of the population is older, and half younger. As you can see, our society has aged, with more change expected. In 1970, median age was a youthful 27.7. By 2010, it was 35.7 locally, and 37.2 nationally.

Metroplan predicted (in 2004) that regional median age would reach 36.7 in 2010, a year older than it turned out to be. The difference could owe to more births than expected, faster-than-expected in-migration of young people, or both. As always, Metroplan will go back to the drawing board, and tweak the assumptions when we make our next stab at divining the future.

<sup>1</sup> The figures in this box refer to the four-county metropolitan area, Faulkner, Lonoke, Pulaski and Saline Counties, for which Metroplan made projections under its Metro 2030 Plan.

While we missed median age by a year, we came pretty close with total population. The Metro 2030 projections predicted a 2010 four-county total population of 667,509. In reality, the total was 671,459, a difference of six-tenths of one percent.

### LR-NLR-Conway MSA Median Age 1970-2010 with Projections to 2030



## Little Rock-North Little Rock MSA Population Change 2000-2010

Faulkner County	2000	2010	Change
Conway	43,167	58,908	36.5%
Greenbrier	3,042	4,706	54.7%
Mayflower	1,631	2,234	37.0%
Vilonia	2,106	3,815	81.1%
Wooster	516	860	66.7%
Small comm	1,535	2,245	46.3%
Unincorporated	34,017	40,469	19.0%
<b>County Total</b>	<b>86,014</b>	<b>113,237</b>	<b>31.6%</b>

Grant County	2000	2010	Change
Sheridan	3,872	4,603	18.9%
<b>County Total</b>	<b>16,464</b>	<b>17,853</b>	<b>8.4%</b>

Lonoke County	2000	2010	Change
Cabot	15,261	23,776	55.8%
Austin	605	2,038	236.9%
Ward	2,580	4,067	57.6%
Lonoke	4,287	4,245	-1.0%
England	2,972	2,825	-4.9%
Carlisle	2,304	2,214	-3.9%
Small comm	758	751	-0.9%
Unincorporated	24,061	28,440	18.2%
<b>County Total</b>	<b>52,828</b>	<b>68,356</b>	<b>29.4%</b>

Perry County	2000	2010	Change
Perryville	1,458	1,460	0.1%
<b>County Total</b>	<b>10,209</b>	<b>10,445</b>	<b>2.3%</b>

Pulaski County	2000	2010	Change
Little Rock	183,133	193,524	5.7%
North Little Rock	60,433	62,304	3.1%
Jacksonville	29,916	28,364	-5.2%
Sherwood	21,511	29,523	37.2%
Maumelle	10,557	17,163	62.6%
Wrightsville	1,368	2,114	54.5%
Cammack Village	831	768	-7.6%
Alexander*	174	236	35.6%
Total North of River	152,123	162,764	7.0%
Unincorporated (N)	29,706	25,410	-14.5%
Total South of River	209,351	219,984	5.1%
Unincorporated (S)	23,845	23,342	-2.1%
Total Unincorporated	53,551	48,752	-9.0%
<b>County Total</b>	<b>361,474</b>	<b>382,748</b>	<b>5.9%</b>

Saline County	2000	2010	Change
Benton	21,906	30,681	40.1%
Bryant	9,764	16,688	70.9%
Shannon Hills	2,005	3,143	56.8%
Haskell	2,645	3,990	50.9%
Alexander*	440	2,665	505.7%
Traskwood	548	518	-5.5%
Bauxite	432	487	12.7%
Unincorporated	45,789	48,946	6.9%
<b>County Total</b>	<b>83,529</b>	<b>107,118</b>	<b>28.2%</b>

Hot Springs Village CDP (Unincorporated area)	2000	2010	Change
In Saline County	3,719	6,046	62.6%
In Garland County	6,656	6,761	1.6%
<b>County Total</b>	<b>10,375</b>	<b>12,807</b>	<b>23.4%</b>

City of Alexander Total (County splits shown above)	2000	2010	Change
Alexander	614	2,901	372.5%

4-County MSA	583,845	671,459	15.0%
6-County MSA**	610,518	699,757	14.6%

\*Represents portion of Alexander by county

\*\* Official MSA since May, 2003



A tiny sample of 309 million people counted by Census 2010

# Migration Trends Continue to Change

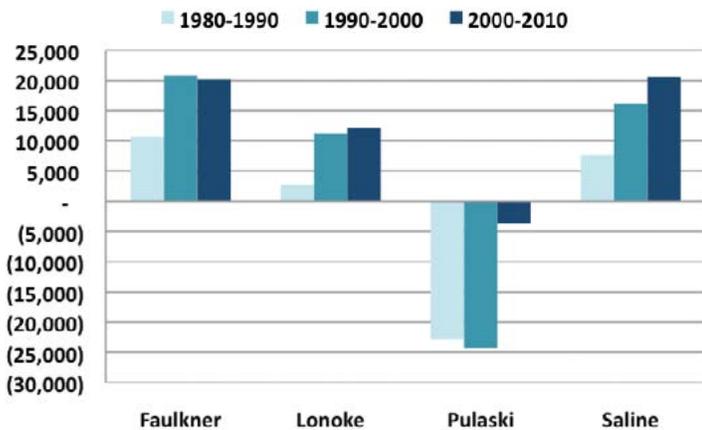
Since births and deaths change population at a steady, and reasonably predictable pace, migration determines where population grows or declines. During the years 1980-2000, migration of residents from Pulaski County to outlying suburban counties was a recurrent theme. Census 2010 results show that, in the churn of relocations, Pulaski County still lost residents overall, but there were enough move-ins to keep the loss much smaller. This helps explain why Pulaski County growth accelerated, from 3.4 percent 1990-2000, to 5.9 percent 2000-2010.

The region's outlying counties continued growing. The biggest shift was an acceleration of growth in Saline County, when in-migration ran 28 percent faster from 2000 to 2010 than from 1990 to 2000. By comparison, in-migration to Faulkner and Lonoke Counties changed little.

The components of change table, below, gives a detailed picture of population change by county 2000-2010. As you can see, migration contributed more to population change in the outlying counties, especially Saline, than natural increase. Pulaski County's natural increase of nearly 25,000 was more than six times greater than a modest net out-migration of about 3,700. Thus, Pulaski County was able to grow more quickly than it did 1990-2000, despite out-migration.

The table also shows that the greatest numeric population change was Faulkner County, which grew by over 27,000 during the decade. The greatest net migration, however, was in Saline County, which gained nearly 21,000 people simply from the excess of people moving in over those moving out. **M**

**Migration Trends 1990-2010**



**Components of Population Change  
Little Rock-North Little Rock-Conway MSA 2000-2010**

County	April 1 2010	April 1 2000	Change	Births	Deaths	Natural Increase	Net Migration
Faulkner	113,237	86,014	27,223	14,004	6,944	7,060	20,163
Grant	17,853	16,464	1,389	1,955	1,635	320	1,069
Lonoke	68,356	52,828	15,528	8,377	4,993	3,384	12,144
Perry	10,445	10,209	236	1,229	1,171	58	178
Pulaski	382,748	361,474	21,274	58,154	33,165	24,989	(3,715)
Saline	107,118	83,529	23,589	10,785	7,869	2,916	20,673
<b>MSA</b>	<b>699,757</b>	<b>610,518</b>	<b>89,239</b>	<b>94,504</b>	<b>55,777</b>	<b>38,727</b>	<b>50,512</b>

Birth and death data from Arkansas Department of Health, representing births and deaths by place of residence. Birth data for 2007-2009 and death data for 2008-2009 are provisional. First quarter 2010 births and deaths imputed based on 25 percent of year 2009.



# The State of the City-State 2010

Census 2010 shows that roughly 84 percent of Americans now live within metropolitan areas, sometimes referred to as “city-states.” Although they have little political standing, metropolitan areas are the U.S. economy’s building blocks. In the reality of global and national economies, metros matter more than political entities like states, counties and cities. In perception, too, people today often identify more with their metro area than their state of residence.

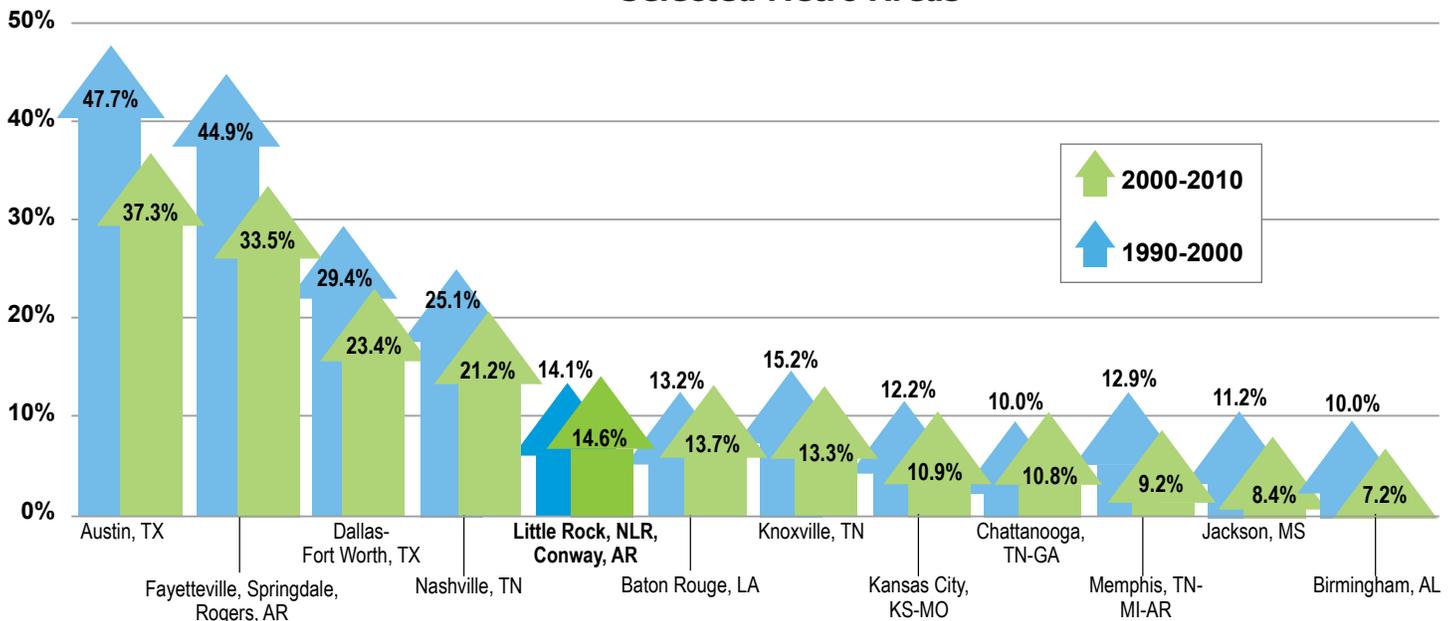
Census 2010 showed the local city-state, known officially by the lengthy label “Little Rock-North Little Rock-Conway MSA,” ranked 74th in population size among U.S. metro areas, a bump in standing from 78th place based on Census 2000. The region’s 14.6 percent growth rate 2000-2010 ran above the 11.1 average for total U.S. metropolitan population, and well ahead of 9.7 percent overall U.S. population growth. The central Arkansas region ranked in the top third (110th overall), out of 361 U.S. metro areas, for its rate of growth 2000-2010.

The table below compares the central Arkansas region’s growth rate with other metros in the south-central U.S. It ranks fifth out of twelve metro areas compared. While most of the metros shown saw slower growth 2000-2010 than the previous decade, the LR-NLR-Conway MSA accelerated a bit, from 14.1 to 14.6 percent. Among the metros shown here, the Baton Rouge and Chattanooga regions were the only others that saw faster growth in the more recent interval.

<sup>1</sup>All metro area populations, rankings, and growth rates in this article represent the metro area definitions by the U.S. OMB in 2003. Thus, the LR-NLR-Conway MSA consists of six counties: Faulkner, Grant, Lonoke, Perry, Pulaski, and Saline.

Census 2010 showed the local city-state ranked 74th in population size among U.S. metro areas, a bump in standing from 78th place based on Census 2000.

## Growth Rate Comparisons Selected Metro Areas



Note: All metro areas based on 2003 OMB metro area county designations for all years.

# A Shifting Ethnic Identity

In 1990, demographer Peter A. Morrison wrote that U.S. inland regions, long bastions with large native-born white majorities, would soon be impacted by trends that were then reshaping coastal cities in places like California and New York. Twenty years later, local trends are bearing out this prediction.

Census 2010 marks the point where Little Rock became a city without majorities. Whites now constitute 49 percent of the city's population, or 47 percent if the classification is narrowed to "non-Hispanic whites," as shown in the chart below right. The next-largest group, African Americans, make up 42 percent, Asians about 3 percent, and other races 6 percent. When measured as an overall category, Hispanics make up 7 percent, and this figure could easily be underrepresented.

As the chart below left shows, the region as a whole remains predominantly white (70 percent), with a sizable black/African-American minority (22 percent). Even at the regional scale, the growing presence of Hispanic, Asian, and other minorities is becoming discernible. The charts

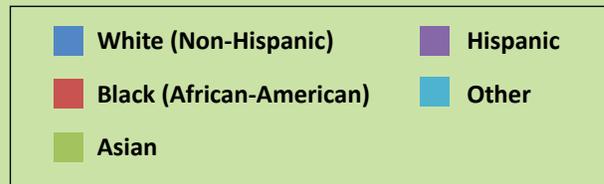
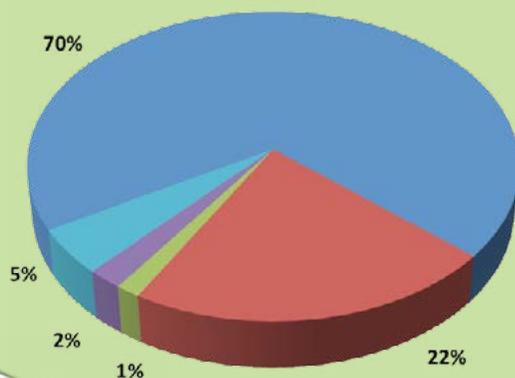
at right show changing ethnicities over the past three decades, from a Hispanic/Latino population of about 4,000 in 1980, to today's total of nearly 34,000. The Asian population has also grown, from less than 2,000 in 1980 to over 10,000 in 2010. **M**



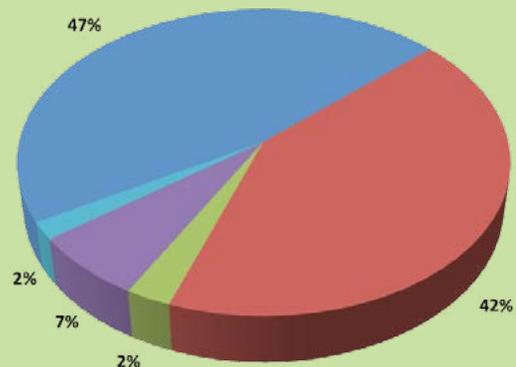
Jigan Majmudar opened his store, Asian Groceries, after researching the growing Asian population in Arkansas. He finds Little Rock a comfortable size, similar to his hometown of Ahmedabad, India.

Even at the regional scale, the growing presence of Hispanic, Asian, and other minorities is becoming discernible.

**LR-NLR-Conway Region  
Population by Race/Ethnicity 2010**



**City of Little Rock  
Population by Race/Ethnicity 2010**

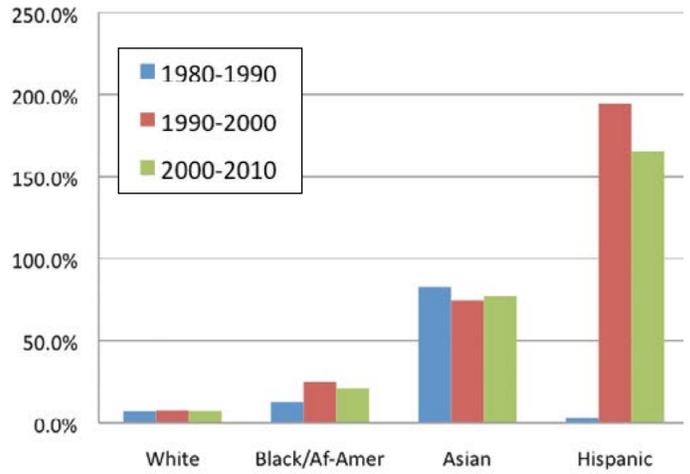


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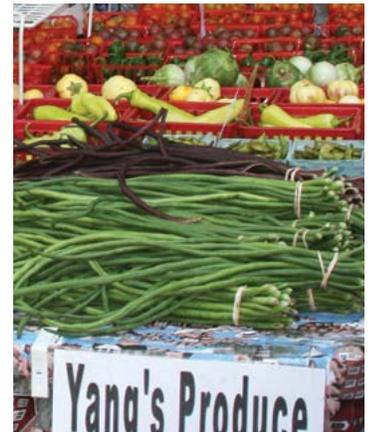
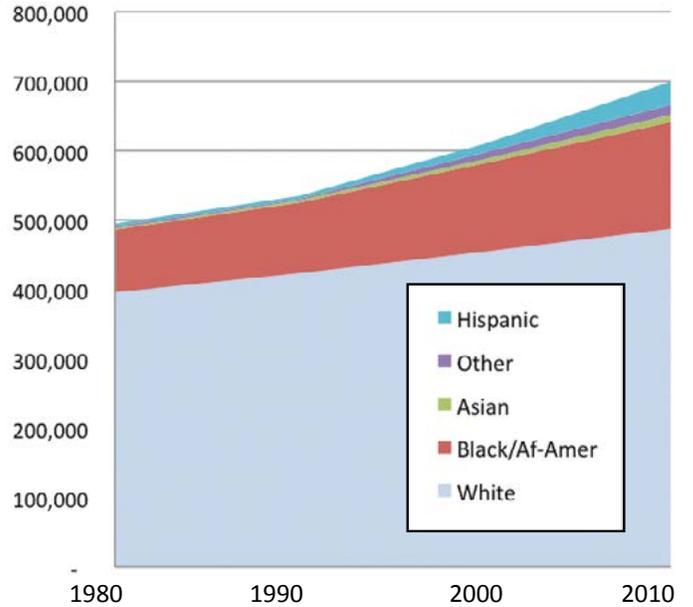


### LR-NLR-Conway Percent Population Growth By Race/Ethnicity 1980-2010



Growing ethnic diversity has been accompanied by greater culinary diversity in central Arkansas restaurants, grocery stores, and markets.

### LR-NLR-Conway MSA Population by Race 1980-2010



# Housing: What Is the New Normal?

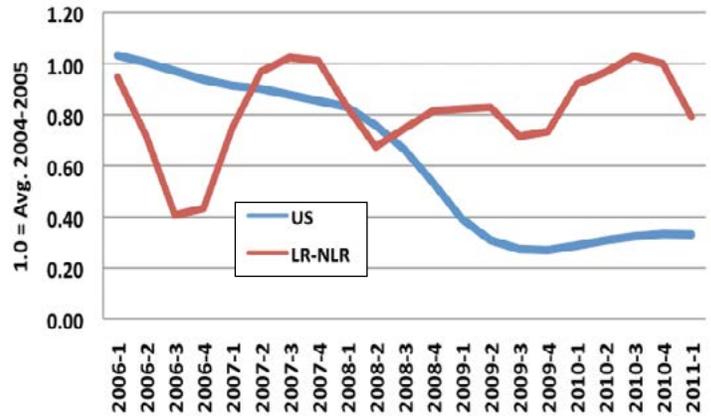
Housing construction remains slow in central Arkansas. While 2010 saw a continuing slow rebound in overall housing units built, early evidence in 2011 indicates a mild slump on the horizon.

Metroplan's single-family construction index (at right) showed a seasonally-adjusted drop to 0.37, slightly lower than the previous 0.38 bottom-out during the first quarter of 2009. The national index value was even lower, down to 0.23 (versus 0.26 at the previous cycle's bottom-out in early 2009). The figures confirm that U.S. housing markets are fundamentally changing.

During 2010, most of the region's cities saw a slight increase in single-family units over 2009 levels. The two exceptions were Conway, which had been abnormally strong the year before, and Cabot, which has slacked off in recent years.

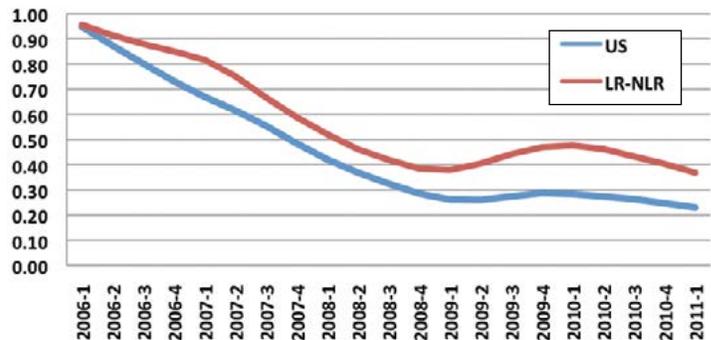
The bright spot in the local picture is multi-family housing. For the second straight year, multi-family construction outpaced single-family in the region, and first-quarter 2011 building permit data show this trend continuing. Even overall U.S. figures demonstrate a small multi-family rebound, reaching an index value of 0.33 from an 0.27 bottom-out in late 2009. For central Arkansas, multi-family construction remains strong in comparison. While the first quarter 2011 index fell to 0.79, the region's multi-family housing construction has increased overall since 2006, and the annual number of units remains only slightly below levels during the boom years 2004-2006.

**Multi-Family Construction Index 2006-2011 (Seasonally Adjusted)**

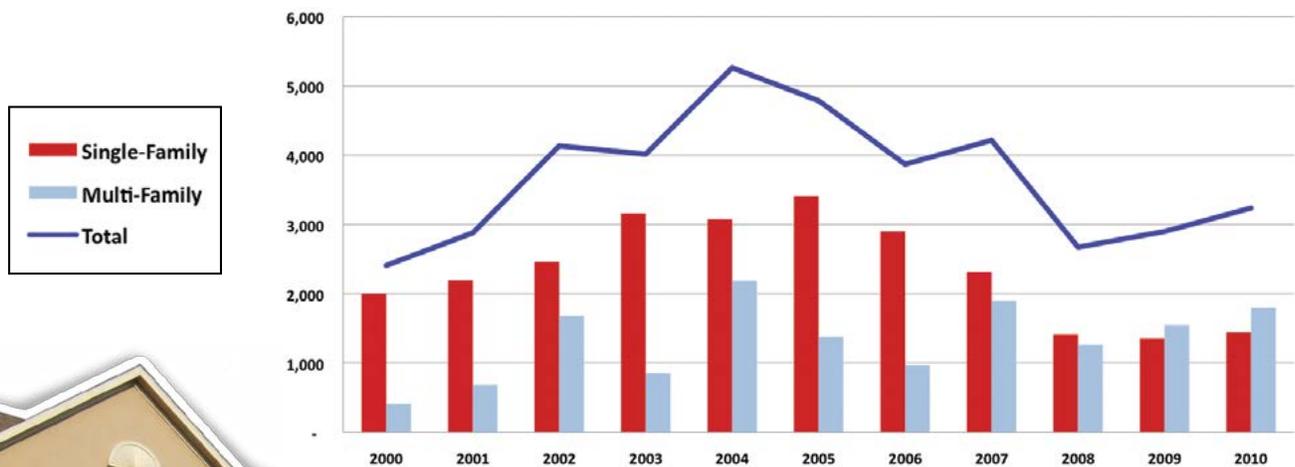


\*Figures refer to six-county region designated by OMB in 2003: Faulkner, Grant, Lonoke, Perry, Pulaski and Saline Counties.

**Single-Family Construction Index 2006-2011 (Seasonally Adjusted)**



**Regional Housing Unit Permit Totals 2000-2010**



## Homeownership And a New Housing Market

Beginning in the early 1990s, U.S. homeownership began rising from a multi-decade plateau of around 64 percent. By 2004, 69 percent of U.S. homes were owner-occupied. Since then, the decline in homeownership has run nearly as fast as the earlier rise. By early 2011, just 66.4 percent of American homes were owner-occupied. For the moment, the decline shows no sign of slowing.

Local homeownership has historically run just a bit below the national average. Local homeownership climbed from 61 percent in 1960 to the 65-66 percent level in the years 1970-2000. By 2009, American Community Survey results showed it was down to 63.9 percent.

It is difficult to know what the “new normal” level of homeownership will be. The downturn in recent years is probably more than a recession-related blip. High ownership levels in the late 1990s and 2000s were financed with an excess of debt. In many regions, construction became an economic engine driving other economic growth. In reality, housing is more a by-product of economic growth than an engine by itself. With U.S. households gradually unloading debt, and a renewed emphasis on export industries that actually build regional wealth, housing’s economic role will not return to the inflated (and unsustainable) levels of the recent past. The underlying demographics of housing are also changing. Rentals will become more commonplace, with less of a stigma attached. The future’s most successful communities will

accommodate a greater share of rental and multi-family housing, while maintaining a quality of life that attracts residents and businesses alike.



<sup>1</sup>For more background, see Bruce Katz, “Beyond the Recession: the Great Housing Rebalance,” by the Brookings Metropolitan Policy Program. Available online at <http://www.brookings.edu/metro.aspx>.

Bryant and Conway had the greatest amount of multi-family construction in 2010, while Little Rock and North Little Rock continued building their stock as well. Industry sources tell us that 2011 could see a slowdown in local multi-family construction, but a sharp upturn may follow in 2012.

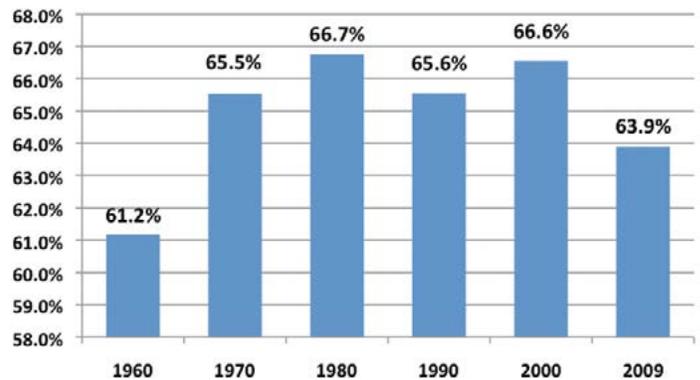
What is happening? Our economy has fundamentally changed, and multi-family housing has more appeal than in the past. Some of the shift toward multi-family reflects foreclosures, credit problems, and financial hardship.

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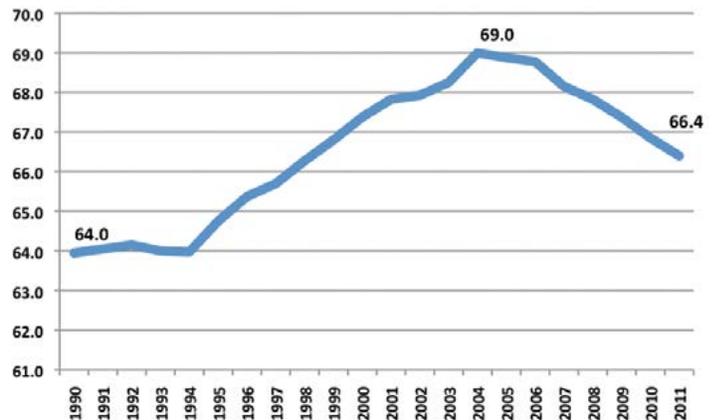


The number of multi-family units under construction has exceeded single-family units since 2009.

### LR-NLR-Conway Owner-Occupied Housing as Share of Total 1960-2009



### U.S. Homeownership Rate 1990-2011



## City Housing Unit Permits 2007-2010 LR-NLR-Conway MSA

### Single-family

	2007	2008	2009	2010
Benton	372	260	198	223
Bryant	158	115	138	157
Cabot	183	113	111	95
Conway	303	192	259	223
Hot Springs Vill.	213	80	62	68
Jacksonville	125	54	51	55
Little Rock	707	360	317	337
Maumelle	144	108	85	85
N. Little Rock	104	84	96	162
Sherwood	219	123	97	104
<b>Total SF</b>	<b>2,315</b>	<b>1,409</b>	<b>1,352</b>	<b>1,441</b>

### Multi-family

	2007	2008	2009	2010
Benton	10	0	0	6
Bryant	412	8	8	568
Cabot	0	0	72	55
Conway	152	741	874	736
Hot Springs Vill.	0	0	0	0
Jacksonville	22	25	12	6
Little Rock	564	280	330	214
Maumelle	0	72	22	0
N. Little Rock	740	136	226	210
Sherwood	0	0	2	0
<b>Total MF</b>	<b>1,900</b>	<b>1,262</b>	<b>1,546</b>	<b>1,795</b>

<b>Total Units</b>	<b>4,215</b>	<b>2,671</b>	<b>2,898</b>	<b>3,236</b>
<b>Percent SF</b>	<b>54.9%</b>	<b>52.8%</b>	<b>46.7%</b>	<b>44.5%</b>
<b>Percent MF</b>	<b>45.1%</b>	<b>47.2%</b>	<b>53.3%</b>	<b>55.5%</b>

The data above covers only cities with over 5,000 population.

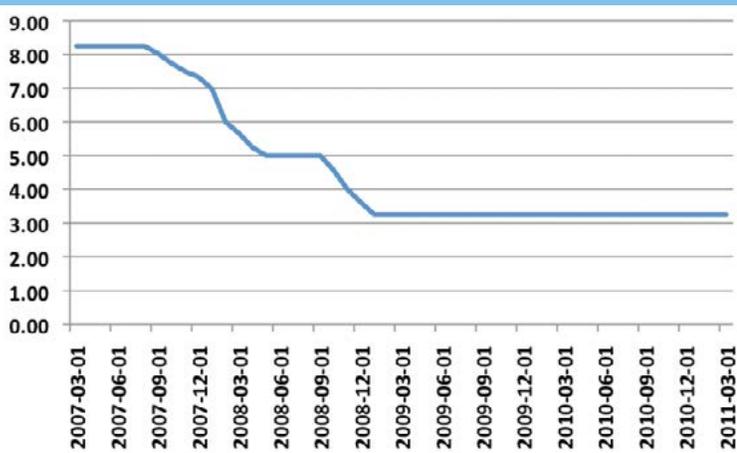
Note: Totals exclude Hot Springs Village, part of which lies outside the LR-NLR-Conway MSA.

Cultural changes may also be at work. Apartments and, to a lesser extent condominiums, offer more flexibility and adaptability to changing family situations. Since the Baby Boom had unprecedented divorce rates, a larger-than-average share of this generation will live alone in their elder years. For many elders, multi-family housing offers greater flexibility, freedom from yard and home maintenance responsibilities, and sometimes greater convenience to shopping and recreation. The same advantages apply to busy, time-conscious younger and middle-aged professionals. In addition, multi-family housing frees careerists from the mobility impairment imposed by mortgages and home sales. **M**



Betsy and Howard Woodyard may typify today's downtown pioneers. With children grown, they recently moved from a 4-bedroom house in Hot Springs to a condo in downtown Little Rock. They feel part of a neighborly, close-knit community, and frequently walk to events, parks, restaurants and shopping. Betsy says, "Living here, you redefine what you consider your back yard."

## U.S. Bank Prime Loan Rate 2007-2011



While interest rates remain low at present, many economists believe inflationary pressures are building. High energy prices and rising food costs may eventually compel the Federal Reserve to raise interest rates. This, plus a broad-based shift toward multi-family, may keep the prospect for single-family construction tepid.

Source: Federal Reserve Bank of St. Louis.

# Core Area Comebacks

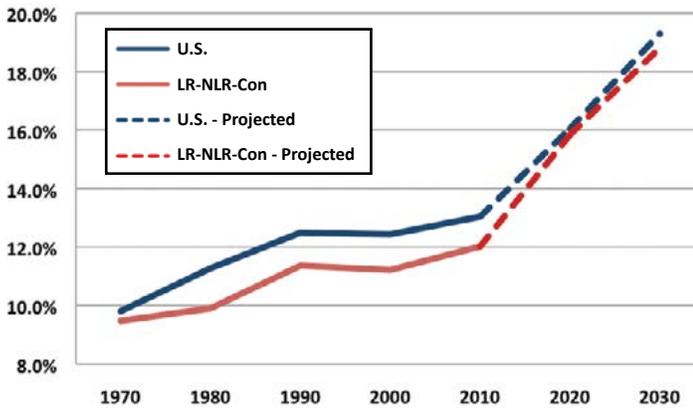
## Why Central Arkansas' Urban Form Is Changing

Two decades ago, the suburbs and exurbs were growing rapidly around central Arkansas. By comparison, centrally-located neighborhoods were losing population or barely holding steady. Since then, several downtown, inner-city and mid-town areas once considered “gone” have made comebacks. Not all of the region’s devalued neighborhoods have revived, but a new trend is undeniable.

At the same time, several (not all) outlying communities that were growing fast in the 1990s have seen a sharp slowdown in housing and population growth, especially after the housing crisis hit around 2007-2008. The outward movement of population toward suburbs, once inevitable and unquestioned, may no longer be the dominant regional trend. What is going on?

Some of the answer lies in changing population age structure. If so, the recent land development shift may be just beginning. The chart below compares U.S. and central Arkansas elderly populations from 1970 to 2010, with projections to 2030. As you can see, while the region has a slightly smaller share of elders than the national average, its elderly population is rising in tandem, and growth will steepen over the next two decades as the large Baby Boom generation crosses age 65.

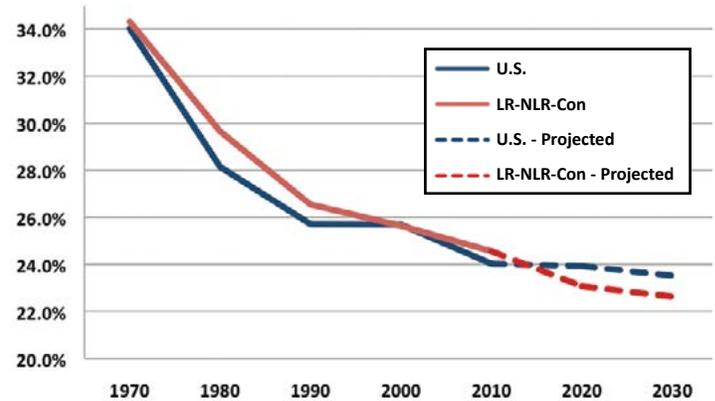
**Share of Population Age 65+ 1970-2030**



<sup>1</sup>For further insight, see “Where We Want to Be: Home Location Preferences and their Implications for Smart Growth,” Todd Litman, Victoria Transport Policy Institute, available online at [www.vtpi.org](http://www.vtpi.org).

At the same time, the region’s youth population has declined steadily since 1970, again in tandem with the U.S. average. The slow decline will probably continue. In fact, based on local birth rates and migration data, Metroplan’s projections suggest that local youth population could drop below the U.S. average over the next two decades.

**Share of Population Under Age 18 1970-2030**



These factors feed housing and neighborhood choices. Studies show that, given the option, elders often prefer to live in denser, more walkable neighborhoods with transit access. For disabled elders, the preference is even greater. At the same time, U.S. households are changing. Since there will be little growth in “parents with kids” households, many experts believe the market demand for detached, single-family homes has been saturated. The current over-supply of such homes may continue through at least 2025.<sup>1</sup>



The New Urban entrepreneurship: storefront spaces, like these in downtown Little Rock, are intended as incubators for innovative new retail businesses.

Other factors include energy prices and a changing cultural outlook. For many decades, the detached single-family suburban home represented the fabled American Dream. Indeed, as many Americans moved beyond rural poverty, or crowded working-class urban neighborhoods, a home in the suburbs was alluring. For many, it still is.

But consumers had few alternatives. Traffic congestion and a chopped-up, inaccessible pedestrian landscape became the price of suburban living. For some, the suburbs have come to feel like a forced choice. This may be especially true for the smaller, more varied households that increasingly typify America – young single professionals, childless married couples, retirees, and others.

The region’s first pedestrian-friendly, mixed-use neighborhoods provided an option not available before. Today, walkable environments are defying the economic slump.<sup>2</sup> Nationally and locally, the demand for housing units in mixed-use neighborhoods remains strong, despite the unprecedented loss of demand in housing markets overall.



This parking lot will soon host yet another mixed-use development in Little Rock’s River Market District



The Village at Hendrix may be a template for Conway’s future.

Local statistics bear this out. Census 2010 revealed that the number of occupied housing units increased 62 percent from 2000 to 2010 in Little Rock’s Central Business District (CBD), which includes the River Market area.<sup>3</sup> Tract 25 in North Little Rock, including the Argenta neighborhood, saw 42 percent growth in occupied housing units. Hendrix Village, northeast of Hendrix College in Conway, is too new to evaluate with Census 2010, but the new figures verify continuing population and housing growth in the comparatively dense and walkable neighborhoods in and near downtown Conway.

The bulk of central Arkansas housing stock remains in low-density suburbs, and this legacy of past development patterns will remain the dominant form for a long time to come. Some of the region’s fastest-growing neighborhoods are, however, signaling a paradigm shift, and reminding us the past does not determine the future. **M**

<sup>2</sup>According to Rett Tucker of Moses-Tucker Realty, the housing slump barely dented demand in River Market. Today, absorption is accelerating, and new construction will begin soon. Conversation May 25, 2011.

<sup>3</sup>The CBD refers here to pre-2010 Census Tract 1, now part of consolidated Tract 44.

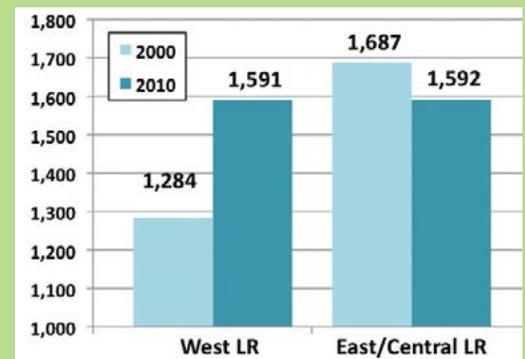
## The Westward Rush Slows

Growth trends in downtown Little Rock, North Little Rock and Conway remain small in the overall regional scale. But density is rising elsewhere in the region as well.

From 2000 to 2010, Little Rock’s population growth west of I-430 slowed to 33 percent, compared with 50 percent 1990-2000. Population density is now roughly equal on either side of the freeway, as the chart at right shows. Two factors help explain rising density in western Little Rock: accelerated multi-family construction, and a slowdown in westward annexation. Anyone who once moved west to get away from city crowding now knows that the city has caught up.

<sup>3</sup>West Little Rock is here defined as bounded on the north by the Arkansas River, on the east by I-430, and on the south by the segment of I-30 between I-430 and the Saline County line.

## City of Little Rock Population Per Square Mile 2000-2010



# Demographic Outlook 2011

While all housing markets have slowed, the region's more synergistic, mixed environments have shown less of a drop than one-dimensional bedroom communities. New Urbanist or 'downtown revival' districts will hold a distinct advantage for residential and business development in coming years. Elsewhere, the region's denser suburban and mid-town nodes may see mixed-use redevelopments built around transportation accessibility, walkability, and retail innovations.

Little Rock's westward growth will continue slowing, due to infrastructure saturation.<sup>1</sup> The area of western North Little Rock and Maumelle near the intersection of I-430 and I-40 has already seen substantial growth in recent years but is primed for more, possibly of a higher-density mixed-use format that maximizes regional centrality, strong transportation connections, and proximity of world-class pedestrian/bike trails. Conway will continue to be the region's fastest-growing large (over 50,000) city, boosted by its proven ability to bring government, private business, and public interests together at the planning table.<sup>2</sup>

Census 2010 results may signify the beginnings of an important shift in U.S. and local urban form. Across the country, urban centers showed renewed population growth, while the rate of growth at the edges slowed. This was true in central Arkansas as well, where centrally-located Pulaski County, as well as its two largest cities, saw an uptick in population growth, while growth in the regional periphery slowed somewhat. Does this portend a paradigm shift in development trends?

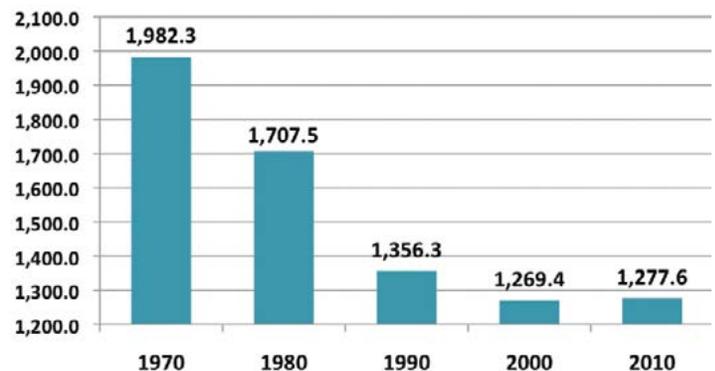
<sup>1</sup> Total travel time improvements from the I-430/I-630 interchange reconstruction will be modest.

<sup>2</sup> If Conway continues growing by the same average increment in the coming decade as it did each decade from 1990 to 2010, population will be in the vicinity of 75,000, by 2020.

<sup>3</sup> The CARTS area, or Central Arkansas Regional Transportation Study. CARTS was established in 1992, but the data sets used are consistent 1970-2010.

The chart below shows population per square mile 1970-2010 for incorporated communities within Metroplan's planning jurisdiction.<sup>3</sup> Density declined 14 percent from 1970 to 1980, then accelerated to 21 percent 1980-1990, as out-migration sped up, and low-density suburban living became the norm. From 1990 to 2000, the decline slowed to about 6.4 percent. From 2000 to 2010, overall density reversed trend, climbing slightly (0.6 percent). The rise in density from 2000 to 2010 is minor – just six-tenths of one percent – but it could signify a tipping point.

**Central Arkansas Incorporated Population Per Square Mile 1970-2010**



The decades of rapidly-declining density witnessed highway expansion, rising per-capita vehicle-miles traveled (VMT), and generally low energy costs. These trends have changed. Infrastructure investment has declined in real terms and, given the fiscal situation of most governments, will drop further in years to come. As highways and streets crack, buckle and decay more quickly than they can be repaired, the capacity of fiscally-strained governments to add new capacity will be further compromised. Since land development trends will have to adapt, higher densities will become all but inevitable.

Changing cultural norms, demographic transformation, rising energy costs, and infrastructure constraints will impose new limits, and offer new opportunities, for land development. The minor upward tilt in density visible from Census 2010 may in future years look less like a milepost, and more like a fulcrum. **M**

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