August 2000

METROTRENDS

A DEVELOPMENT INFORMATION SERVICE OF METROPLAN

2000 Demographic Review and Outlook

Count on Surprises from Census 2000

In early 2001, the Census Bureau will begin publishing the results of Census 2000. We will finally get answers to questions like "How rapidly is Conway growing?" or "Is Pulaski County growing at all?" Census Bureau and Metroplan population estimates may help answer these questions. The table below shows estimates available at present for the three largest cities in central Arkansas:

Census and Metroplan Population Estimates Compared

	Official 1990 Census	Census Estimate 7/1/1998	Metroplan Estimate 1/1/2000
Little Rock	175,795	175,303	185,522
N. Little Rock	61,741	59,184	62,955
Conway	26,481	39,164	42,021

1998 represents the most recent year for which Census Bureau estimates are available. Nonetheless, the Census Bureau and Metroplan estimates show substantially different trends. While both suggest similar growth trends for Conway, they show differing trends for the other two cities.

Census Estimates - Four Percent Means a Lot of People

The Census Bureau makes population estimates based on administrative records - for example, birth and death records from state health departments and IRS records on migration.

After the 1990 Census, demographers examined estimates the Census Bureau had made during the 1980's to see how accurate they had been. For counties and cities with over 50,000 population, the Census estimates had an average error of 4.0 percent. With cities from 5,000 to 50,000 population, the average error was 7.1 percent. For places with under 5,000 population, the estimates were off by an average of 19 percent.[1] Even with counties and the larger cities, the 4.0 percent difference can mean thousands of people, and often the difference between growth and decline.

Error Margins for Census Estimates

	Error Margin (based on size)	High Threshold from 7/1/98 Estimate	Low Threshold from 7/1/98 Estimate
Little Rock	4.0	182,315	168,291
North Little Rock	4.0	61,551	56,817
Conway	7.1	41,945	36,383

[1] Long, John F. "Postcensal Population Estimates: States, Counties, and Places." Working paper presented to American Statistical Association at annual meeting, August 1993.

Estimated Population: January 2000

Area	1990	Estimated 2000	Absolute Change 1990-2000	Percent Change 1990-2000
Faulkner County	**60,006**	**81,123**	**21,117**	**35.2**
Conway	26,481	42,021	15,540	58.7
Greenbrier	2,130	3,177	1,047	49.2
Mayflower	1,415	1,650	235	16.6
Vilonia	1,133	2,114	981	86.5
Wooster	414	522	108	26.1
Small communities	723	905	182	25.1
Unincorporated	28,433	30,734	2,302	8.1
Lonoke County	**39,268**	**52,113**	**12,845**	**32.7**
Cabot	8,319	15,795	7,476	89.9
Austin	235	630	395	168.1
Ward	1,269	2,630	1,361	107.2
Lonoke	4,022	4,315	293	7.3
England	3,351	3,460	109	3.3
Carlisle	2,253	2,318	65	2.9
Small communities	795	831	36	4.5
Unincorporated	19,024	22,134	3,110	16.3
Pulaski County*	**360,000**	**359,682**	**-318**	**-0.1**
North of River	150,620	151,513	893	0.6
North Little Rock	63,567	62,955	-612	-1.0
Jacksonville	29,961	31,227	1,266	4.2
Sherwood	19,452	22,111	2,659	13.7
Maumelle	6,912	11,102	4,190	60.6
Unincorporated (N)	30,728	24,118	-6,610	-21.5
South of River	209,380	208,169	-1,211	-0.6
Little Rock	180,925	185,522	4,597	2.5
Cammack Village	853	779	-74	-8.7
Alexander	207	727	520	251.3
Wrightsville	1,093	1,858	765	70.0
Unincorporated (S)	26,302	19,283	-7,019	-26.7
Total unincorporated	57,030	43,401	-13,629	-23.9
Saline County	**64,183**	**79,137**	**14,954**	**23.3**
Benton	18,177	22,599	4,422	24.3
Bryant	5,269	9.414	4,145	78.7
Shannon Hills	1,755	1,968	213	12.1
Haskell	1,342	2,129	787	58.6
Traskwood	488	551	63	12.8
Bauxite	412	458	46	11.2
Unincorporated	36,740	42,019	5,279	14.4
LR-NLR MSA	**523,457**	**572,055**	**48,598**	**9.3**

*1990 figures for Pulaski County (including cities within Pulaski County) were adjusted upward 3 percent to compensate for the census under-count within the county.
Sources: Department of Commerce, Bureau of Census. 2000 Metroplan estimates.

Count on Surprises from Census 2000 (cont'd)

Metroplan Estimates - It All Depends on Household Size

Metroplan's estimates are based on housing unit counts taken from building permit and demolition records. We have a fairly good idea how many housing units there are in cities of the four metropolitan counties. In fast-growing cities like Cabot and Conway, Metroplan's population figures match Census estimates closely. However, Metroplan's data have shown far more population growth in the cities of Pulaski County.

In theory, counting housing units is a highly accurate means of keeping up with population change. There is just one major catch - household size, or the average number of persons per housing unit. Household size can change during a decade without any visual change to a city or neighborhood. If fewer persons are living in each housing unit, the total number of housing units can rise while total population remains stable or declines. The table below demonstrates the way that household size can impact population estimates, using the City of Little Rock as an example:

Little Rock Population Estimate Comparisons

	Official Metroplan Estimate for 2000	Estimate with 1990 Household Sizes for 2000	Estimate with Very Low Household Size for 2000
Estimated Occupied Housing Units	80,980	80,980	80,980
Average Household Size	2.24	2.36	2.12
Estimated Population	185,500	195,200	175,300

Sources: Metroplan estimates and 1990 census.

As you can see, household size can easily make the difference between population growth and decline, even when the number of housing units remains the same. The first column gives a simplified summary of Metroplan's actual population estimate for Little Rock in 2000. The second column shows how high the city's population could be if household sizes remained roughly stable during the decade. The final column shows the low household size necessary to reach population levels consistent with the Census Bureau's 1998 estimates.

At present, a decline in household size by this amount looks unlikely. According to the Census Bureau, U.S. household sizes have declined only marginally since 1990, while they have actually risen in Arkansas.[2]

It is impossible to be sure which estimates are correct - until the census numbers are published in early 2001.

[2] Census Bureau Housing Unit Estimates for July 1, 1998.

1999 Housing Market

Chart 1

Total Housing Unit Permits for Little Rock - North Little Rock MSA 1990 - 1999

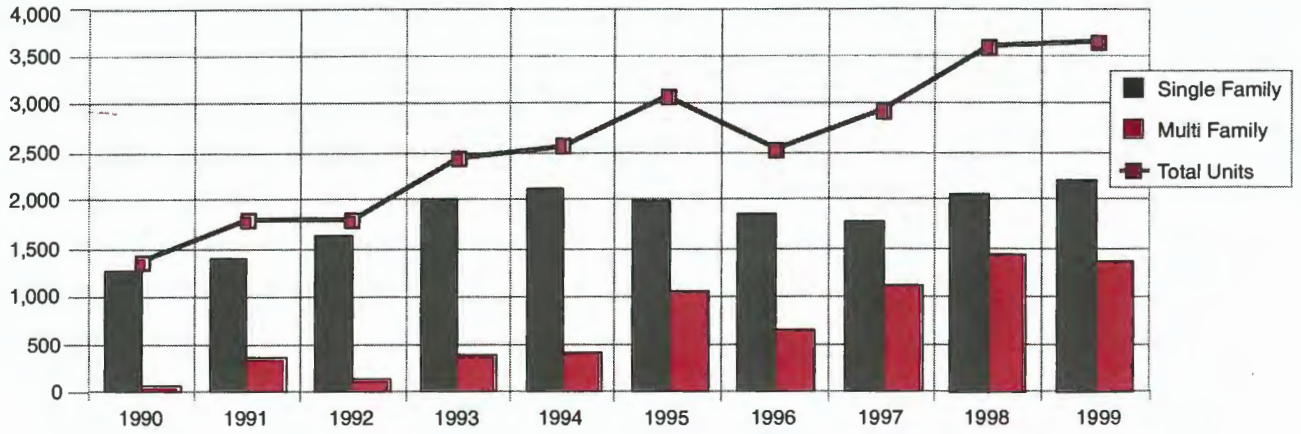


Chart 2

Single-Family Housing Unit Permits 1990 - 1999 Cities Averaging 140+ Units Annually

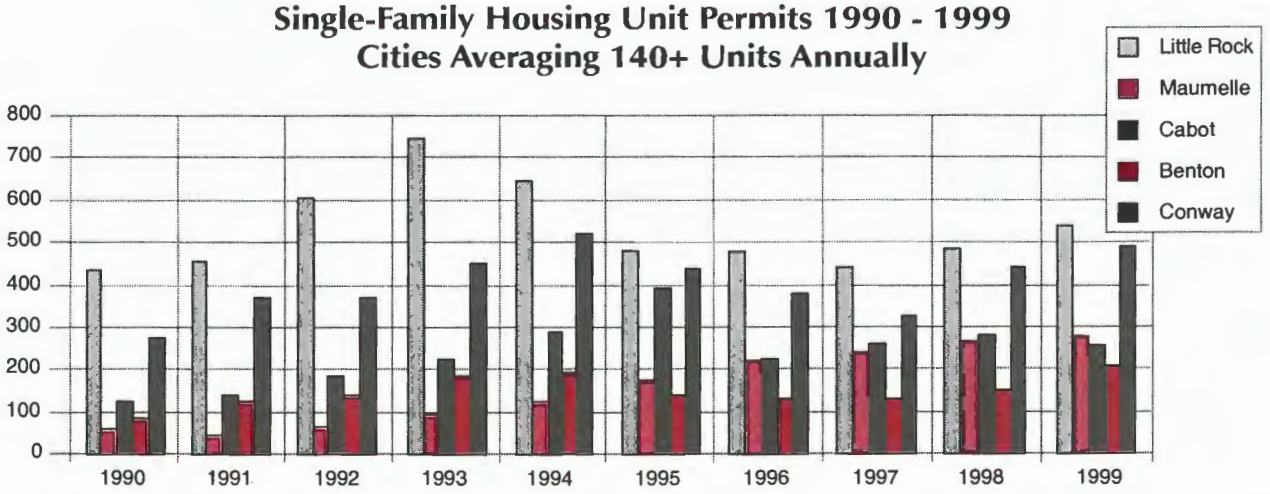
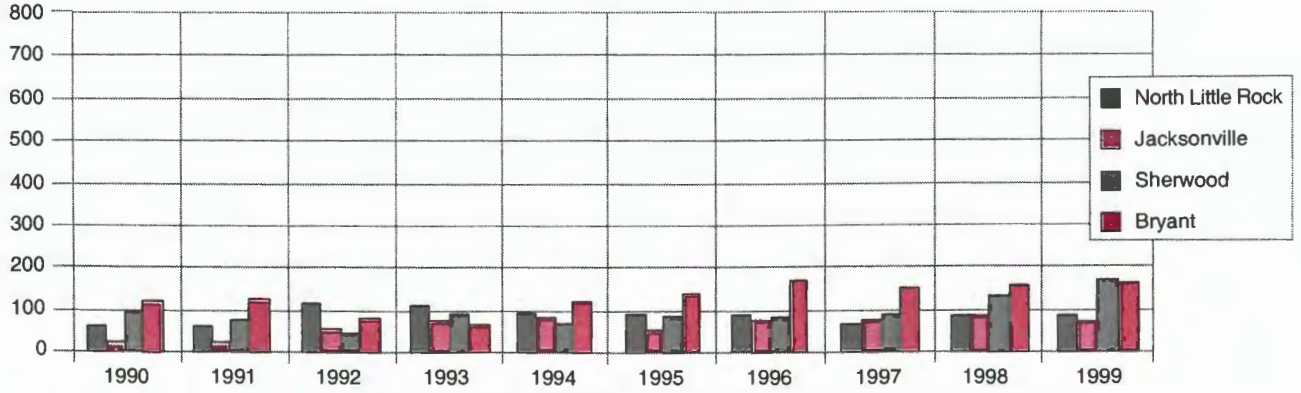


Chart 3

Single-Family Housing Unit Permits 1990 - 1999 Cities Averaging Under 140 Units Annually



1999 Housing Market

Regional Housing Market Tops Off the Decade in 1999

The year 1999 blasted away previous records for growth in the regional housing market. Single-family permits hit the highest level of the decade, at 2,280 units. Multi-family permits reached their second highest level of the decade with 1,420 units, just below the 1998 level. In total, construction began on 3,700 housing units, easily besting all other years during the 1990's.

Little Rock and Conway led regional markets, with substantial construction growth in both single-family and multi-family markets. Maumelle once again exceeded its previous annual record, recording eight straight years of accelerating construction activity. Benton saw its third straight year of increased single-family permits. Jacksonville saw some decline in single-family permits, but this was balanced by 60 multi-family starts, including the city's first major new apartment complex since the 1980's. Construction activity remained stable in most other markets.

Rising interest rates began to take hold in late 1999. Housing unit permit levels have remained high through early 2000, but continuing rate hikes will probably keep annual growth levels below the record performance of 1999.

Single-Family Housing Unit Permits

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Little Rock	431	450	603	740	641	477	477	436	490	556
North Little Rock	61	58	113	107	97	98	90	66	83	82
Jacksonville	26	25	53	75	82	54	78	73	83	63
Sherwood	94	76	44	91	70	85	85	88	128	168
Maumelle	62	47	65	93	124	176	220	240	263	276
Cabot	123	141	184	224	297	400	235	256	277	271
Benton	85	122	138	183	194	138	126	127	150	205
Bryant	119	124	79	63	117	141	167	150	154	166
Conway	271	368	369	445	515	438	389	323	436	493
Total Single-Family	1,272	1,411	1,648	2,021	2,137	2,007	1,867	1,759	2,064	2,280

Multi-Family Housing Unit Permits

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Little Rock	25	19	0	11	18	430	7	831	790	649
North Little Rock	0	0	0	0	0	0	0	2	10	2
Jacksonville	0	6	0	6	10	1	0	22	12	60
Sherwood	60	4	0	30	16	457	48	0	232	65
Maumelle	0	0	0	14	6	0	0	0	0	120
Cabot	0	0	0	0	48	29	13	2	0	20
Benton	2	66	34	223	31	0	278	22	0	5
Bryant	40	0	4	0	4	16	3	4	0	82
Conway	51	291	110	132	288	139	307	323	425	417
Total Multi-Family	178	386	148	416	421	1,072	656	1,206	1,469	1,420

Total Housing Unit Permits

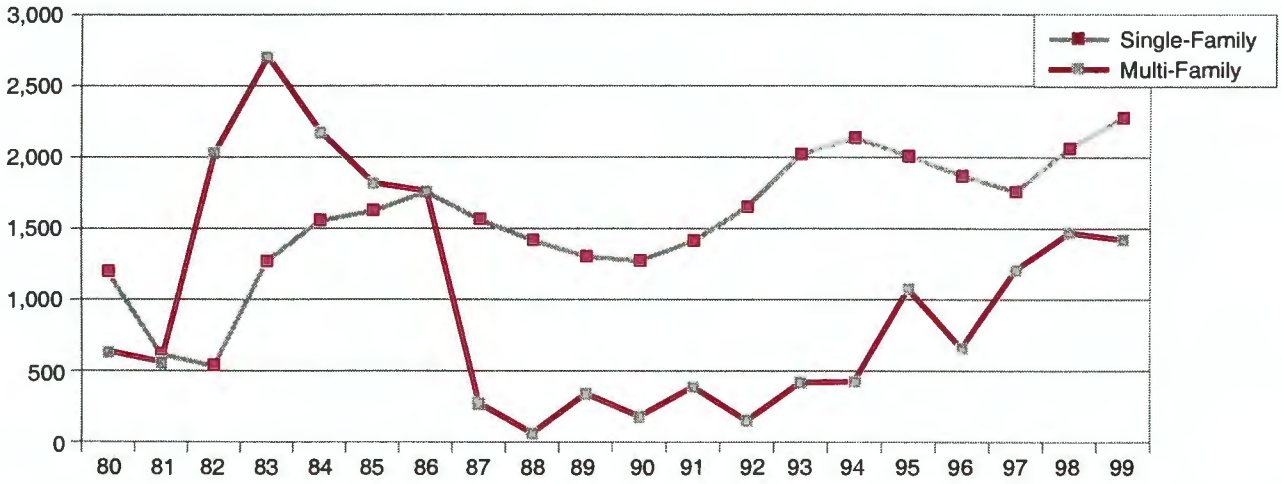
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
MSA Total Units	1,450	1,797	1,796	2,437	2,558	3,079	2,523	2,965	3,533	3,700
Percent Single-Family	87.7	78.5	91.8	82.9	83.5	65.2	74.0	59.3	58.4	61.6
Percent Mutli-Family	12.3	21.5	8.2	17.1	16.5	34.8	26.0	40.7	41.6	38.4

Housing Trends in Central Arkansas 1980-1999

With the completion of 1999 data, Metroplan has developed a twenty-year trend-line for housing permits in the four-county Little Rock-North Little Rock MSA. As you can see in Chart 4 below, housing construction trends have see-sawed up and down a few times over the last two decades. Housing construction was generally more stable during the 1990's than the 1980's.

Chart 4

Housing Unit Permits 1980-1999
Little Rock-North Little Rock MSA

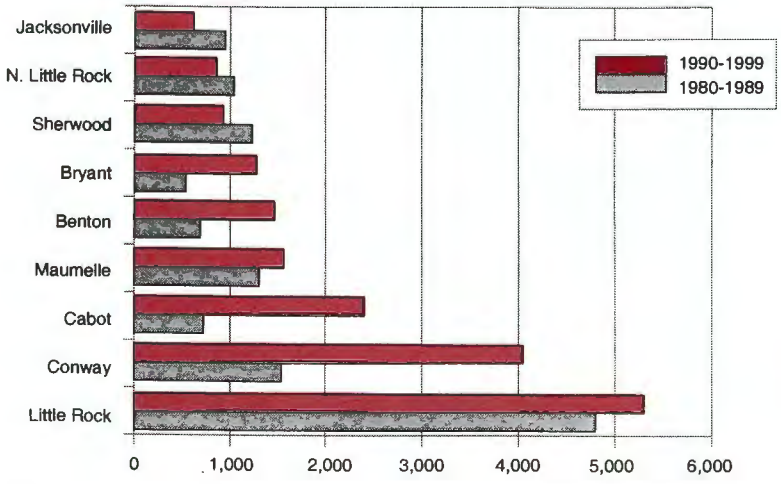


Single-family housing construction moved very slowly under the high interest rates of the early 1980's, then picked up 1983-1986 before sagging in the early 1990's. During the 1990's, single-family housing has generally increased with an early peak in 1994, a slowdown through 1997 and resurgence through 1999 to the highest levels recorded during the twenty-year period.

Overall single-family housing growth was somewhat faster during the 1990's than the 1980's. The biggest changes were in Benton, Bryant, Cabot and Conway, where single-family housing growth more than doubled during the 1990's. However, as Chart 5 below shows, a few cities (Sherwood, Jacksonville and North Little Rock) recorded greater single-family growth during the 1980's.

Chart 5

Single-Family Housing Unit Permit Trends
1980's vs 1990s



Single-Family Permits

	1980-1989	1990-1999
Jacksonville	947	612
N. Little Rock	1,040	855
Sherwood	1,233	929
Bryant	533	1,280
Benton	685	1,468
Maumelle	1,305	1,566
Cabot	721	2,408
Conway	1,541	4,047
Little Rock	4,797	5,301
Total	**12,802**	**18,466**

Housing Trends in Central Arkansas 1980-1999

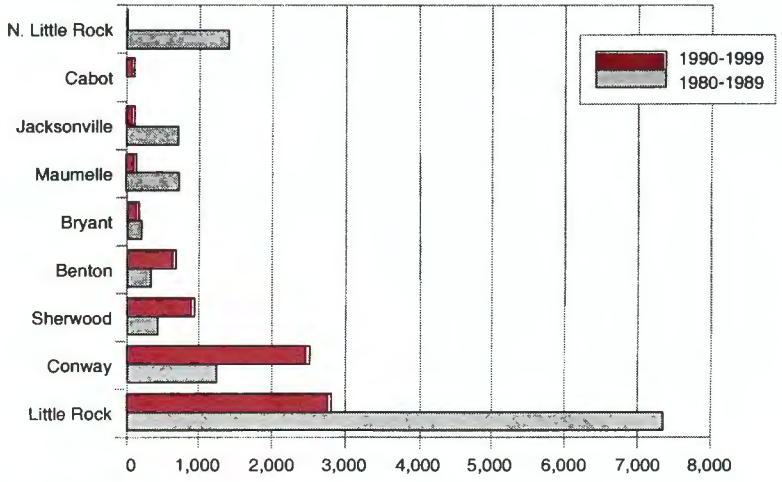
Multi-family construction has been more erratic. Tax credits artificially boosted apartment construction during the early 1980's, which caused over-building in the local market. Multi-family housing starts remained very low through about 1995. Rising occupancy then caused a mild surge, which peaked in 1998.

Multi-Family Permits

	1980-1999	1990-1999
N. Little Rock	1,398	14
Cabot	0	112
Jacksonville	715	117
Maumelle	726	140
Bryant	192	153
Benton	323	661
Sherwood	417	912
Conway	1,222	2,483
Little Rock	7,323	2,780
Total	**12,316**	**7,372**

Chart 6

Multi-Family Housing Unit Permit Trends 1980's vs 1990s



Multi-family growth was generally greater during the 1980's. In Conway, Benton, and Sherwood, however, apartment construction was greater during the 1990's.

For those interested in seeing the annual numbers behind these charts, the data for 1980-1989 by city are provided below. The 1990-1999 data are available on page 5.

Single-Family Housing Unit Permits

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Little Rock	418	254	198	481	533	637	687	618	504	467
North Little Rock	144	56	33	96	84	79	108	179	151	110
Jacksonville	120	46	37	116	160	119	136	81	81	51
Sherwood	101	41	32	92	150	236	245	161	96	79
Maumelle	93	25	60	184	277	156	143	134	143	90
Cabot	111	53	47	59	50	76	78	66	89	92
Benton	76	17	18	53	65	81	79	102	86	108
Bryant	30	35	33	26	32	46	71	78	97	85
Conway	98	86	75	155	201	191	208	141	168	218
Total Single-Family	**1,191**	**613**	**533**	**1,262**	**1,552**	**1,621**	**1,755**	**1,560**	**1,415**	**1,300**

Multi-Family Housing Unit Permits

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Little Rock	383	350	1,074	1,995	1,498	793	1,186	17	13	12
North Little Rock	134	59	309	182	219	341	44	6	18	86
Jacksonville	28	28	35	268	131	212	5	6	2	0
Sherwood	20	2	34	36	108	26	167	20	0	4
Maumelle	38	86	327	37	27	194	16	1	0	0
Cabot	na	na	na	na	na	na	na	na	na	na
Benton	0	24	77	5	29	52	70	62	4	0
Bryant	4	0	0	2	40	28	55	0	22	41
Conway	20	5	171	174	121	168	212	157	0	194
Total Multi-Family	**629**	**554**	**2,027**	**2,699**	**2,173**	**1,814**	**1,755**	**269**	**59**	**337**

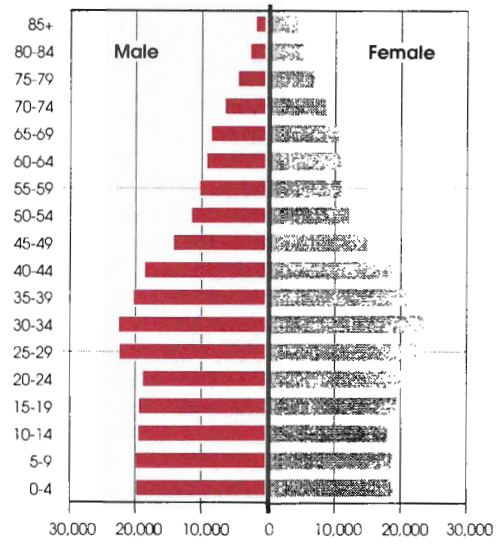
A Shifting Demographic Profile 1990-2025

Metroplan recently completed projections for the future population of the central Arkansas region as part of its Metro 2025 Plan Update. The projections show that overall population will grow from 513,117 (official 1990 census count) to 762,500 in 2025, an increase of nearly 49 percent. As this regional population grows, its structure will change. The two pyramid charts at right show the region's population breakdown by age in 1990 and 2025.

As you can see, the shape of the pyramid will change significantly. Above all, the average age will increase. The MSA's median age will shift upward markedly, from 32.2 in 1990 to 36.9 by 2025. The greatest population increase will occur in persons aged 50 and over. This group will more than double in size, from 122,377 persons in 1990 to 254,332 persons by 2025, growing from 23.8 percent of the region's total population in 1990 to 33.4 percent by 2025. Other age groups will also grow in absolute terms, but will account for a smaller proportion of the total in 2025.

Chart 6

1990 LR-NLR MSA Population by Age and Sex



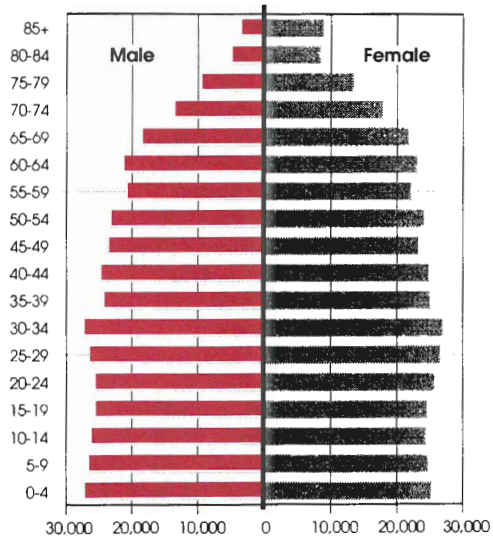
1990 and 2025 Median Age
Little Rock-North Little Rock MSA

	Faulkner	Lonoke	Pulaski	Saline	MSA
1990	29.8	32.5	32.3	33.4	32.2
2025	33.4	40.4	37.0	38.2	36.9

As the table above shows, Faulkner County will retain the youngest population in the region, while Lonoke County may have the highest median age by 2025.

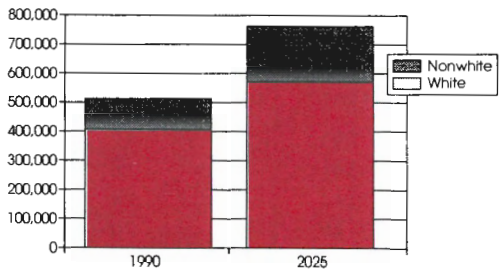
Chart 7

2025 LR-NLR MSA Population by Age and Sex



1990 and 2025 Population by Race
Little Rock-North Little Rock MSA

	1990		2025	
	Total	% of Total	Total	% of Total
White	405,900	79.1	570,900	74.9
Nonwhite	107,236	20.9	191,630	25.1



As the table and chart above show, the region's ethnic mix will also change somewhat. According to the projections, the region's white population will grow in absolute terms from 1990 to 2025, but the white share of the total will decline somewhat. Nonwhite population will grow more rapidly in absolute terms, increasing its share of the total by 2025.

Census 2000

When will Census 2000 numbers become available?

1. Overall population counts for the U.S.A. and all states will be made public after they are delivered to the President on or before January 1, 2001.
2. Population data on race and ethnicity by census block (PL-94-171) will be released on or before April 1, 2001.
3. The Census Bureau will release other products on a flow basis from June, 2001 through September, 2003.
4. For further background on Census 2000, go to http://www.census.gov/dmd/www/genfaq.htm.

Census of the Future

Get Your Electronic Spade Ready

The Census Bureau helped jump-start the computer revolution with Herman Hollerith's tabulating machine way back in 1890, using punch cards to tally population. Today, the Bureau is part of the electronic revolution. To save printing costs, the Census Bureau will provide fewer printed reports than before. If you want to really dig into the new census, get ready to go electronic. There are two tools you can use for this task:

CD-ROM or DVD

The 1990 Census was the first to be available on CD-ROMs, using simple but limited DOS-based software. The Census Bureau has since developed new software. If you will be using 2000 Census data a lot, you may want to obtain the new CD-ROMs or DVDs.

American FactFinder

This is the Census Bureau's new Internet product. American FactFinder takes some learning, but is fairly capable. The interface is graphic, and closely resembles the Microsoft Windows Explorer format, with data contained in folders and subfolders. The American FactFinder (AFF) provides instructions you can download or print out before you get started.

American FactFinder is well worth the small bit of time it will take to learn. With this product, anyone with access to the web can immediately obtain all census figures for small geographic areas anywhere in the U.S.A. In fact, you can already access the 1990 Census this way. Take a look at the American FactFinder web site at *http://factfinder.census.gov/*.

If you are afraid to take the leap right away, at least give the Census Bureau's web site a glance at *http://www.census.gov/.* This fun and user-friendly site gives you access to a huge amount of data, maps and reports.

Components of Population Change 1990-2000

The table on page 11 (lower right) shows the vital statistics of population in the central Arkansas region during the past decade. The columns of numbers depict population change and the causes of population change - births, deaths, and estimated migration trends. The final column shows *natural increase*, or the change in population resulting from births and deaths. For the central Arkansas region, population growth was slow but steady, driven primarily by natural increase - the excess of births over deaths.

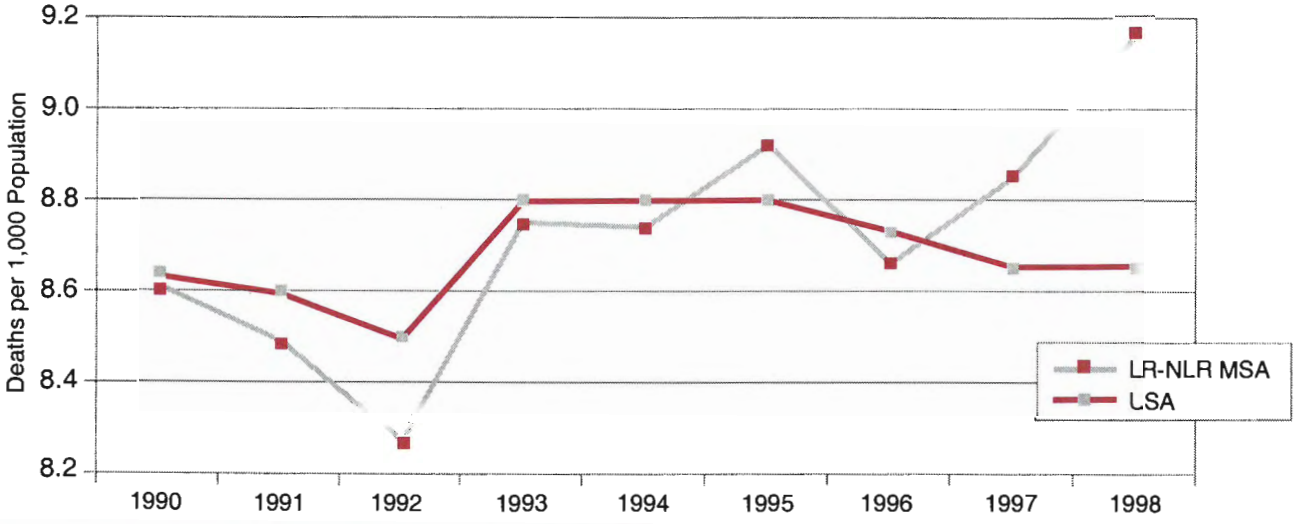
The region grew by nearly 49,000 persons during the decade, with over 34,000 of this growth owing to natural increase. Migration into the region accounted for nearly 15,000 persons, or about 29.6 percent of overall growth. The region's growth rate of about 9.3 percent was slightly below overall US population growth during the same period (about 10.2 percent).

Natural increase has been the primary driving force behind central Arkansas population growth. The pace of natural increase appears to be slowing, owing to two trends: a slowly rising rate of deaths, and a slowly declining rate of births.

The local rise in mortality has somewhat exceeded national trends in several recent years, as shown in the chart below. US mortality rates have declined slightly since about 1993. Note that the chart conveys estimated crude mortality rates, or total deaths occurring per 1,000 population. These figures are not adjusted for age, sex or other factors. As the population ages, it is likely that crude mortality rates will slowly rise, or hold steady at best. This is because the higher proportion of the population is moving into age groups at higher risk of death.

Chart 8

Crude Death Rates Compared
LR-NLR MSA vs. USA



	1990	1991	1992	1993	1994	1995	1996	1997	1998
LR-NLR MSA	8.61	8.49	8.27	8.75	8.74	8.92	8.66	8.85	9.16
USA	8.64	8.60	8.50	8.80	8.80	8.80	8.73	8.65	8.65

While mortality has been slowly rising, fertility has been slowly falling. Once again, the figures used here are "crude" figures, based on births per 1,000 population with no adjustments for age or sex. The decline in birth rate across the 1990's owes more to aging of the population than other factors; the large baby boom generation is aging past child-bearing years.

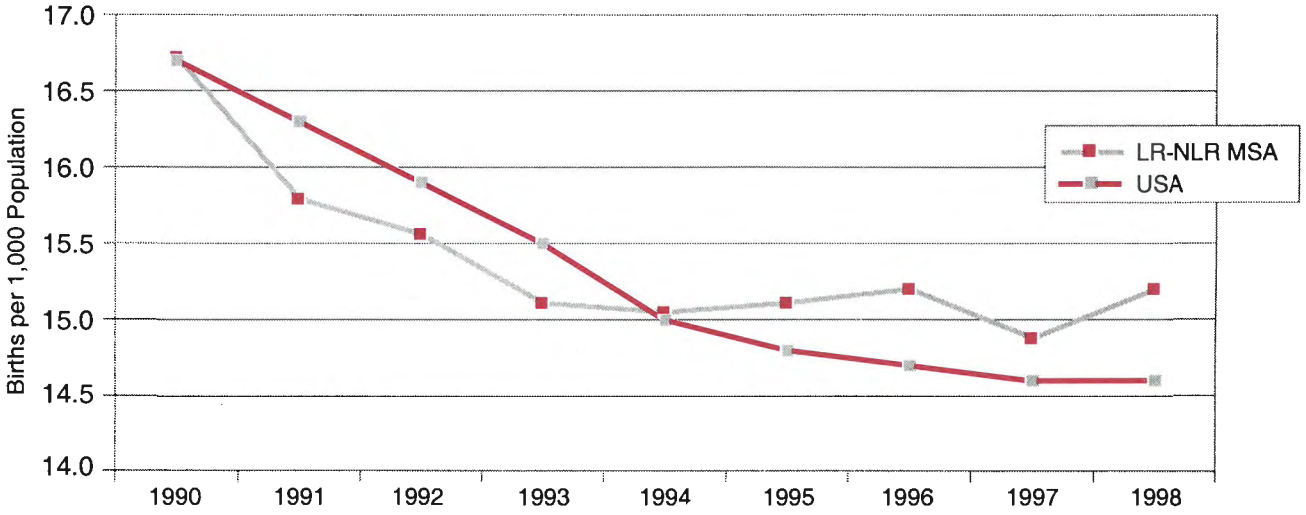
Components of Population Change 1990-2000

With deaths rising and births decreasing simultaneously, the region's future population growth from natural increase is likely to slow. Overall population growth will also diminish, unless the rate of in-migration from other areas increases.

U.S. population growth is also slowing, with more of the population moving into older age groups which are generally more settled and less geographically mobile. Therefore, the pool of people likely to migrate into central Arkansas may also diminish. For this reason, the region's rate of in-migration is also likely to slow down in coming years.

Chart 9

Crude Birth Rates Compared
LR-NLR MSA vs. USA



	1990	1991	1992	1993	1994	1995	1996	1997	1998
LR-NLR MSA	16.72	15.79	15.58	15.11	15.05	15.11	15.20	14.88	15.20
USA	16.70	16.30	15.90	15.50	15.00	14.80	14.70	14.60	14.60

Components of Population Change

County	January 2000	April 1990	Change	Percent Change	Net Migration	Births	Deaths	Natural Increase
Faulkner	81,123	60,006	21,117	35.2	16,271	9,794	4,948	4,846
Lonoke	52,113	39,268	12,845	32.7	10,702	6,016	3,873	2,144
Pulaski	359,682	360,000	-318	-0.1	-24,525	55,644	31,437	24,207
Saline	79,137	64,183	14,954	23.3	11,926	8,811	5,783	3,028
MSA	572,055	523,457	48,598	9.3	14,375	80,264	46,041	34,224

Sources: Metroplan, US Bureau of the Census. Birth and death figures represent period from April 1990 to January 1,2000. Birth and death data provided by Arkansas Department of Health. 1999 birth and death components are provisional. Final tallies will be available later this year. 1999 death data are extrapolations by Metroplan based on trends 1990-1998.

The 1999 Demographic Outlook

Slow but steady population growth will continue in the region. Downtown Little Rock will grow for the first time in decades owing to the construction of over 200 new apartment units during 1999 and 2000. With a successful lease-up trend thus far, further residential growth may occur, and spread across the river to North Little Rock.

The prevailing trend of out-migration from the region's core cities to the periphery will continue, although the trend appears to be slowing. It is possible that increasing average age is the primary factor behind declining geographic mobility, reflecting national trends.[1] The release of 2000 census numbers early next year will be the biggest demographic news, giving a more complete picture of where the region stands at the dawn of the new millenium.

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[1] *1997 Population Profile of the United States*, US Census Bureau, September 1998.

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