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2002 Demographic Review and Outlook

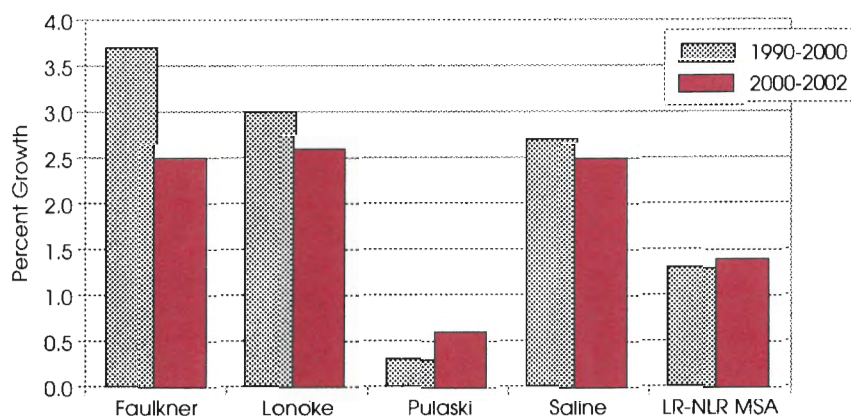
Population Estimates Show New Trends

Metroplan's population estimates for 2002 show that trends are already beginning to change from the 1990's. The chart below compares annual population growth rates by county for the 1990-2000 period against annual growth rates in the 2000-2002 period.

As you can see, Lonoke County appears to have replaced Faulkner County as the region's growth leader, and Saline County now ranks second. Growth has certainly not ended in Faulkner County and in fact is still proceeding twice as rapidly as the regional average.

Another surprise finding is that Pulaski County growth has picked up somewhat. This trend, which began appearing in the late 1990's, has intensified, possibly boosted by international migration. Analysis of demographic components of change (p. 7) suggests that net out-migration from the Pulaski County has slowed to a trickle. If the 2000-2002 population trend continues, Pulaski County could exceed 380,000 population by the year 2010. Despite a mild slowdown in the outlying counties, the region is today growing at a slightly faster rate than during the 1990's.

**Average Annual Percent Population Growth
in Central Arkansas**

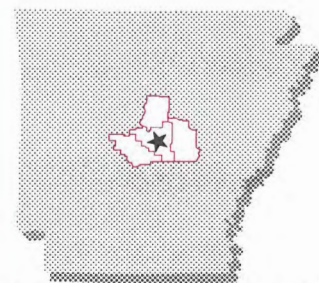


Data for Annual Percent Population Growth

	Faulkner	Lonoke	Pulaski	Saline	LR-NLR MSA
1990-2000	3.7	3.0	0.3	2.7	1.3
2000-2002	2.5	2.6	0.6	2.5	1.4

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Little Rock - North Little Rock MSA
(Metropolitan Statistical Area)

Analysis of City and County Population Growth

Little Rock - North Little Rock MSA 1990 - 2000

	Official Census 2000	Metroplan Estimates 2002	Change 2000-2002	Percent Change 2000-2002
Faulkner County				
Conway	43,167	45,597	2,430	5.6
Greenbrier	3,042	3,175	133	4.4
Mayflower	1,631	1,667	36	2.2
Vilonia	2,106	2,345	239	11.3
Wooster	516	533	17	3.3
Small communities	1,535	1,686	151	9.8
Unincorporated	34,017	34,798	781	2.3
Total	86,014	89,801	3,787	4.4
Lonoke County				
Cabot	15,261	16,576	1,315	8.6
Austin	605	636	31	5.1
Ward	2,580	2,771	191	7.4
Lonoke	4,287	4,350	63	1.5
England	2,972	2,909	-63	-2.1
Carlisle	2,304	2,312	8	0.3
Small communities	758	752	-6	-0.8
Unincorporated	24,061	24,994	933	3.9
Total	52,828	55,300	2,472	4.7
Pulaski County				
North Little Rock	60,433	60,646	213	0.4
Jacksonville	29,916	30,314	398	1.3
Sherwood	21,511	22,067	556	2.6
Maumelle	10,557	11,761	1,204	11.4
Unincorporated (N)	29,706	29,874	168	0.6
Total North of the River	152,123	154,662	2,539	1.7
Little Rock	183,133	184,455	1,322	0.7
Cammack Village	831	831	0	0.0
Alexander*	174	174	0	0.0
Wrightsville	1,368	1,341	-27	-2.0
Unincorporated (S)	23,845	23,979	134	0.6
Total South of the River	209,351	210,780	1,429	0.7
Total Unincorporated	53,551	53,853	302	0.6
Total	361,474	365,442	3,968	1.1
Saline County				
Benton	21,906	22,659	753	3.4
Bryant	9,764	10,667	903	9.2
Shannon Hills	2,005	2,047	42	2.1
Haskell	2,645	2,862	217	8.2
Alexander*	440	440	0	0.0
Traskwood	548	558	10	1.8
Bauxite	432	435	3	0.7
Unincorporated	45,789	47,622	1,833	4.0
Total	83,529	87,290	3,761	4.5
MSA Total	583,845	597,833	13,988	2.4

*The City of Alexander has portions incorporated in both Pulaski and Saline Counties.

Population Estimates for January 1, 2002

The figures at left show the first population estimates published by Metroplan since Census 2000 figures were released in early 2001. Generally speaking, past trends are continuing. The fastest population growth rates can be found in suburban cities under 20,000 population, including Maumelle (11.4 percent), Vilonia (11.3 percent), Bryant (9.2 percent), and Cabot (8.6 percent).

Growth in Conway was 5.6 percent since 2000. This represents a slowdown from past trends, but Conway still added more persons to its population than any other city in the four-county region. Conway added 2,430 persons, compared with total growth of 1,322 in Little Rock and 1,315 in Cabot, the cities with the next largest growth amounts.

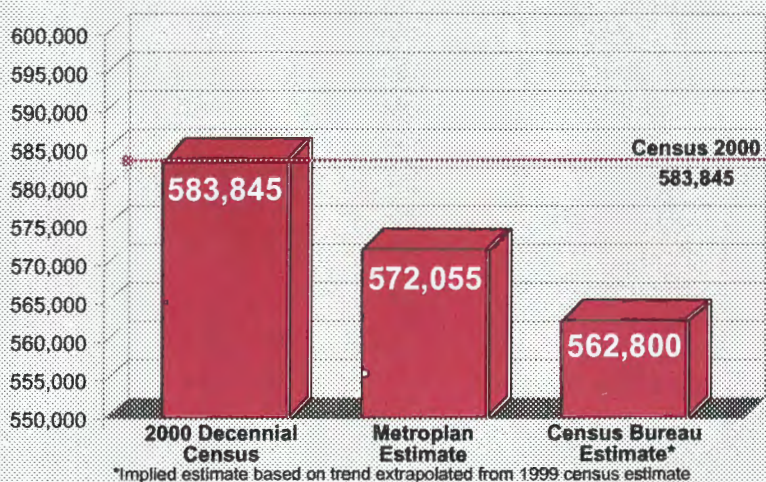
Maumelle alone has accounted for nearly one-third of Pulaski County's total population growth since 2000. Just three cities are really driving the trend in Pulaski County: Maumelle, Little Rock and Sherwood together accounted for over three-quarters of all the county's population growth.

How Accurate Are These Estimates?

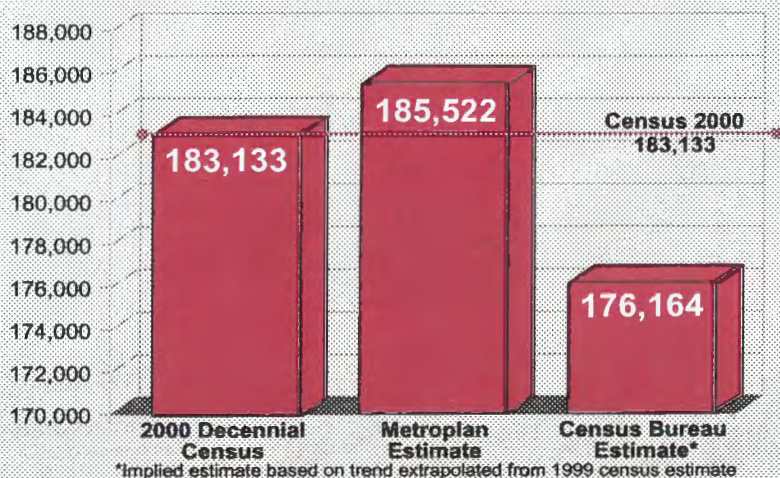
The figures given here are estimates, not direct counts like the census. Metroplan's population estimates are based on city construction and demolition permit records, with extrapolations for unincorporated areas and some of the smaller cities. There is certainly some margin for error.

However, Metroplan's estimates have a proven record for accuracy. In the 2000 Census, Metroplan's estimates generally came closer to the actual figures than any other estimates, including the Census Bureau's own estimates and figures published by *Sales and Marketing Management* magazine and the Claritas corporation.

Comparison for LR-NLR MSA



Comparison for City of Little Rock



A Steady Housing Market in 2001

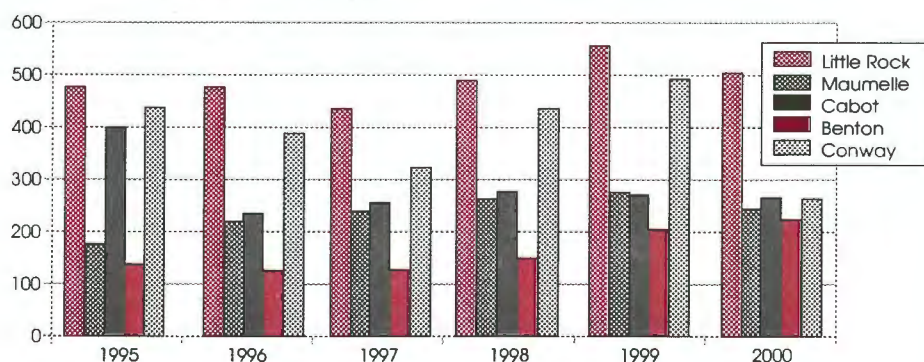
The nine largest cities in the region issued building permits for 2,526 new housing units during 2001. This marked a five percent increase over 2000 (2,407 units). Single-family construction rose ten percent, with 2,202 units permitted in 2001. However, multi-family construction slowed, with only 324 units permitted in 2001.

The up-tick in single-family construction probably owed to the lowest interest rates in forty years. Permits held up well through October, but showed a major downturn in November and December of 2001. It is possible that the terrorist events of September 2001 had some impact, but weather normally slows construction this time of year. Preliminary data from the first part of 2002 suggest that single-family construction is accelerating above 2001 levels and well above the housing construction trough in 2000.

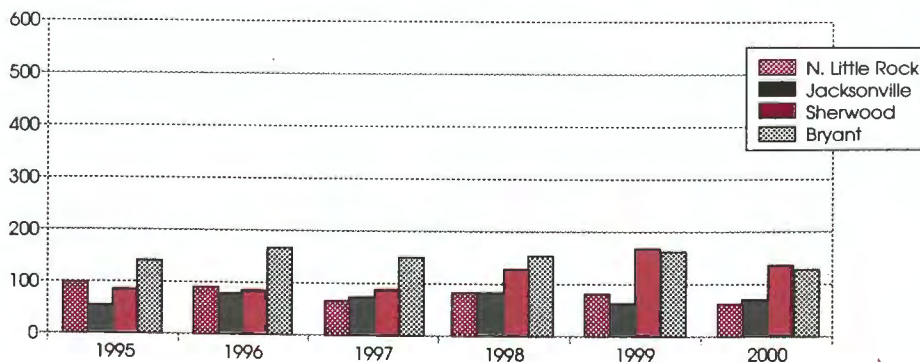
Multi-family construction remained fairly slow in 2001. The small amount of multi-family construction during 2001 occurred mainly in Pulaski County north of the Arkansas River. Downtown and near-downtown locations in Little Rock and North Little Rock have seen significant growth in recent years, a trend that may continue. Since 1999, at least 248 new units have been built in or near the downtown in both cities, with 149 more units about to enter the market. By the end of 2002, there will be nearly 400 new units downtown with further construction under consideration.

Renewed growth is also likely in multi-family units as the population in the 20-29 age groups begins growing again as the Generation Y (the "Echo Boom" group) comes of age. Multi-family occupancy bottomed out at 91.9 percent in Pulaski County during 1998. Since that time, occupancy has crept upward, crossing above 95 percent again in early 2002. After a slow pace in 2000 and 2001, the next surge in multi-family housing may lie just around the corner.

Single-Family Housing Unit Permits 1995-2000
Cities Averaging Over 140 Units Annually

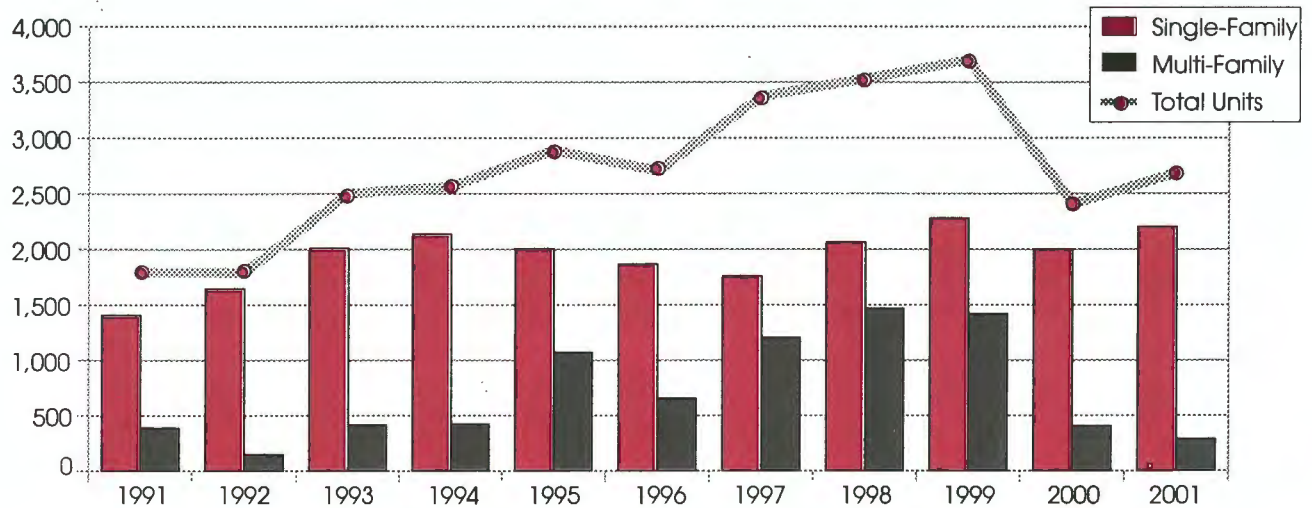


Single-Family Housing Unit Permits 1995-2000
Cities Averaging Under 140 Units Annually



A Steady Housing Market in 2001

LR-NLR MSA Housing Unit Permits 1991-2002



Single-Family Housing Unit Permits

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Little Rock	450	603	740	641	477	477	436	490	556	505	485
North Little Rock	58	113	107	97	98	90	66	83	82	62	77
Jacksonville	25	53	75	82	54	78	73	83	63	71	103
Sherwood	76	44	91	70	85	85	88	128	168	136	148
Maumelle	47	65	93	124	176	220	240	263	276	245	256
Cabot	141	184	224	297	400	235	256	277	271	266	304
Benton	122	138	183	194	138	126	127	150	205	224	205
Bryant	124	79	63	117	141	167	150	154	166	128	217
Conway	368	369	445	515	438	389	323	436	493	364	407
Total Single-Family	1,411	1,648	2,021	2,137	2,007	1,867	1,759	2,064	2,280	2,001	2,202

Multi-Family Housing Unit Permits

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Little Rock	19	0	77	26	240	191	1,240	790	649	232	65
North Little Rock	0	0	0	0	0	0	2	10	2	0	120
Jacksonville	6	0	6	10	1	0	22	12	60	80	2
Sherwood	4	0	30	16	457	48	0	232	65	8	61
Maumelle	0	0	14	6	0	0	0	0	120	0	0
Cabot	0	0	0	48	29	13	2	0	20	0	0
Benton	66	34	223	31	0	278	22	0	5	16	24
Bryant	0	4	0	4	16	3	4	0	82	4	1
Conway	291	110	132	288	139	307	323	425	417	66	51
Total Multi-Family	386	148	482	429	882	840	1,615	1,469	1,420	406	324

Total Housing Unit Permits

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
MSA Total Units	1,797	1,796	2,503	2,566	2,889	2,707	3,374	3,533	3,700	2,407	2,526
Percent Single-Family	78.5	91.8	82.9	83.5	65.2	74.0	59.3	58.4	61.6	83.1	87.2
Percent Multi-Family	21.5	8.2	17.1	16.5	34.8	26.0	40.7	41.6	38.4	16.9	12.8

Migration Trends

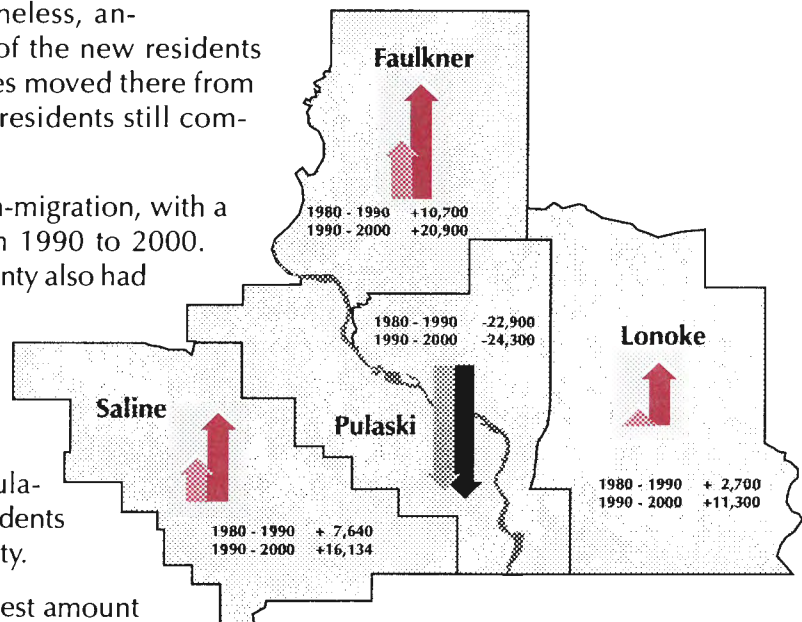
The map below shows Metroplan's analysis of the migration trend for the four counties of the Little Rock-North Little Rock MSA from 1980 to 2000.¹ As you can see, the region's three outlying counties received a net in-flow of new residents, while Pulaski County saw a net out-flow of migrants. Note that the image below shows *migration* trends, not *total population* trends. This is important, because Pulaski County managed to grow modestly during the 1980's and 1990's despite out-migration.

The data available do not tell the specific destination or origin of migrants. Nonetheless, anecdotal evidence suggests that many of the new residents in Faulkner, Lonoke and Saline counties moved there from Pulaski County. In many cases, these residents still commute to jobs in Pulaski County.

Faulkner County had the greatest in-migration, with a net gain of nearly 21,000 persons from 1990 to 2000. The table below shows that Faulkner County also had the most mobile population in the four-county area. Only 45.6 percent of persons over age 5 lived in the same house as they did in 1995. The high comparative mobility of Faulkner County probably owes partly to its youthful population, which includes many college students regularly moving in and out of the county.

Saline County had the second-highest amount of net in-migration. Based on past trends and current employment and traffic data, it is likely that the majority of the new residents commute to jobs in Pulaski County. Saline County has the most stable population within the four-county area, with 54.7 percent of persons living in the same house as five years before. Population age is probably a factor, since Saline County has the region's highest median age.

**Migration Trends for LR-NLR MSA
1980-1990 and 1990-2000**



**Change in Residence 1995-2000
Little Rock-North Little Rock MSA**

	Faulkner	Lonoke	Pulaski	Saline	U.S.A.
Total Age 5 +	80,153	49,131	335,566	78,144	262,375,152
Same house in 1995	36,550 45.6%	25,189 51.3%	169,237 50.4%	42,747 54.7%	142,027,478 54.1%
Different house in 1995; same county	19,186 23.9%	9,579 19.5%	100,247 29.9%	15,085 19.3%	65,435,013 24.9%
Different county, same state in 1995	15,840 19.8%	8,651 17.6%	26,453 7.9%	13,110 16.8%	25,327,355 9.7%
Different state in 1995	7,803 9.7%	5,282 10.8%	33,092 9.9%	6,720 8.6%	22,089,460 8.4%

Migration Trends

Lonoke County also recorded major net in-migration, with a net gain of over 11,000 persons from 1990 to 2000. This was a sharp up-tick from the more modest migration trend of the 1980's. As the table below shows, Lonoke County had the highest proportion of 2000 residents who had lived in another state in 1995.

Pulaski County recorded net out-migration across both decades. Pulaski County had the second greatest proportion of residents who had lived in a different state in 1995 (9.9 percent), despite slow overall population growth. This might be correlated with the county's higher education and income levels, since skilled higher-income persons are more likely to make long-distance moves, usually for work-related reasons.²

Migration Metamorphosis 2000-2002

The table below shows Metroplan's estimates for the components of population change from the time of Census 2000 to January 1, 2002. A key issue is *net migration*, or the amount of population change attributed to the sum of persons moving into and out of an area.

Components of Population Change Little Rock - North Little Rock MSA							
	January 1 2002	April 1 2000	Change	Net Migration	Births	Deaths	Natural Increase
Faulkner	89,801	86,014	3,787	2,674	2,154	1,041	1,113
Lonoke	55,300	52,828	2,472	2,003	1,250	781	469
Pulaski	365,442	361,474	3,968	-245	9,967	5,754	4,213
Saline	87,290	83,529	3,761	3,327	1,677	1,243	434
MSA	597,833	583,845	13,988	7,759	15,048	8,819	6,229
Sources:	Birth and death data provided by Arkansas Department of Health. Figures are provisional. County population totals from Census 2000 and Metroplan estimates for 2002						

From 2000 to 2002, substantial net in-migration continued in Faulkner, Lonoke and Saline Counties. The big change is that net out-migration from Pulaski County slowed sharply. For example, from 1990 to 2000 net out-migration from Pulaski County was nearly 41 percent of net regional migration (13,956 persons). From 2000 to 2002, Pulaski out-migration (245 persons) accounted for just over 3 percent of net regional migration.

What is behind this trend change? In all likelihood, Pulaski County's population balance sheet is being impacted by in-migration of Asian and Hispanic populations. While Pulaski County accounted for only about 17 percent of the region's total population growth from 1990 to 2000, the county had over 70 percent of the region's Asian growth, and 69 percent of its Hispanic growth. Hispanic and Asian populations are the two fastest-growing population groups in the United States today. Based on national trends, in-migration of these groups is likely to continue and may accelerate. It therefore seems possible that the twenty-year trend of net out-migration from Pulaski County may reverse in the near future.

¹ Data extrapolated Metroplan based on census population figures for 1990 and 2000 and birth and death records from the Arkansas Department of Health. The birth, death and migration figures are subject to revision.

² See *Why People Move*, a Census Bureau special study published in May 2001. Available on Census web site at <<http://www.census.gov>>.

Education Levels, Regional Development and the Future

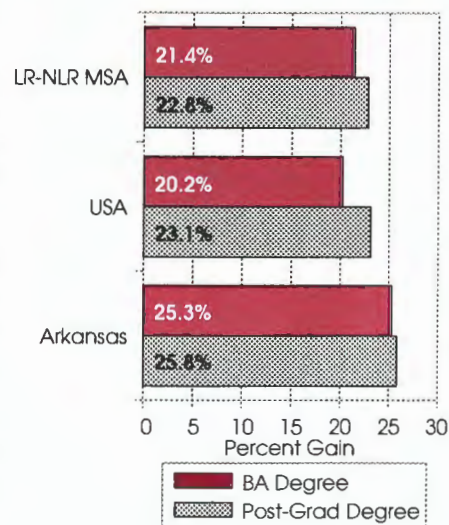
This spring, the Census Bureau released data on education levels from the 2000 Census. We at Metroplan awaited these figures with interest, because education has a lot to do with regional development prospects in an increasingly information-based economy.

Educational attainment made advances across the United States and the State of Arkansas. A higher proportion of the population today hold high school diplomas, bachelor's degrees and advanced degrees than ever before.

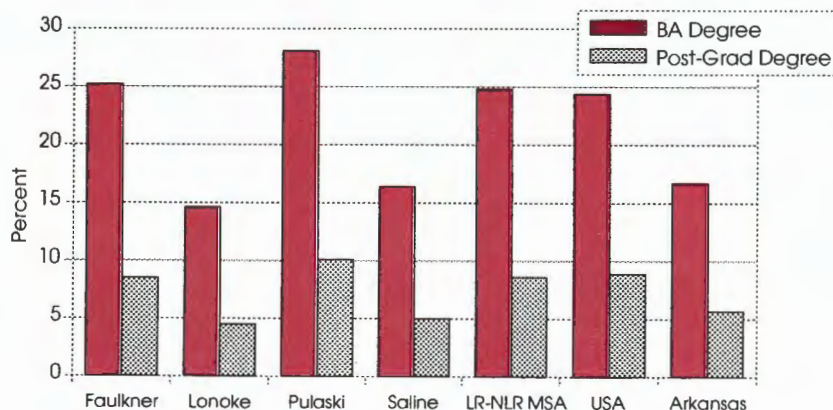
The new figures show us that the Little Rock-North Little Rock region gained ground at a somewhat faster rate than the national average from 1990 to 2000. As the chart at right shows, the State of Arkansas gained ground at an even faster rate, although education levels remained below the national average.

Within central Arkansas, Pulaski County widened its edge over the national average in BA degrees, and kept an edge at the post-

**Change in Education Levels
1990 - 2000**



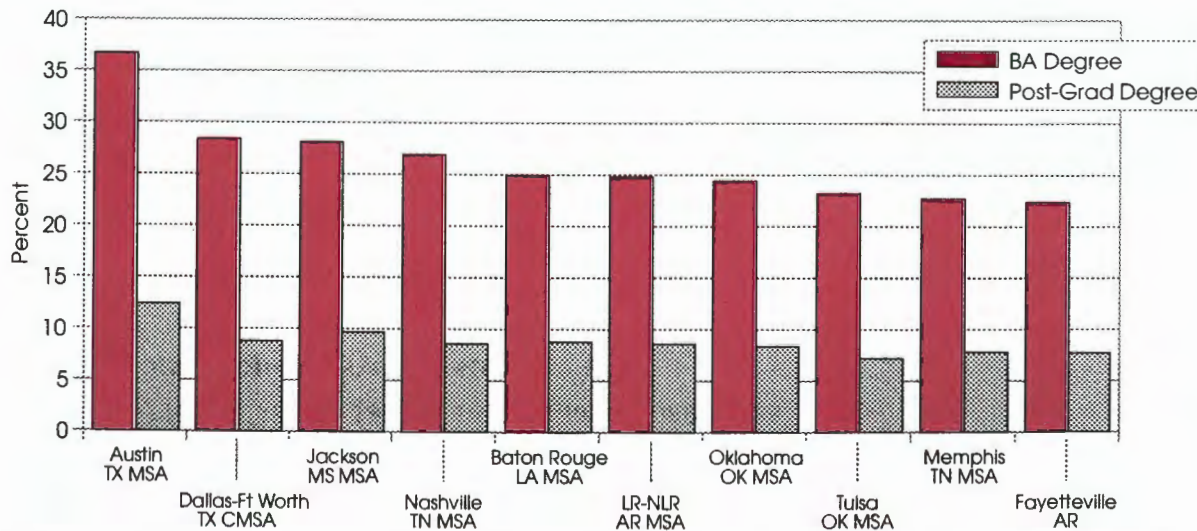
Educational Attainment 2000 Comparisons



graduate level as well. Faulkner County climbed above the national average in BA degrees in 2000 after ranking slightly behind in 1990.

Since education levels can be a crucial factor in economic development, it is useful to see how the local region stacks up against different metro areas. The chart below compares how the Little Rock-North Little Rock

Educational Attainment in Selected South Central Metros 2000



Education Levels, Regional Development and the Future

MSA stacks up against selected metro areas in the South Central U.S.A. As you can see, central Arkansas ranks in the middle of the pack, lagging behind the high-tech Austin area, home to the University of Texas, and also behind the large Dallas-Ft. Worth Metroplex and the Jackson and Nashville areas. Central Arkansas is virtually tied with the Baton Rouge area, and holds an edge over the Memphis, Oklahoma City, Tulsa and Fayetteville metro areas.

Educational Attainment of Population Age 25+ by Percent

	Faulkner	Lonoke	Pulaski	Saline	LR-NLR MSA	Arkansas	USA
1990 BA Degree+	17.9	10.0	23.5	11.9	20.4	13.3	20.3
Post-Grad Degree	7.1	2.8	8.2	3.0	7.0	4.5	7.2
2000 BA Degree+	25.2	14.6	28.1	16.4	24.8	16.7	24.4
Post-Grad Degree	8.5	4.5	10.1	5.0	8.6	5.7	8.9

Education Attainment of Population Age 25+ for Selected South Central Metro Areas in 2000 by Percent

	Austin TX	Dallas Ft Worth TX	Jackson MS	Nashville TN	Baton Rouge LA	Oklahoma City OK	Tulsa OK	Memphis TN	Fayetteville AR
BA Degree+	36.7	28.4	28.1	26.9	24.9	24.4	23.2	22.7	22.4
Post-Grad Degree	12.4	8.8	9.7	8.6	8.8	8.4	7.2	7.8	7.7

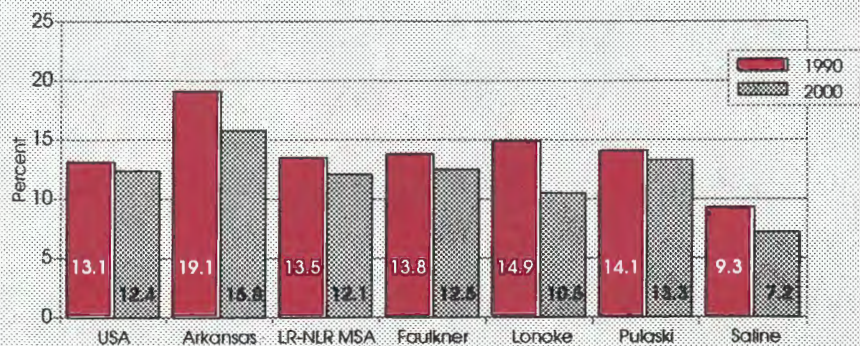
Source: Census 2000

Official Census Poverty Figures

The Census Bureau released Census 2000 poverty figures for local areas in Arkansas during June of 2002. The table below compares the percent of local population in poverty with state and U.S. averages. As you can see, poverty has come down a bit since 1990 at national, state, and local levels. Poverty in the Little Rock-North Little Rock MSA runs slightly below the national average overall. Poverty is very low in Saline County and fairly low in Lonoke County. Poverty in Faulkner and Pulaski Counties runs a bit above the national average.

The Census Bureau determines the official poverty line, based on family size and composition. The poverty line is not adjusted for local conditions. Since the cost of living in the Little Rock-North Little Rock MSA generally runs below the national average, official census figures probably overstate local poverty to some extent.¹

Percent of Population in Poverty 1990 and 2000



Source: Decennial Census 1990 and 2000

¹ The Little Rock-North Little Rock MSA cost of living index in the fourth quarter of 2000 stood at 88% of the average U.S. cost of living. Figures from 2001 Statistical Abstract of the United States, Table 695, provided courtesy of ACCRA.

Changing Census Geography

The Little Rock Urbanized Area

In early of May of 2002, the Census Bureau released its long-awaited Urbanized Area definitions. The Little Rock Urbanized Area, shown in the map below, has a population of 360,331. This ranks 89th largest out of a total of 465 urbanized areas in the United States. The population size of each Urbanized Area helps determine federal transportation funding.

What is an Urbanized Area?

An Urbanized Area is a region of high population density with a population over 50,000, as determined from a complex Census Bureau formula. The area must consist of core census blocks with a density of at least 1,000 persons per square mile, outlying blocks with at least 500 persons per square mile, and some allowance for short "hops" and "jumps" across thinly-populated areas to denser outlying blocks.¹

The Census Bureau has been delineating Urbanized Areas since the 1950 census. The boundaries of the Urbanized Area in 1990 and 2000 are both shown on the map for comparison. As you can see, the newer 2000 boundaries yield an area that is longer on a southwest-northeast axis, but less wide. This is because the new Urbanized Area standards for the first time depend on population density without regard for city boundaries. Note that the 2000 Urbanized Area includes most of the population of Little Rock, North Little Rock, Sherwood, Jacksonville, Benton, Cabot, Bryant, and Wrightsville.

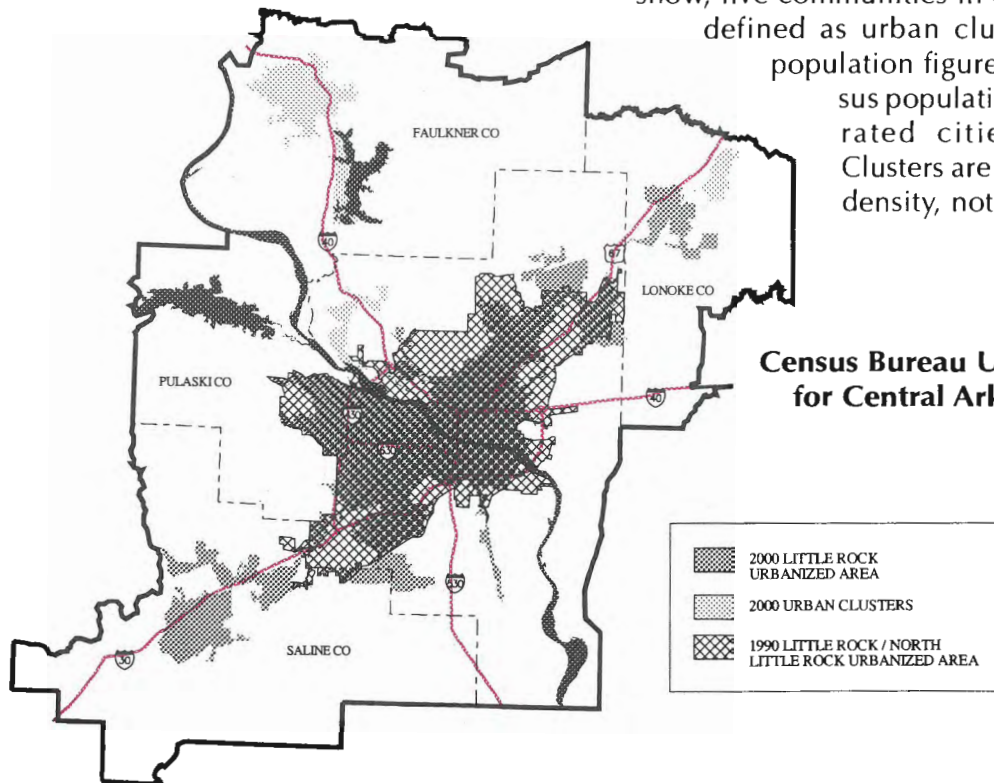
Little Rock Urbanized Area and Urban Cluster Population

Little Rock	
Urbanized Area	360,331
Urban Clusters	
Conway	43,891
England*	2,775
Lonoke*	4,133
Maumelle	10,706
Ward	2,739

*Not shown on map.

Urban Clusters

The Census Bureau introduced a new wrinkle this time by also defining Urban Clusters, small densely built-up areas with populations between 2,500 and 49,999. As the table and map below show, five communities in central Arkansas were defined as urban clusters. Note that the population figures differ from the Census population figures for incorporated cities, because Urban Clusters are defined by population density, not city boundaries.



Changing Census Geography

The New Metropolitan Region

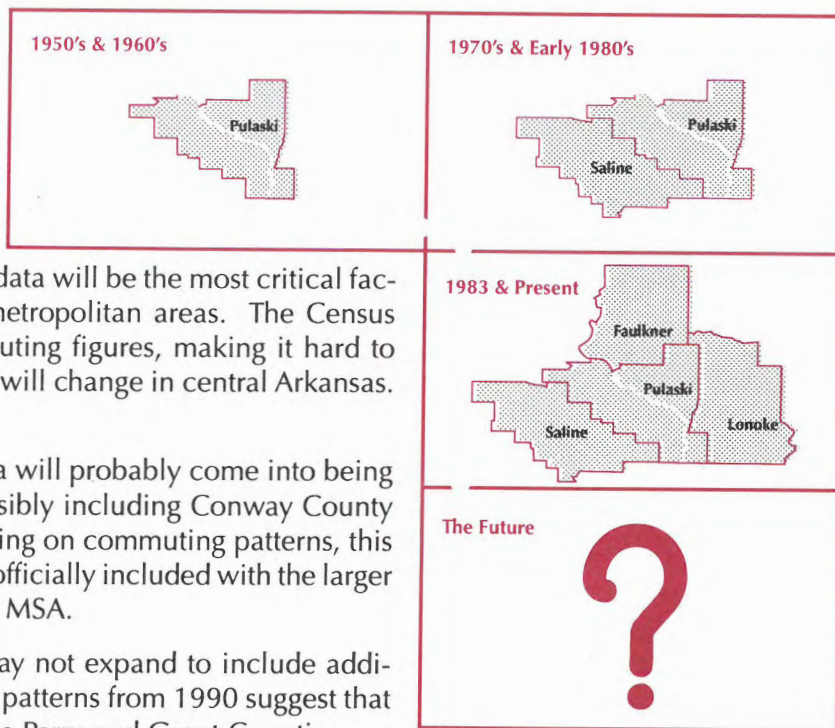
The map images below show the Census Bureau's changing definitions of the Little Rock-North Little Rock Metropolitan Area. As you can see, the region has expanded over time owing to population and employment growth, as well as changes in the Census Bureau's standards.

Sometime during late spring 2003, the Bureau will announce the new regional boundaries for metropolitan areas across the United States. The new standards depend mainly on commuting patterns between outlying counties and central counties. Population density, a key part of past standards, no longer applies.²

County-to-county commuting data will be the most critical factor determining inclusion within metropolitan areas. The Census Bureau has not yet released commuting figures, making it hard to know how metropolitan definitions will change in central Arkansas. Below are some possibilities:

- A Conway Micropolitan Area will probably come into being within Faulkner County, possibly including Conway County (Morrilton) as well. Depending on commuting patterns, this new area may or may not be officially included with the larger Little Rock-North Little Rock MSA.
- The LR-NLR MSA may or may not expand to include additional counties. Commuting patterns from 1990 suggest that the most likely candidates are Perry and Grant Counties.

Little Rock - North Little Rock Metropolitan Area 1950 - Present



¹ For a more precise definition, consult *Federal Register*, Volume 66, No. 60, March 28, 2001.

² For more information, consult *Federal Register*, Volume 65, No. 249, December 27, 2000.

Change alone is unchanging.

Heraclitus
535-475 B.C.

2002 Demographic Outlook

The pace of international immigration to the United States has slowed somewhat since September 11, 2001 terrorist attacks. It remains unclear whether this slowdown will be a temporary or long-term phenomenon. International migration trends are relevant to the region since, as noted on p. 7, international migration is a growing factor in regional population trends, especially in Pulaski County.

Overall, population growth continues across the region at a pace slightly faster than the national average, despite mixed short-term economic signals. New income and poverty data from Census 2000 verify that most people in central Arkansas have prospered over the past decade, a likely indicator of an appealing region that will continue to attract population growth.

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

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The preparation and publication of this document was financed in part by federal funds provided by the U.S. Department of Transportation through the Federal Highway Administration and Federal Transit Administration. The provision of federal financial assistance should not be construed as denoting U.S. government approval of any plans, policies, programs or projects contained herein.

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