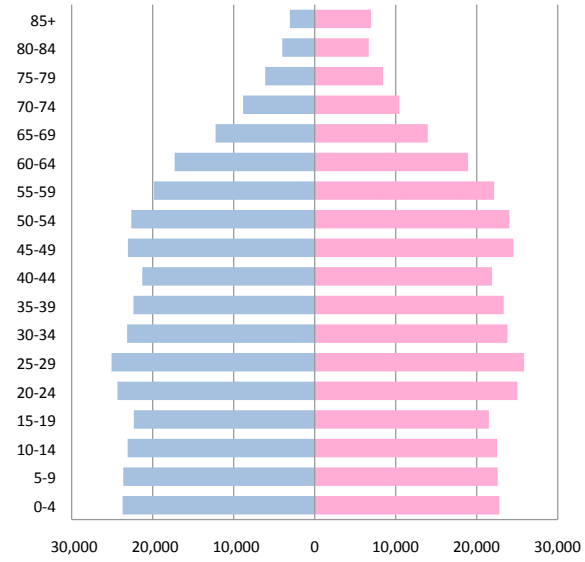
July 2015

METRO TRENDS

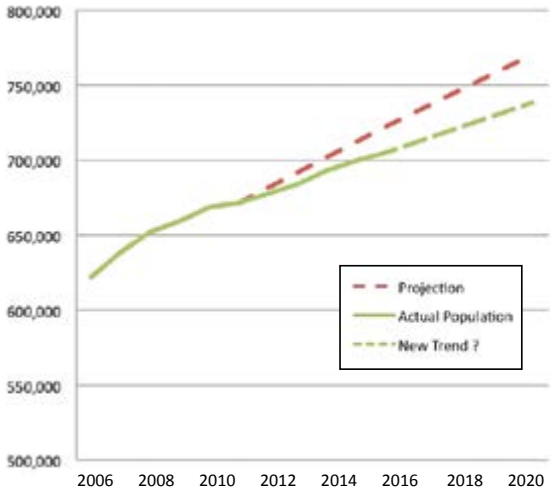
Demographic Review and Outlook

METROPLAN
SMART PLANNING MAKES SMART PLACES.

Central Arkansas Total Population by Age/Sex 2010



Central Arkansas Population Trend



On the Cover: The people—old, young, and middle-aged, who comprise the region's population—are standing on a pyramid chart (shown more clearly above left). The chart depicts population by age and sex in the most recent full count—the 2010 census. The background solid green line conveys the known population trend, which has slowed since 2010 (also shown above right). The trend 2010–2015 has run under the projection (the red dashed line), and may have to be revised, with the possible new trend conveyed in the green dashed line from 2015 through 2020. The region's population continues, however, to grow slightly faster than overall U.S. population.

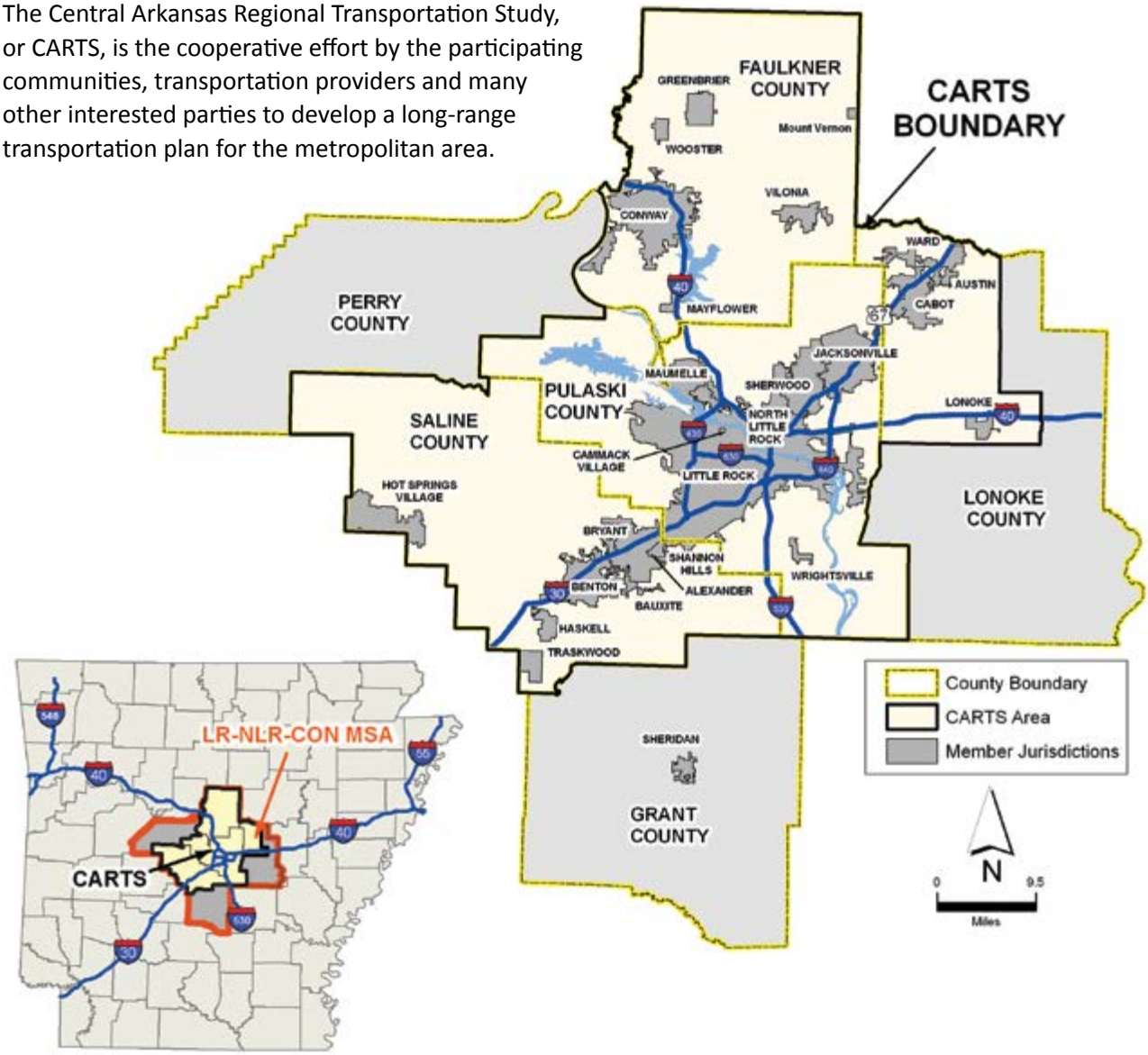
About Metroplan

Metroplan is a voluntary association of local governments that has operated by interlocal agreement since 1955. Originally formed as the Metropolitan Area Planning Commission of Pulaski County, Metroplan now has members in five counties of 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.

About CARTS

The Central Arkansas Regional Transportation Study, or CARTS, is the cooperative effort by the participating communities, transportation providers and many other interested parties to develop a long-range transportation plan for the metropolitan area.



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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.

Prepared by: Jonathan Lupton, research, writing and editing
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Photographs by Lynn Bell and Jonathan Lupton except where noted.

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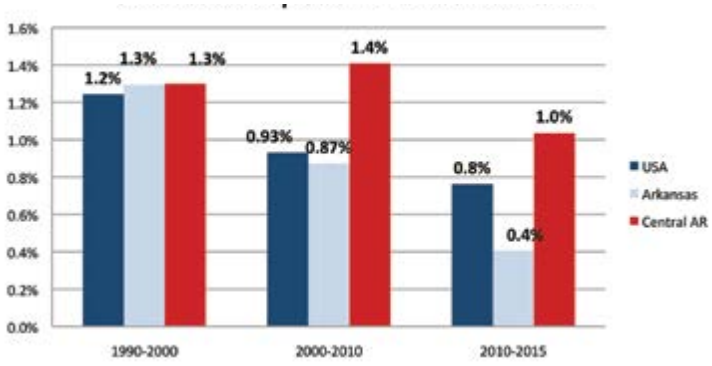
Population Trends 2010-2015 and Beyond

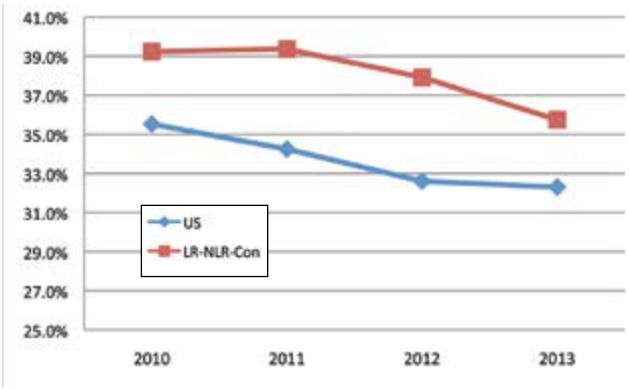
Population growth has slowed over the past five years in the Central Arkansas region. This trend, along with a lagging economic recovery from the Great Recession of 2008–2009, helps explain a downturn in housing construction. While the region has slowed, it continued to exceed U.S. population growth from 2010 to 2015, with about 1 percent annual growth compared with about 0.8 percent for the nation as a whole. However, local growth has slowed by more, from a 1.4 percent pace (well above the national average of 0.9 percent) during the 2000–2010 decade to a pace only marginally higher. The State of Arkansas has slowed yet more, now growing at about half the U.S. average. Most rural counties in the state have lost population since 2010.

Annualized Population Growth 1990–2015



Futurists often analyze demographic patterns because people alive today can be followed by age groups through semi-predictable patterns into the future. The large Baby Boom generation, for example, is likely to "age in place" as it moves into late career and retirement; for Boomers stability or downsizing are likely future trends. The smaller Generation X cohort is moving into mid-career. Gen X may do some "trading up" in housing, but this generation's small comparative size and the traditional stability of people in middle age means little change can be expected over the short term.

Homeowners Under 35 as Share of Total Homeowners 2010–2013



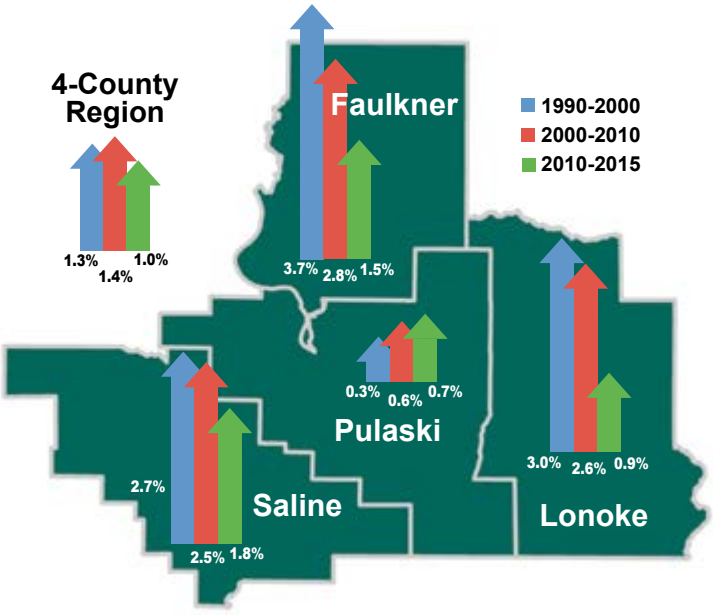
The biggest questions involve the younger Millennial Generation, currently about 18 to 34 years of age. They are still footloose, and their tastes and choices will drive much of the change that can be expected in housing, retail, and other economic sectors. A critical factor to watch is their willingness to buy homes, which has been tepid so far. The chart above compares homeownership trends in the population under age 35, locally and nationally. As you can see, while local young adults are more likely to own homes than the U.S. average, the trend has continued downward in recent years.

This edition of the *Metrotrends Demographic Review and Outlook* takes a look at the region's status at mid-decade. It looks at reasons why Central Arkansas is growing slightly faster than the U.S. average, but not as quickly as the South's megapolitan regions. It also looks at changing growth patterns, with growing emphasis on urban in-fill and diminished — but continuing — greenfield development at the regional periphery. Suburbs, once generally prosperous and heavily white, are seeing some of the same challenges of aging infrastructure, growing ethnic diversity, and emerging poverty that once impacted older central areas. The vast majority of Central Arkansas residents live in lands of single-family homes and low-density apartments, interspersed with grassy lawns and parking lots. For that reason, the trends of these areas — the suburbs — will define the region's future. M

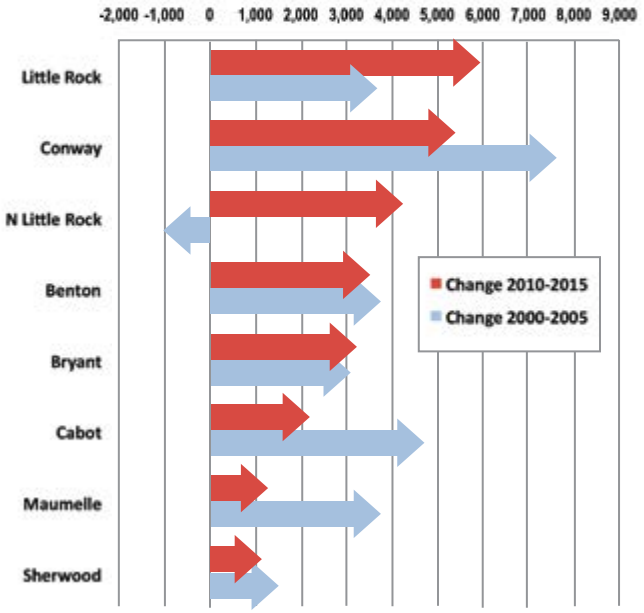
Population at Mid-Decade

Metroplan's 2015 estimates show some shifting of trends over the past five years. The map at right shows annualized population growth for three intervals since the year 1990. As you can see, population growth has slowed. Faulkner County, which grew fastest in the 1990–2000 and 2000–2010 periods, has passed the baton for "fastest-growing" to Saline County. Even Saline County has, however, slowed compared with growth in the previous intervals. Lonoke County has slowed markedly, to a 0.9 percent annualized rate between 2010 and 2015. Pulaski County remains the slowest-growing, yet it has gained steadily over the period.

Annualized Population Growth Rates Four-County Region 1990 to 2015



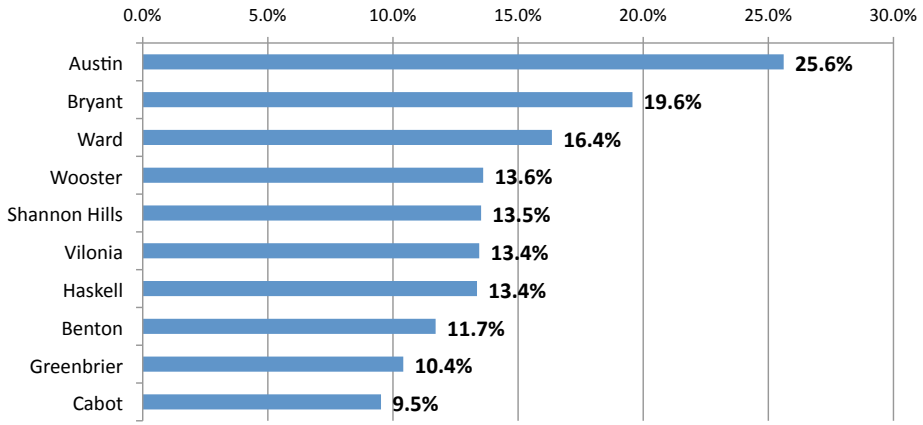
Central Arkansas Top Cities for Population Growth 2010–2015 with 2000–2005 Comparison



Within Central Arkansas there are wide variations in growth. The chart below ranks the region's fastest-growing cities by total percent population growth from 2010 to 2015. Among the region's cities, the title "fastest-growing" goes to Austin, in Lonoke County, which has gained by over 25 percent from 2010 to 2015. Next in rank are Bryant (+19.6 percent), Ward (+16.4 percent), Wooster (+13.6) and Shannon Hills (+13.5). There's a pattern visible: the region's smaller cities are seeing the biggest percentage gains.

Less well-known than a state capital in Texas, the community of Austin, Arkansas grew by over 25 percent from 2010 to 2015.

Central Arkansas Top Cities by Percent Growth 2010–2015



Little Rock-North Little Rock-Conway MSA Population Change 2010–2015

Faulkner County	2010	2015	Change
Conway	58,908	64,313	9.2%
Greenbrier	4,706	5,196	10.4%
Mayflower	2,234	2,351	5.2%
Vilonia	3,815	4,328	13.4%
Wooster	860	977	13.6%
Small communities	2,245	2,393	6.6%
Unincorporated	40,469	41,978	3.7%
County Total	113,237	121,536	7.3%

Grant County	2010	2015	Change
Sheridan	4,603	4,908	6.6%
County Total	17,853	18,144	1.6%

Lonoke County	2010	2015	Change
Cabot	23,776	26,040	9.5%
Austin	2,038	2,560	25.6%
Ward	4,067	4,732	16.4%
Lonoke	4,245	4,385	3.3%
England	2,825	2,777	-1.7%
Carlisle	2,214	2,199	-0.7%
Small communities	751	748	-0.4%
Unincorporated	28,440	27,806	-2.2%
County Total	68,356	71,247	4.2%

Perry County	2010	2015	Change
Perryville	1,460	1,452	-0.5%
County Total	10,445	10,245	-1.9%

Pulaski County	2010	2015	Change
Little Rock	193,524	199,511	3.1%
North Little Rock	62,304	66,596	6.9%
Jacksonville	28,364	28,796	1.5%
Sherwood	29,523	30,725	4.1%
Maumelle	17,163	18,488	7.7%
Wrightsville	2,114	2,136	1.0%
Cammack Village	768	753	-2.0%
Alexander*	236	246	4.2%
Unincorporated (N)	25,410	25,065	-1.4%
Total North of River	162,764	169,670	4.2%
Unincorporated (S)	23,342	23,025	-1.4%
Total South of River	219,984	225,671	2.6%
Total Unincorporated	48,752	48,090	-1.4%
County Total	382,748	395,341	3.3%

Saline County	2010	2015	Change
Benton	30,681	34,272	11.7%
Bryant	16,688	19,954	19.6%
Shannon Hills	3,143	3,568	13.5%
Haskell	3,990	4,523	13.4%
Alexander*	2,665	2,709	1.7%
Traskwood	518	511	-1.4%
Bauxite	487	512	5.1%
Unincorporated	48,946	50,400	3.0%
County Total	107,118	116,449	8.7%

Hot Springs Village CDP (Unincorporated area)	2010	2015	Change
In Saline County	6,046	6,412	6.1%
In Garland County	6,761	6,958	2.9%
HSV Total	12,807	13,370	4.4%

City of Alexander Total (County splits shown above)	2010	2015	Change
Alexander	2,901	2,955	1.9%

4-County Region	671,459	704,573	4.9%
6-County MSA**	699,757	732,962	4.7%

*Represents portion of Alexander by county.
**Official MSA since May 2003

The region's larger cities still account for the vast majority of total population growth. The chart on page 2 (opposite) ranks the top eight regional cities by absolute growth 2010–2015, and compares it with their population growth a decade previous, the period 2000–2005. Little Rock leads the list, with a net gain of nearly 6,000, compared with about 3,700 in the 2000–2005 period. Conway ranks second with a gain of 5,400, but has pulled back significantly from nearly 7,700 during 2000–2005. North Little Rock, which lost population from 2000 to 2005, now ranks third in the region for overall growth. Benton and Bryant each continued a steady growth trend, while Cabot, Maumelle and Sherwood have each slowed from the previous interval. M

Contending with the Megapolitans

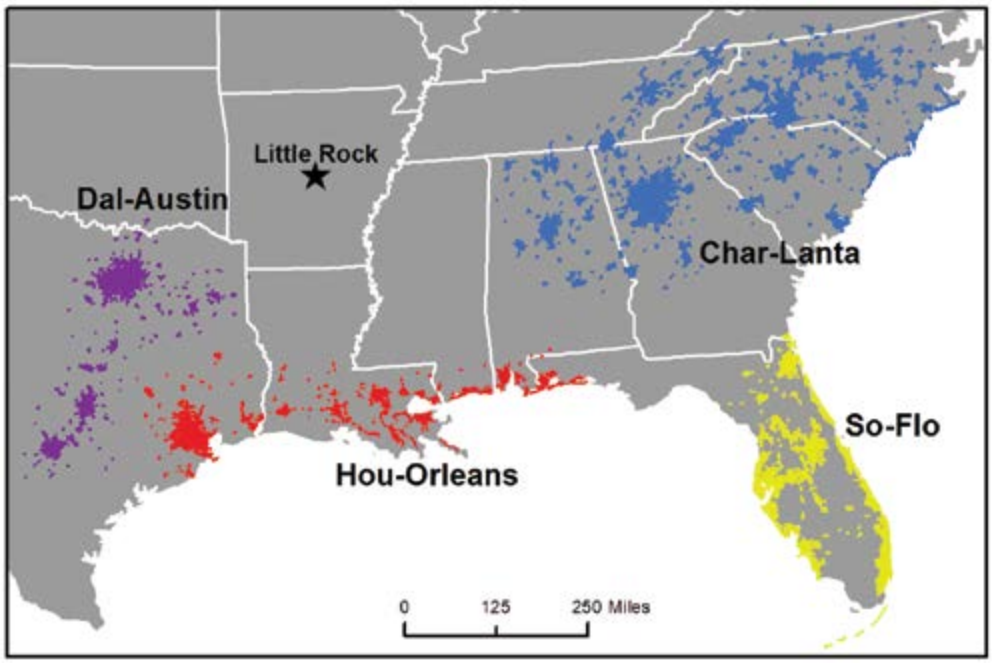
While the Central Arkansas region is growing population a bit faster than the U.S. average, many metro areas in the southeast and south-central U.S. are growing even faster. Why? It may be a matter of scale. In his prescient title *The Great Reset*, urban analyst Richard Florida contended that economic recovery from the Great Recession would run fastest in megapolitan regions, large urban conglomerates of multiple metropolitan areas.[1] U.S. megapolitan areas are competing (and trading) with global mega-regions like London, Shanghai, Amsterdam and Mumbai. These areas are centers of creativity, productivity, and wealth creation.

What is the advantage of such large-scale urban complexes? Richard Florida contends they offer the velocity and proximity required of the "new spatial fix," a vital underpinning of innovation and economic growth. People are demanding more choices in their urban lifestyles, and mega-regions offer them. These choices include walkable, mixed-use neighborhoods and public transportation — no longer merely the last resort of the poor. Public transport can offer a relief from commuting stress, and is particularly favored by the Millennial generation. Suburbs and exurbs are not about to disappear; in fact they are a major portion of the mega-regions, serving as one lifestyle option among several.

In the South Central and Southeastern U.S., the predominant mega-regions are:

1. **Char-lanta.** The arc of cities from central North Carolina southwestward to northern Alabama, with a total population of about 22 million in 2014.
2. **So-Flo.** The cities of south and central Florida; total population nearly 18 million.
3. **Hou-Orleans.** The string of cities between and around Houston and New Orleans along the U.S. Gulf Coast, with about 11 million people.
4. **Dal-Austin.** The megapolitan region stretching from San Antonio and Austin in central Texas northward to Dallas, with a population of about 12 million.

> *Megaregions are to our time what suburbanization was to the postwar era. They provide the seeds of a new spatial fix... Many people will still commute to work by car, but those who prefer to take public transportation or walk or ride their bikes to work will also be able to.*
>
> —Richard Florida, *The Great Reset*



[1]Richard Florida. *The Great Reset: How the Post-Crash Economy Will Change the Way We Live and Work.* Harper, 2011.
[2]The U.S. Bureau of Economic Analysis has not yet released 2014 GDP data for metro areas, so 2013 figures are used.
[3]"Life in the Sprawl: America's Fastest-Growing Metropolis Faces up to Cheaper Oil," *The Economist*, March 14, 2015.

Photos in this article are from iStock.

As the charts show, these nearby mega-regions have outpaced Central Arkansas in population growth, and by even more in economic growth.[2] The Hou-Orleans region, fastest-growing up to 2013, is now slowing, however, due to a decline in the energy markets that drive its economy.[3]

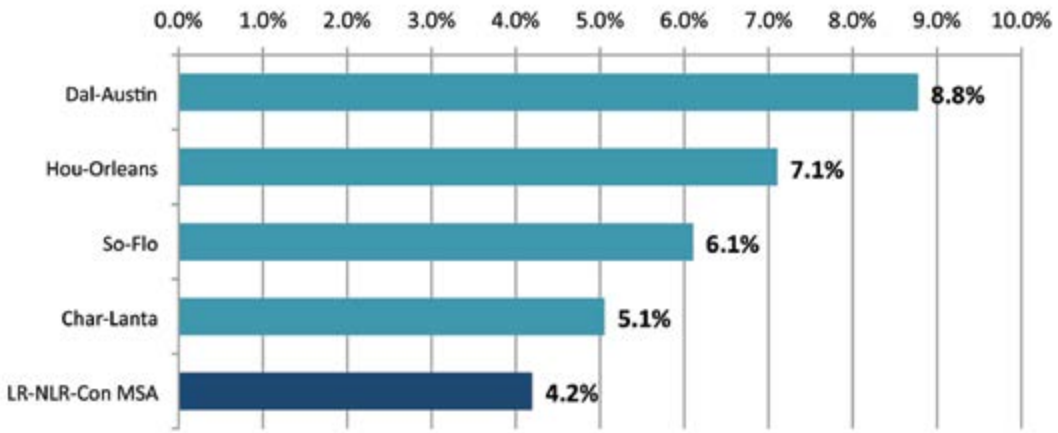
With about 700,000 people, Central Arkansas is not in the same size league. Does geographic isolation condemn Little Rock and nearby cities to slower growth into the future? Maybe not. First, the region already has economic linkages as a sort of "suburb" of the fast-growing and tech-oriented Dal-Austin region, its closest megapolitan neighbor. Central Arkansas is beginning to offer more lifestyle choices with walkable, mixed-use neighborhoods. Enhancements to public transport and pedestrian options may prove helpful. Future economic cycles may reveal local advantages like less congestion, lower costs and — especially — ample long-term water supplies. M

Dallas, the largest city within the Dal-Austin megapolitan region and the nearest, is about 300 miles from Central Arkansas.

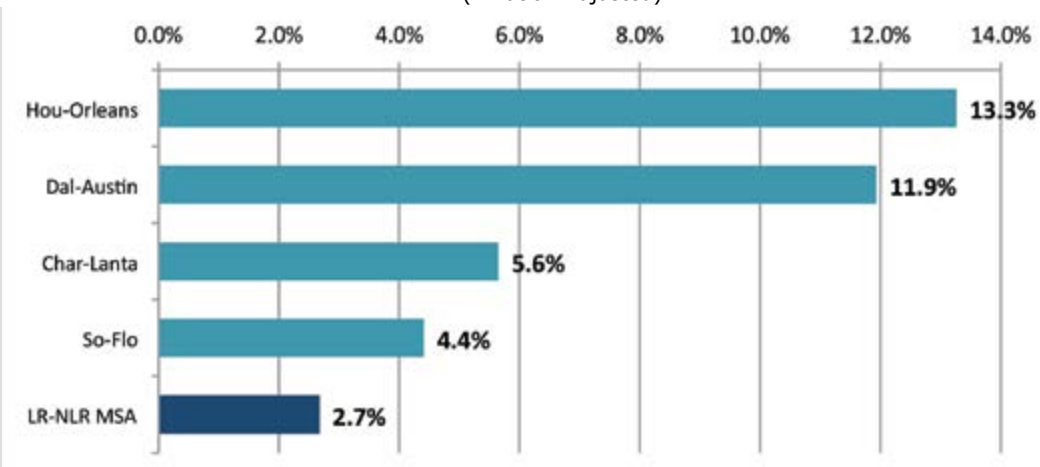
Atlanta is the economic center of the south's largest megapolitan, with 22 million residents — and growing.

Austin has become a tech giant and remains one of the country's fastest-growing metros, near the center of the Dal-Austin megapolitan region.

Population Growth 2010–2014



GDP Growth 2010–2013
(Inflation Adjusted)

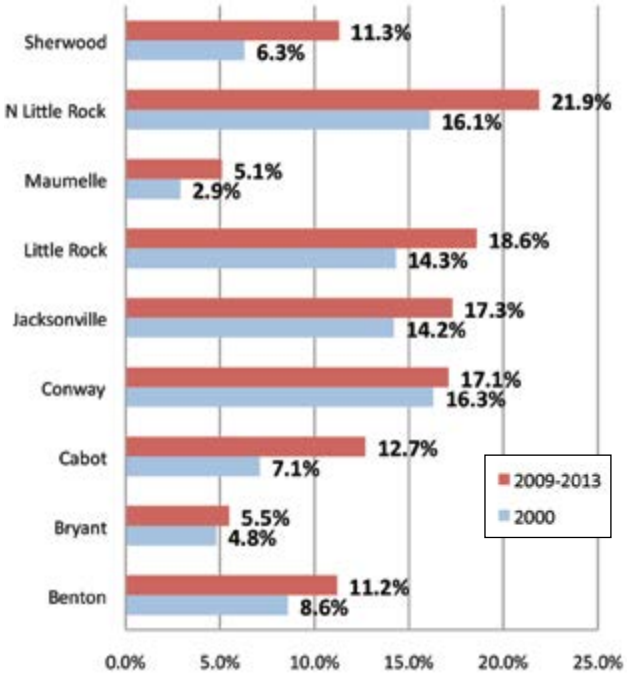


Poverty and the Suburbs

Poverty used to be found mostly in inner-city and rural areas. For decades, suburbs remained relatively immune. Today, however, suburbs are seeing rising poverty, too, and Central Arkansas is part of the trend. The chart at right shows poverty levels in the nine largest Central Arkansas cities in 2000, compared with more recent figures covering the years 2009-2013. Poverty has risen everywhere. In four suburban cities, poverty has nearly doubled since 2000: Benton, Cabot, Maumelle, and Sherwood, although it remains lower than the regional average of about 15 percent.[1] The highest concentrations remain in the region's largest cities: North Little Rock, at nearly 22 percent, Little Rock, with almost 19 percent, and Jacksonville and Conway, both in the 17 percent range.

While unemployment is part of the poverty problem, a sizable share of the region's impoverished residents are "working poor." About 32 percent of local residents classified as "in poverty" are holding jobs, a rate identical to the national average.[2] Poverty has moved to the suburbs partly because job growth has been faster there. People often move to where the jobs are, and suburban towns have large shares of jobs in low-paying service occupations, particularly retail trade. M

Central Arkansas Poverty Rate by City 2009-2013



Fighting Poverty by Targeting Hunger

In 2013, Arkansas ranked fourth-highest in the nation for poverty. For the Arkansas Hunger Relief Alliance, this works out to a lot of people in need. Feeding a state that is number one in senior hunger, and among the highest by other measures of food deprivation, is a big challenge. The Arkansas Hunger Relief Alliance uses multiple strategies to target the greatest needs and help lift people out of poverty.

Research is showing that children learn better when they have a nutritious breakfast. Breakfast in the classroom removes the stigma of eating separately in the cafeteria.

The Arkansas Gleaning Project revives an ancient practice, whereby farmers open their fields after harvesting the most economical portion. Volunteers and even prison inmates comb the terrain looking for food missed in the harvesting process, whether due to its appearance, size, or simply as a leftover residue, which can then be distributed by local food banks.

The Cooking Matters program holds classes that target low-income people, telling them how to get the most out of limited dollars or SNAP (food stamps) allocations. Too often hungry people pick up highly-processed foods heavy in sugar and sodium, yet they can get more nutrition for the dollar — and usually more satisfaction out of the food — by selecting in-season produce, and purchasing low-cost/high-nutrition groceries.

[1]City-level data are from Census 2000 and the 2009-2013 American Community Survey.
[2]American Community Survey 2013.
[3]RCAP denotes "Racially Concentrated Areas of Poverty"

Photos in this article are courtesy of the Arkansas Hunger Relief Alliance.

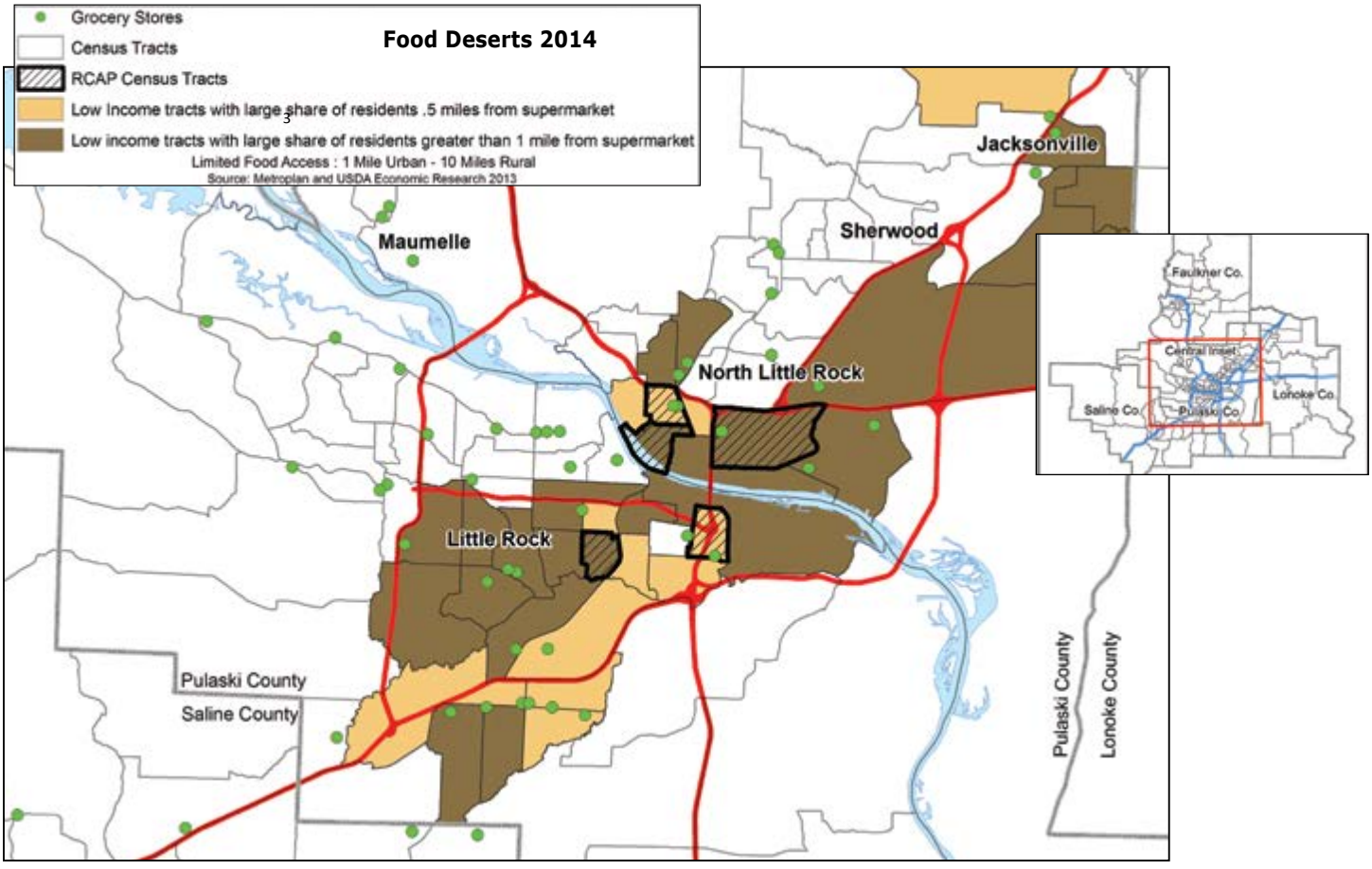
Volunteers glean watermelons from a field in Scott.

Cooking Matters participants learn how to read labels to make healthy purchases on a limited budget.

A Cooking Matters class at the Laman Library in North Little Rock.

The Arkansas No Kid Hungry campaign promotes breakfast and other meals during the school day. The majority of Arkansas schools — even schools in urban areas — have poverty levels high enough to justify USDA funding. A practicum team by the Clinton School for Public Service has demonstrated that feeding kids in the classroom at the beginning of the school day yields better classroom behavior and reduced nurse visits.

The Arkansas Hunger Relief Alliance must deal with the spatial aspects of hunger and poverty. So-called "food deserts" (shown in the map below) are areas where food is not available conveniently in neighborhoods, or in rural areas. As grocery stores consolidate into mega-stores serving multiple neighborhoods, urban residents lacking cars or access to transit can find themselves isolated. In too many cases, hungry people are compelled to buy food from local convenience stores, where high prices and poor nutritional content obstruct the need for basic nutrition. Another spatial challenge is the way pockets of poverty lie concealed even in supposedly prosperous areas. The Arkansas No Kid Hungry staff works closely with the Arkansas Department of Human Services and USDA to identify these pockets of high need within relatively prosperous areas so children in these locations can receive the nutritious food they need in the summer and when school is not in session .



Roads, Revenues and Suburbs of the Future

Last winter was unusually hard, leaving plenty of cracks and potholes for local drivers to bump and jolt over. Obscure as it may seem, the condition of asphalt makes a useful introduction to a cost-conscious look at the future of suburban development.

In modern practice, most new suburban streets are constructed by private developers. This includes not just local streets in housing subdivisions, but also construction and/or widening of arterial streets within or directly adjacent to new developments (aside from the State Highway system routes). Once roads are built, developers deed them over to local governments, which take over maintenance — in perpetuity, as in *forever*.

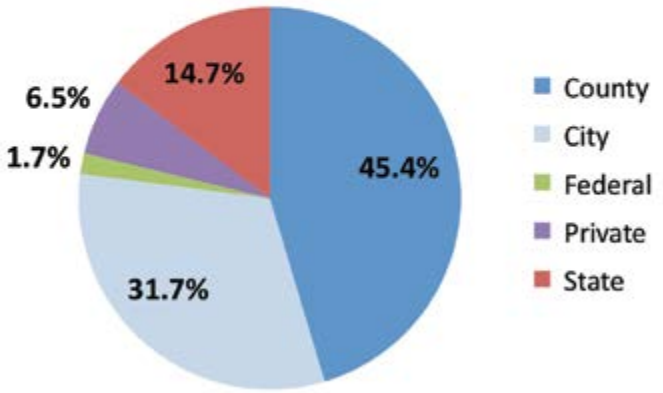
Streets have a "design" life which varies depending on the quality of construction, levels of traffic (not easily foreseen), and even weather. A typical life cycle is about 30 years, but this varies. In theory, it's better to fix a street before it begins to seriously degrade, but in practice governments tend to follow the more easily deferred, but also more expensive, practice of "fix on failure."

The Arkansas State Highway and Transportation Department (AHTD) keeps a database of pavement conditions on its roads. In the four-county Central Arkansas region, that's about 15 percent of total roadway miles (AHTD's share includes the most heavily-travelled miles). Few local governments keep such a database, and those that do have limited data. One local official, whose city does a reasonably competent job of street maintenance, admits that the practice depends on knowledgeable staff who keep a record of pavement needs by street "in their heads."

Citizens pay taxes to their local governments, mainly sales and property taxes (most local revenue in Arkansas comes from sales taxes). We know that each new land development will require maintenance funding, as well as provision of police, fire, libraries and other city services. Each new subdivision adds traffic, and requires additional water and sewer capacity. Developments come in many varieties, ranging from low-density single-family homes to apartment complexes, shopping centers and even walkable mixed-use and downtown districts. Does anybody know how much these different development types cost governments (and hence their tax-paying citizens), both in the short term and over time?

Surprisingly, almost nobody. This isn't just a local problem. A recent study by Smart Growth America covering the entire United States found "only four municipalities that have studied the ability of different development patterns to generate a surplus." Generally, however, denser developments, particularly those that put a high premium on the quality of their urban environment, may cost more up front but generate more revenue per acre, and hence cost less in proportion to the revenues they produce.[1] Low-density development, often seen as "economic" from a short-term perspective is, in practice, heavily subsidized by governments over the long run.

Regional Road Mileage by Type 2015
(4-County)



This bridge just west of downtown on Cantrell Road exemplifies the deferred-maintenance problem.

[1]"Building Better Budgets: A National Examination of the Fiscal Benefits of Smart Growth Development." Available online at smartgrowthamerica.org.

The hidden nature of development costs, and problems of traffic saturation, helps explain why two local communities, Bryant and Conway, now levy impact fees for new developments. It probably also explains why, over the decades, fast-paced population and housing growth tend to jump around from one "hot" new suburban town to another. Problems of traffic and cost gradually come due, growth slows, and fast-paced development leapfrogs to another community. Tastes are changing, too, as more walkable older and redeveloped inner-city areas gain popularity, and this will add a bit to overall density, although greater convenience typically comes at premium cost.

A growing region like Central Arkansas, with ample developable land and free from the extreme congestion common to larger urban areas, will continue developing outward into the foreseeable future. The cost question will be deferred, but it will quietly influence the willingness of private finance and local governments to back new developments. As the region grows into the future, expect a combination of suburban spread on the one hand, and infill and redevelopment in established areas on the other, and hence a slow rise in overall density. And what about pavement conditions? You will see occasional patches and repair jobs, but potholes and cracks will continue spreading and worsening overall. Expect even more bumps and jolts in your future. M

Chenal Parkway was built a quarter-century ago by developers. Now Little Rock's responsibility, it is showing its age.

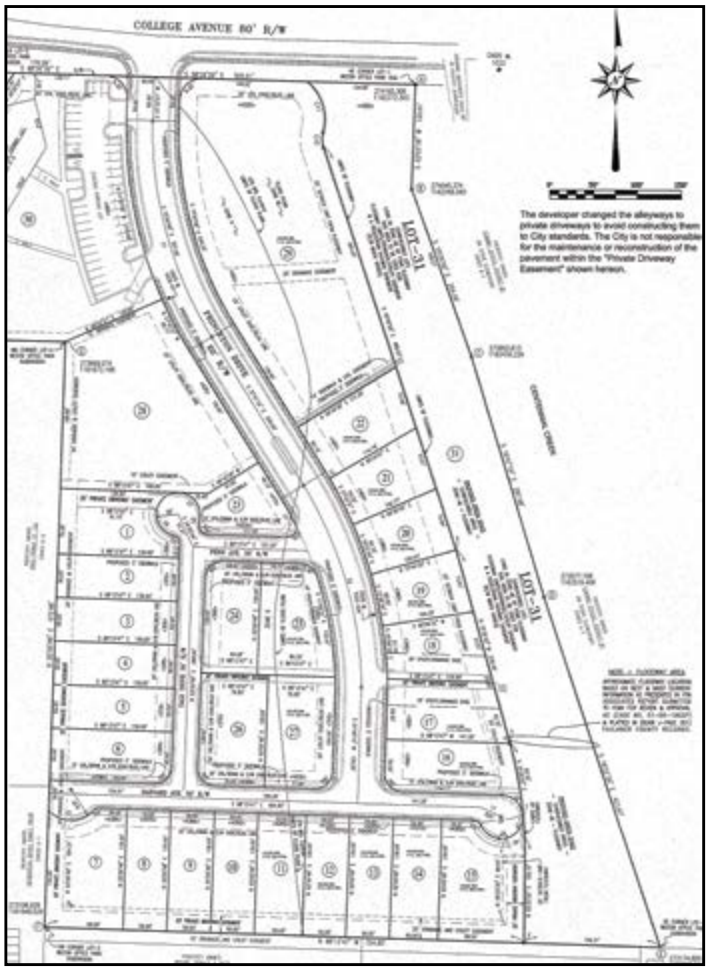
The photos above were taken along a 2.6-mile stretch of Kanis Road in western Little Rock. Once a two-lane county road, Kanis is becoming a high-traffic city street. Developers are required to add extra lanes and sidewalks adjoining their properties, but major segments of the road remain unimproved. This explains the constant change between narrow and wider sections of the road. Part of Kanis Road (from Gamble Rd. to Shackleford Rd.) is scheduled for widening and improvement in 2016, funded by the City of Little Rock's new 3/4-cent sales tax.

Conway: A Window on Land Use Planning in 2015

Bryan Patrick, Conway's director of planning, uses a low-key joke to describe much of development these days, calling it "the new suburbanism." In the wake of the of the mid-2000 housing crash, and with changing tastes in land development, practices have changed a bit. New development includes fewer of the low-density, suburban subdivisions that once dominated, and a larger share of infill and higher-density developments. But, aside from the avowedly New Urbanist project at Hendrix Village and a bit of downtown redevelopment, the changes are better described as evolutionary, not revolutionary.

Some developers have seen the high-quality walkable environment at Hendrix Village. They also recognize the high selling price per square foot of homes there. While a full-fledged New Urbanist community is typically beyond their means, Bryan sometimes sits down with them, and sketches out possibilities for their properties. Traditional residential zoning discourages innovation, but in many cases it's possible to get a so-called "PUD" (Planned Unit Development) designation, allowing greater flexibility. The maps below show how one such sketch helped a developer design a denser, more pedestrian-friendly neighborhood. While not a purist's dream of New Urbanism, the neighborhood includes front porches, ample sidewalks, with alleys behind some homes for less intrusive vehicle access. Known as Princeton Village, the project is in close walking distance of an office building, elementary school and a small shopping center.

Along the western end of Oak Street, near Conway's thriving downtown district, a more fundamental change is underway. New projects must build up to the street front, with parking in back. The hope is that, over time, higher-density more walkable development can be gently



In the sketch map (above left) Conway staff showed a developer how an infill site could become a high-end walkable community. The map above right shows the final subdivision that resulted. Named Princeton Village, this private development contains some New Urbanist elements, with ample sidewalks and in easy walking distance of an office building and elementary school.

urged eastward along this congested corridor locally known as "Hamburger Row." At least one retail firm that wanted to build on this desirable high-traffic corridor resisted the requirement, and walked away when the Conway Planning Commission required a street-front format. The same developer came back a few months later, however, with a redesign that fits the more urban appearance and function the city now requires for this location.

This CVS pharmacy under construction along Oak Street, just east of downtown Conway, is built up to the street front with parking in back. Over time, street-front projects like this should transform the western portion of Oak St. into a more pedestrian-friendly urban format.

Conway was the first community in Central Arkansas to levy impact fees on new development, and Conway planners know some developers are deterred by the higher cost of building in the city. But the city is still growing as it balances long-term financial viability against the desire for growth. Like other communities in Central Arkansas, Conway is seeing a slow change in development practices, building the foundations of a future city that will remain predominantly suburban, but perhaps more walkable. There is a real prospect for neighborhoods where pedestrian proximity between homes, stores, schools and jobs is a reality, not just a dream, with city finances a little better placed to match costs and revenues with long-term needs. M

Good food and a good deal for taxpayers too. Downtown Conway (top) and Hendrix Village (above).

A Glance at Costs and Revenues in Conway

Few analyses have been done anywhere in the USA balancing costs and revenues for development types. Conway is an exception: the city's Deputy Director of Development, Wes Craiglow, has done one for his city. The table below is an example comparing restaurants. The smaller street-front restaurants downtown occupy less space, but generate far more retail sales — and hence sales tax revenue — per acre than larger but lower-density suburban restaurants. Similar cost/benefit ratios apply to other retail establishments. In short, it makes financial sense for cities to facilitate higher-density development. With a smaller footprint, the downtown restaurants often use street-front parking, and can be easily accessed by pedestrians. They utilize street and utility connections that already exist, requiring little new construction. They generate less of many things that cost cities money, from traffic to stormwater runoff. Not only are downtown-type districts more walkable, they save taxpayers money.

Conway Restaurants - Sales Tax Revenue per Acre

Location Type	Restaurant Type	Gross Revenue 2013	Revenue/Acre
Suburban Low Density	Case 1 - Fast Food	$2.94m	$4.14m
	Case 2 - Partial service	$3.28m	$1.85m
	Case 3 - Traditional	$3.33m	$2.31m
	Overall Suburban		**$2.24m**
Downtown and Hendrix Village	Case 1 - Partial service	$1.47m	$16.3m
	Case 2 - Partial Service	$1.23m	$8.2m
	Case 3 - Traditional	$1.29m	$14.3m
	Overall Downtown/Hendrix Village		**$9.08m**

Source: City of Conway Planning and Development.

Construction Stays Slow in 2014

The number of housing units started in 2014 was 1,802, the lowest in the region since 1992. Single-family permits were just 1,152 in the four-county region, the lowest recorded since 1982. The 650 multi-family units permitted ranked the lowest since 1994.

Most cities in the region saw single-family housing decline compared with the previous year, although Little Rock and Maumelle both posted small gains, while Benton and Sherwood held nearly even. The biggest drops were in Cabot (down 48 percent) and Hot Springs Village (down 44 percent). Despite these low readings, the final quarter of 2014 showed a marked up-tick in single-family construction, as shown in the quarterly index on page 13, reaching an index value of 1.15, its highest since late 2012. Single-family construction then took a nosedive in the first quarter of 2015, but severe winter weather in February and March might have played a role. With the arrival of milder spring weather markets are moderately stronger. The number of single-family permits across the region in April 2015 was 125, the highest for the month of April since 2012 (130 units).

The index of multi-family construction remained low through the end of 2014, hitting an index value of 0.52 as U.S. multi-family construction reached a post-recession high with a value of 1.22. In multi-family, Little Rock saw the most activity during 2014, with the large Riverdale Residences complex of 261 units, the addition of 160 units to the Pointe at Brodie Creek, and the McArthur Commons complex with 59 units downtown. One small complex was begun in Conway, along with a handful of duplexes elsewhere in the region. M

New Housing Unit Permits by City 2010–2014

Single-Family

	2011	2012	2013	2014
Benton	147	210	205	203
Bryant	144	143	110	73
Cabot	93	101	97	50
Conway	153	187	148	119
Hot Springs Vill.	53	45	72	40
Jacksonville	31	100	31	28
Little Rock	328	395	353	360
Maumelle	83	76	76	98
N. Little Rock	155	155	103	70
Sherwood	79	144	158	151
Total	1,266	1,556	1,353	1,192

Multi-Family

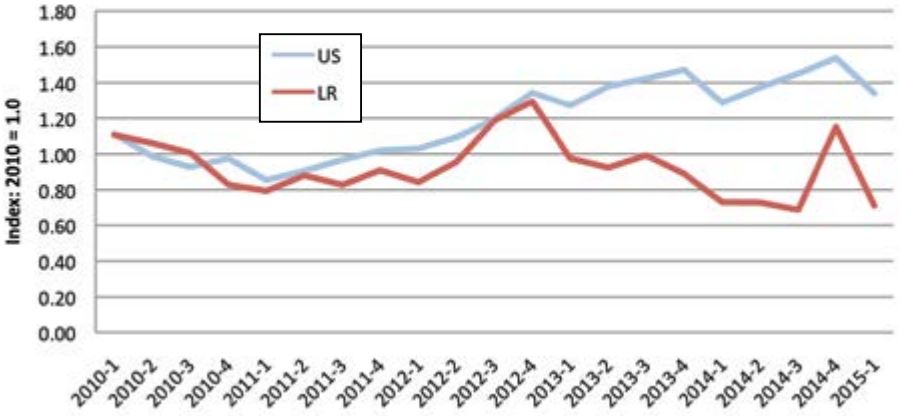
	2011	2012	2013	2014
Benton	0	0	0	0
Bryant	22	26	0	0
Cabot	24	308	0	11
Conway	14	144	152	67
Hot Springs Vill.	0	0	0	0
Jacksonville	0	8	0	12
Little Rock	1,022	275	265	556
Maumelle	0	108	0	0
N. Little Rock	461	488	396	4
Sherwood	0	0	0	0
Total	1,543	1,357	813	650

Units by Type and Overall Total

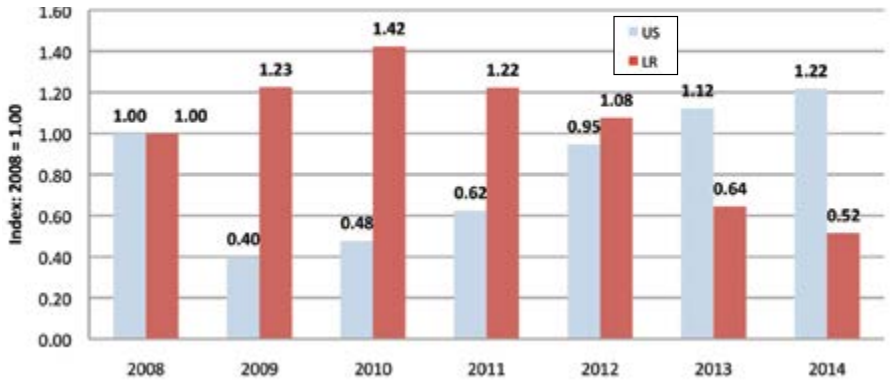
	2011	2012	2013	2014
Share Single-Family	45.1%	53.4%	62.5%	64.7%
Share Multi-Family	54.9%	46.6%	37.5%	35.3%
Total Units	2,809	2,913	2,166	1,842

Homes fronting the Arkansas River Trail take shape in the new Residences at Rockwater development in North Little Rock.

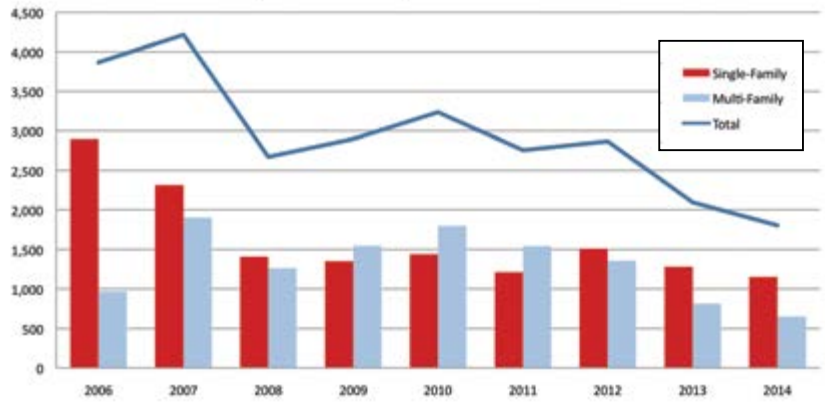
Quarterly Single-Family Construction Trend 2010–2015 Q1



Annual Multi-Family Construction Index 2004–2014 (Year 2004=1.0)



Regional Housing Unit Permit Totals 2006–2014



This home in Conway's Princeton Village development will be part of a community with sidewalks, front porches and smaller front yards.

A slight reduction in travel times from the I-430/630 interchange rebuild may convey a development boost to western Little Rock. The McKenzie Park apartments, seen here under construction, will add 168 units along Kanis Rd.

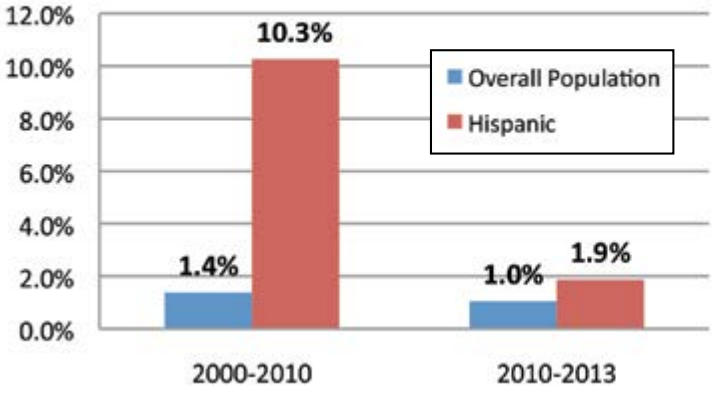
Demographic Outlook 2015

Mid-decade finds the region growing more slowly compared with the recent past. The Components of Change table, below, shows that net in-migration remains highest in the region's outlying counties, but slower even there. For the region as a whole, natural increase (population growth from natural causes, i.e. the excess of births over deaths) ran nearly as high as in-migration for the period 2010–2015.

The pace of ethnic change, which was moving fast during the 2000–2010 decade, has slowed in Central Arkansas. As the chart below shows, the region's fastest-growing large ethnic group, Hispanics, grew at 10.3 percent annually during the previous decade, seven times faster than the general population (1.4 percent). During the period 2010–2013, Hispanic growth had slowed to 1.9 percent annually, still faster but less than twice as fast as the regional average. According to ACS figures, black/African-American population has also slowed, from 1.9 percent annually 2000–2010 to 1.6 percent 2010-2013. Asian population has, according to ACS figures, grown by little if at all.

Completion of the I-430/630 interchange rebuild in the summer of 2015 will mark the beginning, not the end, of a series of major construction projects by the Arkansas State Highway and Transportation Department (AHTD) in the region. The Broadway Bridge is still scheduled for closure in May, 2016, with November of the same year as the target date for completion of a new bridge. A far bigger project, the reconstruction of I-30 through the center of Pulaski County, is set to begin construction in 2017. This will include replacement of the existing Arkansas River Bridge, with probable widening to 8 or 10 lanes. Since private investments are strongly influenced by government infrastructure expenditures, this will be a trend to watch during (and after) the project's scheduled completion in 2021, particularly in downtown and near-downtown locations along the route. M

Annual Average Population Growth
Little Rock-North Little Rock-Conway MSA



Components of Population Change
Little Rock-North Little Rock-Conway MSA 2015

	January 2015	April 1 2010	Change	Births	Deaths	Natural Increase	Net Migration
Faulkner	121,536	113,237	8,299	7,331	4,047	3,284	5,015
Grant	18,144	17,853	291	929	831	98	193
Lonoke	71,817	68,356	3,461	4,593	2,934	1,659	1,802
Perry	10,245	10,445	(200)	503	604	(101)	(99)
Pulaski	395,341	382,748	12,593	26,594	16,539	10,055	2,538
Saline	116,449	107,118	9,331	6,342	4,647	1,695	7,636
MSA	733,532	699,757	33,775	46,292	29,602	16,690	17,085

Sources:
Birth and death data from Arkansas Department of Health; 2010-2013
All figures post-2007 are provisional.
Metroplan extrapolations for 2014.

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