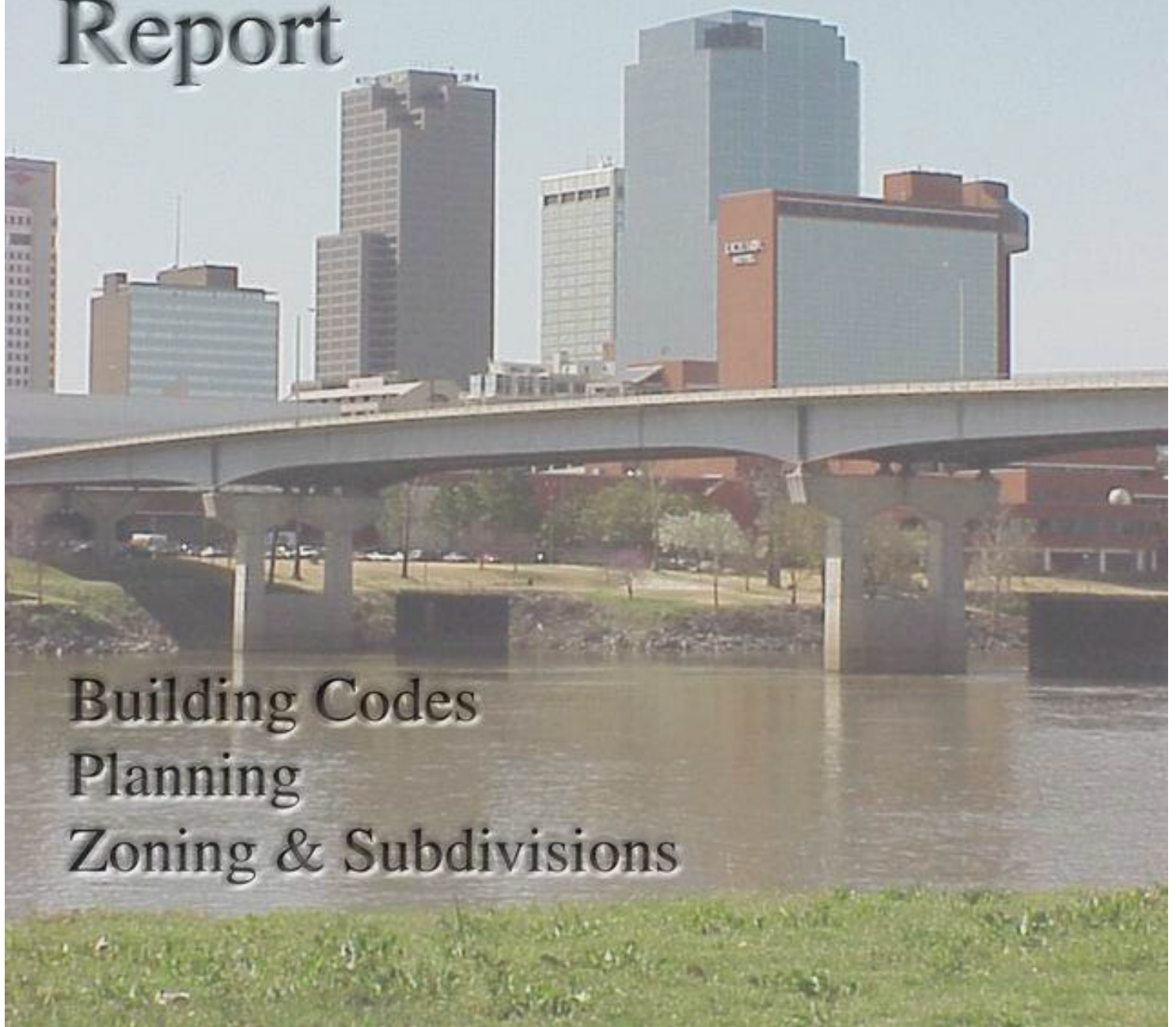


2002

Annual Urban
Development
Report



Building Codes
Planning
Zoning & Subdivisions

Board of Directors - 2003

Mayor	Jim Dailey
Vice Mayor	Willie Hinton
Ward 1	Johnnie Pugh
Ward 2	Willie Hinton
Ward 3	Stacy Hurst
Ward 4	Brad Cazort
Ward 5	Michael Keck
Ward 6	Genevieve Stewart
Ward 7	B.J. Wyrick
Position 8	Dean Kumpuris
Position 9	Barbara Graves
Position 10	Joan Adcock

River Market Design Review Committee - 2003

Greg Hart – Chairman
Tim Heiple
Jim Schimmer
Melissa Tanner
Patty Wingfield

Board of Adjustment – 2003

William Ruck – Chairman
Fred Gray – Vice Chairman
Andrew Francis
Terry Burruss
Scott Richburg

Planning Commission - 2003

Obray Nunnley, Jr. – Chairperson
Mizan Rahman – Vice Chairperson
Fred Allen, Jr.
Judith Faust
Norm Floyd
Gary Langlais
Bob Lowry
Jerry Meyer
Rohn Muse
Bill Rector
Robert Stebbins

City Beautiful Commission - 2003

Nash Abrams -- Chairperson
Tim Heipe – Vice Chairperson
John Beneke
Jan Barlett Hicks
Amy Ivey
Troy Laha
Sharon Tallach Vogelpohl
Lynn Mittelstaedt Warren
Karol Zoeller

Construction Board of Adjustment and Appeal -2003

Joe Hilliard – Chairman
Danny Bennett
Doug Bown
Emery Crossland
Robert Merriott
James Mitchell
Clyde Smith

January 17, 2003

Dear Citizen,

The year was extremely productive for the Department in terms of strategic long-range planning efforts. As with all of our planning endeavors it has been the great support from the Mayor and Board of Directors, Planning Commission and residents that made the plans become reality.

Much of the 2002 work program was completed within the fiscal year. While we along with the rest of America traversed difficult times, we have not lost focus of our goal – preserving the quality of life that initially attracted us, our neighbors and the existing businesses to the community that we continue to call home. Our continued involvement with the efforts to bring the City operations closer to the people of the community has assisted to bridge the gap between our municipal governing and its citizens.

The Buildings Codes Division collected over \$2,000,000 in fees, including permit fees, licenses and other miscellaneous charges and performed over 20,000 inspections. The Division continues to review plan applications on commercial buildings within five days and provides same-day review on residential applications. The division provides same-day inspections of all requested inspections prior to 9:00 a.m.

The Planning Division continues to assist neighborhoods with the development of Neighborhood Action Plans. This planning process allows for neighborhoods to define a common direction, based on the shared vision of the participants and is articulated in concise statements by the residents of the neighborhoods involved. Presently there are nineteen action plans completed.

The Zoning Division acts as a resource agency for developers, realtors and other citizens when presented with requests for current zoning, plat status, development standards or statistical information. The Division continues to administer the scenic corridor provisions for billboards along with sign permits and renewals. During the previous year fee revenue collected for sign permits and sign renewal permits totaled \$48,095.

Contained in this Annual Report are the accomplishments and achievements from the previous year for the Department. Please review this report and join us in expanding our successes for Little Rock in 2003.

Respectfully,

Jim Lawson
Director

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Zoning and Subdivision Division

Zoning and Subdivision Regulations are the principal tools employed by the City of Little Rock in guiding the city objectives and plans to specify goals. They assure compatibility of uses while directing the placement of infrastructure and public services.

Platting, rezoning and site development ordinances are administered by this Division. Additionally, use permits, variances and enforcement are dealt with daily.

The Division also acts as a resource agency for developers, realtors and other citizens when presented with requests for current zoning, plat status, development standards or statistical information.

Limited involvement in maintaining a neighborhood contact list for purposes of monitoring development activities has been continued by the division. The list is monitored for updates and expansions, within a computer master list. This record offers several notice formats for contacts.

This Division has encouraged local developers to provide early contact with staff to assure that development proposals are filed in a timely manner, and with involvement of interested persons or organizations.

Staff from the Division continues their involvement in neighborhood meetings with developers and area residents. These meetings are held in the neighborhood normally during the evening hours to facilitate attendance by interested neighbors. These meetings usually concern an active application for development.

Annual Ordinance Review

A primary function of this Division is to assure complete, accurate and up-to-date land development codes for use by the public at all levels of involvement. During 2001 staff worked with the Plans Committee of the Planning Commission on an annual review of proposed changes to the zoning ordinance. There were 25 changes proposed. This process was completed in early 2002.

2002 Sign Code Statistics

During 2002, the Division worked to process sign renewals (5 year interval for billboards, 10 year for all others). Sign permits (including renewals) brought in \$48,095 in fees for the year. In addition, the Division administered the scenic corridor provisions on billboards.

780	Sign Permits Issued
0	Court Cases
316	Sign Permit Renewals
3,841	Sign Inspections and Re-inspections

In 2003, the Division will continue to monitor and enforce the sign ordinance. The staff anticipates no significant changes in the coming year.

Zoning and Subdivision Division

Commercial Plan Review

The Division provides for a detailed review of all commercial permits for purposes of assuring that all developments comply with Zoning, Subdivision and Landscape Ordinance standards.

Additionally, reviews of the landscape and buffer requirements for developments going before the Planning Commission are provided. These reviews not only aid the City Beautiful Commission in its efforts to create a more livable city, but assist in providing a five (5) day “turnaround” on all commercial building permits.

2002 Plans Review for Zoning, Subdivision and Landscape Requirements

261 Commercial Plans/New or Additions

284 Commercial Landscape Plans

2002 Other Activities

29 Franchise Request

798 Site Inspections

108 Certificates of Occupancy

24 Temporary Structure Permits

Enforcement

The Division performs a key role in maintaining the effect and values of land use regulation by enforcing the Zoning, Subdivision and Landscape Ordinances. 3,074 inspections and re-inspections were performed.

2002 Plan Reviews for Permits

1054 Residential Plans – New or Additions

2002 Privileges Licenses

1479 Retail, Commercial, Office, Industrial and Home Occupation Reviews

2002 Information Inquiries

4,800 Request for Sign, Zoning, Enforcement or Licenses

2002 Court Cases

69 Cases – All Types

2002 Citations Issued

16 Cases – All Types

Wireless Communication Facilities

The Division continued to administer Article 12 of the City Ordinances, passed January 1998, which regulates wireless communication facilities. During 2002, 20 locations were approved administratively and 9 by the Planning Commission or Board of Directors. Staff shall continue to encourage collocation of WCF facilities.

Zoning and Subdivision Division

Zoning Site Plan

Zoning Site Plan review is a development review process that provides for case-by-case consideration of project particulars involving site development plans within certain zoning districts in the City of Little Rock. Plans for all such developments are submitted to and reviewed by the Division and the Little Rock Planning Commission. During 2002, the Division and the Planning Commission reviewed three zoning site plans, all of which were approved by the Planning Commission.

Subdivision Site Plans

Subdivision Site Plan review is a development review process that provides for case by case consideration of project particulars involving multiple building site plans. Plans for all such developments are submitted to and reviewed by the Division and the Little Rock Planning Commission. During 2002, the Division and the Planning Commission reviewed 16 Subdivision Site Plans, with 14 of the plans being approved by the Planning Commission.

Conditional Use Permits

Divisional staff provides support and analysis for the Planning Commission's review of Conditional Use Permit applications. Conditional Uses are specifically listed uses within the various zoning districts, which may be approved by the Planning Commission. Such uses are subject to special conditions as determined by the Commission. In 2002, the Commission reviewed 66 Conditional Use Permit applications. Of these, the Commission approved 51 applications.

Board of Zoning Adjustment

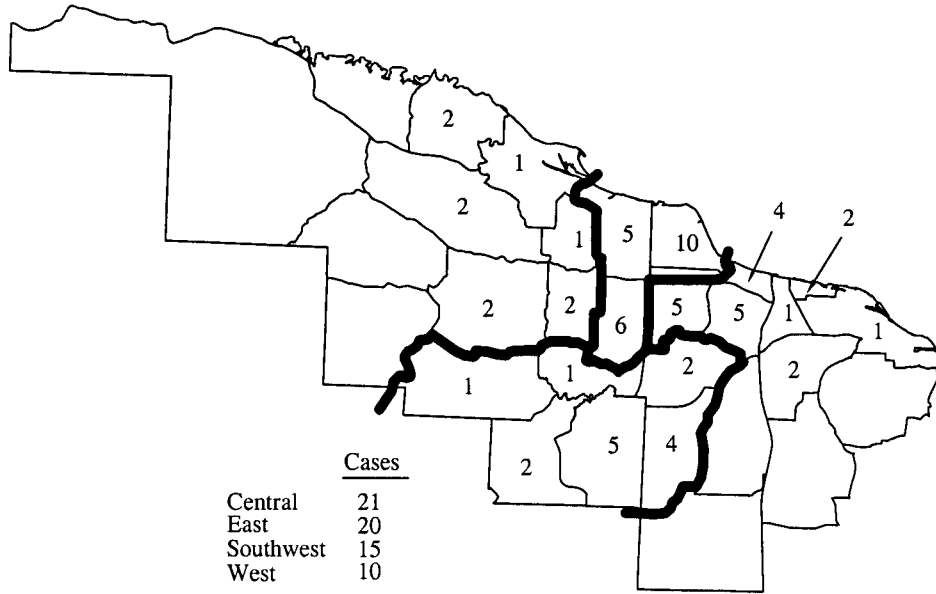
Staff support and analysis for the Board of Zoning Adjustment is provided by divisional Staff. The Little Rock Ordinance provides a multitude of specific requirements which, when applied to certain developments or in individual instances, may create hardship. In those instances, the Board of Adjustment is empowered to grant relief. The Board hears appeals from the decision of the administrative officers in respect to the enforcement and application of the Zoning Ordinance. In addition, the Board is responsible for hearing requests for variances from the literal provisions of the Zoning Ordinance. The Board consists of five (5) members appointed by the Board of Directors to a term of three (3) years. The Board meets one (1) time each month, typically the last Monday of the month. In 2002, the Board heard a total of 148 cases: 140 variance requests, 2 time extensions and 6 appeals. Of the 140 variance requests, 120 were approved.

City Beautiful Commission

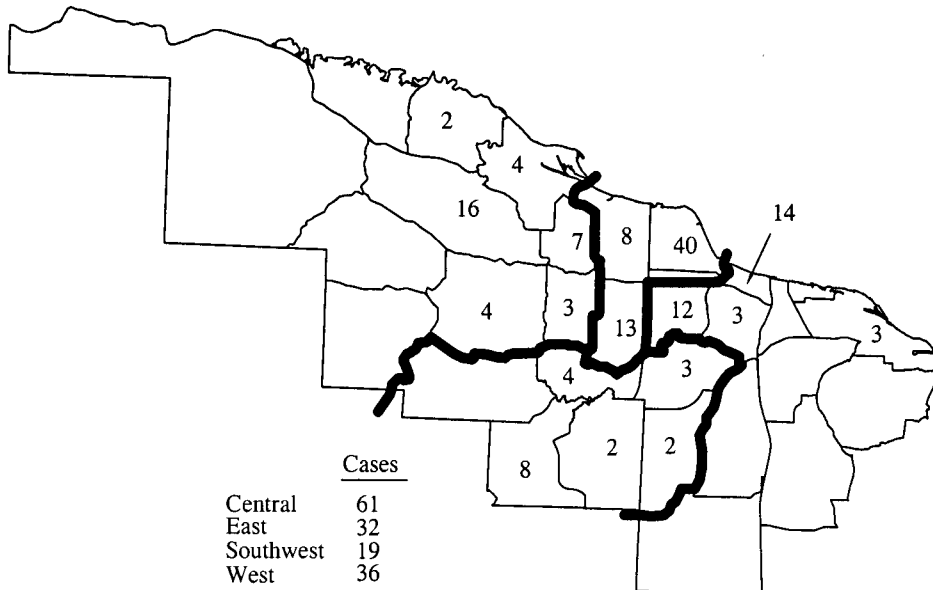
The Zoning and Subdivision Division provides staff support and analysis for the City Beautiful Commission. This nine member commission is responsible for the establishment and maintenance of plans to ensure a high level of visual aesthetic quality. The goal of the commission is to raise the level of the community expectations for the quality of its environment. The commission also hears and decides appeals from enforcement of the various provisions of the City's Landscape Ordinance. The Commission heard nine such appeal cases in 2002.

Zoning and Subdivision Division

Conditional Use Permits



Board of Adjustment Cases



Building Codes Division

The Building Codes Division issues construction related permits and provides plan review and inspection services with regard to building, plumbing, electrical and mechanical construction in the city. The primary goal of the Division is to protect the public health and safety through the administration and enforcement of these codes. Within the Building Codes Division there are six working sections. The Building Inspection Section, Electrical Inspection Section, Permit Section, Plan Review Section, Plumbing and Gas Inspection Section and Mechanical Inspection Section.

Code Compliance

Building				
	2002	2001	2000	1999
Permits Issued	4,561	4,384	4,458	4,269
Inspections	5,572	5,500	5,930	5,734
Violations	1,005	1,175	1,164	1,411
Fees	\$1,044,848	\$747,698	\$956,480	\$723,629
Plumbing				
	2002	2001	2000	1999
Permits Issued	3,443	3,058	2,834	2,588
Inspections	5,823	5,072	4,419	4,834
Violations	867	681	562	584
Fees	\$307,173	\$240,635	\$246,758	\$233,455
Electrical				
	2002	2001	2000	1999
Permits Issued	2,834	3,067	3,008	2,816
Inspections	6,147	7,185	7,489	8,183
Violations	1,044	861	736	773
Fees	\$315,153	\$276,910	\$307,002	\$299,907
Mechanical				
	2002	2001	2000	1999
Permits Issued	1,534	1,419	1,595	1,491
Inspections	2,997	3,547	2,356	2,344
Violations	501	515	364	498
Fees	\$266,909	\$186,173	\$187,049	\$173,515

Building Inspection

The Building Inspection Section is responsible for the inspection of all permitted commercial and residential construction jobs for code compliance through the full construction process, from foundation to the completion of construction. Inspections are also performed on dilapidated commercial structures and follow-up action is taken to have the structure repaired or removed.

Building Codes Division

Inspectors in this section also answer complaints involving illegal and unpermitted building projects. This section is responsible for review of building codes and proposes any changes and additions to keep “up-to-date”.

Electrical Inspection

The Electrical Inspection Section is responsible for inspection of permitted projects for code compliance. This section reviews all new electrical construction as well as electrical repairs. This section also reviews electrical drawings involving commercial buildings and outdoor electrical signs. Inspectors handle complaints involving illegal and unpermitted works and check electrical contractors’ licenses and update the city electrical codes.

Plumbing and Gas Inspection

The Plumbing and Gas Inspection Section reviews all permitted plumbing and natural gas projects for code compliance. The City of Little Rock also has jurisdiction over such work outside the city limits (if connecting to the city water supply). Inspections include water meter, yard sprinklers, installations involving plumbing and natural gas. Inspectors in this section also handle complaints involving illegal and unpermitted projects. Inspectors review plumbing contractors’ licenses and privilege licenses. Plumbing construction drawings are reviewed for proposed commercial projects and this section also proposes changes and additions to the plumbing codes as necessary.

Mechanical Inspection

The Mechanical Inspection Section is responsible for inspection of permitted projects for code compliance. These inspections include all heating and air installations. Inspectors in this section also handle complaints involving illegal and unpermitted projects and check contractors for proper licensing. Mechanical construction drawings are reviewed for proposed commercial projects and this section also proposes changes and additions to the mechanical codes as necessary.

Plan Review Section

The Plan Review Section is responsible for the review of all proposed commercial building plans for code compliance. This review involves all phases of building from foundation to structural, electrical, plumbing and mechanical and qualifies all requirements of Wastewater, Water Works, Civil Engineering, Traffic Engineering, Fire and Landscaping code requirements. This section works closely with other city agencies as well as contractors, architects and developers.

Permit Section

All construction permits involving building, electrical, plumbing, and mechanical work are issued in this section as well as permits for garages and tents. Records and building plans are maintained on all jobs for which permits have been issued. The permit section also maintains all other general records of the Division.

Building Codes Division

Building Codes Highlights

During 2002 the Building Codes Division collected over \$2,000,000 in fees including permits, licenses and other miscellaneous charges and performed over 20,000 inspections. Ten major unsafe structures were demolished. All information brochures on commercial construction permitting, plumbing, mechanical, and electrical procedures were updated and made available to the public as well as two issues of the *Codes Roundup*.

All inspection personnel attended some type of training seminar during the year and several members were nominated to policy level positions within their respective organizations. Mark Whitaker was selected to serve on several key committees with national code organizations and also served on the Arkansas State Building Code Adoption draft committee. Jerry Spence served on the Board of Directors of the International Association of Electrical Inspectors, Western Section. The City was also awarded host for the International Association of Electrical Inspectors Conference in 2004. The Division also celebrated National Building Safety and Customer Appreciation week during April.

A program, which provides for an increased flow of information and communication between the Division and the Arkansas General Contractors Association and The Home Builders Association of Greater Little Rock has produced good results.

The debit system for contractors has been a great success and allows contractors to obtain permits via fax or mail. This service allows the contractor the convenience of not having to come to the office to purchase permits and decreases downtime and saves money.

The Division has also purchased new permitting software, which will be implemented in 2003, which will provide more timely and better service to citizens and contractors.

During 2002, the 2000 International Building Code, the 2000 International Fire Code and the 2002 National Electrical Code were adopted.

The Building Codes Division has had great success with the following programs and plans to upgrade and enhance them for better service.

- All inspectors are equipped with radios and cell phones for faster service.
- We provide quick response to all complaints.
- Five-day plan reviews insure prompt attention to commercial building applications.
- Same-day review is given to residential applications.
- Same-day inspections are made on all inspection requests made before 9:00 a.m.

	2002	2001	2000	1999	1998	1997
Building Plans Reviewed	1533	1536	1773	1661	1606	1474
Construction B.O.A.	1	1	1	1	4	3
Electrical Exams	54	11	21	7	11	11
Franchise Permits	22	26	28	20	12	21

Building Codes Division

Major Jobs Reviewed, Permitted or Inspected in 2002

Projects of significant importance to the community involving new construction, additions or renovations include:

Churches

Immanuel Baptist
Fellowship Bible
Greater Christ Temple
First Church of the Nazarene
Church at Rock Creek
Dixie Church of Christ
Holy Souls

Educational

Terry Elementary
Franklin Elementary
Mabelvale Magnet
Romine Elementary
Fulbright Elementary
Wilson Elementary
Mann Arts & Science Magnet
Bale Elementary
Central High
College Station Elementary
Little Rock Christian Academy
Philander Smith College

Residential

Holiday Inn
Westside Loft Apartments
Parham Pointe Apartments
Stagecoach Village
Reservoir Heights

Factory-Storage

Moon Distributors
Sysco Foods
Western Foods
St. Jude Packaging
Hugg & Hall Equipment
Gold Star Dairy

Business

Aldersgate Properties
Arkansas Federal Credit Union
North Point Auto Group
Family Life Head Quarters

Restaurants

Long John Silvers
Bo Jangles
IHOP
Wendys
Izzys

Institutional

Little Rock Boys and Girls Clubs
Keith Jackson Park
Rave Theatre
Clinton Presidential Library

Mercantile

Walgreens
Cracker Box

Planning Division

The Planning Division provides mid and long range planning as well as technical support to the City. The division prepares neighborhood plans and reviews draft amendments to the existing plans. This includes reviewing reclassification requests and development of staff reports for Land Use Plan amendments requested by various groups.

The staff of the Planning Division responds to requests for statistics, graphics, and GIS products. This Annual Report is one example of the products produced by the division. The division monitors the Website for updates and assists with all computer needs of the department. In addition, at the request of the Board of Directors and/or the Planning Commission the division staff may work on special studies. A few of the major work efforts from 2002 are described below.

Neighborhood Plans

The Planning Division has continued the Neighborhood Plan process with the completion of the 65th Street West Neighborhoods Plan. This brings to nineteen the number of Neighborhood Plans completed. The East Little Rock Plan was put on hold due to lack of neighborhood interest, though a Land Use Plan review of the area was completed. Most of the neighborhoods south of Cantrell Road as well as those west of I-430 have completed neighborhood plans.

The Birchwood-Walnut Valley Neighborhoods Plan is ready for a neighborhood 'buy-off' meeting in January. This plan is for the neighborhoods between I-430 and Bowman Road, from Kanis Road to Rodney Parham Road. The Heights Plan is under way, the plan area is between the Arkansas River and Evergreen – North Lookout, east of Cantrell Road. The plan updates for Chicot West, River Mountain and John Barrow Neighborhoods were completed.

Special Planning Efforts

The Division Planners worked on two major special efforts: one in the extreme east and the other in the extreme west of the Planning Area. The East of I-30 effort was a concept plan effort to review the area bounded by I-30, Fourche Creek and the Arkansas River. This was done in light of the National Airport's plan and recent activity east of the downtown office core (Presidential Library, etc.). The effort was to guide the expected redevelopment of the area. Several meetings with owners and residents were conducted and a report delivered to the Board of Directors by the Mayor. Major changes to the City Land Use Plan and Master Street Plan will result from this effort.

The western planning effort was the extension of land use and transportation planning as well as zoning to areas outside the City's previous Planning Boundary. A new three mile boundary was drawn and plans developed. Several meetings were conducted in the area and with various interest groups from the area. A package was developed to designate land uses and Master Street Plan classifications within the 22.05 square mile area. The area was zoned and requests for non-residential zoning were considered.

GIS & Graphics Activities

GIS continues to be the source of sketch and base maps as well as statistics for neighborhood plans and special studies. Maintenance of data related to future land use, zoning and structure changes (addition or removal) continues. GIS has become a support function of the division for both graphics and statistical reports with use of Arcview software.

Planning Division

The graphics section continues to maintain the Zoning Base Maps and provide graphic support for the department and other agencies. The graphics section produced brochures, sketch maps, business cards, graphics for special studies and neighborhood plans. The graphics staff also performs GIS maintenance.

Review of Land Use Plan Issues

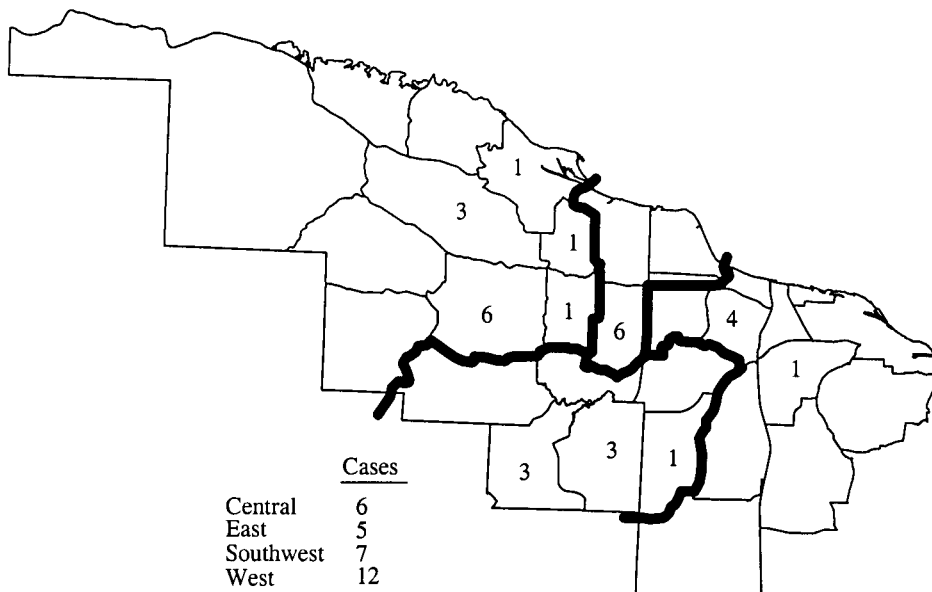
The Planning staff reviews all rezoning (including PZD) requests for conformance with the adopted Land Use Plan and any Neighborhood Plan in effect for the area. If non-conformance with the Land Use Plan is discovered, a Plan amendment for the area is developed and processed. For all cases a written review of both the Land Use Plan and any Neighborhood Plan is prepared. In those cases where an amendment is determined to be necessary a full staff report (conditions, changes, recommendations) is generated.

Planning staff reviewed over 30 requests for Plan changes in 2002. Of these, the Planning Commission forwarded twelve to the Board of Directors.

Other Activities

The division supports the River Market Design Review Committee. As part of that effort 6 requests for reviews by the committee were handled. A review of the ordinance was started this year.

Future Land Use Plan Amendments



2002

**Urban
Development
Report
Data**

Urban Development Report

This Urban Development Report is designed to describe and monitor growth and present a comprehensive overview of significant demographic, economic and development conditions, which exist in the City of Little Rock during the 2002 reporting period.

Sources of the data are the official records of the Department of Planning and Development, MetroPlan and *Arkansas Business*. Building permits were used to quantify the numbers, locations and magnitude of the various residential and nonresidential developments. The data reflected by building permits is only the authorization for construction and the possibility exists that a small number of construction projects were not initiated before the end of 2002.

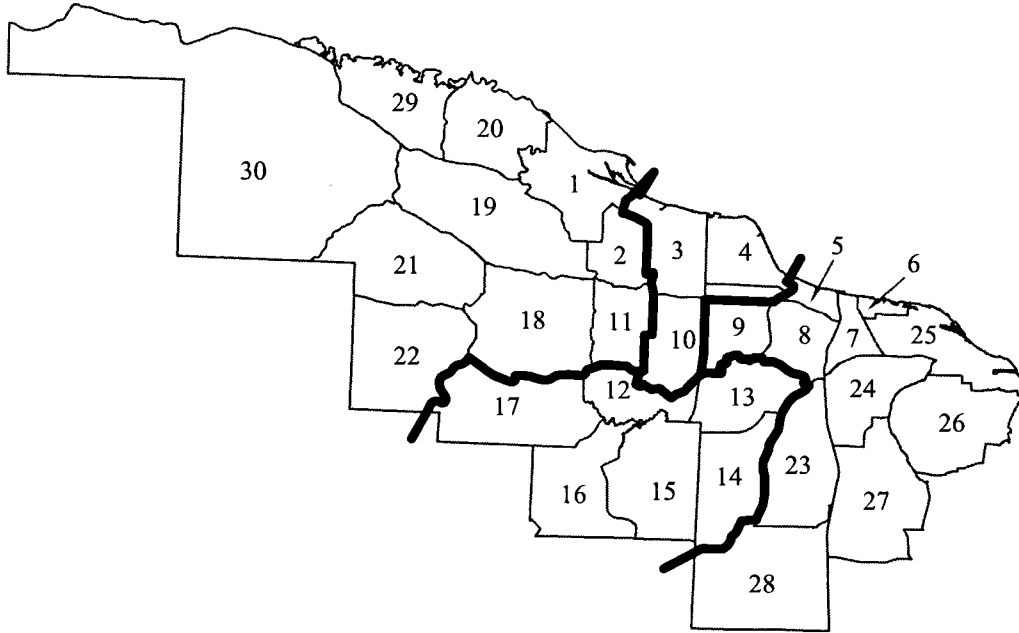
Thirty Planning Districts have been designated for both land use and statistical purposes. The districts follow physical features and include not only the area within the corporate limits but also area beyond. For reporting purposes four sub-areas have been designated. Both the Planning Districts and sub-areas form the framework for presentation of data in this report.

The preceding map indicates the area of each Planning District while the following chart provides the Planning District names and corresponding sub-area.

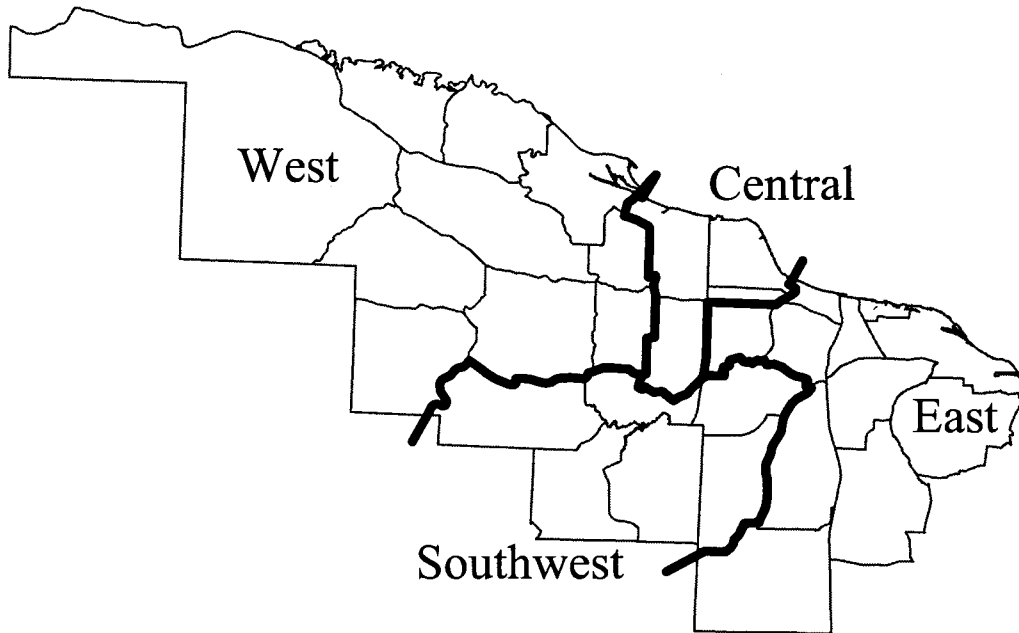
	Planning District	Sub - Area
1	River Mountain	West
2	Rodney Parham	West
3	West Little Rock	Central
4	Height/Hillcrest	Central
5	Downtown	East
6	East Little Rock	East
7	I-30	East
8	Central City	East
9	I-630	East/Central
10	Boyle Park	Central
11	I-430	West
12	65 th Street West	Southwest
13	65 th Street East	Southwest
14	Geyer Springs East	Southwest
15	Geyer Springs West	Southwest
16	Otter Creek	Southwest
17	Crystal Valley	Southwest
18	Ellis Mountain	West
19	Chenal	West
20	Pinnacle	West
21	Burlingame Valley	West
22	West Fourche	West
23	Arch Street Pike	East
24	College Station	East
25	Port	East
26	Port South	East
27	Fish Creek	East
28	Arch Street South	East
29	Barrett	West
30	Buzzard Mountain	West

Urban Development Report

Planning Districts



Sub - Areas



Development Activity Summary

Population Estimate

184,354 persons 2002 population estimate

New Construction

654 permits; up 10.7% from 591 in 2001

Single-Family Housing

581 units; up 20.3% from 483 units in 2001
\$234,075 avg.; up 7.5% from \$217,762 in 2001

Multi-Family Housing

238 units; up 150.5% from 95 units in 2001

Residential Renovations/Additions

805 permits; up 7.6% from 748 in 2001
\$17,354,068 construction dollars; up 21% from \$14,337,018 in 2001

Demolitions

104 residential units; down 4.6% from 109 in 2001

Office

99,759 square feet; down 75.2% from 399,011 in 2001
\$9,229,585 construction dollars; down 58.4% from \$22,173,454 in 2001

Commercial

231,895 square feet; down 31.1% from 336,692 in 2001
\$17,981,631 construction dollars; up 3.1% from \$17,434,611 in 2001

Industrial

150,235 square feet; up 71.7% from 87,502 in 2001
\$6,353,680 construction dollars; up 328.7% from \$1,482,000 in 2001

Annexations

One annexation of 5.34 acres, compared to two annexations totaling 566.86 acres in 2001

Preliminary Plats

706 residential lots; down 36.7 % from 1116 lots in 2001
522.36 total acres; down 62.6 % from 1397.89 acres in 2001

Final Plats

70 cases; down 4.1% from 73 cases in 2001
444.74 acres; up 2.7% from 433.17 acres in 2001

Rezoning

11 cases; down 67.6% from 34 cases in 2001
53.7 acres; down 86% from 387 acres in 2001

PZD's

61 cases; up 56% from 39 cases in 2001
280.47 acres; up 183.6% from 98.9 acres in 2001

Population Growth and Projections

The population change recorded by the Census has consistently been positive. During the latter part of the 1900s annexation of already developed areas help inflate the numbers. This slowed in the 1990s to almost no population gained due to annexation. Thus the large growth shown for the 1960s, 1970s and 1980s is an over representation of the actual urban growth.

Little Rock Population		
Year	Population	Annual % change
1900	38,307	-
1910	45,941	19.93%
1920	65,142	41.79%
1930	81,679	25.39%
1940	88,039	7.79%
1950	102,213	16.10%
1960	107,813	5.48%
1970	132,483	22.88%
1980	159,024	20.03%
1990	175,795	10.55%
2000	183,133	4.17%
2001	183,923	0.43%
2002	184,354	0.23%

Little Rock continues to experience a slow growth rate. Most of the growth has been in the west and southwest parts of the City. The east, central and southwest sections of Little Rock experienced most of the population loss. Though it should be noted that there were some areas of growth in all sections of the City. There were even small areas of loss in the high growth areas. The trend for the first decade of the twenty-first century is a growth rate, which would result in less than 5% growth by 2010.

Construction Activity

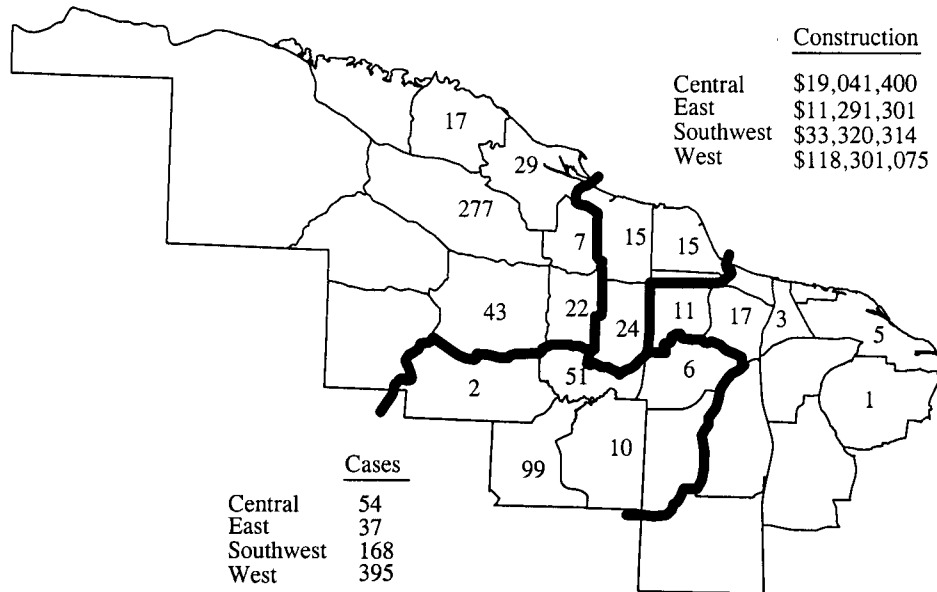
During 2002 the total number of new construction permits issued increased by 63 (10.7%) over the number of permits issued in 2001. In 2002 there were 649 permits issued for a total of \$181,954,090 construction dollars. While the number of office permits fell by 45 percent, the amount of area added plunged 75 percent. There were 11 permits issued for a total of 99,759 square feet. The commercial activity remained steady around 20 permits but the area added fell over 30 percent. The square footage of industrial added almost doubled to 150,235 square feet and the value saw almost a five fold increase.

New single-family unit construction increased by 20.3% (98 units) from 2001 construction permits issued. The total number added during 2002 was 581 units with an average construction cost of \$234,075. This is a 7.5% increase over 2001 average construction cost. During 2001 there were 483 permits issued for an average construction cost of \$217,762. For 2002 over 63% of the new housing starts were in the west sub-area. Two hundred seventy-five permits (47.3%) were issued in the Chenal Planning District alone. Second to the Chenal Planning District is Otter Creek, in the southwest sub-area, with 94 permits or 16.2%.

Multi-family units constructed increased for the first time in five years. During 2002, there were 26 permits issued (representing a scattering of duplexes, small unit buildings, and one apartment complex) for a total of 238 units.

The map below graphically indicates the activity by Planning District within the sub-areas. The data included on the map includes new construction activities (accessory structures are not reflected in the preceding table). In addition, permits are not required for construction outside the city limits.

New Construction Activity



Construction Activity

Residential Construction Activity

Planning District	Single-Family		Multi-Family		Total Units
	Permits	Avg. Cost	Permits	Units	
1	22	\$233,080	5	20	42
2	0	\$0	0	0	0
3	13	\$261,308	2	6	19
4	12	\$376,250	1	2	14
5	0	\$0	0	0	0
6	0	\$0	0	0	0
7	0	\$0	0	0	0
8	16	\$87,907	0	0	16
9	7	\$73,393	0	0	7
10	7	\$82,657	15	180	187
11	17	\$106,662	0	0	17
12	49	\$125,416	0	0	49
13	4	\$99,363	0	0	4
14	0	\$0	0	0	0
15	7	\$101,675	1	22	29
16	94	\$135,105	0	0	94
17	2	\$187,500	0	0	2
18	40	\$182,319	2	8	48
19.1	184	\$364,469	0	0	184
19.2	90	\$217,138	0	0	90
20	16	\$298,458	0	0	16
21	0	\$0	0	0	0
22	0	\$0	0	0	0
23	0	\$0	0	0	0
24	0	\$0	0	0	0
25	1	\$94,600	0	0	1
26	0	\$0	0	0	0
	581	\$234,075	26	238	819

Construction Activity

Non-Residential Construction Activity

Planning District	Commercial		Office		Industrial		PQP Permits
	Permits	Sq. ft.	Permits	Sq. ft.	Permits	Sq. Ft.	
1	1	14,560	1	2,370	0	0	1
2	1	24,500	1	36,000	0	0	1
3	0	0	0	0	0	0	1
4	1	3,000	1	7,000	0	0	0
5	0	0	0	0	0	0	0
6	0	0	0	0	0	0	0
7	0	0	0	0	2	26,000	1
8	1	8,000	0	0	0	0	2
9	2	8,281	1	19,250	1	67,547	2
10	1	6,750	1	NA	0	0	1
11	2	12,293	3	17,651	0	0	0
12	1	95,000	0	0	1	13,750	0
13	2*	2,850	0	0	0	0	0
14	0	0	0	0	0	0	0
15	2	8,376	0	0	0	0	1
16	2	11,900	1	5,400	2	6,800**	0
17	0	0	0	0	0	0	0
18	0	0	1	5,200	0	0	0
19	1	7,700	1	6,888	0	0	0
20	1	5,585	0	0	0	0	2
21	0	0	0	0	0	0	0
22	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0
24	0	0	0	0	0	0	0
25	2	23,100	0	0	2	18,218	1
26	0	0	0	0	1	17,920	0
	20	231,895	11	99,759	9	150,235	13

*includes a motel with no square footage reported

**includes an industrial permit with no square footage reported

Residential Activity

An increase of less than 100 units was experienced by the City for single-family units permitted in 2002. There were 581 units permitted for a 20.3% increase in the number of single-family units added over 2001. During 1993, single-family unit construction peaked at 713 units permitted.

As in previous years, the majority of the new units added are in the west sub-area. The Chenal Planning District, generally south of Hinson Road/Taylor Loop Road, west of Napa Valley Drive/Mara Lynn Road and north of Chenal Parkway continues to have a majority of the single family unit permits issued. For 2002, 47.2% of the permits issued were located in this area.

Of the permits issued in the Chenal Planning District, 91 units were located west of Rahling Road, and 184 units were permitted for the area east of Rahling Road. Over 31 percent of the permits were in the area from Hinson to Napa Valley to Chenal Parkway to Rahling Road.

The next most active planning district is the Otter Creek Planning District (16 percent), an area bounded by the McHenry/Fourche Creek to the north and east the city limits to the west and south. The Otter Creek, Wedgewood Creek and Westfield Subdivision continue to account for almost all the activity in this planning district. All three subdivisions are south of Baseline Road and west of Stagecoach Road.

Just under ten percent of the new single-family construction permits were issued in the central and east sub-areas. The number of permits issued during 2002 increased by over 25 percent from 44 to 56 units.

New multi-family continued to be slow during 2002. The number of units permitted increased during 2002 from 95 units in 2001 to 238 units in 2002. These 238 units were issued as part of 25 permits. The dollar value of the permits actual decreased by 7 percent while the number of units increased over 150 percent or 143 units. As in 2001 most of the permits were for two to six unit buildings, only one apartment complex was permitted. This is a return to the 2000 level.

Residential Activity

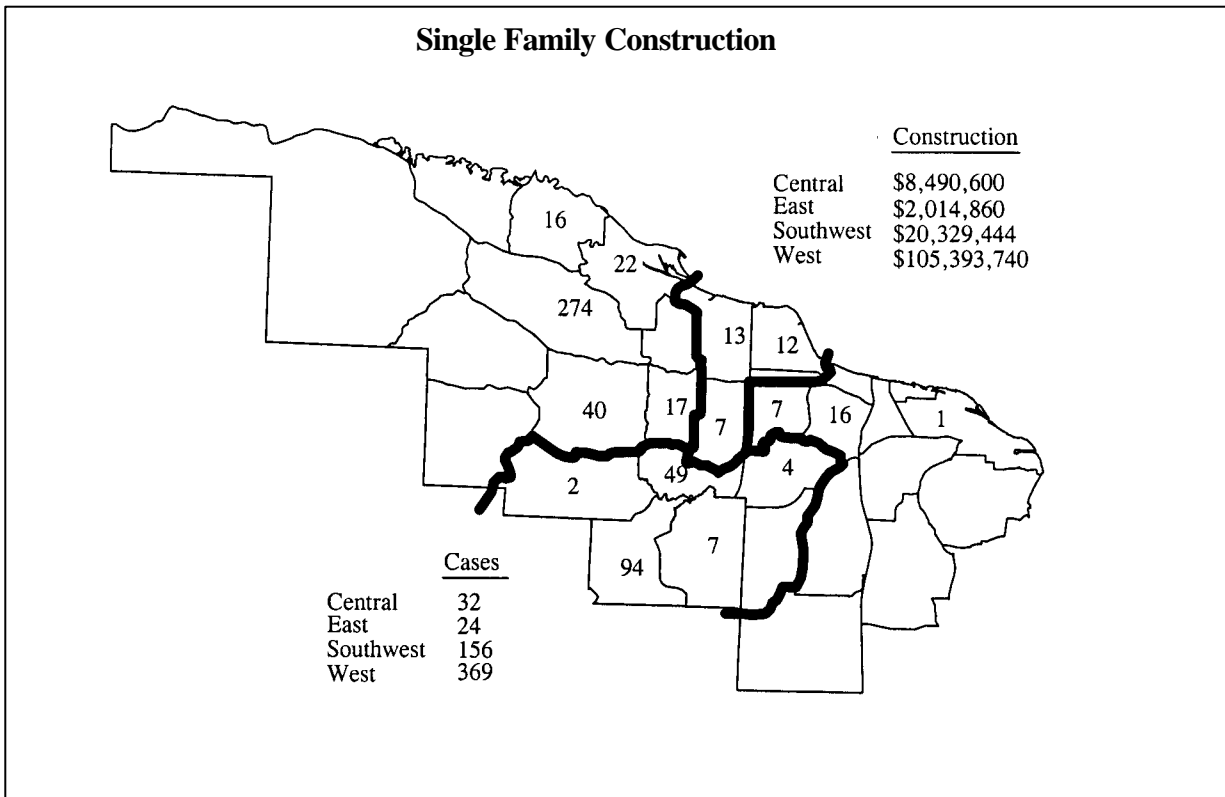
Single Family			
Year	Permit	Cost	Avg. Cost
1992	614	\$90,436,506	\$147,291
1993	713	\$111,534,041	\$156,429
1994	579	\$100,658,783	\$173,849
1995	477	\$77,990,869	\$163,503
1996	482	\$78,089,899	\$162,012
1997	448	\$71,510,751	\$159,622
1998	495	\$89,757,916	\$181,329
1999	555	\$102,062,168	\$183,896
2000	468	\$92,378,933	\$197,391
2001	483	\$105,179,005	\$217,762
2002	581	\$136,231,640	\$234,075

Multi-family			
Year	Permit	Units	Cost
1992	0	0	\$0
1993	4	13	\$897,600
1994	11	26	\$2,155,001
1995	7	240	\$7,842,000
1996	7	191	\$7,031,180
1997	11	1240	\$41,462,210
1998	6	790	\$19,635,381
1999	44	537	\$20,309,000
2000	56	236	\$12,084,472
2001	36	95	\$13,081,744
2002	26	238	\$12,158,550

Residential Activity

Single Family Units

	Sub-area			
	East	Central	S-west	West
2002 Permits	24	32	156	369
2001 Permits	13	31	89	350
2000 Permits	13	31	78	346
1999 Permits	26	36	103	390
1998 Permits	19	34	78	364
1997 Permits	17	41	91	299
<hr/>				
	East	Central	S-west	West
2002 %	4.1%	5.5%	26.8%	63.6%
2001 %	2.7%	6.4%	18.4%	72.5%
2000 %	2.8%	6.6%	16.7%	73.9%
1999 %	5.0%	6.0%	19.0%	70.0%
1998 %	4.0%	7.0%	15.0%	74.0%
1997 %	4.0%	9.0%	20.0%	67.0%



Housing Construction Values

The average construction cost of a new single-family home increased by 7.5% or \$16,313 over 2001. The average unit value in 2001 was \$217,762 and in 2002 the average value was \$234,075. Interest rates have dropped significantly which is making housing more affordable in real terms.

Housing values are represented below in five distribution categories. Less than \$50,000, less than \$150,000, less than \$300,000, less than \$500,000 and \$500,000 and above. There were three units constructed below \$50,000, 188 units constructed in the range of \$50,000 to \$149,999, 261 units constructed in the range of \$150,000 to \$299,999, 103 units constructed in the range of \$300,000 to \$499,999 and 26 units above \$500,000.

During 2002, 67% of the single-family units constructed cost \$150,000 or more. The majority of these homes (83% or 324 homes) were built in the west sub-area of the city. The west sub-area has construction cost ranging from \$27,500 to \$1,800,00. The central sub-area also has a slightly lower construction cost range from \$44,600 to \$1,100,000. The east sub-area construction cost ranges from \$45,600 to \$175,000, and the southwest sub-area construction cost range from \$67,200 to \$1,575,000. Of the total dollars expended on construction of single-family units the west sub-area accounted for 77.4% (\$105,393,740) of the construction dollars and the southwest sub-area accounted for 14.9% (\$20,329,444) of all construction dollars expended. The central sub-area, 6.2% (\$8,490,600) and the east sub-area, 1.5% (\$2,014,860) complete the construction dollars expended for single-family construction for 2002.

Of the single-family units added citywide, 44.9% were valued between \$150,000 and \$300,000, 32.4% were valued between \$50,000 and \$150,000, 17.7% were valued between \$300,000 to \$500,000, 4.5% were valued above \$500,000 and 0.5% were valued below \$50,000. High-end construction for the most part is taking place in the Chenal (Chenal Ridge and Chenal Valley), Heights/Hillcrest, and Pinnacle Planning Districts. Of the units valued over \$300,000, 92% or 116 units, were permitted in one of these districts. While in these same districts, 5.2% or 10 units of the less than \$150,000 value units can be found.

The Central sub-area experienced the only decrease in the average value of single-family units (0.4% or \$1000) constructed over 2001 permit values. This is the only sub-area to experience a drop in average value for 2002. The West sub-area had by far the greatest value increase 17.1%. The West Central sub-area experienced an increase of over 25%. The average constructive value for single-family housing in the West and Central sub-areas is at least double that in the Southwest and East sub-areas.

Sub-area	1997	1998	1999	2000	2001	2002
West	\$174,429	\$199,519	\$203,664	\$216,225	\$243,844	\$285,620
Central	\$211,082	\$212,912	\$278,351	\$211,875	\$266,315	\$265,331
Southwest	\$111,304	\$109,361	\$107,852	\$107,394	\$121,220	\$130,317
East	\$58,080	\$25,632	\$73,606	\$99,405	\$80,352	\$83,953

Housing Construction Values

Construction Cost Single Family Homes

Planning District	\$500,000 & Greater	\$300,000 - \$499,999	\$150,000 - \$299,999	\$50,000 - \$149,999	Below \$50,000	Total
1	0	4	12	6	0	22
2	0	0	0	0	0	0
3	0	6	2	5	0	13
4	2	5	3	2	0	12
5	0	0	0	0	0	0
6	0	0	0	0	0	0
7	0	0	0	0	0	0
8	0	0	2	13	1	16
9	0	0	0	7	0	7
10	0	0	0	6	1	7
11	0	0	3	13	1	17
12	0	0	11	38	0	49
13	0	0	0	4	0	4
14	0	0	0	0	0	0
15	0	0	0	7	0	7
16	0	0	30	64	0	94
17	0	0	2	0	0	2
18	0	3	23	14	0	40
19.1	22	71	90	1	0	184
19.2	0	9	74	7	0	90
20	2	5	9	0	0	16
25	0	0	0	1	0	1
Total	26	103	261	188	3	581

Affordable Housing

When determining the 'affordability' of a new housing, land cost must be added to the figures provided in this report. All values represented in this report are construction costs only. The National Association of Home Builders, (NAHB) estimates the cost of land to be about twenty-five percent of the final cost of construction. The Housing and Neighborhood Programs Department of the City considers 'affordable' housing as having a maximum value of \$71,000. Thus, based on NAHB and the City assumptions, a unit reported here as \$54,000 would be considered the cap for new construction of a unit that is considered 'affordable' housing.

Based on this information 0.5% or 3 units constructed during 2002 could be considered as 'affordable' housing. This is an increase of 50% over the previous year. Since 1998 less than 3% of the new units built in Little Rock fell in the 'affordable' range. For the previous three years little consideration has been given to constructing of units with 'affordability' in mind which leads to a continued rise in housing value and the number of newly constructed 'affordable' units continuing to decline.

Affordable Housing

Year	% units below \$54,000	# units below \$54,000	Total Units
1997	6.0%	27	448
1998	2.4%	12	495
1999	1.6%	9	555
2000	0.9%	4	468
2001	0.4%	2	483
2002	0.5%	3	581

Residential Renovations/Additions

Reinvestment in Little Rock neighborhoods can be illustrated by the amount of renovation and addition activity within the neighborhoods. During 2002 reinvestment totaled in excess of \$17 million dollars. The east sub-area had the greatest number of permitted projects with 285 (35.4%).

The central and east sub-areas had twice the activity of that in the west and southwest sub-areas. Approximately 70.6% of the permits were issued in one of these two sub-areas. With approximately \$12.9 million of the \$17.9 million dollars (or 72%) spent for reinvestment occurring in these sub-areas, they are the dominant part of the reinvestment market. It is worth noting that 50.6% of all reinvestment occurred in the central sub-area.

The central sub-area accounts for 49.7% of the permits for additions occurred and 69.2% of the dollars were spent. This indicates a strong desire amount of residents in this area to keep and improve the housing stock. The other active sub-area (east) was dominated by renovations rather than additions. While it is a positive sign to see this reinvestment, it can be only to 'bring the housing up to code'. The 'addition' part of the renovation picture gives the clearest view of the desire to reinvest (since renovation can be to make repairs, maintain value, rather than increase the value for the home). To the east sub-area accounted for only 4% of the addition (dollars) but over 37.5% of the renovation (dollars).

Multi-Family Renovations

The areas, which experienced the largest number of permitted projects were the central and southwest sub-areas. However, the central and east sub-areas have by-far the most dollars spent. The east sub-area had almost as much activity in dollars (\$3,769,488) but only a third of the permits (14 to 42). Almost \$3.8 million dollars was spent in each the east sub-area with \$2.3 million in the central sub-area, the remaining sub-areas experienced less than a half million each. The west and southwest sub-areas each experienced multi-family reinvestment to a lesser degree (\$491,700 and \$498,747 respectively).

Single-Family Additions

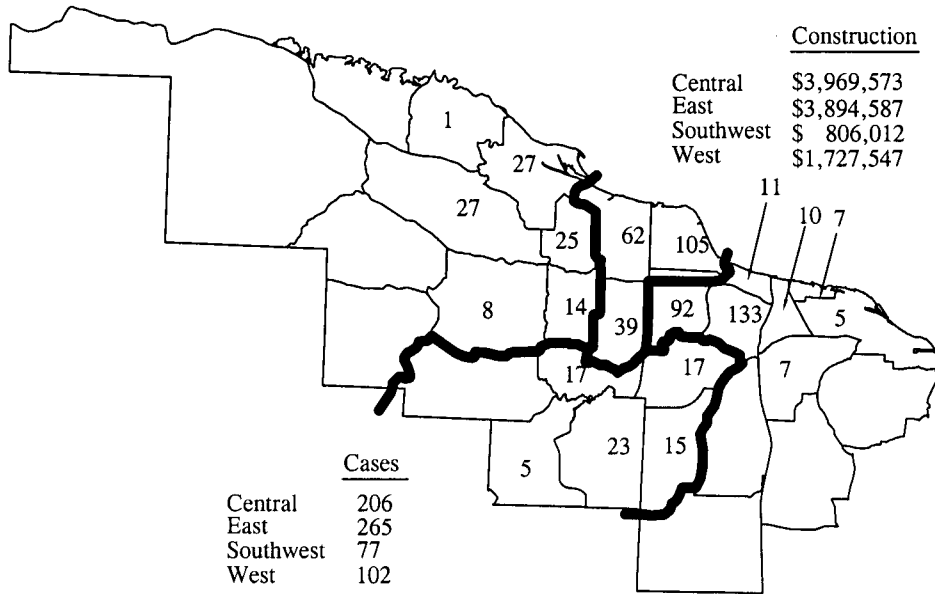
Single-family additions were concentrated in the central sub-area. Citywide 155 permits were issued for a total of \$6,956,349. The central sub-area accounted for 69.2% (\$4,812,575) of the dollars permitted. The majority of the central sub-area permits and dollars were expended in the Heights/Hillcrest Planning District (54 permits and \$3,540,195) and the West Little Rock Planning District (16 permits and \$1,212,844). In the west sub-area 47 permits were issued for \$1,695,903. The Chenal and Rodney Parham Districts accounted for 13 and 14 (respectively) of these permits with \$558,795 and \$488,185 (respectively). The number of permits issued for additions increased from 2001 levels (18.2%). Overall the average value of permits issued for additions increased by 45.4%.

Residential Renovations/Additions

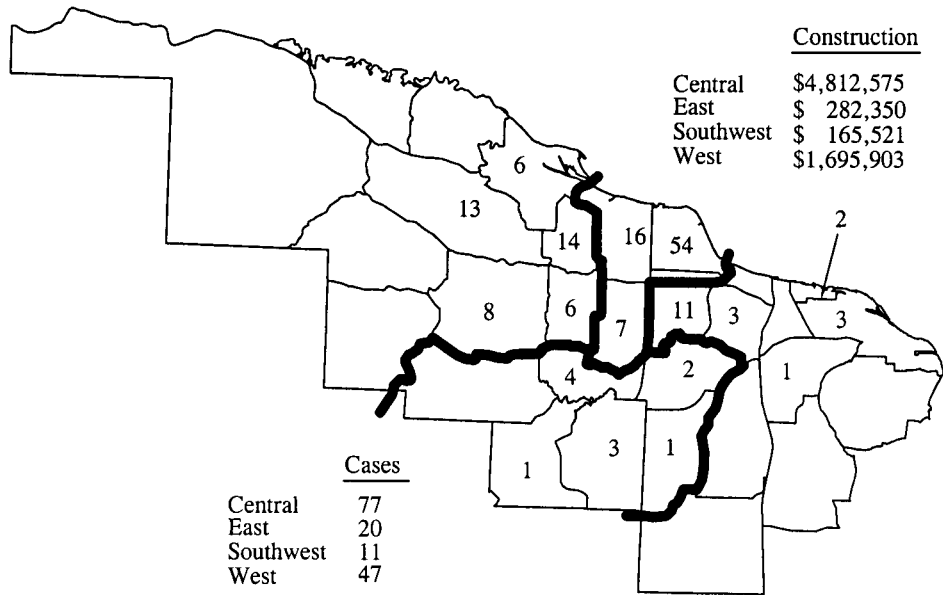
Planning District	Single-Family Additions		Single-Family Renovations		Multi-Family Renovations	
	Permits	Avg. Value	Permits	Avg. Value	Permits	Avg. Value
1	6	\$61,745	27	\$29,187	0	\$0
2	14	\$34,870	25	\$11,542	6	\$81,950
3	16	\$75,803	62	\$21,416	2	\$3,000
4	54	\$65,559	105	\$22,167	17	\$116,788
5	0	\$0	11	\$67,911	3	\$62,000
6	2	\$14,000	7	\$5,747	0	\$0
7	0	\$0	10	\$8,330	0	\$0
8	3	\$20,667	133	\$15,940	8	\$431,536
9	11	\$14,350	92	\$8,709	3	\$43,733
10	7	\$6,615	39	\$8,058	23	\$13,565
11	6	\$24,083	14	\$7,903	0	\$0
12	4	\$20,355	17	\$8,186	0	\$0
13	2	\$5,000	17	\$7,597	8	\$6,125
14	1	\$30,000	15	\$10,984	18	\$14,319
15	3	\$6,367	23	\$12,454	14	\$13,714
16	1	\$25,000	5	\$17,300	0	\$0
17	0	\$0	0	\$0	0	\$0
18	8	\$16,744	8	\$15,074	0	\$0
19.1	5	\$68,979	8	\$19,037	0	\$0
19.2	8	\$26,738	19	\$13,707	0	\$0
20	0	\$0	1	\$7,000	0	\$0
21	0	\$0	0	\$0	0	\$0
22	0	\$0	0	\$0	0	\$0
23	0	\$0	0	\$0	0	\$0
24	1	\$12,000	7	\$3,775	0	\$0
25	3	\$7,500	5	\$11,300	0	\$0
	155	\$44,880	650	\$15,996	102	\$69,248

Residential Renovations/Additions

Single Family Renovations



Single Family Additions



Demolition Activity

The net change in residential units for 2002 was an increase of 715 residential units. With the exception of the east all the cities sub-areas experienced increases in net units added. Seven of the City's thirty planning districts experienced net losses of residential units during 2002. The Downtown, I-30 and College Station Districts all went from neutral to negative in 2002. The Heights/Hillcrest is the only district to go from negative to positive growth in units. The remaining four districts were negative both years (East Little Rock, Central Little Rock, I-630, and Geyer Springs East).

During 2002, only two of the planning districts experienced double digit net loss in the number of housing units. The Central City Planning District lost a net of 21 units and the I-630 Planning District lost a net of 16 units. Both had double-digit losses in 2001. The Central City district loss in units remained constant at approximately 20 residential units, while the I-630 District improved to a loss of 16 units rather than 26 units.

The losses in 2002 were generally single-family homes, with only nine of the 104 units lost not being single-family. Of these nine units four were duplex units and the remaining five were in one structure. Most of the loss in the East Little Rock District is for airport expansion. (Some may consider this loss not to be negative.) The loss of so many single-family homes may have negative impacts in the future, resulting in the deterioration of additional homes in the area. In the last few years the City of Little Rock has started programs to protect the remaining housing stock with the hopes of negating these impacts.

While no district lost over 21 units, the fact that the two highest are in the same area as previous years and an older part of Little Rock draws notice. These two districts (Central City and I-630) not only are the high loss districts for 2002 but for the last decade. There were a total of twenty-three units permitted in these districts while 70 were demolished. It is noteworthy that the number of new units in these districts doubled, while the number of units removed remained steady. Efforts need to be redoubled to stabilize and re-energize these neighborhoods if the loss of housing stock is to be stopped in the core.

Residential Units Change

Planning District	Units Added	Units Demo	Net
1 River Mountain	42	2	40
2 Rodney Parham	0	0	0
3 West Little Rock	19	0	19
4 Heights/Hillcrest	14	11	3
5 Downtown	0	1	-1
6 East Little Rock	0	8	-8
7 I-30	0	3	-3
8 Central City	16	37	-21
9 I-630	7	23	-16
10 Boyle Park	187	3	184
11 I-430	17	2	15
12 65th Street West	49	1	48
13 65th Street East	4	0	4
14 Geyer Springs E.	0	2	-2
15 Geyer Springs W.	29	3	26
16 Otter Creek	94	4	90
17 Crystal Valley	2	0	2
18 Ellis Mountain	48	1	47
19.1 Chenal Valley	184	0	184
19.2 Chenal Ridge	90	2	88
20 Pinnacle	16	0	16
21 Burlingame	0	0	0
22 West Fourche	0	0	0
23 Arch Street Pike	0	0	0
24 College Station	0	1	-1
25 Port	1	0	1
Total	819	104	715

Demolition Activity

Single Family Unit Change

Sub-Area	Units Added	Units Demo	Net
West	369	7	362
Central	32	9	23
Southwest	156	10	146
East	24	69	-45

Single-Family Units Removed

Planning District	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Total
1	2	2	3	1	1	0	2	1	2	1	2	17
2	1	1	0	0	0	3	0	1	0	0	0	6
3	0	1	2	3	0	3	1	2	1	0	0	13
4	6	2	7	2	4	12	8	11	10	13	6	81
5	5	2	10	2	4	3	7	20	5	0	1	59
6	42	13	6	7	14	5	5	3	25	21	8	149
7	13	5	3	8	6	6	5	3	17	1	3	70
8	95	113	75	52	49	38	34	62	61	27	33	639
9	63	84	33	27	31	46	28	24	30	29	23	418
10	6	8	4	5	5	1	2	5	8	5	3	52
11	5	2	0	0	8	1	1	0	2	1	2	22
12	1	0	0	4	2	0	0	3	0	3	1	14
13	0	64	1	0	1	2	2	1	2	0	0	73
14	6	2	1	3	2	2	1	1	10	3	2	33
15	5	1	1	11	1	3	1	3	0	2	3	31
16	1	0	2	2	2	1	0	1	0	1	4	14
17	0	0	0	0	0	0	0	0	0	0	0	0
18	0	1	0	1	0	1	0	0	0	0	1	4
19	2	0	0	3	0	2	1	0	2	0	0	10
22	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	1	0	0	0	0	1
24	1	1	2	1	1	2	0	0	1	2	1	12
25	0	0	0	0	1	3	2	1	2	0	0	9
Total	254	302	150	132	132	134	101	142	178	109	93	1727

Office Activity

During 2002, the square footage of new office space added decreased by 75% over 2001. This level of added square footage sets a new low. The total square footage permitted in 2002 was less than 100,000. The number of permits issued also decreased (20 permits in 2001, 11 permits in 2002). In 2002 the total construction cost (\$9,229,585) is likewise a decline, to levels seen only twice before over the last decade and a half.

The west sub-area accounted for the majority of office activity with 68,109 square feet. The east sub-area accounted for 19,250 square feet, the central sub-area accounted for 7,000 square feet and the southwest sub-area permitted 5,400 additional square feet.

Only one building was permitted with over 25,000 square feet and that was for the administration offices of Fellowship Bible Church in the Rodney Parham Planning District. The year 2002 was one with little office activity. What new activity occurred was for small professional office buildings of 5000 to 8000 square feet.

Building Permits – Office

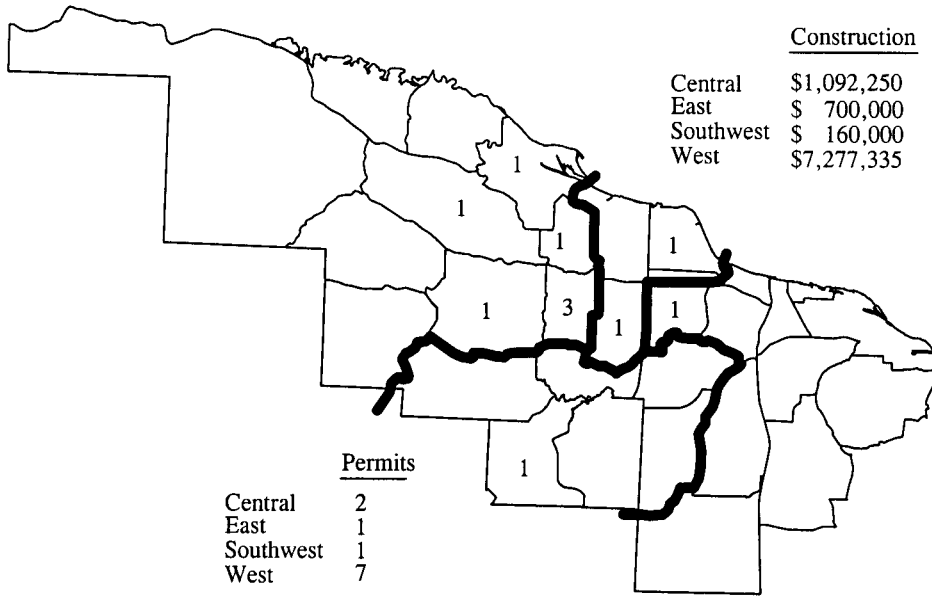
Year	Permits	Sq. Ft.	Cost
1990	9	297,477	\$18,700,000
1991	9	169,970	\$8,794,600
1992	6	249,216	\$12,660,000
1993	6	158,206	\$8,327,700
1994	12	594,340	\$30,625,838
1995	14	286,923	\$10,576,200
1996	15	1,204,450	\$37,458,666
1997	15	903,984	\$10,906,990
1998	29	454,250	\$29,764,837
1999	26	371,382	\$21,483,887
2000	24	1,710,683	\$116,819,784
2001	20	399,011	\$22,173,454
2002	11	99,759	\$9,229,585

Office Projects Permitted in excess of 25,000 square feet

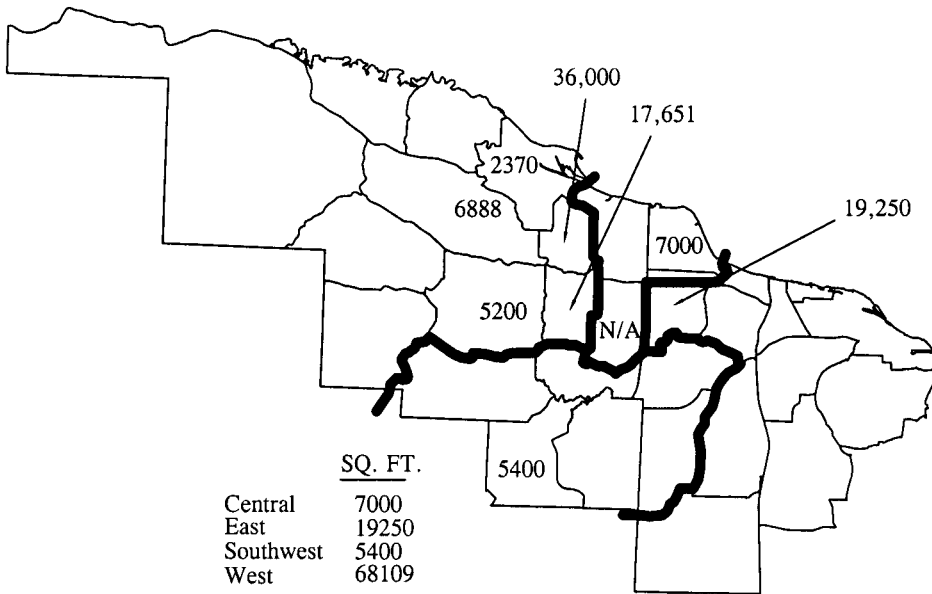
Project	Location	Sub-area	Sq. Ft.
Fellowship Bible Church	1901 Napa Valley Road	west	36,000

Office Activity

New Office Activity



New Office Activity



Office Vacancy Rate

Vacancy Rates are based on 2002 data furnished by *Arkansas Business – 2002 Guide to Central Arkansas Commercial Real Estate*. It is important to note that the occupancy rates should not be used as a direct comparison from year to year and comparisons must remain general. The survey is a self-selecting non-verified questionnaire. This information is supplied to give an overview of the occupancy rates within the city. The *2002 Lease Guide* includes listings on 227 office properties within Little Rock. *Arkansas Business* made no effort to validate the survey responses. For more information contact Gwen Mortiz, Editor-In-Chief – *Arkansas Business* at 501-372-1443.

Arkansas Business found that the metropolitan occupancy rate softened slightly, two percentage points (87% to 85%). The survey had seen a flat or no change situation for several years. The annualized occupancy rates for the Little Rock sectors (shown below) have experienced varying changes.

Office Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	5,089,802	82.9%
Central	1,590,124	90.2%
Southwest	421,099	89.9%
West	2,990,379	87.8%

All the sub-areas maintained similar leasable areas, with the exception of the southwest sub-area. The leasable area in the southwest sub-area returned to its 2000 level. As for the occupancy rates, the east sub-area was the weakest at approximately 83 percent. This is a point and a half drop. The central sub-area maintained its 90 to 91 percent occupancy and the southwest sub-area strengthened significantly from around 83 to almost 90 percent occupancy. The west sub-area experienced an almost 4 percentage point drop in occupancy. Only the east sub-area was not significantly better than the survey showed the metropolitan area at 85 percent.

A few new office projects came on line in 2002 with several more to be completed over the next year or two. Most of these new office buildings are in the west or east (near Downtown) sub-areas. They are mostly being built by the user for their use, not as general office buildings. This growth, while overall vacancy rates improve or hold steady, is a positive sign of growth.

Commercial Activity

The total of new commercial construction in 2002 amounted to 231,895 square feet of commercial space added to the City. This represents a decrease of 31% in square footage added from that in 2001. The number of projects permitted is basically the same as that in 2001 (20 projects versus 22 projects in 2001).

Construction values increased 3.1% from 2001 values. In 2002, \$17,981,631 construction dollars were permitted compared to \$17,434,611 in 2001.

The southwest sub-area captured the majority of the new commercial development with 118,126 square feet added. In addition, a hotel was permitted in the southwest sub-area. One project (Rave Theater) accounted for 80 percent of the added square-footage in the southwest sub-area (and 14 percent of all the area added in Little Rock). The west sub-area followed with the addition of 64,638 square feet and one less project. In the east sub-area there were five projects with a total of 39,381 square feet. Commercial activity as with office for the year 2002 was limited to small developments, mostly in the 2500 to 8000 square foot size.

Building Permits – Commercial

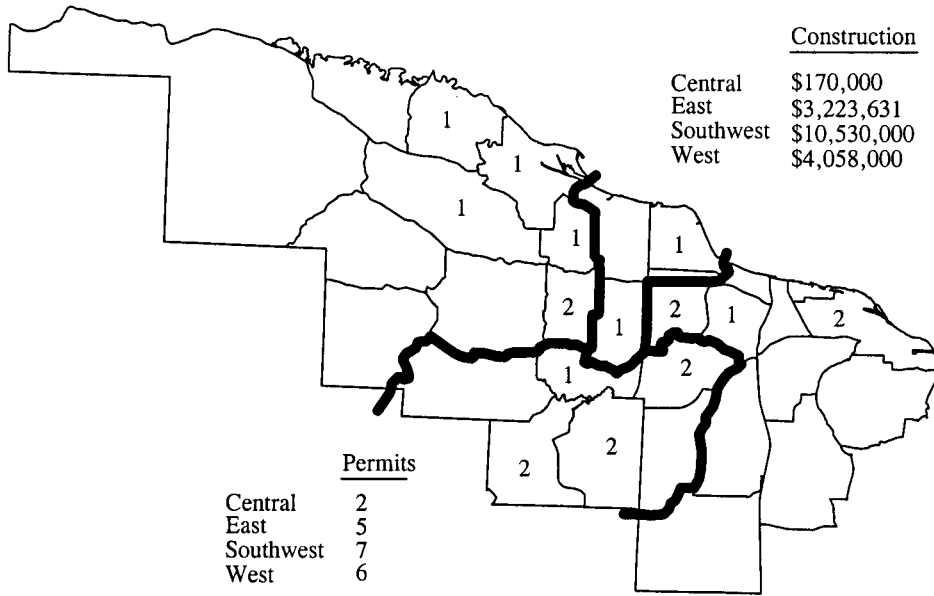
Year	Permits	Sq. Ft.	Cost
1990	41	905,670	\$31,353,969
1991	22	262,942	\$8,134,940
1992	24	329,715	\$10,358,569
1993	32	794,548	\$20,106,738
1994	56	582,508	\$24,223,325
1995	50	744,336	\$25,061,532
1996	53	3,321,000	\$68,384,102
1997	38	2,100,340	\$32,916,260
1998	29	419,669	\$21,048,399
1999	26	348,112	\$12,695,827
2000	20	315,873	\$15,983,521
2001	22	336,692	\$17,434,611
2002	20	231,895	\$17,981,631

Commercial Projects Permitted in excess of 20,000 square feet

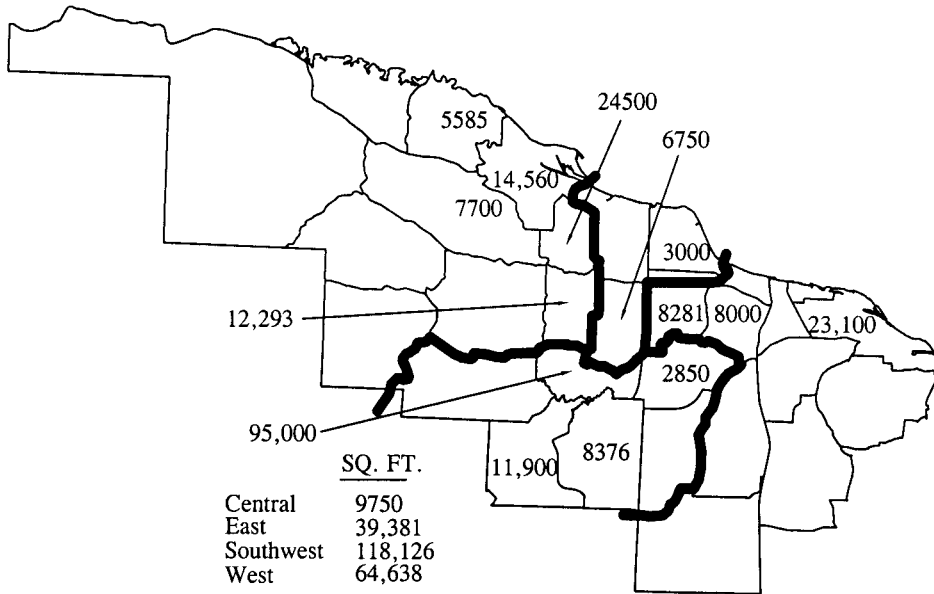
Project	Location	Sub-area	Sq. Ft.
Rave Theater	18 Colonel Glenn Plaza	southwest	95,000
North Point Auto	1500 N. Shackelford Road	west	24,500

Commercial Activity

New Commercial Activity



New Commercial Activity



Commercial Vacancy Rate

“Occupancy in the Greater Little Rock retail market during 2002 fell to its lowest level in 16 years. The drop to 83.4 percent the lowest since, Arkansas Business began surveying retail space.” (Arkansas Business Lease Guide 2002)

The occupancy rate information provided is based on 2002 data furnished by *Arkansas Business Lease Guide 2002*. It is important to note that the occupancy rates should not be used as a direct comparison from year to year and comparisons should remain general. The information is provided to give an overview of the occupancy rates within the City. The survey is a self-selecting survey, i.e. only those who respond are counted and there is no effort to validate the responses. For more information contact Gwen Mortiz, Editor-In-Chief - *Arkansas Business* at 501-372-1443.

Commercial Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	685,380	72.9%
Central	2,157,278	80.7%
Southwest	770,426	81.4%
West	2,645,477	84.4%

With the significant decline in occupancies reported for the Metropolitan area, it is interesting to note the changes in sub-areas within Little Rock. The east and southwest sub-areas actually reported better occupancy rates than in 2001. This is the area east of University Avenue and I-30, south of I-630. The Metropolitan area dropped 3 percentage points, but these areas improved by 1 and 9 percentage points respectively. Little Rock’s west sub-area (west of Reservoir – John Barrow Roads and north of Colonel Glenn Road) experienced a similar decline to that of the Metropolitan area (almost 2 percentage points). The central sub-area, Reservoir Road to Downtown and north of I-630, experienced a 10 percentage point drop. Once the brightest spot in Little Rock, this area now has a similar occupancy rate to that in the other sub-areas.

As noted by *Arkansas Business* much of the loss metropolitan wide has been due to the loss of regional or national retail outlets. It is worth noting the changes in “BIG BOX” retail and effects of national business decisions on Little Rock as well as the effects of local and smaller retailers.

The central and west sub-areas continue to have most of the retail – approximately 77 percent. Therefore, the changes in these two sub-areas will guide the numbers for the city as a full. The most interesting change reported by this years figures is the 42 percent increase in reported leasable space in the southwest sub-area with a 9 percentage point improvement in the occupancy rate for this sub-area.

Industrial Activity

A total of 150,235 square feet of industrial projects was permitted during 2002 in the city. This represents a 71.7% increase over the square feet permitted during 2001. The total number of projects increased slightly, by two from 2001 levels. There were only 9 projects permitted for a total of 150,235 square feet. The value of new construction increased 328.7 percent from \$1,482,000 in 2001 to \$6,353,680 in 2002, a return to more typical levels of the last few years.

During the previous year, the east sub-area permitted the majority of the industrial projects. The east and southwest sub-areas accounted for all of the new industrial projects. The east sub-area had twice the projects as that in the southwest sub-area, with approximately five times the dollars spent (\$1 to \$5 million). The east sub-area had the greatest number of square feet added with 129,685 square feet. All four of the largest industrial projects permitted were in the east sub-area.

Building Permits – Industrial

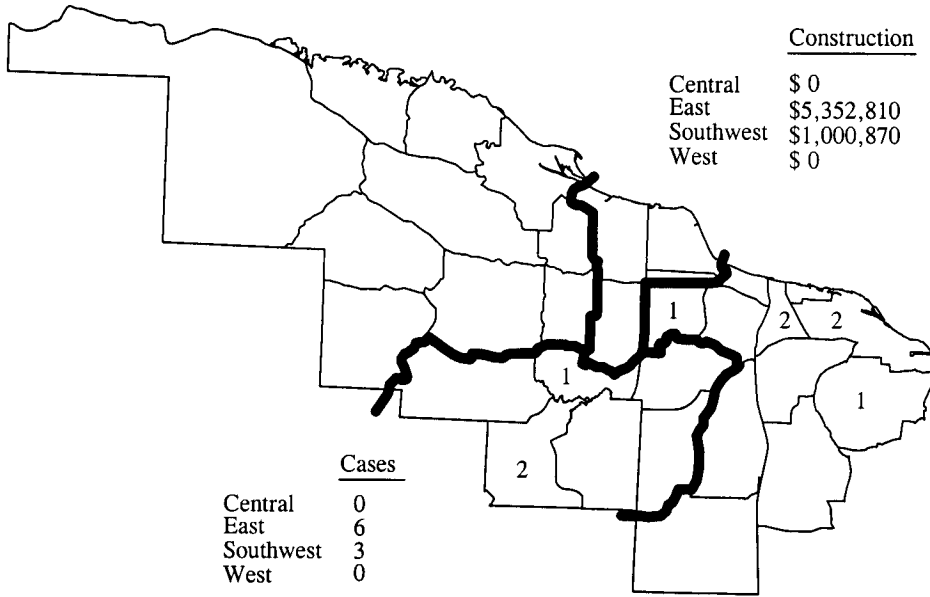
Year	Permits	Sq. Ft.	Cost
1992	6	584,127	\$18,596,851
1993	1	56,400	\$750,000
1994	6	91,288	\$2,042,624
1995	4	108,750	\$2,511,400
1996	3	43,250	\$2,221,000
1997	7	513,346	\$6,968,001
1998	13	308,464	\$26,782,784
1999	18	395,022	\$7,622,214
2000	19	382,138	\$8,714,609
2001	7	87,502	\$1,482,000
2002	9	150,235	\$6,353,680

Industrial Projects Permitted in excess of 15,000 square feet

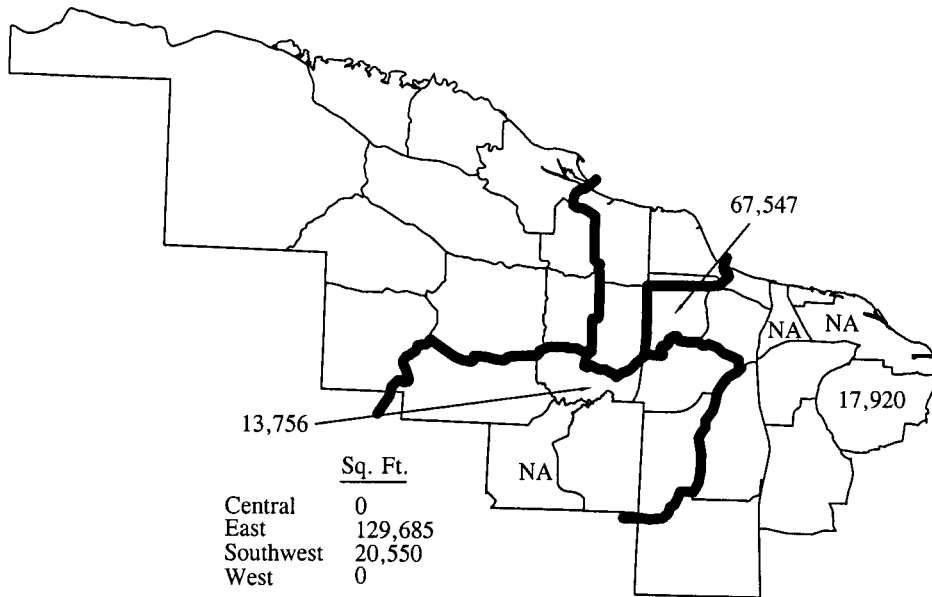
Project	Location	Sub-area	Sq. Ft.
Western Foods	4717 Asher Avenue	east	67,547
Moon Distributing	2801 Vance	east	26,000
Wes-Pak Inc	9100 Frazier Pike	east	18,218
Central Transportation Int'l	6501 Sloane Drive	east	17,920

Industrial Activity

New Industrial Activity



New Industrial Activity



Warehouse Vacancy Rate

Due to the nature of industrial/warehouse properties, some fully occupied properties are often not reported. The vacancy rate may trend high as a result of this characteristic. In the 2002 *Arkansas Business Lease Guide*, the amount of space reported is approximately the same for the central, southwest and west sub-areas. However the east sub-area is reporting 43.3 percent less area. There has not been a loss of over 40 percent of the warehouse/industrial space in the east sub-area. It is reasonable to assume that some space fully occupied in 2002 was not reported in the 2002 *Lease Guide*.

Warehouse Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	1,064,469	47.3%
Central	853,746	91.2%
Southwest	1,981,921	74.2%
West	652,674	59.4%

All four sub-areas are reporting lower occupancy rates. The central and southwest sub-areas are showing a 5 and 4 percent decline respectively. Both the east and west sub-areas had significant drops in occupancy rate of more than 10 percentage points. Of all the reported changes the west sub-area is the most noteworthy, due to the no change in area but the 17 percentage point drop in occupancy. Since this is a self-selecting survey it may over represent vacancies. This would be because the real estate agents are trying to advertise availability of space. Both the 2001 and 2002 surveys found approximately 1.4 million square feet were available. This no change in available area is as important if not more so than the changes reported in each sub-area. It shows stability.

It is important to note that the occupancy rates should not be used as a direct comparison from year to year and comparisons must remain general. This information is supplied to give an overview of the occupancy rates within the City. The 2002 *Lease Guide* includes listings on 92 warehouse properties. *Arkansas Business* made no effort to validate the survey responses. For more information contact Gwen Moritz, Editor-In-Chief- *Arkansas Business* at (501)-372-1443.

Annexation Activity

The City accepted one annexation, totaling 5.34 acres in 2002. The ‘Rolling Pines Annexation’ was the result of a property owner’s request to be included into the corporate limits to receive city services. The owner proposes to develop a multi-family development for elder individuals on the 5.34 acres included in this annexation. The City Limits moves south to the county line on the west side of Heinke Road as a result of this action. In addition, the full length of Heinke Road in Pulaski County now is in the City Limits. Areas presented in the table are based on the area generated using legal descriptions for each area.

With the acceptance of this annexation, the current city limits of Little Rock included 118.9 square miles. This is an increase of 43.9% from 1980 and a 11.2 percent increase over the total square miles in 1990. The period of aggressive annexation activity experienced from 1979 through 1985 appears to be over.

When reviewing the historical record of Little Rock growth, large expansions occurred in the mid-1950s and again in the late 1970s. It is a second surge in the early to mid-1980s that makes the growth change noticeable to people today. Since the middle 1980s, Little Rock’s growth in area has followed a similar line as that from the mid-1940s to mid-1950s and the early 1960s to the mid-1970s.

Year	Cases	Annexed Acres	City Limits Sq. Miles
1970	3	1291.881	50.933
1971	4	68.495	51.040
1972	7	196.349	51.347
1973	10	456.226	52.060
1974	4	708.133	53.166
1975	10	430.023	53.838
1976	7	67.415	53.943
1977	8	1514.043	56.309
1978	29	2369.991	60.012
1979	41	12526.042	79.584
1980	10	1951.289	82.633
1981	9	608.971	83.585
1982	7	367.945	84.159
1984	10	364.905	84.730
1985	4	8746.251	98.396
1986	1	21.244	98.429
1987	5	446.156	99.126
1989	1	2176.691	102.527
1990	2	2781.279	106.873
1991	1	686.131	107.945
1993	5	1093.291	109.653
1994	3	1942.767	112.689
1995	1	72.482	112.802
1996	8	695.018	113.888
1997	2	820.152	115.169
1998	3	247.644	115.556
1999	1	1229.616	117.478
2000	2	328.057	117.990
2001	2	566.858	118.876
2002	1	5.34	118.884

Subdivision Activity

A review of subdivision plat activity is a good measure of likely development over the next year. The maps and table show the locations of Planning Commission approved preliminary plats. This indicates a majority of development activity will likely occur in the west sub-area of the city. In the east and central sub-areas only one case, each was filed for 73.7 and 7.55 acres respectively. In the west sub-area 16 cases and in the southwest sub-area 5 preliminary plat cases were approved by the Planning Commission. By far the west sub-area had the greatest activity with over 323 acres in 16 plats, while the southwest sub-area showed some activity with 118 acres in 5 cases.

The central and east sub-areas are for the most part developed leaving little platting activity to occur. It should be noted that the one preliminary plat in the east sub-area is outside the City, adjacent to the Port Industrial Park. This area has been developing over the past fifty years. The west sub-area area (west of I-430) did not begin to develop until the 1960's.

The number of approved preliminary plats decreased from 24 in 2001 to 23 in 2002. The total acreage in 2002 was down from 1397.89 to 522.36 acres. Non-residential activity experienced only slight changes in numbers. In 2001, nine plats were approved while seven plats were approved in 2002. The total acreage platted went from 104.7 acres to 211.9 acres (doubling). Commercial acreage dropped ten acres from 94 to 83 acres, while both office and industrial acreages increased 52 acres and 65 acres respectively. However residential platting activity, saw little change from 15 plats to 16 plats. Multi-family went from 1 plat of 10 acres to no activity. Single family acreage returned to 2000 levels at 357 acres from over 1,280 acres in 2001. Residential lots decreased significantly from 1116 approved in 2001 to 706 residential lots approved in 2002. This is a 37 percent decrease in the number of lots platted. This drop may forecast a potential slowdown in residential development activity citywide, with only minor changes for non-residential activity.

The southwest sub-area approvals included: one case for a total acreage of 68.38 of Commercial or Office (21.9 and 46.48 respectively); three cases for a total of 49.72 acres of Single-Family and 130 residential lots.

The west sub-area approvals included: three cases for a total of 62.23 acres of Commercial; thirteen cases for a total of 307.28 acres of Single-Family and 576 residential lots.

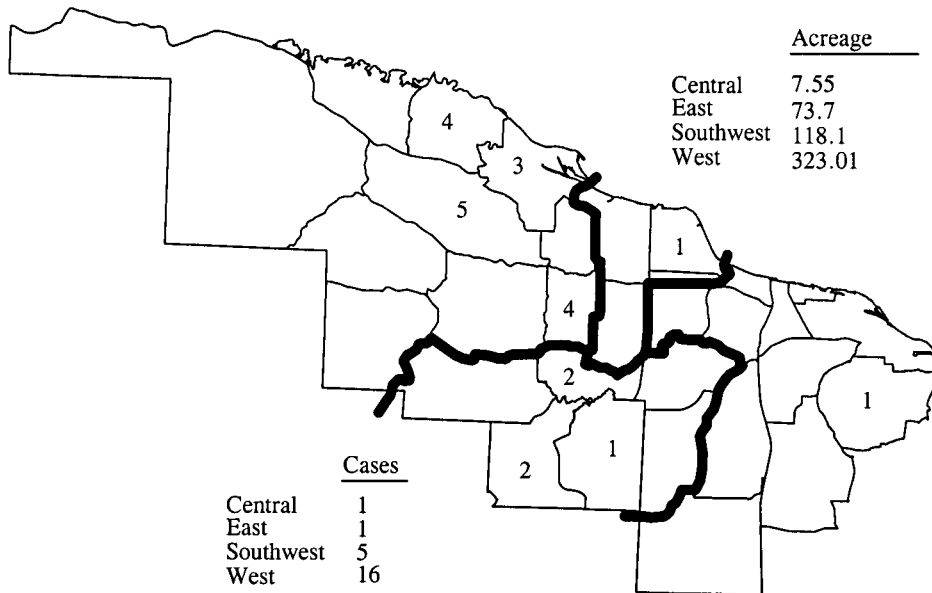
The preliminary plat activity in the east sub-area was associated with activity near the Port Industrial Park. One case, for a total of 73.7 acres of Industrial property, was preliminary platted.

The majority of the Single-Family residential approved preliminary plat cases were located in the west sub-area (13 cases) and 86% of the acreage was located in the west sub-area. The east and central sub-areas had no residential preliminary plat activity. The only other area with residential activity was the southwest sub-area with 3 cases and 49.7 acres (14% of the residential acreage).

Subdivision Activity

Plan Dist.	Commercial		Office		Industrial		Multi-Family		Single Family		Res. Lots
	cases	acres	cases	acres	cases	acres	cases	acres	cases	acres	
1									3	9.45	16
4			1	7.55							
11	1	4.23							3	42.27	146
12	1	21.9	1	46.48							
15									1	3.9	14
16									2	45.82	116
19									5	206.56	319
20	2	58							2	49	95
26					1	73.7					
Total	4	84.13	2	54.03	1	73.7	0	0	16	357	706

Approved Preliminary Plats



Final Plat Activity

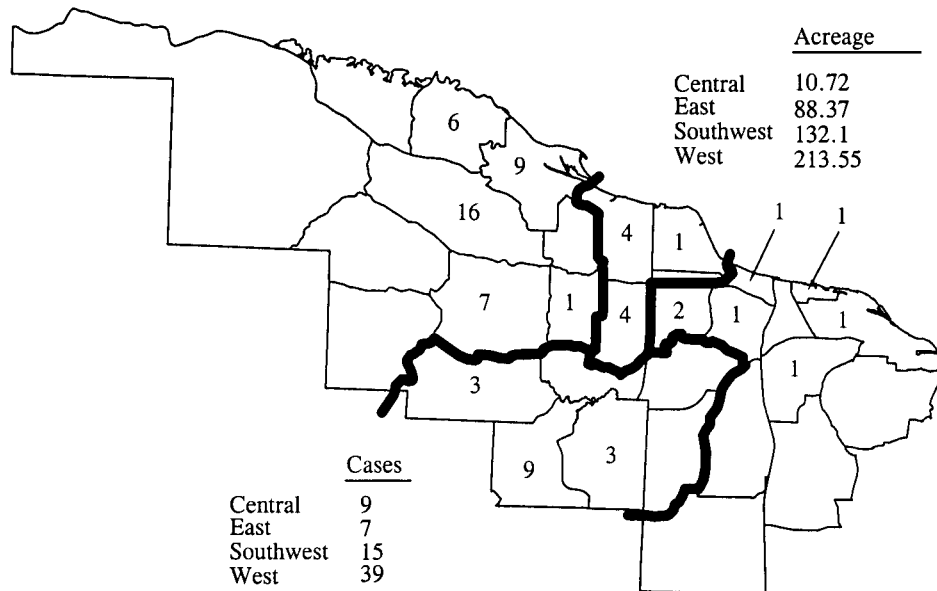
The number of final plats decreased during 2002, however the acreage increased from the 2001 rates. In 2002, 70 cases for a total of 444.74 acres were final platted. This is compared to 73 cases and 433.17 acres in 2001 representing a 4 percent decrease in cases and a 2.7 percent increase in acreage.

Signed final plat activity has been concentrated in the west sub-area with 39 final plats recorded with 213.55 acres. The southwest sub-area each had 15 cases with 132.10 acres. These two sub-areas represent 77% of the cases and 77.7% of the area final platted in 2002. The table and maps indicate more specifically the Planning District where the strongest activity is occurring.

Activity in the west sub-area decreased in the total number of cases final platted. (In 2001, 42 cases were final platted and in 2002, 39 cases were final platted.) The southwest sub-area stayed constant for the number of cases, but the land area final platted tripled. The central sub-area decreased in number of cases (40%) and area (by a quarter). Only the east sub-area experienced an increase in cases from 1 to 7 and area from just over an acre to over 88 acres.

Plan Dist.	Final Plat	
	cases	acres
1	9	35.01
3	4	6.18
4	1	0.23
5	1	0.23
6	1	3.34
8	1	2.08
9	2	0.58
10	4	4.31
11	1	3.29
15	3	12.02
16	9	22.58
17	3	97.5
18	7	57.88
19	16	100.17
20	6	17.20
24	1	8.12
25	1	74.02
Total	70	444.74

Approved Final Plats



Zoning Activity

In 2001 there were 34 cases with a total of 387 acres, while only eleven cases were approved in 2002 with 53.7 acres. The City saw the number of approved cases fall to one-third that of the previous year and the acreage reclassified drop 86 percent. Almost all the 'regular' rezoning occurred in southwest Little Rock, 73 percent of the cases. However most of the land area rezoned was in west Little Rock. No land in central or east Little Rock was reclassified in 2002.

Just under a third of the area reclassified was to single-family. This accounts for all but one of the non-southwest Little Rock cases. All of the single-family down-zoning was from other residential classes (MF 12, MF 6, PRD). The one non-residential reclassification outside of southwest Little Rock was from 'C2' to 'C3'. The two cases in District 12 were really one case converting a POD to 'C3' and 'O3', with not a great deal of difference in use pattern from the approved 'POD'.

Planned Zoning District (PZD) activity increased during the 2002 reporting period over the 2001 request and acreage. During 2001, 39 cases were approved as PZD's for a total of 98.9 acres. During 2002 there were 61 cases and 280.47 acres approved. This is an increase of 56% in the number of cases and 183% in the area involved.

The west sub-area each captured 47.5% of the approved PZD cases of the City. The central sub-area followed with approximately 28 % of the cases. The southwest sub-area captured 16.4% of the PZD activity, with the east sub-area capturing 8.2% of the activity. Acreage distribution by percentage indicates the west sub-area accounted for almost 66%, southwest sub-area 19%, the central sub-area 13.2% and the east sub-area 1.5%.

To get a complete view of the zoning activity, one needs to look at both PZD and regular reclassification. For 2002 there was a drop (excluding the two city rezonings) in both cases and area reclassified. Figures show a slight decline of 1.4 percent in cases from 73 to 72 and a 31 percent drop in area reclassified from 486 to 334 acres.

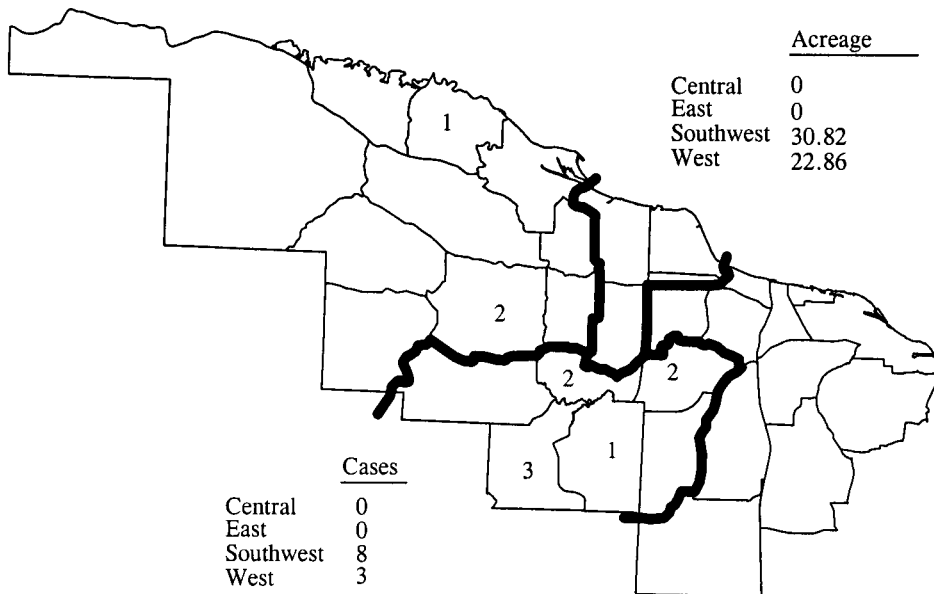
The table and map of rezoning and PZD approved cases show the areas most likely to develop in 2003 or soon then after. Because of the nature of PZD request, these are projects likely to be developed in the near term.

Based on the information provided by the graphic and the table, the majority of growth should take place in the west sub-area. The southwest and central sub-areas will also experience growth, the east sub-area continues to grow but at a slower rate.

Zoning Activity

Planning District	Commercial		Office		Multi-Family		Single-Family	
	cases	acres	cases	acres	cases	acres	cases	acres
12	1	3.28	1	9.71				
13	2	4.47						
15	1	0.34						
16	2	10.52					1	2.5
18							2	14.82
20	1	8.04						
Total	7	26.65	1	9.71	0	0	3	17.32

Approved Rezoning

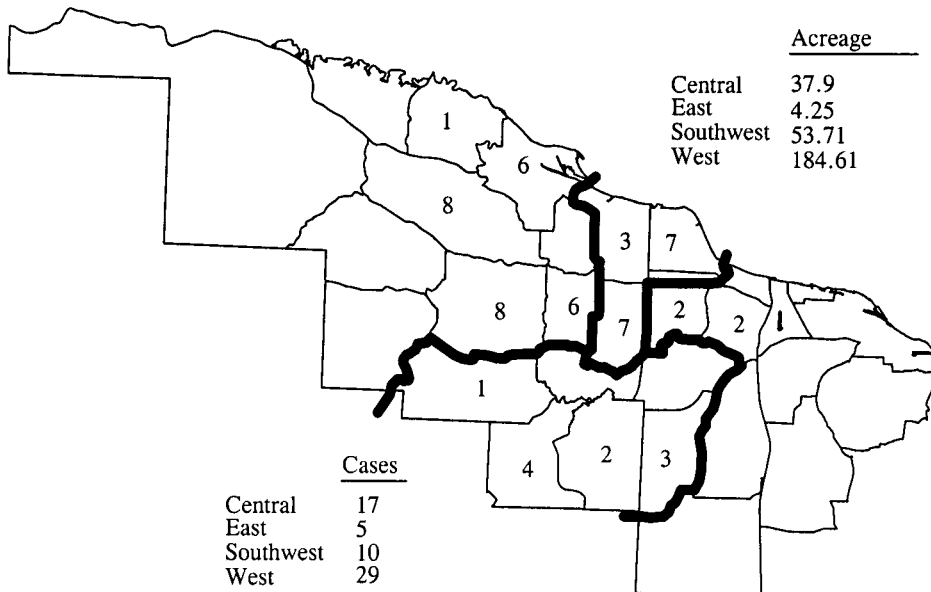


Zoning Activity

PZD Activity

Planning District	Commercial		Office		Industrial		Residential	
	cases	acres	cases	acres	cases	acres	cases	acres
1	1	5.99	3	6.64			2	14.53
3	2	0.86					1	2.72
4	3	1.61	1	0.20			3	0.82
7	1	0.45						
8	1	0.64					1	2.05
9					1	0.96	1	0.15
10	4	14.29	3	17.4				
11	4	34.79	1	9.35			1	10.33
14	2	4.43	1	0.6				
15	1	1.95					1	4.9
16	1	3.77			1	26.14	2	10.35
17			1	1.57				
18	2	19.74	3	19.69			3	33.88
19	3	5.26	4	13.14			1	9.6
20			1	1.67				
Total	25	93.78	18	70.26	2	27.1	16	89.33

Approved PZD's



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