

# CITY OF LITTLE ROCK ARKANSAS

## 2016 – 2020 CONSOLIDATED PLAN

Part 2

**Draft Plan for 30 Day Comment Period:**

**October 1, 2015 – October 31, 2015**



**EQUAL HOUSING  
OPPORTUNITY**

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# Housing Market Analysis

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## MA-05 Overview

### Housing Market Analysis Overview:

The local housing market affects the availability and affordability of housing. In Little Rock, the housing market has slowly rebounded from the foreclosure crisis of the last decade. With that recovery, housing prices have increased, but are still affordable with the historically low mortgage interest rates found in the current market. The following analysis looks at a variety of data from the American Community Survey, the census, the Little Rock Housing Authority, and homeless service providers to provide a picture of the local market.

## MA-10 Number of Housing Units – 91.210(a)&(b)(2)

### Introduction

The housing stock in Little Rock is weighted heavily toward single-family housing, with 63 percent of households residing in single-family detached structures, while 32 percent reside in structures with two or more units. Approximately 57 percent of households are home owners, with 84 percent of owner households living in housing units with three or more bedrooms. With almost 29,000 multifamily units serving over 33,900 renter households, the data suggest that almost 4,900 renter households reside in single-family structures, either attached or detached. The use of single-family structures for rental housing does address some of the need for larger housing units for renter households, but the vast disparity of larger units between renter (24%) and owner (84%) households suggests the need for new housing development aimed specifically toward larger renter households requiring three or more bedrooms.

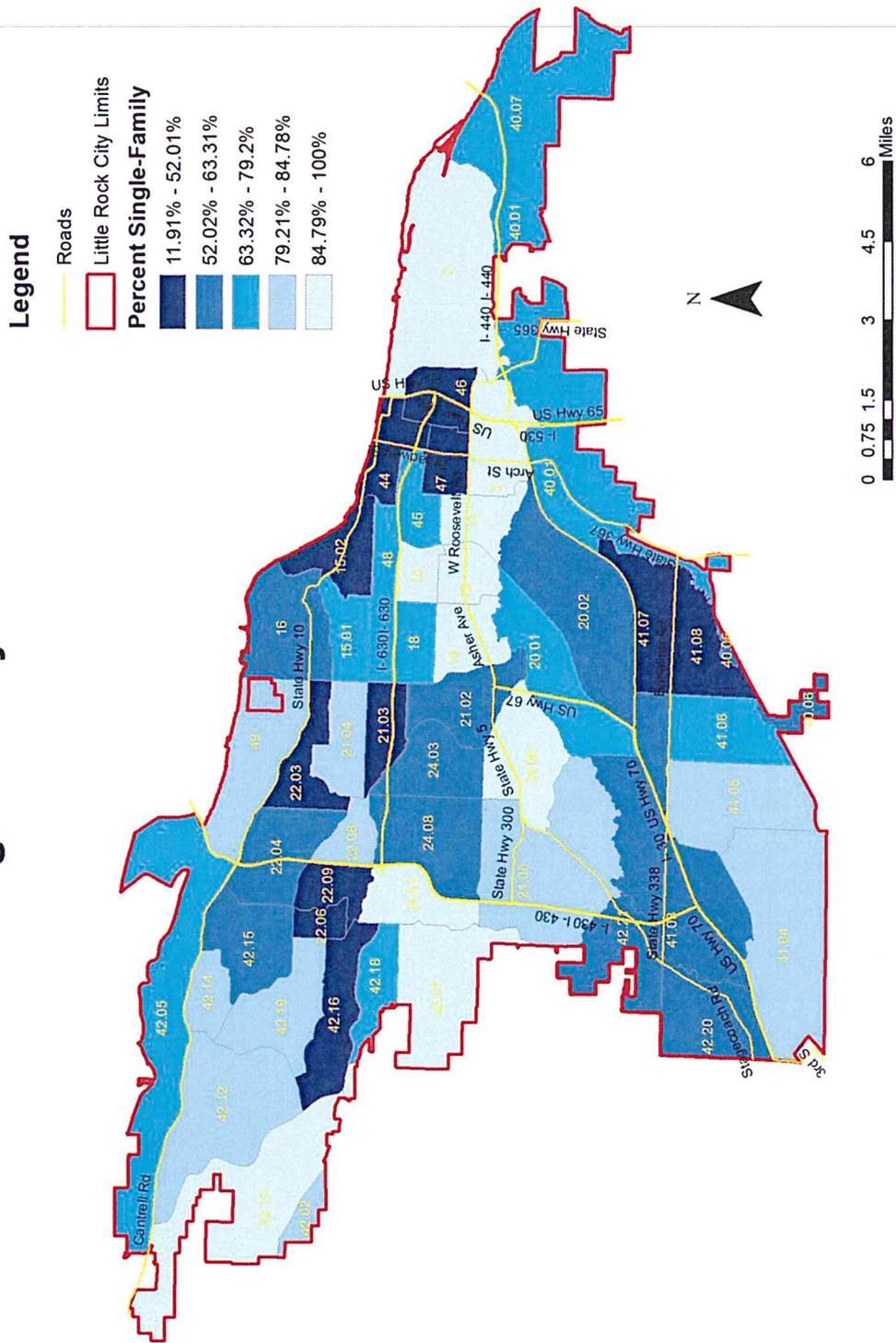
### All residential properties by number of units

Property Type	Number	%
1-unit detached structure	56,971	63%
1-unit, attached structure	2,179	2%
2-4 units	5,924	7%
5-19 units	13,802	15%
20 or more units	9,259	10%
Mobile Home, boat, RV, van, etc	2,518	3%
<b>Total</b>	<b>90,653</b>	<b>100%</b>

Table 29 – Residential Properties by Unit Number

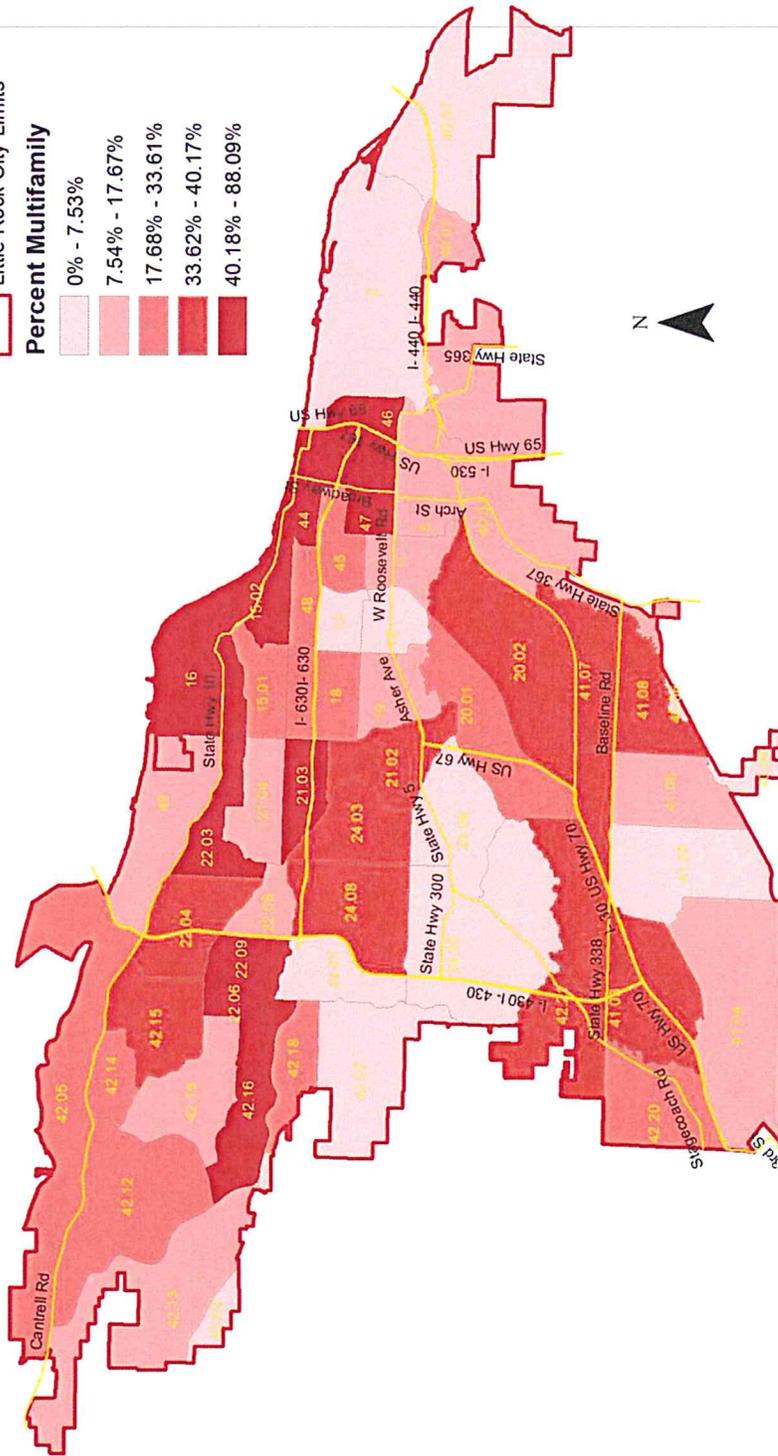
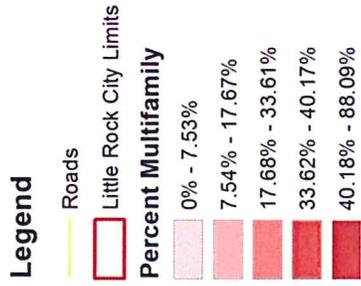
Data Source: 2007-2011 ACS

# Percent Single-Family



Percent Single-Family

# Percent Multifamily



Percent Multifamily

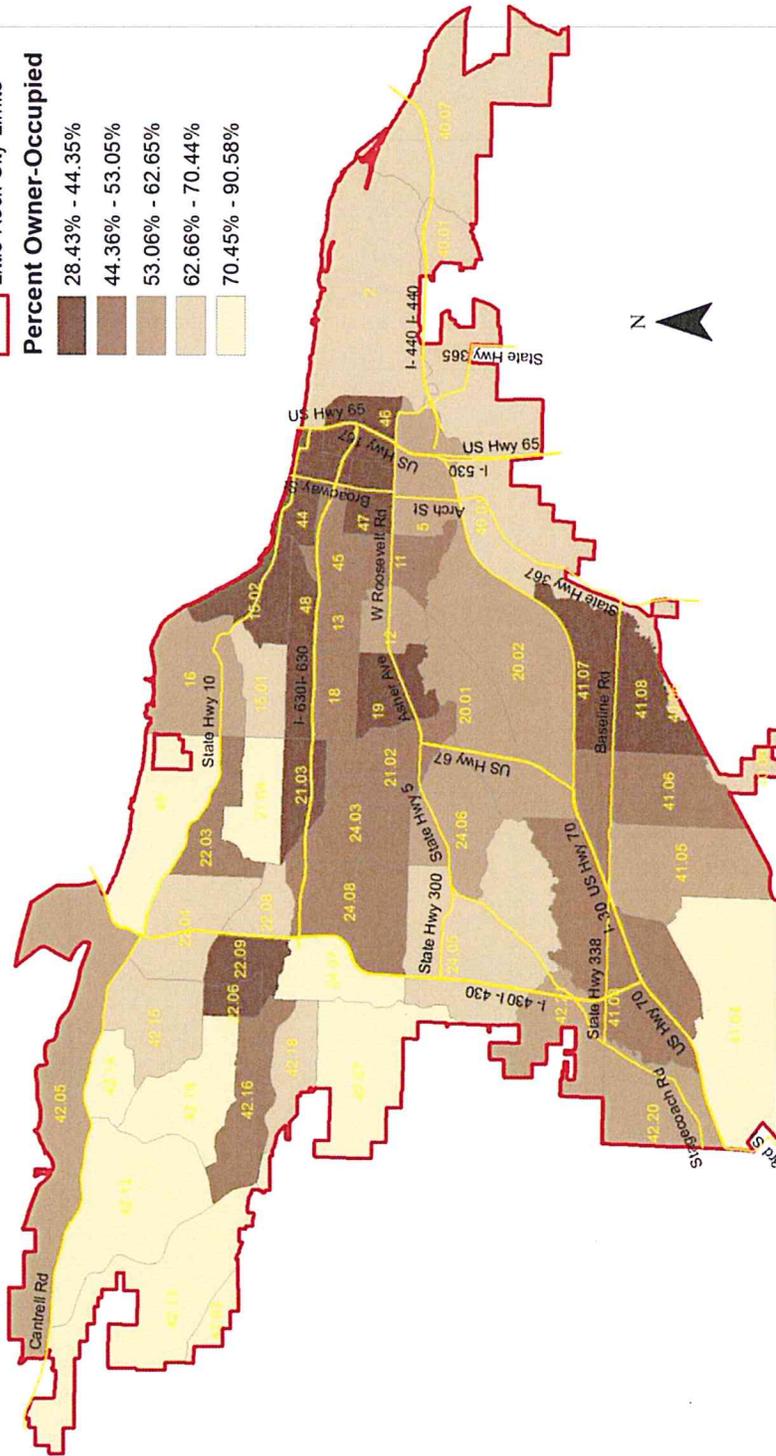
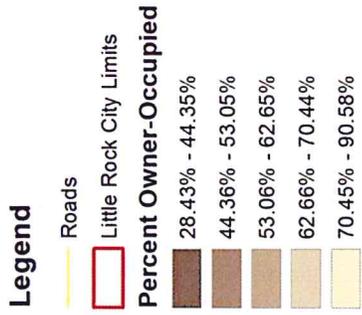
## Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	96	0%	1,177	3%
1 bedroom	580	1%	9,422	28%
2 bedrooms	6,799	15%	15,156	45%
3 or more bedrooms	37,889	84%	8,165	24%
<b>Total</b>	<b>45,364</b>	<b>100%</b>	<b>33,920</b>	<b>100%</b>

Table 30 – Unit Size by Tenure

Data Source: 2007-2011 ACS

# Percent Owner-Occupied



Percent Owner-Occupied



**Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.**

According to affordablehousingonline.com, there are a total of 4,128 assisted housing units in Little Rock. While public housing units listed on the site number 178, the Little Rock Housing Authority puts that number at 902. Otherwise, the site indicates a total of 1,245 Section 8 units (2,083 according to the housing authority), 2,828 units in Low Income Housing Tax Credit (LIHTC) developments, 444 units in Section 202 developments, and 81 units in Section 811 developments. Tax credit units are typically limited to 60 percent of the area median income or below. Other properties listed are limited to no more than 80 percent of the area median income.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

Data available online indicate that there are a total of 2,759 federally subsidized housing units in 22 properties serving lower income households in Little Rock. Expiration date for these HUD contracts range from 2031 to 2054. From these data, the risk of losing units to contract expiration is low.

**Does the availability of housing units meet the needs of the population?**

Sixty-five percent of all households in Little Rock reside in single-family homes, either detached or attached. While this is often considered the ideal in terms of raising a family, the growing senior population may require a reconsideration of what is ideal with respect to housing type. In the coming years, the growing senior population may put more market pressure on smaller apartment units, particularly efficiencies and one-bedroom units, as they look to downsize from the single-family home in which they raised their families. Future development of units designed with retirees in mind and active senior apartment communities may take on a larger presence in the housing market.

**Describe the need for specific types of housing:**

As shown in the Units by Tenure data, the vast majority of owner households reside in homes with three or more bedrooms (84%). By comparison, only 24 percent of renter households reside in units with three or more bedrooms. While many renter households contain single person or couple households with no children, a number of larger renter households are overcrowded in smaller rental units, less than three bedrooms.

**Discussion**

The largest sector of housing units in Little Rock are in single-family structures (63%). Of renter households, most (76%) live in units with two or fewer bedrooms. As the demographics of the city and state start reflecting the aging of the baby boom generation, the housing market will need to adapt to provide new housing opportunities for those seeking to downsize from their family home to smaller

units, some of which might be in senior's communities where residents can participate in a variety of community activities, including meals, exercise, shopping, and entertainment. The housing stock also needs additional supplies of larger rental units, some of which may come from the baby boomers moving to smaller units. The rental stock is 24 percent larger units (three or more bedrooms) compared to 84 percent for owner occupied units. There is a modest inventory of HUD insured rental units in Little Rock (2,759 units) with maturity dates in 2031 and 2054, suggesting little risk of loss of affordable housing units in the near future.

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

Housing costs are a major portion of any households' monthly budget. In 2000, the median home value in Little Rock was \$87,300. By 2011, the median value had increased by 71 percent to \$149,300. Rental costs had similar, though somewhat lower, increases rising 29 percent from \$456 in 2000 to \$589 in 2011. In Little Rock, 32 percent of renter households paid less than \$500 per month in rent. Just over seven percent of the rental housing stock was affordable to households earning less than 30 percent of the area median income. No homes were priced in a range that would be affordable for a household earning less than 30 percent of the area median income.

### Cost of Housing

	Base Year: 2000	Most Recent Year: 2011	% Change
Median Home Value	87,300	149,300	71%
Median Contract Rent	456	589	29%

Table 31 – Cost of Housing

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	10,815	31.9%
\$500-999	21,001	61.9%
\$1,000-1,499	1,418	4.2%
\$1,500-1,999	300	0.9%
\$2,000 or more	386	1.1%
<b>Total</b>	<b>33,920</b>	<b>100.0%</b>

Table 32 - Rent Paid

Data Source: 2007-2011 ACS





## Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	2,000	No Data
50% HAMFI	8,680	4,230
80% HAMFI	23,915	10,360
100% HAMFI	No Data	15,150
<b>Total</b>	<b>34,595</b>	<b>29,740</b>

**Table 33 – Housing Affordability**

Data Source: 2007-2011 CHAS

## Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	536	619	744	1,040	1,155
High HOME Rent	537	620	744	1,040	1,143
Low HOME Rent	537	595	713	824	920

**Table 34 – Monthly Rent**

Data Source: Updated numbers supplied by the City of Little Rock

### Is there sufficient housing for households at all income levels?

As would be expected, the lowest income households have the least housing stock from which to choose, clearly not enough to meet the needs of the community. With no homes priced at a level affordable to those earning below 30 percent of the area median income, rental properties are their only option. The data show that less than six percent of rental units are affordable to those earning less than 30 percent of the area median income. With this limited housing stock, many households are forced to spend more of their income on housing expenses, moving up to higher priced rental housing. This creates a cost burden for those households, requiring that they spend more than 30 percent of their household income on housing expenses. In many cases it creates a severe cost burden, requiring more than 50 percent of their income for housing. In some cases households are forced to double-up with other families, sharing housing units that were designed for only one household.

### How is affordability of housing likely to change considering changes to home values and/or rents?

With a 71 percent increase in median home value, homeownership is becoming less affordable. With an improving economy, that pressure on homeownership is likely to increase as the housing market recovers from the mortgage foreclosure situation of the recent past and home prices return to pre-2008 levels and grow even more. On the other hand, mortgage interest rates are at historic lows, which make

home purchases more affordable than would have been possible in 2000 when rates were higher. The lower interest rates are, to some extent, responsible for the rise in home prices since 2000 as an individual household is able to afford a higher home price with the lower interest rate. Rents, however, rose at a slower pace, 29 percent between 2000 and 2011. Rents are less affordable than in 2000 and the demand for rental housing is most likely higher than in 2000 with former homeowners who lost their homes to foreclosure looking for rental housing instead of looking to buy.

**How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

High HOME rents are relatively close to Fair Market Rents and all HOME rents, with the exception of efficiencies, are higher than the area median rents as shown for 2011. These data suggest that the development of new rental housing units may increase the area median rent, while possibly remaining within the fair market rents for the area.

**Discussion**

Competing factors in the housing market, rising prices and historically low mortgage interest rates, have kept homeownership affordability somewhat constant over the past decade. The mortgage market, however, created a situation through "liar" loans and adjustable rate mortgage products where large numbers of homeowners lost their homes to foreclosure. This resulted in a bubble in the supply of homes on the market and a dip in home prices, but many were unable to take advantage of the market conditions because of a tightening of mortgage requirements and the inability of many to qualify for mortgage under the more stringent rules. Rents, on the other hand, increased by 29 percent since 2000, putting pressure on lower income households looking for rental opportunities.

## **MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)**

### **Introduction**

The condition of housing units is highly correlated to the income of the household residing within those housing units. In Little Rock, 77 percent of owner-occupied housing units and 51 percent of renter-occupied housing units have no housing problems reported. Four conditions are represented as housing problems, including lack of complete kitchen facilities, lack of complete plumbing facilities, more than one person per room, and cost burden (paying more than 30% of household income on housing expenses). The data show that 23 percent of owner households and 47 percent of renter households have one housing problem or condition. Presumably, this one housing problem is most likely either cost burden or substandard housing, with the later more likely for renter housing than for owner housing. Sixty-three percent of owner-occupied housing and 58 percent of renter-occupied housing was built prior to 1980, making those units potential sources of lead-based paint contamination. While not all will have lead-based paint, the age of the units suggest that at one time lead-based paint may have been used on the unit and provides a potential hazard, particularly for households with children present. Over 5,700 units in Little Rock were built before 1980 and have children present in the household. It is reasonable to assume that a large number of these households are lower income households due to the fact that older housing stock is often filtered down through the income categories to the lowest income households.

### **Definitions**

Substandard condition is defined as a combination of incomplete kitchen or plumbing facilities, missing windows or exterior doors, severely compromised foundations, outdated electrical infrastructure, holes in floors or walls, and holes in roof or severely compromised roofing materials preventing closure from weather penetration. Many units with a combination that includes all these conditions may be unfit for human occupation. Some may be candidates for rehabilitation, others may not be. Substandard condition suitable for rehabilitation would be units where the home is determined to be less than 60 percent deteriorated or the cost of the combination of needed repairs of all conditions does not exceed the estimated after-rehabilitation value of the house.

## Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	10,456	23%	15,832	47%
With two selected Conditions	162	0%	739	2%
With three selected Conditions	0	0%	123	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	34,746	77%	17,226	51%
<b>Total</b>	<b>45,364</b>	<b>100%</b>	<b>33,920</b>	<b>100%</b>

Table 35 - Condition of Units

Data Source: 2007-2011 ACS

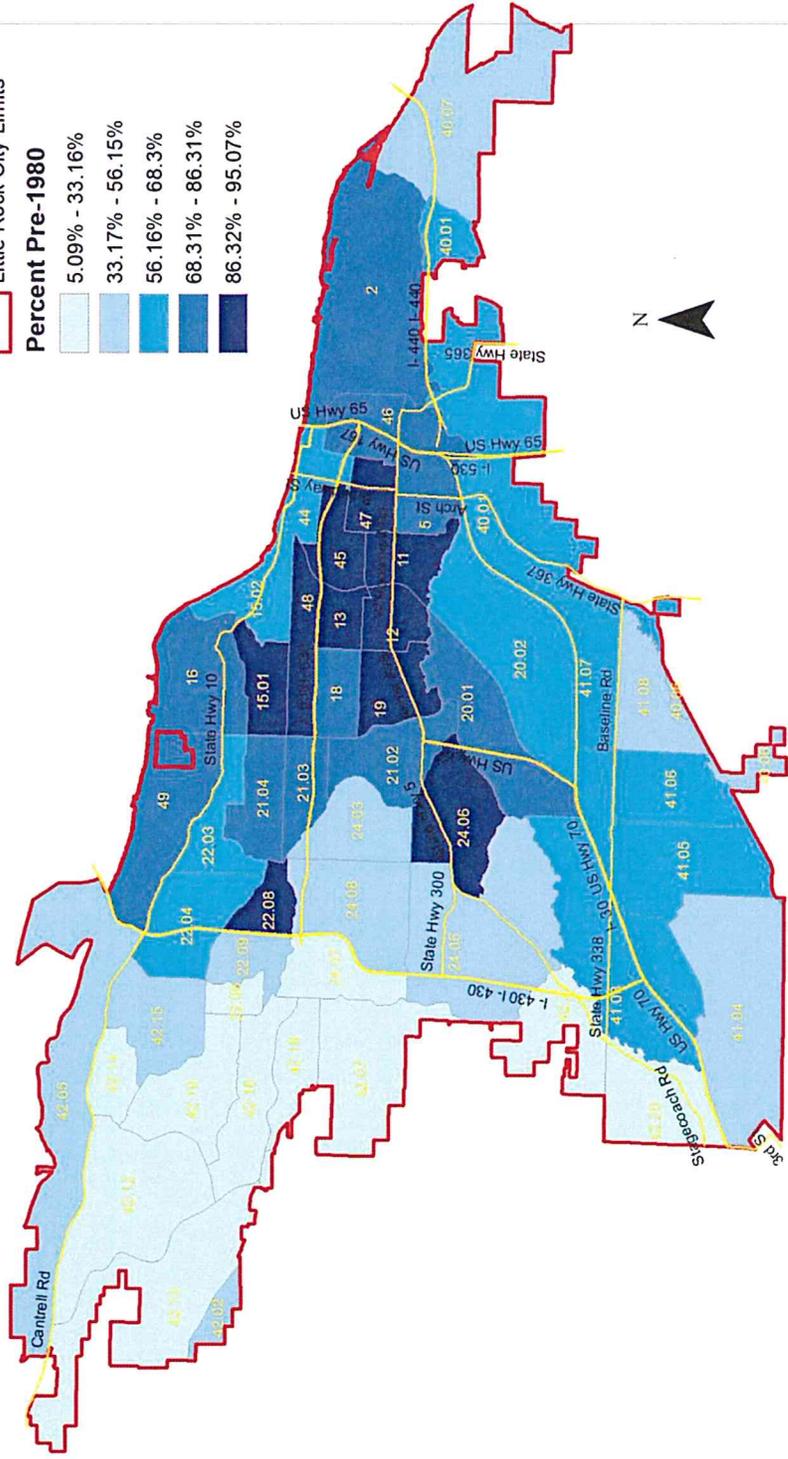
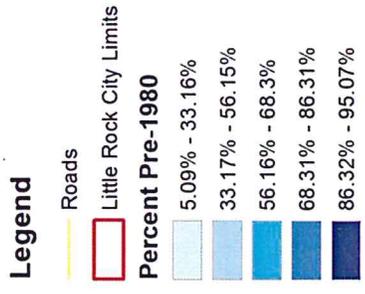
## Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	5,514	12%	3,330	10%
1980-1999	11,310	25%	11,040	33%
1950-1979	22,771	50%	15,444	46%
Before 1950	5,769	13%	4,106	12%
<b>Total</b>	<b>45,364</b>	<b>100%</b>	<b>33,920</b>	<b>101%</b>

Table 36 – Year Unit Built

Data Source: 2007-2011 CHAS

# Percent Pre-1980 Housing



Pre-1980 Housing Stock

## Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	28,540	63%	19,550	58%
Housing Units build before 1980 with children present	2,720	6%	3,055	9%

**Table 37 – Risk of Lead-Based Paint**

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

## Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

**Table 38 - Vacant Units**

Data Source: 2005-2009 CHAS

## Need for Owner and Rental Rehabilitation

Sixty-three percent of the owner-occupied housing stock and 58 percent of the renter-occupied housing was built prior to 1980, placing the age of that housing at more than 30 years old, much of it many years older. As the housing stock ages, water infiltration and many other factors can cause rapid deterioration of housing units, particularly where the residents don't or can't provide needed maintenance. In some areas of Little Rock, the housing stock may exceed 50 years of age and the median income of the residents of those areas may be less than 50 percent of the area median income. In these situations it is likely that housing conditions generally throughout these areas are poor.

## Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

The data show that the number of housing units in Little Rock built prior to 1980, and potentially where lead-based paint hazards might be found, include 63 percent of all owner housing and 58 percent of rental housing. Six percent of owner housing units and nine percent of rental housing units built prior to 1980 are occupied by families with children present, a total of over 5,700 housing units. As housing units and neighborhoods age, they typically fall through the income classes from middle- or moderate-income households to lower income households. Neighborhoods that were once middle class become home to lower income groups as they age. Typically, with some exceptions, the oldest neighborhoods found are where the poorest residents are found. As a result, it is reasonable to assume that most of the 5,700 units in Little Rock built prior to 1980 and occupied by families with children are likely occupied by low- or moderate-income families.

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**Discussion**

There is an extensive need for rehabilitation programs in Little Rock targeting the improvement of the city's oldest housing stock. These programs, which are currently ongoing through the City of Little Rock with the City's CDBG and HOME funding, provide owners of owner-occupied, single-family housing with loans and/or grants to facilitate needed repairs which have not been effected by current or previous owners. These repairs include structural repairs both inside the unit and on the exterior and testing for and remediation of lead-based paint hazards in older housing units.

## MA-25 Public and Assisted Housing – 91.210(b)

### Introduction

The Little Rock Housing Authority operates 902 public housing units in seven developments and manages 2,083 vouchers, 179 VASH and the rest are tenant-based. Average inspection scores for public housing developments range from 54 to 99, with most in the development scores in the nineties.

### Totals Number of Units

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Total	Vouchers			Special Purpose Voucher	
					Project-based	Tenant-based	Disabled *		
# of units vouchers available	0	46	902	2,083	0	2,083	179	0	
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 39 – Total Number of Units by Program Type

Data Source: Updated numbers supplied by MHA.

**Describe the supply of public housing developments:**

**Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:**

MHA develops, owns and operates quality affordable and accessible housing that provides assistance to citizens of Little Rock utilizing various federal, state and local programs. Currently, MHA owns 902 public housing units, 200 affordable housing units. Score re-inspection schedule: Developments that score 90 or above will receive re-inspection on a three year cycle, developments that score between 80 and 90 will receive re-inspection on a two year cycle and developments scoring below 80 will receive re-inspections annually.

**Public Housing Condition**

<b>Public Housing Development</b>	<b>Average Inspection Score</b>
Sunset Terrace	54
Central High	98
Stephens	93
Madison Heights III	90
Homes at Granite Mountain	82
Cumberland Manor	97
Metropolitan Village	99

**Table 40 - Public Housing Condition**

**Describe the restoration and revitalization needs of public housing units in the jurisdiction:**

There are no restoration or revitalization needs for HABC properties beyond routine upkeep and maintenance.

**Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:**

Over the past 13 years the Little Rock Housing Authority has demolished and revitalized five obsolete public housing developments. With this accomplishment the leverage for Replacement Housing Factor grant funds with private and other resources is at an amazing 1:8 ratio. MHA has more than 15 new homeowners that have benefited from development activities and over 3000 residents served with an additional 3000 or more needing service; MHA is duty-bound to expand the services in the community to narrow the housing needs.

**Discussion:**

Public housing units in Little Rock are managed and maintained by Little Rock Housing Authority. Units are well maintained and provided upgrades when possible. The agency has no major renovation or revitalization plans.

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## MA-30 Homeless Facilities and Services – 91.210(c)

### Introduction

Homeless unit count is combined with other Continuum of Care numbers. A total of 404 emergency shelter beds and 387 transitional beds can be found in the Little Rock/Central Arkansas Continuum of Care area, which includes Little Rock, but is not exclusive to Little Rock. The count also includes 765 permanent supportive housing beds. Chronic homeless populations are addressed with 62 permanent supportive housing beds. Veterans are served with 58 emergency shelter beds, 113 transitional housing beds, and 204 permanent supportive housing beds.

### Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds		Current & New	Under Development
Households with Adult(s) and Child(ren)	88	0	117	309	0
Households with Only Adults	316	120	270	456	0
Chronically Homeless Households	0	0	0	62	0
Veterans	58	0	113	204	0
Unaccompanied Youth	0	0	0	0	0

**Table 41 - Facilities and Housing Targeted to Homeless Households**

Data Source Comments: HUD's 2014 Continuum of Care Homeless Assistance Programs Housing Inventory Count Report

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons**

Homeless service providers in Little Rock provide a wide range of housing and services to their clients, including shelters and transitional housing units, substance abuse treatment, case management, job training, clothes closets to provide clothing suitable for job interviews, food, and transportation. All depend, to some extent, on mainstream services to supplement those offered in-house. These include transportation services, dental care, legal assistance, health and mental health care, job training, and childcare. Some of these services are offered pro bono from caring professionals. Other services require some payment from the client.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

Little Rock is served by a number of organizations that address the needs of homeless individuals and families. Included are:

- Get Yourself Together (GYST) Housing Program – drug treatment, legal assistance, supportive housing.
- Little Rock Community Mental Health Center – mental health services.
- River City Ministry – food, mental health services, health services, dental services, pharmacy, vision, clothing.
- Women & Children First – domestic violence shelter.
- Little Rock Compassion Center – meals, emergency shelter, clothing assistance, educational programs.
- Our House – emergency shelter, transitional housing, educational assistance, homelessness prevention, children’s programs.
- Helping Hand of Little Rock – food pantry, thrift shop, financial assistance.
- Family Promise – temporary shelter, financial assistance, mentoring.
- A Family Called US – emergency shelter.
- Salvation Army – emergency shelter, meals, clothes closet, services.
- Union Rescue Mission – emergency and long term services.

These facilities and programs address housing and service needs of homeless individuals and families by offering beds and a variety of much needed services.

## MA-35 Special Needs Facilities and Services – 91.210(d)

### Introduction

Special needs populations in Little Rock include the elderly; frail elderly; persons with mental, physical, or developmental disabilities; persons with HIV/AIDS; and persons with substance abuse problems. Considering the non-homeless special needs population, many in these populations are currently having their housing and service needs met without or with limited public assistance. Circumstances, however, are subject to change and the more the community prepares for future needs, the better it will be able to meet those needs when they occur.

### HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	65
PH in facilities	0
STRMU	60
ST or TH facilities	0
PH placement	36

Table 42– HOPWA Assistance Baseline

Data Source: Updated numbers supplied by the City of Little Rock

**Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

The supportive housing needs of special needs populations in Little Rock vary according to the population. In coming years, the needs of the elderly and frail elderly will increase as the over 65 year old population grows with the aging of the baby boom population. These needs may include nursing care facilities targeted to lower income households who cannot afford private nursing home care. Permanent supportive housing options for persons with mental, physical, and developmental disabilities may also become a pressing issue as persons with disabilities who previously been taken care of parents lose those caregivers to death or incapacity. With healthcare systems enabling persons with disabilities to live longer, many are now outliving their caregivers, increasing demand for group housing that provides the care this population needs.

**Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

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Many homeless shelters operate under a rapid re-housing structure for clients coming into the system and the local participants in the Little Rock/Central Arkansas Continuum of Care structure has recognized the need for discharge planning within the service provision structure in Little Rock regarding returning patients from mental and physical health institutions. At a minimum, institutions agree not to discharge individuals into homeless. Individual mental and physical health institutions may have their own discharge planning protocols in place, but they are not coordinated with any citywide planning effort. The CoC supports efforts at a more formal discharge planning protocol.

**Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

The City funds housing rehabilitation and emergency repair programs that work with the elderly, among other populations, in an attempt to maintain their home so they can continue to reside in their own homes. As a homeowner ages he/she is often unable to continue to provide the maintenance needed to keep the home habitable. The City's programs work with those homeowners to address pressing issues that arise, such as roof leaks or plumbing failures, and also more extensive rehabilitation needed to bring a home completely up to current building code.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

The City of Little Rock provides HOWPA funding for the provision of emergency housing assistance to persons with HIV/AIDS. Public service funding is primarily dedicated to programs that address the needs of children and the provision of other services to low-income households. The City operates housing rehabilitation and emergency repair programs that target elderly households in need of assistance with housing maintenance and safety issues.

## **MA-40 Barriers to Affordable Housing – 91.210(e)**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

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There are no known barriers to affordable housing resulting from public policies of the City of Little Rock.

**Public Policies** - The City's zoning ordinance, development code and public policies were examined to reveal any current ordinances or policies that create barriers to affordable housing. Little Rock's land development codes and zoning regulations address affordable housing and the provision of making allowances through the code to allow the construction of a variety of types of housing including single family and multifamily housing. Development regulations provide for the consideration of variances to development barriers that affect the feasibility of producing housing within the jurisdictions. Regulations allow unrelated persons to reside in a single family structure by right without specific use or conditional use permits and has adequate provisions for group homes and special needs populations.

**Affordable Housing** - The City's Zoning and Development Policies do not provide incentives such as inclusionary zoning for developers to increase the production of affordable housing, and do not by policy provide for reduced fees or expedited permitting and zoning to all developers who propose affordable housing. While these incentives are not mandated by city policy the city does consider such request on a case by case basis as a means of increasing affordable housing.

**Residential Investment** – Current City policies do not provide specific actions for residential investment.

## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

Housing preferences are fulfilled by a household's ability to meet the financial needs of owning or renting their desired housing unit. The economic health of a community has a large impact on that ability through the job market, business activity, and the household's relative place in the economy determined by their level of education and employment status. The data below provide a look at where jobs and economic activity in Little Rock provide employment opportunities and some descriptive consideration of education and employment levels.

### Economic Development Market Analysis - Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	369	344	1	0	-1
Arts, Entertainment, Accommodations	8,375	13,822	14	11	-3
Construction	1,766	3,524	3	3	0
Education and Health Care Services	13,728	28,491	23	24	1
Finance, Insurance, and Real Estate	5,524	13,113	9	11	2
Information	2,602	6,317	4	5	1
Manufacturing	3,753	8,062	6	7	1
Other Services	2,422	5,201	4	4	0
Professional, Scientific, Management Services	6,310	14,102	11	12	1
Public Administration	0	0	0	0	0
Retail Trade	8,622	14,286	15	12	-3
Transportation and Warehousing	2,530	4,863	4	4	0
Wholesale Trade	3,342	8,261	6	7	1
Total	59,343	120,386	--	--	--

**Table 43 - Business Activity**

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

## Labor Force

Total Population in the Civilian Labor Force	102,908
Civilian Employed Population 16 years and over	93,876
Unemployment Rate	8.78
Unemployment Rate for Ages 16-24	32.59
Unemployment Rate for Ages 25-65	5.60

Table 44 - Labor Force

Data Source: 2007-2011 ACS



Occupations by Sector	Number of People
Management, business and financial	25,493
Farming, fisheries and forestry occupations	3,809
Service	8,912
Sales and office	24,510
Construction, extraction, maintenance and repair	5,562
Production, transportation and material moving	3,202

Table 45 – Occupations by Sector

Data Source: 2007-2011 ACS

### Travel Time

Travel Time	Number	Percentage
< 30 Minutes	76,483	86%
30-59 Minutes	10,898	12%
60 or More Minutes	1,971	2%
<b>Total</b>	<b>89,352</b>	<b>100%</b>

Table 46 - Travel Time

Data Source: 2007-2011 ACS

### Education:

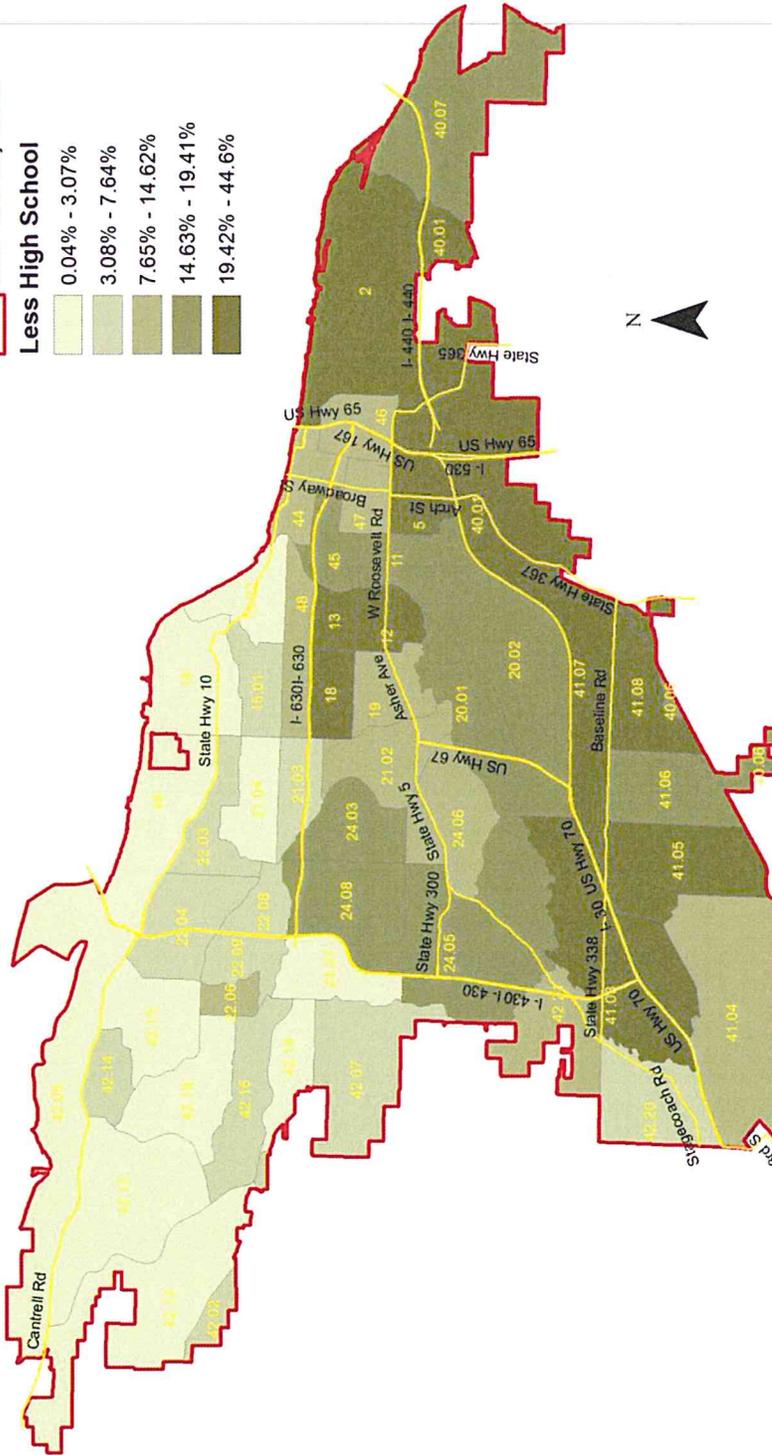
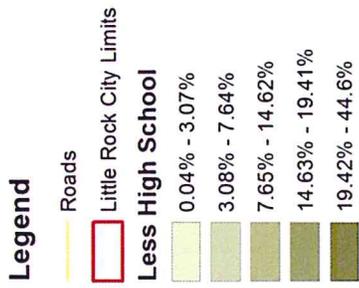
#### Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	4,902	754	4,247
High school graduate (includes equivalency)	14,051	2,360	5,349
Some college or Associate's degree	23,923	1,852	5,332
Bachelor's degree or higher	34,773	884	5,739

Table 47 - Educational Attainment by Employment Status

Data Source: 2007-2011 ACS

# Percent with Less than a High School Degree



Less than a High School Degree

## Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	629	852	794	1,685	1,725
9th to 12th grade, no diploma	2,643	2,477	1,221	2,874	1,990
High school graduate, GED, or alternative	5,505	6,073	5,589	10,132	6,202
Some college, no degree	7,231	7,878	5,529	10,889	4,509
Associate's degree	470	1,804	2,049	3,028	613
Bachelor's degree	2,245	8,009	6,401	10,980	3,613
Graduate or professional degree	162	3,813	3,798	8,500	3,076

**Table 48 - Educational Attainment by Age**

Data Source: 2007-2011 ACS

## Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	16,262
High school graduate (includes equivalency)	21,651
Some college or Associate's degree	29,838
Bachelor's degree	45,818
Graduate or professional degree	62,315

**Table 49 – Median Earnings in the Past 12 Months**

Data Source: 2007-2011 ACS

### Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The most active business sector in Little Rock, in terms of the number of workers in the various industries, is Education and Health Care Services with 23 percent of all workers. That sector is followed by Retail Trade and Arts, Entertainment, Accommodations with 15 and 14 percent respectively. Professional, Scientific, etc. has an 11 percent share of workers, followed by Finance, Insurance, Real Estate with nine percent each and Wholesale Trade and Manufacturing with a six percent share each.

### Describe the workforce and infrastructure needs of the business community:

Federal funding will not be used of these activities.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

The Little Rock National Airport, less than three (3) miles from downtown, is Arkansas' largest commercial service airport, serving approximately 2.1 million passengers annually. The airport attracts passengers from a large part of Arkansas, as well as a number of surrounding states. There are more than 120 flight arrivals and departures at Little Rock each day, with non-stop jet service to thirteen (13) national and international gateway cities, making Little Rock truly one stop away from the world.

The Arkansas River runs past downtown Little Rock and is part of the McClellan-Kerr Navigation System, one of the largest projects of the United States Army Corps of Engineers. The system provides a 448-mile navigation channel for barge traffic from the Mississippi River northwest to fifteen (15) miles east of Tulsa, Oklahoma. The Port of Little Rock, on the Arkansas River is a designated Foreign Trade Zone and a United States Customs Point of Entry. This status allows goods to be stored and processed there without custom duties or bonds being paid until products are finished and sold, or moved out of zone.

The City of Little Rock has seen a steady increase in economic development activities, which is due in large part to an active private sector and the strong leadership of the Little Rock Regional Chamber of Commerce. In addition, manufacturing, transportation and service sector employment are growing at a steady rate. Little Rock is one of the top fifteen (15) aggressive development markets in the nation and has doubled in the past thirty (30) years, with projections indicating it will double again in the next twenty (20) years.

Little Rock is experiencing unprecedented development and expansion in the downtown corridor. Since 1994, projects totaling \$968,579,951 have been completed in the downtown area, with \$175,894,720 worth of projects in progress and an additional \$194 million worth of proposed projects. The River Market has resulted in new businesses throughout the River Market District, including a \$7.5 million renovation and development of the Museum Center Building, which houses the Museum of Discovery, restaurants and commercial information technology enterprises. In addition, the \$165 million William J. Clinton Presidential Center opened its doors in November 2004, and since opening, the Center has hosted over 1.64 million visitors.

**How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

Generally, there is a wide range of jobs in Little Rock with a variety of education and skill requirements. The industry with the most workers in Little Rock is the Education and Health Care Services sector, which typically has stringent education and skill requirements for the most visible portion of the workforce, the educators, doctors, and nurses. The sector also has a large support staff with lower education and skill requirements, including maintenance workers, drivers, and many other

job classifications. Little Rock's second and third largest sectors are Retail Trade and Arts, Entertainment, Accommodations, typically calling for a less educated, less skilled workforce, though many Arts positions demand high skill levels. Little Rock has a large share of the population over the age of 16 without a high school degree.

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

#### **Little Rock Job Corps Center**

In addition to academic training, Little Rock Job Corps provides career technical training in several vocational trades.

Job Corps is committed to the development of green job training. All students who enter in Advanced Manufacturing, Automotive, or Construction career technical training areas will train in a variety of green subject areas.

- Culinary Arts
- Facilities Maintenance
- Health Occupations
- Heating, Ventilation, and Air Conditioning (HVAC)
- Network Cable Installation
- Office Administrator
- Plumbing

#### **Arkansas Manufacturing Solutions**

Arkansas Manufacturing Solutions (AMS) was established in 1995 and is a program of the Arkansas Economic Development Commission. AMS is an affiliate of the National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP).

AMS provides executive level leadership and management consultative services to Arkansas companies in the areas of **Innovation, Growth Services (including Export), Operational Excellence (Lean, Toyota Kata, TWI) and Sustainability (Green & Energy)**. AMS has business consultants and offices in Fayetteville, Jonesboro, and Little Rock.

The vision of AMS is to be the preferred partner and trusted advisor serving Arkansas manufacturers that pursue growth and excellence.

## Arkansas Department of Workforce Services

Employment Assistance, Unemployment Insurance, Health Related Assistance, Educational Assistance, Welfare and Food Stamps Assistance, Transitional Employment Assistance (TEA), Medicaid, Child Care and Housing Assistance, Utilities Assistance, Counseling Assistance, and Training Assistance. Employer Assistance, including registration, job orders, recruitment, selection, referral, testing, on-the-job training, employer tax information, interview scheduling, labor force statistics, occupational employment projections, growth occupations in Arkansas, licensed occupational information and local employer advisory committee information.

### **Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?**

Yes

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

Community Development opportunities identified in the Central Arkansas Planning and Development District's 2009 CEDS includes:

- Assist in the development of adequate water systems to serve all cities and rural areas by locating resources and providing technical assistance.
- Assist in the development and/or improvement of municipal wastewater treatment and collection systems by locating resources and providing technical assistance.
- Support solid waste, composting, and recycling educational programs.
- Assist in the creation of acceptable solid waste disposal systems.
- Support improvement of local law enforcement programs.
- Assist in the development of regional law enforcement and public health and safety facilities which will benefit unserved or inadequately served areas.
- Support juvenile justice programs within the District.
- Establish public health and social service facilities in those areas not presently served.
- Develop staff, transportation, and other auxiliary medical support services for rural clinics and residents.
- Attract more medical professionals, and facilities to the District.
- Expand the nutrition, health care, and other social services programs provided to the elderly.
- Assist in the development and expansion of fire protection in all areas.
- Assist in improving the overall conditions of housing stock through new construction and substantial rehabilitation efforts.
- Promote affordable housing units for low to moderate income persons and families.

- Assist in increasing the availability of housing for the elderly and the handicapped.
- Promote and assist in the protection and prevention of the loss of historically significant structures.
- Participate in the Main Street Program for conservation of the deteriorating downtowns.
- Promote and expand tourism and recreation facilities in all areas of the District.
- Assist in the promotion of programs which promote tourism and recreation activities through the Heart of Arkansas Travel Association.
- Support local electric cooperatives.
- Restrict densities of residential subdivisions in rural and urban areas underlain by soils with poor percolation qualities.
- Restrict use of septic tanks for domestic wastewater treatment in areas underlain by soluble rock layers; utilize alternative waste treatment techniques in these areas.
- Encourage the location of all moderate and high density residential areas in municipalities with wastewater treatment capabilities.
- Promote erosion control and storm water management of land cleared for development, or land held as natural scenic areas, or for wildlife management.
- Alter home energy consumption through (a) rehabilitation and energy conservation of conventional homes; (b) requiring all new homes to be constructed to meet current energy efficiency requirements; and (c) encouraging production of new technology homes using renewable resources.
- Coordinate the location of new industrial parks with steam generating facilities utilizing municipal waste.
- Develop hydro-electric projects to assist in meeting local electric needs along the Arkansas and White Rivers.
- Prepare county and city road improvement programs which emphasize prioritization of major improvements, establishment of better maintenance procedures, and upgrading of unpaved roads.

## **Discussion**

The City of Little Rock has been working, through the efforts of their Department of Economic Development and other partners, to expand opportunities in the region.

## **MA-50 Needs and Market Analysis Discussion**

### **Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

The census tracts that are identified as eligible for CDBG area benefit (median income below 80 percent of the area median income) include some of the oldest neighborhoods in the city. The housing in these neighborhoods are often in poor condition and many are in need of extensive rehabilitation or removal. These neighborhoods are also where the lowest income households in the city live, in housing stock that is in poor condition, and, therefore, offered at lower rents or sales prices. Despite the lower rents or purchase price, the lower income households pay a large portion of their income on housing expenses. In this case, concentrated would mean that a large portion (more than 50%) of the neighborhood shows the impact of these housing problems.

### **Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

The population of Little Rock is 42 percent African-American. Almost seven percent of the population is Hispanic. African-Americans are concentrated in several areas of the city. Concentration means the population of a given census tract exceeds twice the percentage minority population as the city as a whole. As the attached map of the African-American population shows, some census tracts in the city show concentrations of 70 to 92 percent. These tracts are primarily in the central and eastern portions of the city. Hispanic, likewise, show concentrations within the city. The attached map shows concentrations ranging up to 32 percent, mostly in the southern parts of the city. Low-income areas are also impactful in Little Rock. As shown in the Percent Living in Poverty map, lower income populations are concentrated in older neighborhoods surrounding the central city, coincident to areas of minority concentrations.

### **What are the characteristics of the market in these areas/neighborhoods?**

These neighborhoods, as mentioned above, contain much of the poorest housing stock in the city. As a result, the housing market contains much of the lowest cost housing as well. Code enforcement officials worked extensively in these areas in an attempt to maintain the integrity of the community in past years.

### **Are there any community assets in these areas/neighborhoods?**

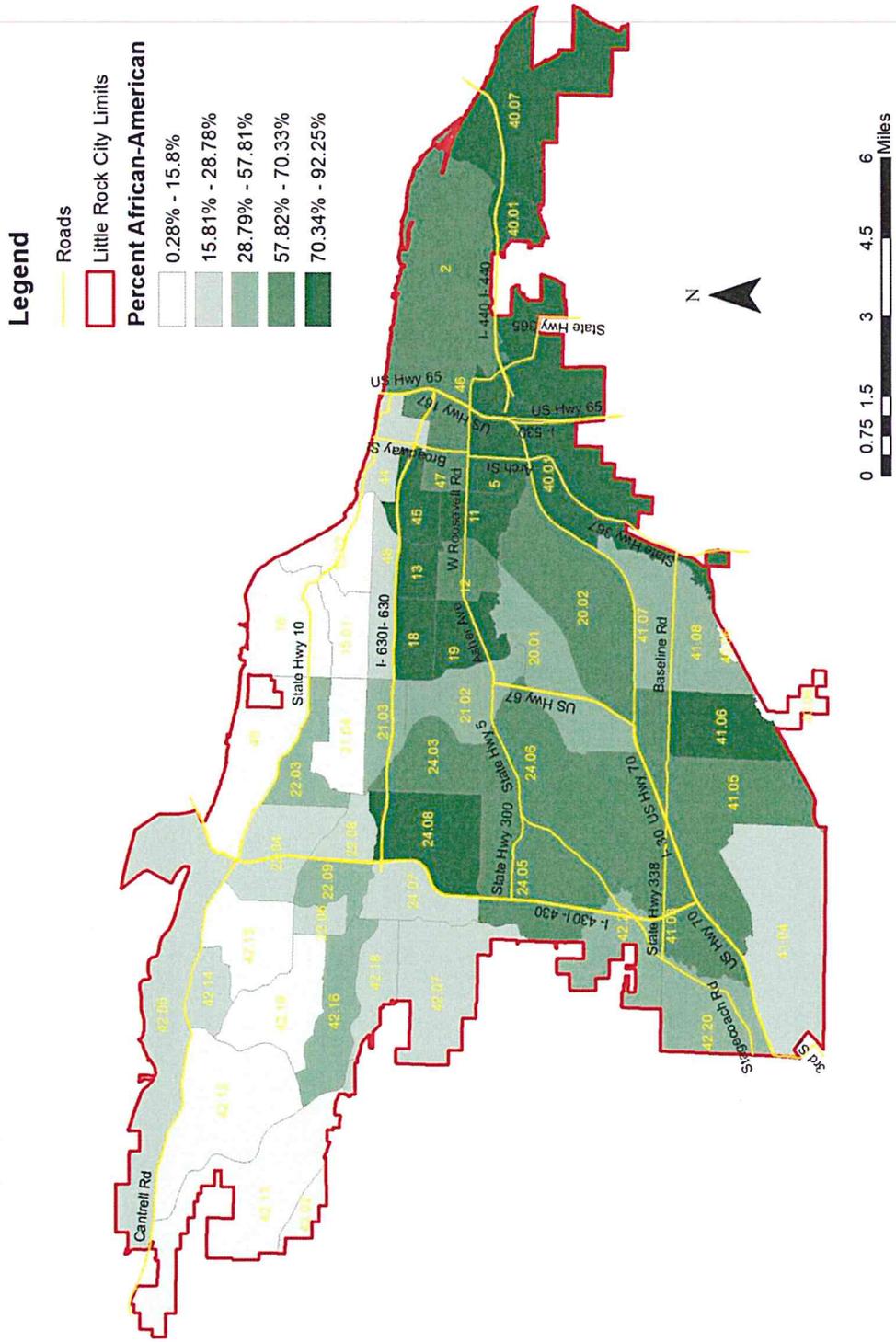
These areas do have community assets, including community and senior centers, parks, and other public facilities.

### **Are there other strategic opportunities in any of these areas?**

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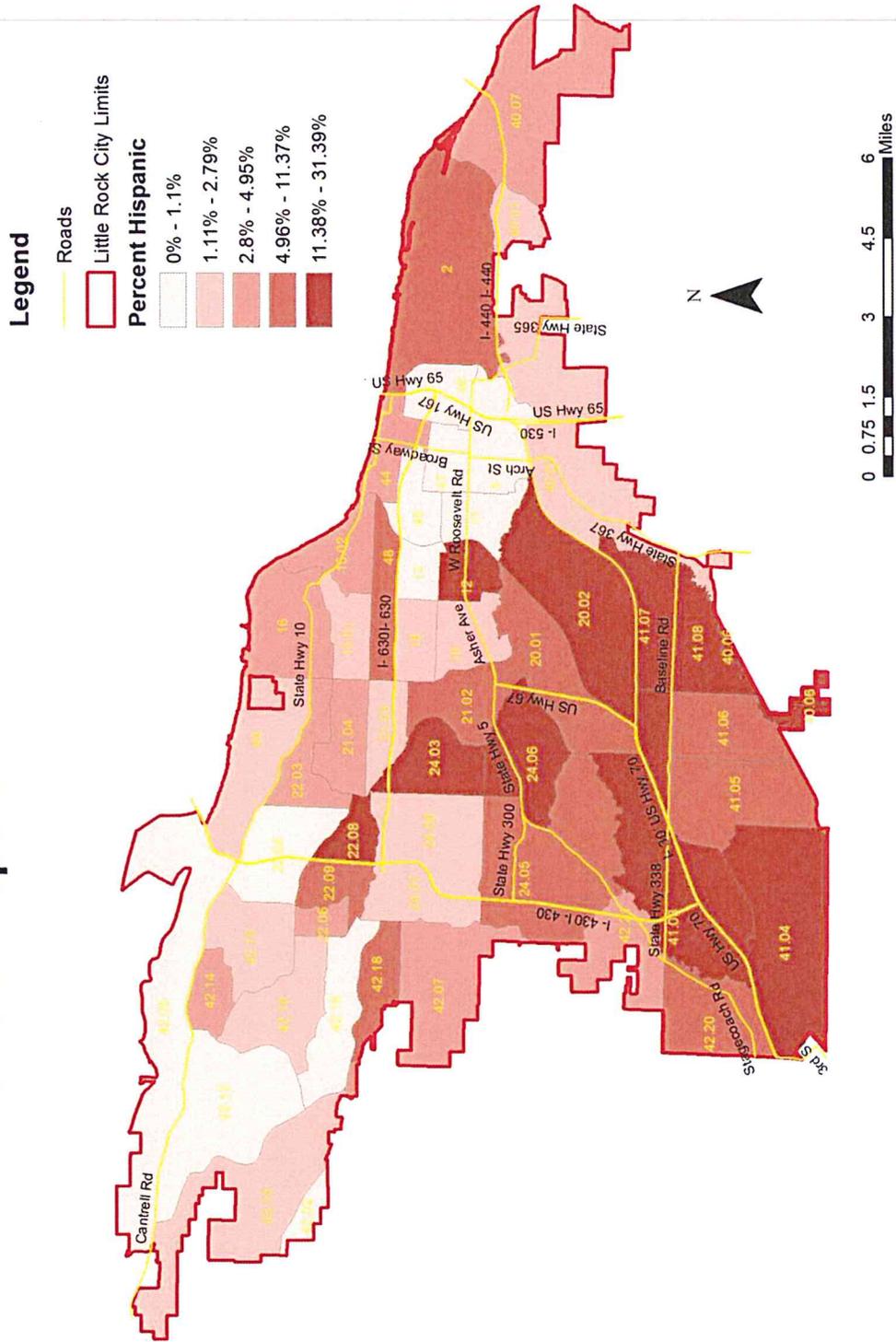
In neighborhoods where many homes have been removed, there may be opportunities for development of new housing units. In areas where brownfield issues are not a concern, private and non-profit developers can find appropriate redevelopment sites to provide homes for a range of household incomes, including lower and upper income households. These efforts would aid in sustainability efforts, bringing more people into the neighborhoods and improving the housing stock available in the market.

# Percent African-American



Percent African-American

# Percent Hispanic



Percent Hispanic

