2008 Urban Development Report

Planning and Development Department
City of Little Rock

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Ward 3	Stacy Hurst
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Ward 5	Michael Keck
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Ward 7	B.J. Wyrick
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Lucas Hargraves
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River Market Design Review Committee - 2008

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Midtown Advisory Board - 2008

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Melinda Martin
Scott Mosley
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Historic District Commission - 2008

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Wesley Walls
Julie Wiedower
Robert H Wood, Jr.

City of Little Rock

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Little Rock, Arkansas 72201-1334
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**Planning
Zoning and
Subdivision**

February 2, 2009

Dear Citizen:

The Planning & Development Department is guided by the desire to preserve and enhance the quality of life that initially attracted each of us to the community that we continue to call home. We strive to bring City services closer to the people of the community in hopes of better understanding and involvement.

The Building Codes Division continues to review plan applications on commercial buildings within five days and provides same-day review of residential applications, as well as same--day inspections of all requested inspections prior to 9:00 A.M. The division collected over $2,440,000 in fees, including permit fees, licenses and other miscellaneous charges.

The Zoning & Subdivision Division serves as a resource for developers, realtors and other citizens for zoning, plat status, development standards, or land use information. The division administers a number of ordinances and staffs several boards and commissions. Activity within the division has remained steady.

The Planning Division continues the effort with neighborhoods to define a common direction, based on a shared vision, which is articulated by residents of the neighborhoods, involved through neighborhood action plans and design overlay districts. Much of the division's efforts are aimed at developing data and analysis for others to make well-informed decisions. With the Little Rock Historic District Commission, the division works to advance preservation efforts.

Contained in this annual report are not only the accomplishments and achievements from the previous year for the Department, but information on development and development trends for the City of Little Rock. Please review this report and join us in efforts to further improve Little Rock in 2009.

Sincerely,

Tony Bozynski, Director
Planning and Development

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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 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				
	2008	**2007**	**2006**	**2005**
Permits Issued	3,971	4,868	4,694	5,330
Inspections	4,023	4,965	5,611	6,481
Violations	860	1,078	1,410	1,408
Fees	$1,055,332	$1,593,003	$1,316,342	$1,263,750
Plumbing				
	2008	**2007**	**2006**	**2005**
Permits Issued	2,770	3,542	3,874	4,137
Inspections	5,017	6,349	6,943	7,202
Violations	689	801	826	804
Fees	$329,238	$423,448	$460,336	$465,530
Electrical				
	2008	**2007**	**2006**	**2005**
Permits Issued	2,603	3,304	3,386	3,993
Inspections	6,967	7,388	8,356	9,547
Violations	1,293	1,168	1,588	2,006
Fees	$335,572	$469,614	$478,744	$570,173
Mechanical				
	2008	**2007**	**2006**	**2005**
Permits Issued	1,506	1,803	2,048	2,258
Inspections	3,328	3,975	3,896	4,179
Violations	1087	856	757	795
Fees	$340,913	$409,479	$395,436	$393,981

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.

Inspectors in this section also answer complaints involving illegal and non-permitted building projects. This section is responsible for review of building codes and proposes any changes as necessary.

Electrical Inspection

The Electrical Inspection Section is responsible for inspection of permitted projects for code compliance. This section inspects 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 non-permitted work and check electrical contractors' licenses. This section also reviews and proposes changes to the electrical code as necessary.

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 non-permitted work. Inspectors check for plumbing contractors' licenses and privilege licenses. Plumbing construction drawings are reviewed for proposed commercial projects and this section also proposes changes 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 non-permitted projects and check contractors for proper licensing. Mechanical construction drawings are reviewed for proposed commercial projects and this section also proposes changes 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. Utility reconnection releases for natural gas, water and electrical are handled in this section. 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 Highlights

During 2008 the Building Codes Division collected over $2,448,770 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. The Division also celebrated International Building Safety and Customer Appreciation week during May.

A program, which provides for an increased flow of information and communication between the Division and the Arkansas General Contractors Association, Associated Builders & Contractors, 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 participated in the Criminal Abatement Program, which targets commercial and residential properties where criminal activity is present and building life safety are issues.

The Division also implemented the Motel/Hotel Extended Stay Ordinance, which focuses on life safety and other code related issues regarding motels and hotels.

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.

	2008	2007	2006	2005	2004	2003	2002	2001
Building Plans Reviewed	810	901	1147	1368	1495	1366	1533	1536
Construction B.O.A.	0	0	1	0	0	0	1	1
Electrical Exams	0	1	12	6	12	21	54	11
Franchise Permits	36	26	28	26	31	34	22	26

Major Jobs Reviewed, Permitted or Inspected in 2008

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

Residential
Eagle Hill
Aurora Arms
Residency
Easter Seals
Coleman Place
Capitol Hill
CSK Hotel
Comfort Suites
Homewood Suites

Mercantile
Shane Smith
Walgreens
Wal-mart
Race Track
Summerwood Property
Cracker Box

Educational
Pulaski Academy
Episcopal College
Mount St. Mary's
Arkansas Baptist School
Anthony School
Brenda Brown
Little Rock Christian
The Allen School
Arkansas Baptist

Restaurants
Texas Road House
Burger King
Market Place Grill
Golden Coral
Cheddar's Cafe
Taco Bell

Churches
Trinity Presbyterian
Huda Academy

Business
Lexicon
Greg King
Arvest Bank
Heifer International
Higher Ground
Van Tassel Proctor Office
Arkansas Realtors
Commercial Reality
Baldwin Shell Office
Bale Honda
Riverside
Burk Halters
Jonesboro Car Wash
Audubon Arkansas
Comcast Cable
AP &L Energy Inc
Arkansas Baptist

Factory/Storage
J.A. Riggs
Super Marine
Verizon Wireless
Riviera Parking Deck
Little Rock Waste Water
Children's Hospital
SageV Foods
Triple S. Alarm
Arkansas Light House
Freeze Drapery
Purvis Industries
Jim Osborne Warehouse
Ryerson & Sons

Assembly
Little Rock Racquet Club
Little Rock Bridge Club
Little Rock Zoo
Shooters Sports Bar

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. 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.

2008 Sign Code Statistics

Sign permits brought in $72,170 in fees for the year. In addition, the Division administered the scenic corridor provisions on billboards.

749 Sign Permits Issued
3667 Sign Inspections and Re-inspections

In 2009, the Division will continue to monitor and enforce the Sign Ordinance. The staff anticipates no significant changes in the coming year.

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.

2008 Plans Review for Zoning, Subdivision and Landscape Requirements

124 Commercial Plans/New or Additions
288 Commercial Landscape Plans

2008 Other Activities

68 Franchise Request
221 Site Inspections
83 Certificates of Occupancy
88 Grading Permits Reviewed

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. Over 2,500 inspections and re-inspections were performed.

2008 Plan Reviews for Permits
483 Residential Plans – New or Additions

2008 Privileges Licenses
1071 Retail, Commercial, Office, Industrial and Home Occupation Reviews

2008 Information Inquiries
4800 Request for Sign, Zoning, Enforcement or Licenses

2008 Court Cases
37 Cases – All Types

2008 Citations Issued
12 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 2008, 4 locations were approved administratively. Staff shall continue to encourage collocation of WCF facilities.

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 2008, the Division and the Planning Commission reviewed 7 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 2008, the Division and the Planning Commission reviewed 10 Subdivision Site Plans, with 5 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 2008, the Commission reviewed 45 Conditional Use Permit applications. Of these, the Commission approved 39 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 2008, the Board heard a total of 80 cases. Of the 80 requests, 68 were approved.

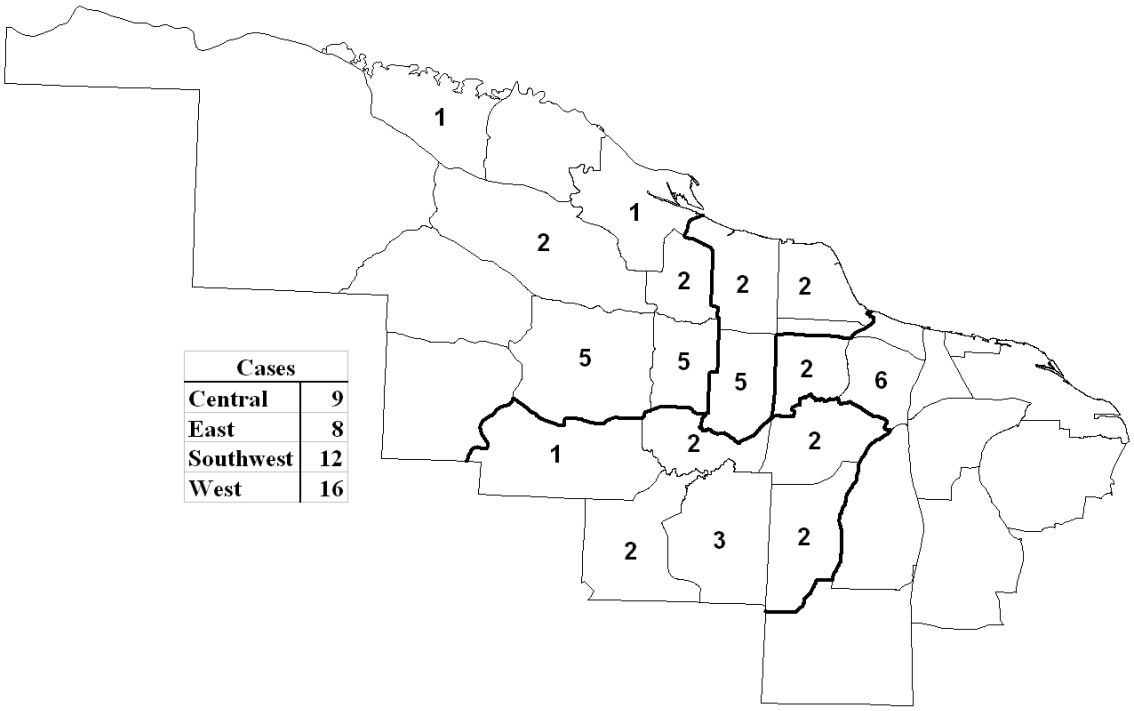
City Beautiful Commission
The Zoning and Subdivision Division provides staff support and analysis for the City Beautiful Commission. This nine (9) member commission is responsible for the establishment and maintenance of plans to ensure a high level of visual aesthetic quality. The goal of the commission 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 six such appeal cases in 2008. The Commission began a comprehensive review of the City's Landscape ordinance that will continue into 2009.

Rezoning, Special Use Permits, Right-of-Way Abandonments, and Street Name Changes
Divisional Staff provides support and analysis for the Planning Commission's review of rezoning and special use permit requests and proposed right-of-way abandonment requests. In 2008, the Planning Commission reviewed 24 rezoning requests, 4 special use permit requests, 27 proposed right-of-way abandonment requests, and 5 street name changes.

Preliminary and Final Plats
Divisional Staff, in conjunction with the Planning Commission, administers Chapter 31 of the Code of Ordinances, the Subdivision Ordinance. Staff provides review and analysis of proposed preliminary plats and administers the approval of final plats. In 2008, Staff reviewed 29 preliminary plats and 70 final plats.

Planned Zoning District
Divisional Staff provides support and analysis for the Planning Commission and Board of Directors' review of Planned Zoning District applications. The Planned Zoning District is a combined subdivision and zoning review in one process in order that all aspects of a proposed development can be reviewed and acted upon simultaneously. In 2008, 57 Planned Zoning District applications were reviewed.

Filed Conditional Use Permits



Cases	
Central	9
East	8
Southwest	12
West	16

Planning Division

The Planning Division provides mid and long range planning as well as technical support to the City. The division staff reviews reclassification requests, certificates of appropriateness, 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 2008 are described below.

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 23 requests for Plan changes in 2008. Of these, the Planning Commission forwarded twelve to the Board of Directors.

Special Planning Efforts

The Division Planners participated in the LUCA (Local Update of Census Addresses). This entailed the review of the Census Bureau and determining the accuracy of the address database. This work produced numerous addresses incorrectly entered or not in the database at all. The City has submitted tables requesting that these addresses be added or corrected for the 2010 Census.

Staff completed the work on updating the Oak Forest Neighborhood Plan with the neighborhood. In addition, Staff has been working with citizens to update the 'Framework for the Future Plan' (for downtown Little Rock). Division Staff worked with the Central High Neighborhood to develop a design overlay district for the area around Central High School. The public participation process for this effort will be conducted in 2009.

Boards and Commissions Supported

The Planning Division provides staff and meeting support for the Little Rock Historic Commission, Midtown Redevelopment District Advisory Board and the River Market Design Review Committee. Each of these Boards or Commissions meets on a monthly basis.

In 2008, the Historic Commission reviewed 21 applications for Certificates of Appropriateness (COA). After review and in some cases with modifications the Historic Commission approved eight requests for COAs within the McArthur Park Historic District. The work to develop a citywide 'historic' plan commenced with an expected completion date in mid-2009.

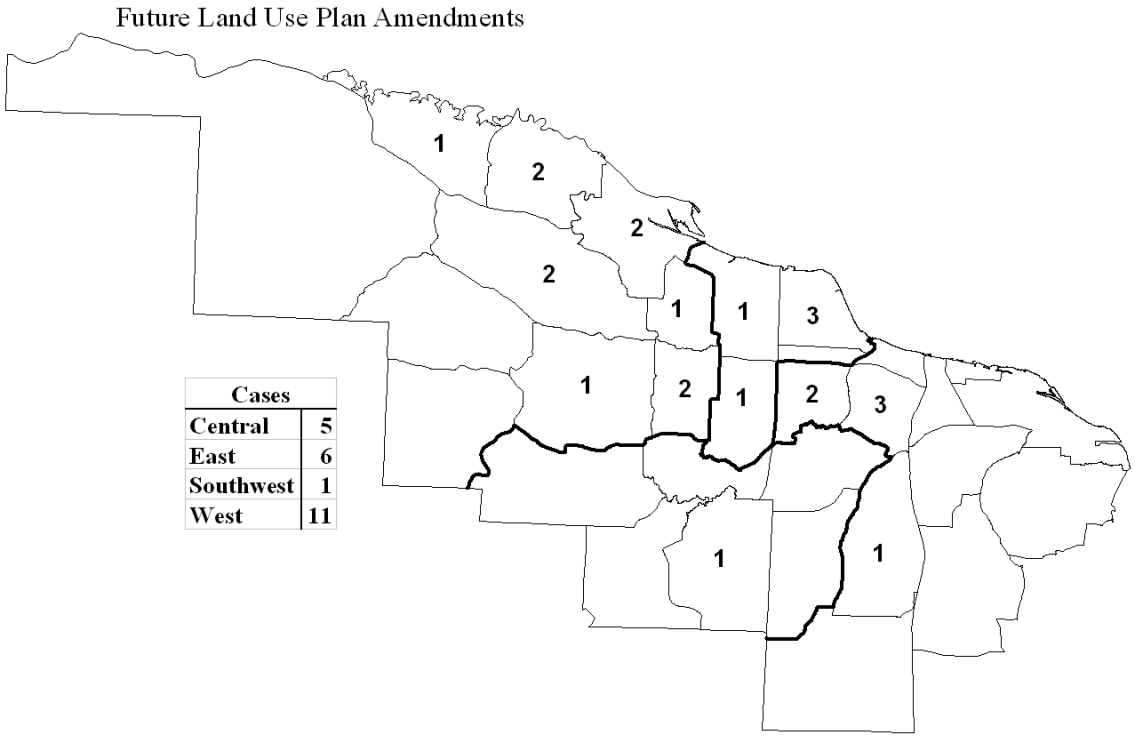
The Midtown Redevelopment Advisory Board has been and continues to monitor the progress on the 'University Mall' site and the University Avenue street widening project.

The River Market Design Review Committee met through the year to review and discuss applications for exterior changes within the River Market Overlay District. Staff and the Committee reviewed a total of six requests.

GIS & Graphics Activities

GIS continues to be the source of sketch and base maps as well as statistics for neighborhood plans and special studies. Members of the division staff represent the City on various PAgis committees dealing with maintenance and development of the regional GIS. 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 ArcMap software.

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.



2008

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 2008 reporting period.

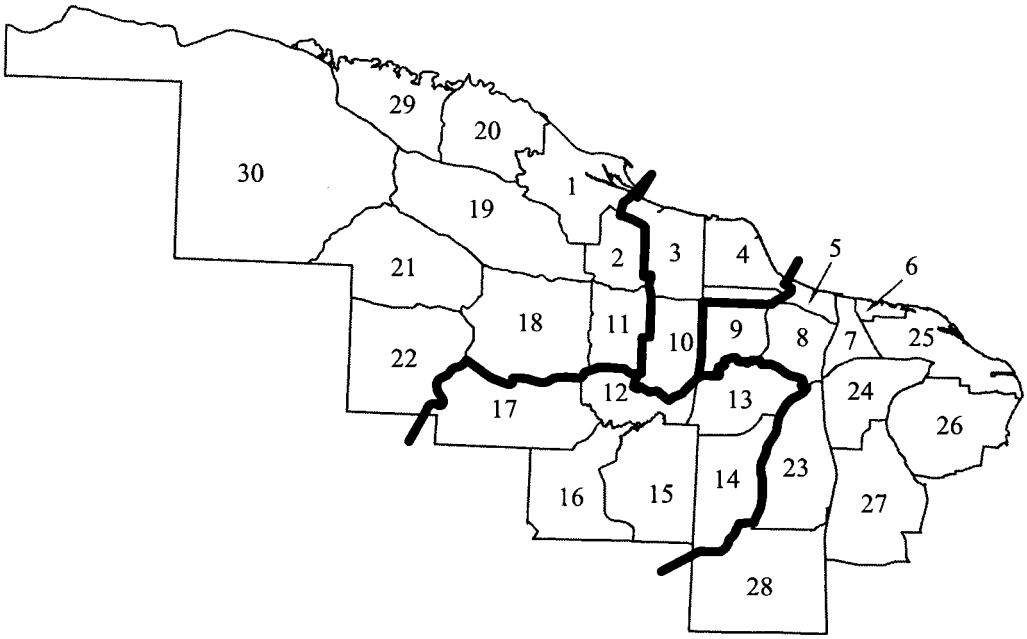
Sources of the data are the official records of the Department of Planning and Development, MetroPlan and *Arkansas Business*. Building permits were used to quantify the numbers, locations and magnitude of the various residential and nonresidential developments. The data reflected by building permits is only the authorization for construction and the possibility exists that a small number of construction projects were not initiated before the end of 2008.

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.

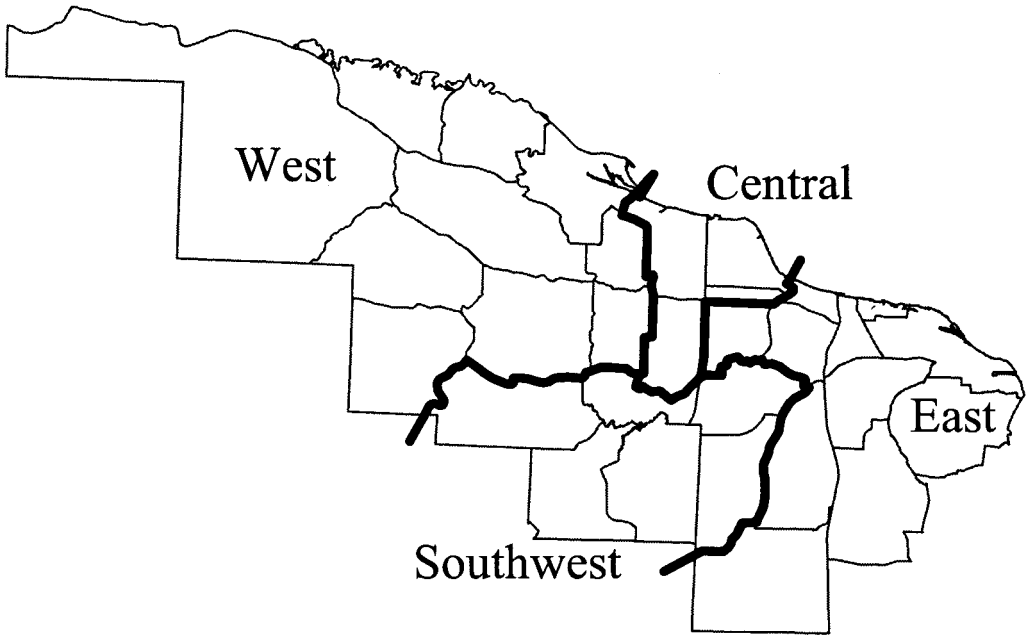
The preceding map indicates the area of each Planning District while the following chart provides the Planning District names and corresponding sub-area.

	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	65th Street West	Southwest
13	65th 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

Planning Districts



Sub - Areas



Development Activity Summary

Population Estimate
194,755 persons 2008 population estimate

New Construction
442 permits; down 44.6% from 798 in 2007

Single-Family Housing
360 units; down 49.1% from 708 units in 2007
$239,029 avg.; up 3.4% from $231,212 in 2007

Multi-Family Housing
280 units; down 50.4% from 564 units in 2007

Residential Renovations/Additions
989 permits; down 10.4% from 1104 in 2007
$37,755,542 construction dollars; down 27.1% from $51,758,079 in 2007

Demolitions
165 residential units; down 42.1% from 285 in 2007

Office
152,822 square feet; down 42.7% from 266,666 in 2007
$18,191,428 construction dollars; down 54.2% from $39,685,437 in 2007

Commercial
268,887 square feet; down 67.3% from 823,137 in 2007
$28,758,181 construction dollars; down 42% from $49,595,750 in 2007

Industrial
940,598 square feet; up 345% from 211,184 in 2007
$60,727,710 construction dollars; up 184% from $21,380,347 in 2007

Annexations
Six annexations for 1109.16 acres, compared to one annexation totaling 137.94 acres in 2007

Preliminary Plats
692 residential lots; up 7.0 % from 647 lots in 2007
714.27 total acres; up 28.2 % from 557.28 acres in 2007

Final Plats
70 cases; down 23.1% from 91 cases in 2007
464.75 acres; down 10.3% from 518.33 acres in 2007

Rezoning
23 cases; no change from 23 cases in 2007
304.29 acres; up 200 % from 101.31 acres in 2007

PZD's
55 cases; down 21.4% from 70 cases in 2007
366.61 acres; down 36.6% from 577.82 acres in 2007

Population Growth and Projections

The population change recorded by the Census has consistently been positive. During the latter part of the 1900s, annexations 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 continues to experience a slow to moderate growth rate. Most of the growth has been in the west and southwest parts of the City. The east and central 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. In downtown and surrounding areas there have been several new mid-density residential developments and single-family homes constructed in recent years.

It should be noted that the Bureau of the Census' estimate for the City of Little Rock is not as 'rosy' as the City's. The Bureau for the 1990s likewise had estimated a lower growth rate than the City's estimate, though the 2000 Census results were closer to that of the City. The City does not go back and change previous estimates as some organizations, so any error in one year will continue through the decade. It should be noted that the estimates for the 2003 to 2006 period may be overstated, this was a period of building permit activity at historic levels. For this reason, it is recommended to use the estimate in this report as the high end of a range with the recommended low-end of the range as 190,000.

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%
2003	185,835	0.80%
2004	187,748	1.03%
2005	189,220	0.78%
2006	192,530	1.75%
2007	193,275	0.39%
2008	194,755	0.76%

For those who will be using the Bureau's new estimates that replace the Long Form – the ACS (American Community Survey), care should be used since the numbers are based on an estimate, which has proven to not always be accurate. ACS numbers should be compared to other ACS numbers to see trends and changes in the area's profile (if any), and not compared to actual count years.

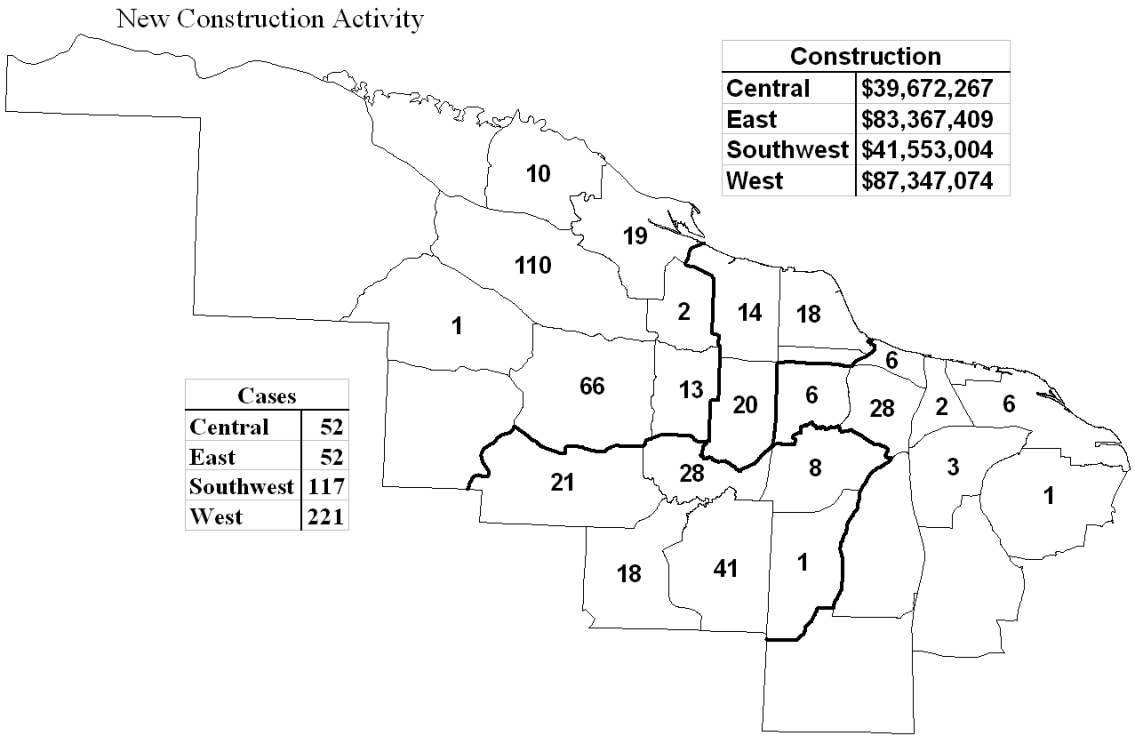
Construction Activity

During 2008 the total number of new construction permits issued fell by 44.6% over the number of permits issued in 2007. In 2008 there were 442 permits issued for a total of $251,939,754 construction dollars. Permits for non-residential projects declined 30.6 percent to 50 from 72 permits. The number of commercial permits dropped almost in half to 14 permits with the area added dropped 67.3 percent to 268,887 square feet. Office permits decreased 39.1 percent with an area of 152,822 square feet or 42.7 percent less area added in 2008 than in 2007. For industrial, there was a increase of two permits to 8, but a more than triple increase in area added (940,598 square feet). There was a 17.6 percent decrease in the number of Public/quasi-public projects permitted declining to 14 projects.

New single-family unit construction decreased by 49.1% (348 units) from 2007 construction permits issued. 360 units were added in 2008 with an average construction cost of $239,029. The west sub-area continued to dominate the market with 55.3 percent of the new units. The Chenal District leads the way with 109 units or 30.3 percent of all new homes. The southwest sub-area did decrease its share of the new home market, falling to 27.8 percent of all new homes.

Permits for Multifamily increased in 2008 with 32 permits but only 280 units added. This is a one-year increase of 60 percent in permits but a decline of 50.4 percent increase in units. There were four apartment complexes or condominium developments, all replaced complexes removed in previous years. In addition, there were several smaller 5 to 8 unit permits issued in west and southwest Little Rock.

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 addition, permits are not required for construction outside the city limits.



Construction	
Central	$39,672,267
East	$83,367,409
Southwest	$41,553,004
West	$87,347,074

Cases	
Central	52
East	52
Southwest	117
West	221

Residential Construction Activity

Planning District	Single-Family		Multi-Family		Total Units
	Permits	Avg. Cost	Permits	Units	
1	16	$255,298	0	0	16
2	2	$98,550	0	0	2
3	13	$403,000	0	0	13
4	15	$393,783	2	124	139
5	5	$202,500	0	0	5
6	0	$0	0	0	0
7	0	$0	0	0	0
8	3	$117,333	23	122	125
9	6	$93,242	0	0	6
10	14	$121,228	4	16	30
11	8	$123,375	0	0	8
12	21	$149,805	0	0	21
13	8	$97,462	0	0	8
14	1	$108,000	0	0	1
15	35	$101,328	0	0	35
16	15	$144,817	1	8	23
17	21	$172,601	0	0	21
18	63	$214,144	2	10	73
19.1	80	$352,523	0	0	80
19.2	29	$348,436	0	0	29
20	1	$400,000	0	0	1
21	0	$0	0	0	0
22	0	$0	0	0	0
23	0	$0	0	0	0
24	3	$96,667	0	0	3
25	1	$150,000	0	0	1
26	0	$0	0	0	0
	360	**$239,029**	**32**	**280**	**640**

Note: in 2008 there were two single-family units added by moving a structure on to the site. This occurred as follows: one house in District 9 (I-630), and one mobile home in District 15 (Geyer Springs West).

Non-Residential Construction Activity

Planning District	Commercial		Office		Industrial		PQP
	Permits	Sq. ft.	Permits	Sq. ft.	Permits	Sq. Ft.	Permits
1	2	25,300	1	4000	0	0	0
2	0	0	0	0	0	0	0
3	0	0	0	0	0	0	1
4	0	0	0	0	0	0	1
5	0	0	1	23,192	0	0	0
6	0	0	0	0	0	0	0
7	0	0	0	0	1	19,200	1
8	0	0	2	4070	0	0	0
9	0	0	0	0	0	0	0
10	2	9557	0	0	0	0	0
11	3	89,457	2	20,545	0	0	0
12	2	104,011	5	77,247	0	0	0
13	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0
15	3	30,217	0	0	2	19,800	1
16	1	4957	1	1056	0	0	0
17	0	0	0	0	0	0	0
18	1	5388	0	0	0	0	0
19.1	0	0	0	0	0	0	0
19.2	0	0	1	20,212	0	0	0
20	0	0	0	0	0	0	9
21	0	0	0	0	0	0	1
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	0	0	1	2500	4	811,466	0
26	0	0	0	0	1	90,132	0
	14	**268,887**	**14**	**152,822**	**8**	**940,598**	**14**

In Planning District 6 a commercial permit was issued for a parking lot.

Residential Activity

The national decline in new single-family construction arrived in Central Arkansas in 2008. The number of new homes built in 2008 fell almost 50 percent from that in 2007. In the housing downturn of the early 1980s is the last time, this few homes were permitted in Little Rock. The second half of the year was the weakest, with an average monthly permit level of 26 units, while the average in the first way of the year was 34 units per month.

The peak year for new single-family in Little Rock was in 2005. This was close to the normal high peak for the historic housing cycle in the City. However it was heightened to historic levels. When looking at the units by sector, 2005 was the peak year for both the west and southwest sub-areas, which are the growing (less developed) areas of Little Rock. However, 2006 was the peak year for the Central sub-area and 2007, the peak year for the east sub-area. These two sub-areas tend to be in-fill or 'teardown – rebuild' locations.

It is interesting to note the 2008 number of units added is at normal 'historic' levels for all but the west sub-area. For the east sub-area, 18 units is good if one does not look at the years 2005-2007. These units tend to be infill on vacant lots where homes once stood and to be at the lower end of the value range. The central sub-area at 42 units is good, again if 2005-2007 is not included in the review. The central sub-area tends to be the 'teardown-rebuild' house (larger, newer, grander), or an infill house. The southwest sub-area historically has been middle class, working neighborhoods, which had seen development slow in the early 1980s due in part to school desegregation, and only becoming robust again in 2002. The 101 new units added in 2008 is consistent with levels seen in the 1990s and 80s. The west sub-area at 199 units is well below normal levels. In the 1990s through to 2002, this sub-area ranged from 300 to 400 units.

Three new larger multi-family complexes were permitted in 2008. All three replaced complexes that had been removed in the last couple of years. One due to fire and two were former 'public housing' projects now rebuilt as mixed income complexes. In addition, there were a couple of 5 to 8 unit structures built in west and southwest Little Rock as either condo type developments or small complexes.

Residential Activity

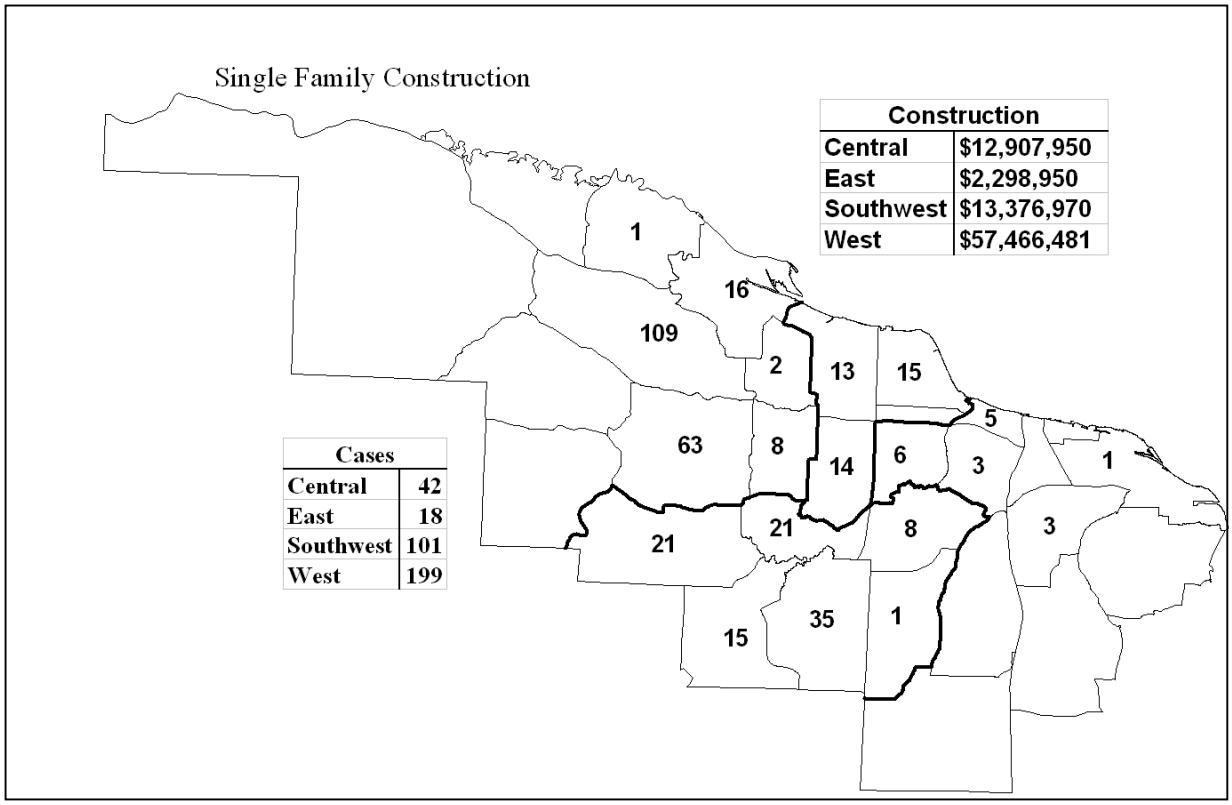
Single Family			
Year	**Permit**	**Cost**	**Avg. Cost**
1998	495	$89,757,916	$181,329
1999	555	$102,062,168	$183,896
2000	468	$92,378,933	$197,391
2001	483	$105,179,005	$217,762
2002	581	$136,231,640	$234,075
2003	729	$176,509,112	$242,125
2004	797	$208,521,990	$261,633
2005	967	$249,478,968	$257,993
2006	810	$198,940,867	$245,606
2007	708	$163,698,102	$231,212
2008	360	$86,050,351	$239,029

Multi-family			
Year	**Permit**	**Units**	**Cost**
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
2003	25	436	$16,841,397
2004	77	1100	$49,089,845
2005	30	300	$54,908,813
2006	7	15	$1,838,950
2007	20	564	$84,519,844
2008	32	280	$18,439,339

Residential Activity

Single Family Units

	Sub-area			
	East	**Central**	**S-west**	**West**
2008 Permits	18	42	101	199
2007 Permits	67	58	202	381
2006 Permits	26	61	257	466
2005 Permits	30	49	252	636
2004 Permits	15	41	194	547
2003 Permits	16	41	209	463
2002 Permits	24	32	156	369
2001 Permits	13	31	89	350
	East	**Central**	**S-west**	**West**
2008%	5.0%	11.7%	27.8%	55.3%
2007 %	9.5%	8.2%	28.5%	53.8%
2006 %	3.2%	7.5 %	31.7%	57.5%
2005 %	3.1%	5.1%	26%	65.8%
2004 %	1.9%	5.1%	24.3%	68.6%
2003 %	2.2%	5.6%	28.7%	63.5%
2002 %	4.1%	5.5%	26.8%	63.6%
2001 %	2.7%	6.4%	18.4%	72.5%



Housing Construction Values

The average construction cost of a new single-family home increased 3.4% or $7817 from that in 2007. The average unit value in 2008 was $239,029 compared with $231,212 in 2007. Interest rates have continued at relatively low levels, which is making housing more affordable in real terms. The national mortgage problems and resulting national recession have caused a reduced demand and increased level of economic uncertainty.

Housing values are represented below in five distribution categories: less than $100,000, less than $200,000, less than $400,000, less than $600,000 and $600,000 and above. There were 40 units constructed below $100,000, 150 units constructed in the range of $100,000 to $199,999, 123 units constructed in the range of $200,000 to $399,999, 35 units constructed in the range of $400,000 to $599,999 and 12 units above $600,000.

All the construction value groups experienced drops in activity in 2008. The construction range, $100,000 to $200,000 remained the dominant grouping with 41.7% of the housing, an additional 34.2% was in the $200,000 to $400,000 range. It should be noted that the $100,000 to $200,000 range had the second largest drop in homes built in the range, falling to 150 homes or a 58.6% drop. Only the highest end (over $600,000) had a greater percentage drop for 2008, of 63.6% to 12 houses. The 58.6 percent drop was 212 fewer homes built in 2008.

The $400,000 to $600,000 construction value range had the least decrease in 2008, 4 fewer units or 10.2% decline to 35 units. The Chenal Planning District continues to have the most of the higher end homes built, 63.8 percent (30 units) of all the structures permitted over $400,000 and none of the units permitted at a value under $100,000. The central sub-area accounted for 21.2% (10 units) for those structure with a value over $400,000. But only just over a third of the units in the central sub-area were in this range.

Sub-area	2002	2003	2004	2005	2006	2007	2008
West	$285,620	$301,125	$310,075	$310,861	$313,368	$284,130	$288,776
Central	$265,331	$185,713	$242,623	$265,938	$247, 901	$350,603	$307,332
Southwest	$130,317	$134,121	$140,425	$140,532	$135,558	$133,735	$133,770
East	$83,953	$90,159	$114,691	$115,069	$113,480	$117,198	$127,719

Fifty-two percent of the units valued at under $100,000 were permitted in the southwest sub-area. Nine of the lower end homes were in the central sub-area with eight in the east sub-area and three in the west sub-area. The Geyer Springs West District accounted for 42.5% or 17 of the units built with a value less than $100,000.

While the average construction value increased 3.4 percent for the City. The only sub-area with a lesser average value in 2008 was the central sub-area with a 40.9 percent decrease to $307,332. This was a decrease of $43,271. The east sub-area had the greatest increased average value by 9% or $10,521. The east sub-area is the lowest value at $127,719. This sub-area has been experiencing increases over the last ten years. The southwest sub-area showed almost no change at 0.03% or $35, increasing to $133,770. The west sub-area had the second highest average value as well as increasing the second greatest amount in percentage and number (1.6% and $4646 respectively).

Housing Construction Values

Construction Cost Single Family Homes

Planning District	$600,000 & Greater	$400,000 - $599,999	$200,000 - $399,999	$100,000- $199,999	Below $100,000	Total
1	0	2	10	4	0	**16**
2	0	0	0	1	1	**2**
3	1	3	4	4	1	**13**
4	2	4	7	1	1	**15**
5	0	1	0	4	0	**5**
6	0	0	0	0	0	**0**
7	0	0	0	0	0	**0**
8	0	0	0	2	1	**3**
9	0	0	0	1	5	**6**
10	0	0	2	5	7	**14**
11	0	0	0	7	1	**8**
12	0	0	2	19	0	**21**
13	0	0	0	4	4	**8**
14	0	0	0	1	0	**1**
15	0	0	0	18	17	**35**
16	0	0	1	14	0	**15**
17	0	0	7	14	0	**21**
18	0	3	26	34	0	**63**
19.1	7	16	45	12	0	**80**
19.2	2	5	19	3	0	**29**
20	0	1	0	0	0	**1**
24	0	0	0	1	2	**3**
25	0	0	0	1	0	**1**
Total	**12**	**35**	**123**	**150**	**40**	**360**

Residential Renovations/Additions

Reinvestment in Little Rock neighborhoods can be illustrated by the amount of renovation and addition activity within the neighborhoods. During 2008 single-family reinvestment totaled over $29.5 million dollars. The east sub-area had the greatest number of single-family permits issued in 2008 with 308 (36.8% of all the projects for 2008).

The central and east sub-areas accounted for 67.7% of the single-family permits issued. With approximately $19.1 million of the $29.5 million dollars (or 65%) spent for reinvestment occurring in these sub-areas, they are the dominant part of the reinvestment market. It is worth noting that 48.5% of all reinvestment dollars were spent in the central sub-area.

The east sub-area accounts for 47% of the permits for renovations and 27.1% of the dollars were spent. While it is a positive sign to see this reinvestment, it can be only to 'bring the housing up to code'. Renovations are both making needed repairs and upgrading the structure. It does not include added living space. The second highest level of permits was in the central sub-area with 25.4%, however this sub-area had the greatest number of dollars spent (29.8% or $4.8 million). The west sub-area had the highest amount of dollars 35.9% or $5.7 million, with 17.2% of the permits (105). The southwest sub-area had the least dollars (7.1%) or $1.1 million and the least permits with 64 or 10.5%.

The renovation figures also include single-family homes re-permitted. That is, a home which gets a new (second) building permit before the structure is built. In 2008, there were about two dozen of these. Permits to 'finish-out' condominiums are included with the multifamily renovation figure for the West Little Rock, Heights/Hillcrest and Downtown Planning Districts.

Multi-Family Renovations

The permits were distributed between the sub-areas with both the west and central sub-areas having 47 permits each (31.3%). The least permits were in the southwest sub-area with 28 or 18.3%. The southwest sub-area also had the least dollars expended with just under $1.1 million. The sub-area with the greatest amount of dollars expended was the central sub-area with just under $2.7 million (32.6%).

Single-Family Additions

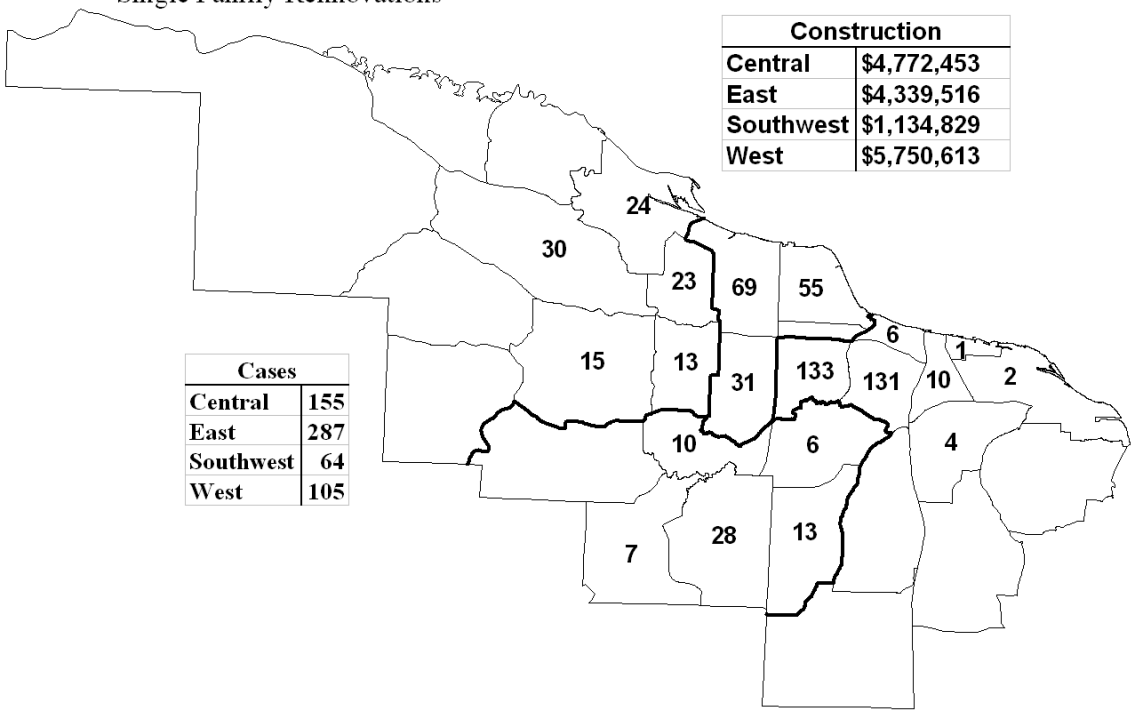
Single-family additions were concentrated in the central sub-area. Citywide 225 permits were issued for a total of $13,535,416. The central sub-area accounted for 71% ($9,604,224) of the dollars permitted. The majority of the central sub-area permits and dollars were expended in the Heights/Hillcrest Planning District (57 permits and $6.8 million). The second highest number of permits was in the West Little Rock Planning District with 34 and over $2.4 million. In the west sub-area 76 permits were issued for $3,139.442. The Chenal Districts accounted for 29 with the River Mountain and Rodney Parham Districts accounting for 17 and 15 respectively. The permit value was $1.7 million in the Chenal District. Overall the average value of permits issued for additions increased by 15 percent or $7870.

Residential Renovations/Additions

Planning District	Single-Family Additions		Single-Family Renovations		Multi-Family Renovations	
	Permits	Avg. Value	Permits	Avg. Value	Permits	Avg. Value
1	17	$41,224	24	$36,224	0	$0
2	15	$37,926	23	$20,824	5	$214,410
3	34	$72,272	69	$30,805	32	$97,625
4	57	$119,481	55	$34,230	33	$64,649
5	0	$0	6	$3612	14	$114,516
6	0	$0	1	$23,000	0	$0
7	1	$10,000	10	$16,250	0	$0
8	8	$36,598	131	$18,794	26	$28,494
9	11	$23,564	133	$14,236	5	$49, 600
10	12	$10,723	31	$15,622	0	$0
11	8	$20,644	13	$19,035	1	$61,715
12	6	$22,651	10	$12,912	1	$20,000
13	5	$16,092	6	$19,562	0	$0
14	3	$15,492	13	$21,888	19	$41,050
15	6	$14,440	28	$19,802	8	$36,891
16	4	$18,047	7	$9043	0	$0
17	1	$2,000	0	$0	0	$0
18	7	$3309	15	$110,891	0	$0
19.1	14	$98,643	14	$117,223	7	$20,000
19.2	15	$20,029	16	$52,272	2	$408,000
20	0	$0	0	$0	0	$0
21	0	$0	0	$0	0	$0
22	0	$0	0	$0	0	$0
23	0	$0	0	$0	0	$0
24	0	$0	4	$10,794	0	$0
25	1	$14,000	2	$6800	0	$0
	225	**$60,158**	**611**	**$26,182**	**153**	**$53,743**

Residential Renovations/Additions

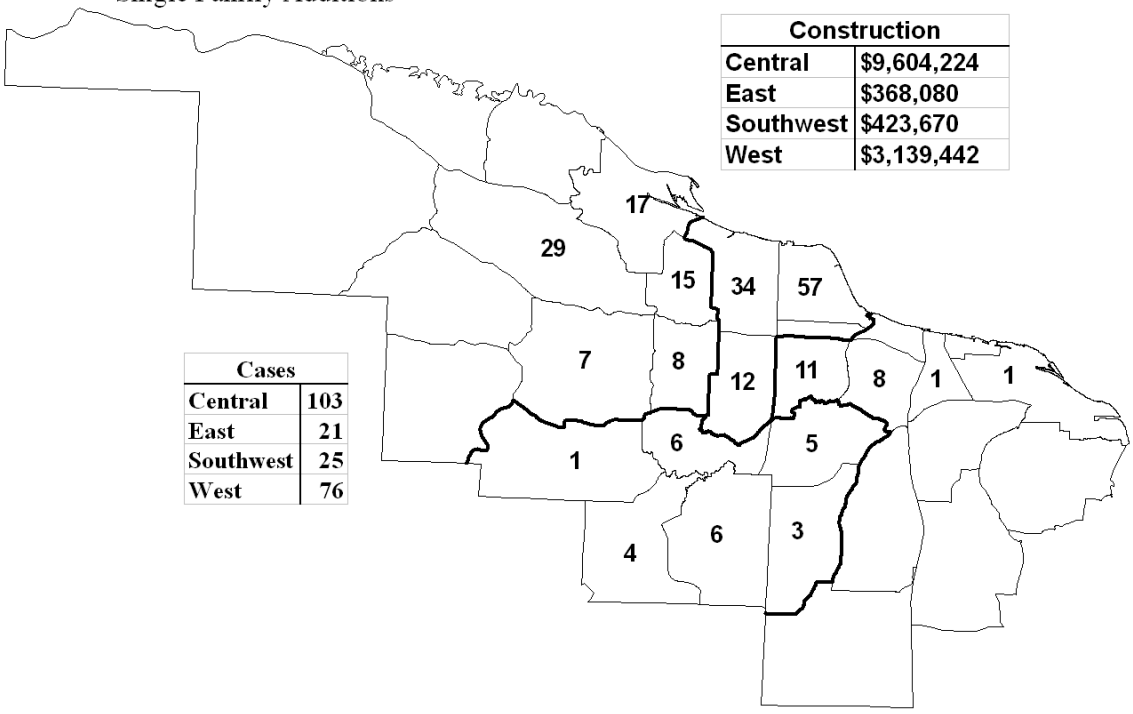
Single Family Rennovations



Construction	
Central	$4,772,453
East	$4,339,516
Southwest	$1,134,829
West	$5,750,613

Cases	
Central	155
East	287
Southwest	64
West	105

Single Family Additions



Construction	
Central	$9,604,224
East	$368,080
Southwest	$423,670
West	$3,139,442

Cases	
Central	103
East	21
Southwest	25
West	76

Demolition Activity

The net change in residential units for 2008 was an increase of 475 residential units. None of the sub-areas had a net loss of residential units. However, the east sub-area did have a net loss of single-family houses (95). Three of the City's thirty planning districts experienced net losses of residential units during 2008. The East Little Rock, I-30, and I-630 Planning Districts went from positive to negative in 2008. The Heights/Hillcrest, Central City, Port, and Geyer Springs East Districts went from negative to positive growth in units. The East Little Rock and I-30 Districts were negative both years.

Residential Units Change

Planning District	Units Added	Units Demo	Net
1 River Mountain	16	1	**15**
2 Rodney Parham	2	0	**2**
3 West Little Rock	13	7	**6**
4 Heights/Hillcrest	139	17	**122**
5 Downtown	5	0	**5**
6 East Little Rock	0	56	**-56**
7 I-30	0	7	**-7**
8 Central City	125	28	**97**
9 I-630	6	30	**-24**
10 Boyle Park	30	4	**26**
11 I-430	8	1	**7**
12 65th Street West	21	0	**21**
13 65th Street East	8	0	**8**
14 Geyer Springs E.	1	1	**0**
15 Geyer Springs W.	35	3	**32**
16 Otter Creek	23	1	**22**
17 Crystal Valley	21	0	**21**
18 Ellis Mountain	73	0	**73**
19.1 Chenal Valley	80	6	**74**
19.2 Chenal Ridge	29	0	**29**
20 Pinnacle	1	0	**1**
21 Burlingame	0	0	**0**
22 West Fourche	0	0	**0**
23 Arch Street Pike	0	0	**0**
24 College Station	3	2	**1**
25 Port	1	1	**0**
Total	**640**	**165**	**475**

Both the I-630 and East Little Rock Districts experienced double-digit net loss in the number of housing units (24 and 56 respectively). Five duplexes were removed totaling 10 units, but the other 155 units lost in 2008 were single-family homes. In addition to the three districts mentioned above with net losses; if one looks at only single-family, the Heights/Hillcrest and Central City Districts had net losses for 2008.

The 54 single-family and two duplexes lost in the East Little Rock District were to Airport expansion. The Central City and I-630 districts each lost 26 single-family homes with 28 and 30 total residential units lost respectively. These were all individual demolitions of structures. The Heights/Hillcrest district is the only other in which there was a double-digit removal of units with 17.

When reviewing the ten-year history of removed homes, three districts standout – Central City, I-630, and East Little Rock. Much of the East Little Rock loss is to make room for Airport expansion, but the loss in the Central City and I-630 districts are more typical of disinvestment of the neighborhood. The loss of units continues to be high in the older parts of Little Rock, east of University Avenue. This area accounted for 83.6 percent of all units lost (138 of 165 units). 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.

Demolition Activity

Single Family Unit Change

Sub-Area	Units Added	Units Demo	Net
West	199	6	193
Central	42	28	14
Southwest	100	5	95
East	18	113	-95

Single-Family Units Removed

Planning District	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
1	2	1	2	1	2	0	3	13	1	2	1	**28**
2	0	1	0	0	0	0	1	0	0	0	0	**2**
3	1	2	1	0	0	0	4	5	13	5	7	**38**
4	8	11	10	13	6	20	12	12	19	15	17	**143**
5	7	20	5	0	1	1	2	1	1	3	0	**41**
6	5	3	25	21	8	3	8	3	26	123	51	**276**
7	5	3	17	1	3	0	3	14	3	3	7	**59**
8	34	62	61	27	33	32	23	33	31	49	26	**411**
9	28	24	30	29	23	27	23	27	40	23	26	**300**
10	2	5	8	5	3	3	6	3	7	8	4	**54**
11	1	0	2	1	2	2	1	4	1	0	1	**15**
12	0	3	0	3	1	1	2	1	5	0	0	**16**
13	2	1	2	0	0	0	1	3	1	2	0	**12**
14	1	1	10	3	2	0	4	2	2	3	1	**29**
15	1	3	0	2	3	2	4	4	6	6	3	**34**
16	0	1	0	1	4	1	1	1	3	4	1	**17**
17	0	0	0	0	0	0	0	0	0	0	0	**0**
18	0	0	0	0	1	1	2	5	1	1	0	**11**
19	1	0	2	0	0	0	3	2	5	1	4	**18**
22	0	0	0	0	0	0	0	0	0	0	0	**0**
23	1	0	0	0	0	0	0	0	0	0	0	**1**
24	0	0	1	2	1	2	0	1	0	0	2	**9**
25	2	1	2	0	0	1	0	1	0	1	1	**9**
Total	**101**	**142**	**178**	**109**	**93**	**96**	**103**	**135**	**165**	**249**	**152**	**1523**

Office Activity

During 2008, the square footage of new office space added decreased by 42.7% from 2007. The total square footage permitted in 2008 was 152,822. The number of permits issued decreased 39.1% (14 permits in 2008, 23 permits in 2007). In 2008, the total construction cost was $18,191,428, a decrease of 54.2 percent.

The southwest sub-area accounted for most of the office area added with 78,303 square feet or 51.2 percent. The southwest sub-area had the greatest number of permits with 6 (50%) and the highest value $10,081,590. The central sub-area had no activity. The east sub-area had the second most permits with four, the largest area added 29,762 square feet (16.2%) and permit value just under $3.4 million. The west sub-area had two permits adding 24,545 square feet with the second highest permit value of just over $4.7 million.

Only one building was permitted with over 25,000 square feet. This building is the new headquarters building for the Arkansas Baptist State Convention and is located southeast of the Colonel Glenn/I-430 interchange at 10 Remington Drive. At 44,664 square feet this one building accounts for 29.2% of all the space added in 2008. The next largest building was some 23,192 square feet for the headquarters of Baldwin and Shell at the northwest corner of Capital Avenue and Chester in downtown.

Building Permits – Office

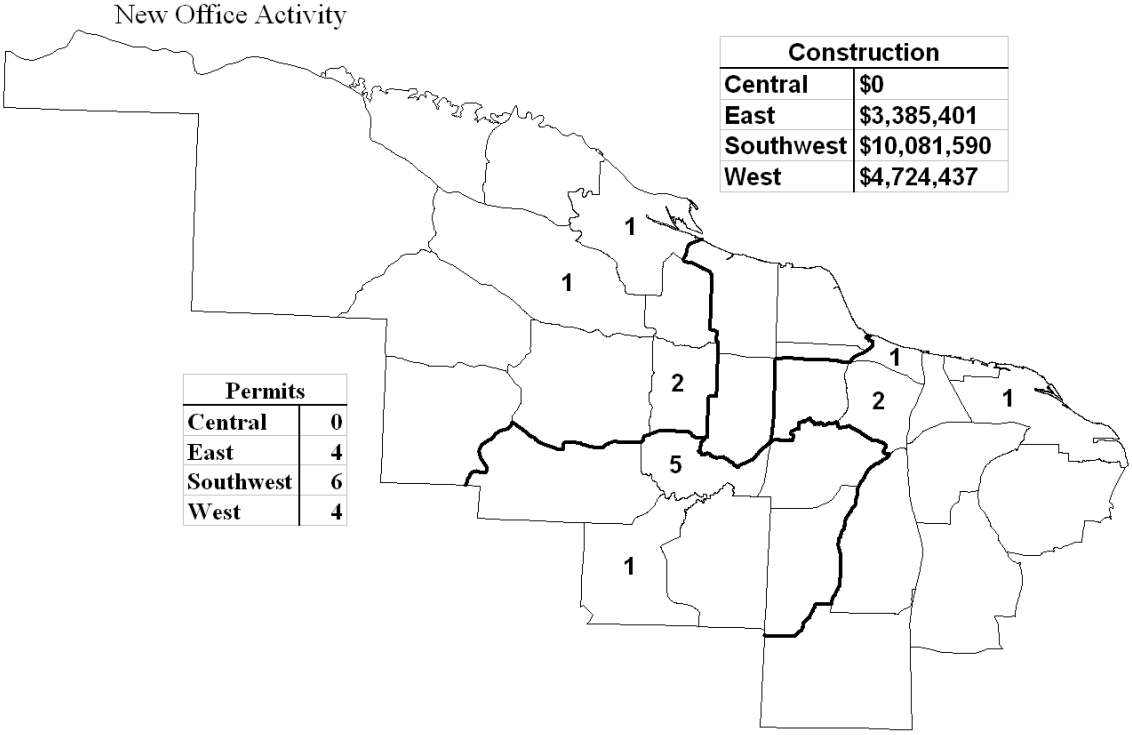
Year	Permits	Sq. Ft.	Cost
1994	12	594,340	$30,625,838
1995	14	286,923	$10,576,200
1996	15	1,204,450	$37,458,666
1997	15	903,984	$10,906,990
1998	29	454,250	$29,764,837
1999	26	371,382	$21,483,887
2000	24	1,710,683	$116,819,784
2001	20	399,011	$22,173,454
2002	11	99,759	$9,229,585
2003	22	384,965	$35,711,284
2004	29	271,496	$45,341,699
2005	22	281,541	$27,203,217
2006	17	159,135	$23,716,810
2007	23	266,666	$39,685,437
2008	14	152,822	$18,191,428

Office Projects Permitted in excess of 25,000 square feet

Project	Location	Sub-area	Sq. Ft.
Arkansas Baptist State Convention	10 Remington Drive	southwest	44,664

Office Activity

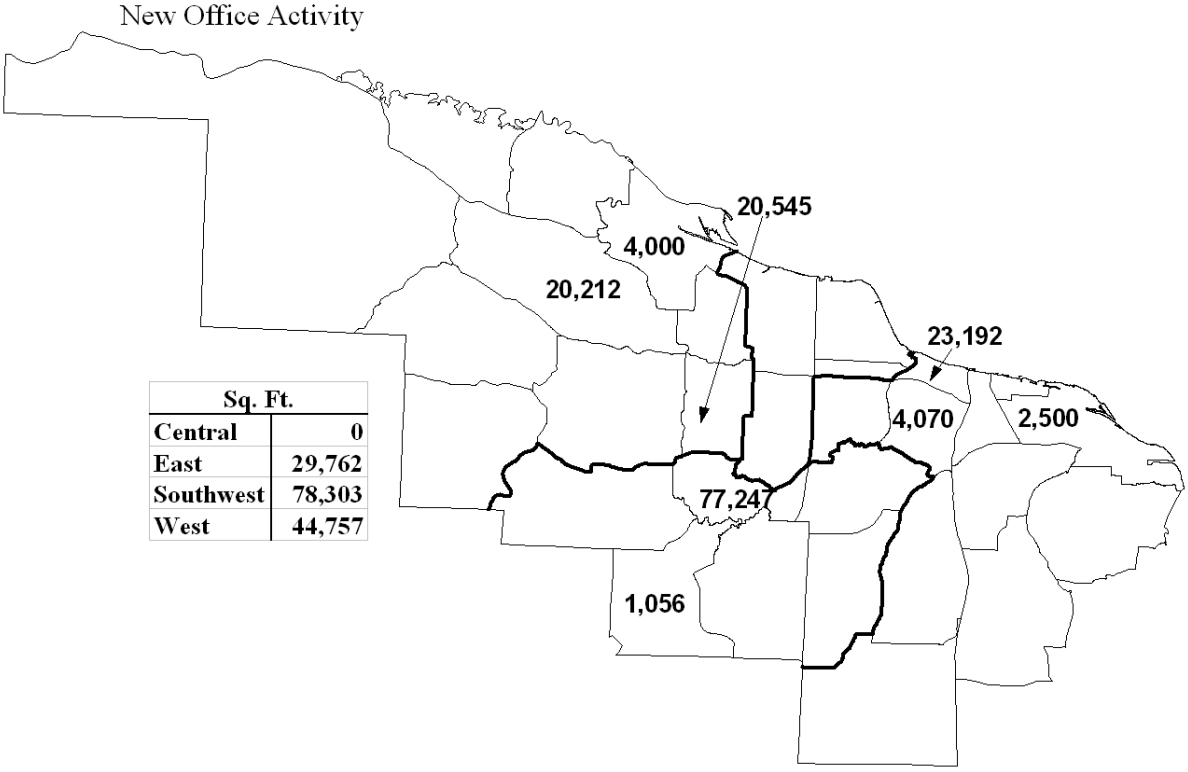
New Office Activity



Construction	
Central	$0
East	$3,385,401
Southwest	$10,081,590
West	$4,724,437

Permits	
Central	0
East	4
Southwest	6
West	4

New Office Activity



Sq. Ft.	
Central	0
East	29,762
Southwest	78,303
West	44,757

Office Vacancy Rate

Vacancy Rates are based on 2008 data furnished by *Arkansas Business – 2008 Office, Retail, Warehouse Leasing Guide*. 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 *2008 Lease Guide* includes listings on 256 office properties within Little Rock. This is a decrease of seven from last year's report. *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.

It should be noted that many small buildings only report when their vacancy rate is high, i.e. are not included in the survey when fully occupied or mostly occupied. The survey is used partially to advertise availability of properties by management companies.

Office Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	4,331,877	84.1%
Central	1,557,017	94.6%
Southwest	134,735	63.1%
West	2,923,332	83.8%

All the sub-areas reported more area in 2008 except for the southwest sub-area, which reported a decline of more than half to 134,735 square feet. The southwest sub-area also reported the lowest occupancy rate at 63.1 percent. This is a drop from 78 percent in 2007, which was the lowest reported for 2007. The southwest sub-area represents 1.5 percent of all the area reported in 2008. The reported average occupancy rates for the remaining sub-areas all improved, ranging from 83.8 to 94.6 percent. The area reported in 2008 for these three sub-areas declined only slightly – two percent.

The east sub-area continues to report the most area – 48.4 percent of the area reported for 2008. The occupancy rate reported for 2008 improved one percentage point. The west sub-area continues as the second largest reported area at 2,923,332 square feet or 32.7 percent of the reported area for 2008. The average occupancy rate for the sub-area was reported at less than a percentage point improvement from 2007. Both these sub-areas combined account for 81 percent of the reported area and have an average occupancy rate in the low to middle eighties (for the reporting area). The Central sub-area with 17.4 percent of the area reported the best improvement in average occupancy, six percentage pointes to 94.6 percent.

Commercial Activity

The total of new commercial construction added in 2008 amounted to 268,887 square feet of commercial space. This represents a decrease of 67.3% in square footage added from that in 2007. The total construction value of new commercial decreased by 42% from that reported in 2007. In 2007, $49,595,750 construction dollars were permitted compared to $28,758,181 in 2008. This includes a $640,000 surface parking lot for Dassault-Falcon Jet in the Port area (which is not reported in the graphics on the accompanying page since there was no 'structure'). The number of structures permitted dropped 48 percent to 14 projects in 2008.

The new activity was split between the west and southwest sub-areas, with 42.9 percent or six projects each. These two sub-areas account for 98.4 percent of the added value, $17,823,000 or 64.3% of which is in the southwest sub-area. There was no activity in the east sub-area and only two projects in the central sub-area. These two were a carwash and a detail shop.

Five projects exceeded 20,000 square feet in area, each in one of these two sub-areas. Two of the three largest projects were auto dealerships. Each of these dealerships exist and are relocating to the Colonel Glenn/I-430 interchange area. They are Bale Honda and Riverside Motors. Both are locating into the southwest sub-area. The remaining three 'large' projects are in the west sub-area. Two are located with the Shackleford Crossing Center, constructed in 2007 and only partial occupied. They are a hotel and the relocation of Haverty's Furniture to this center. The final 'large' commercial development of 2008 was WB Sports, located along Cantrell Road (Highway 10) near Sam Peck Road.

Building Permits – Commercial

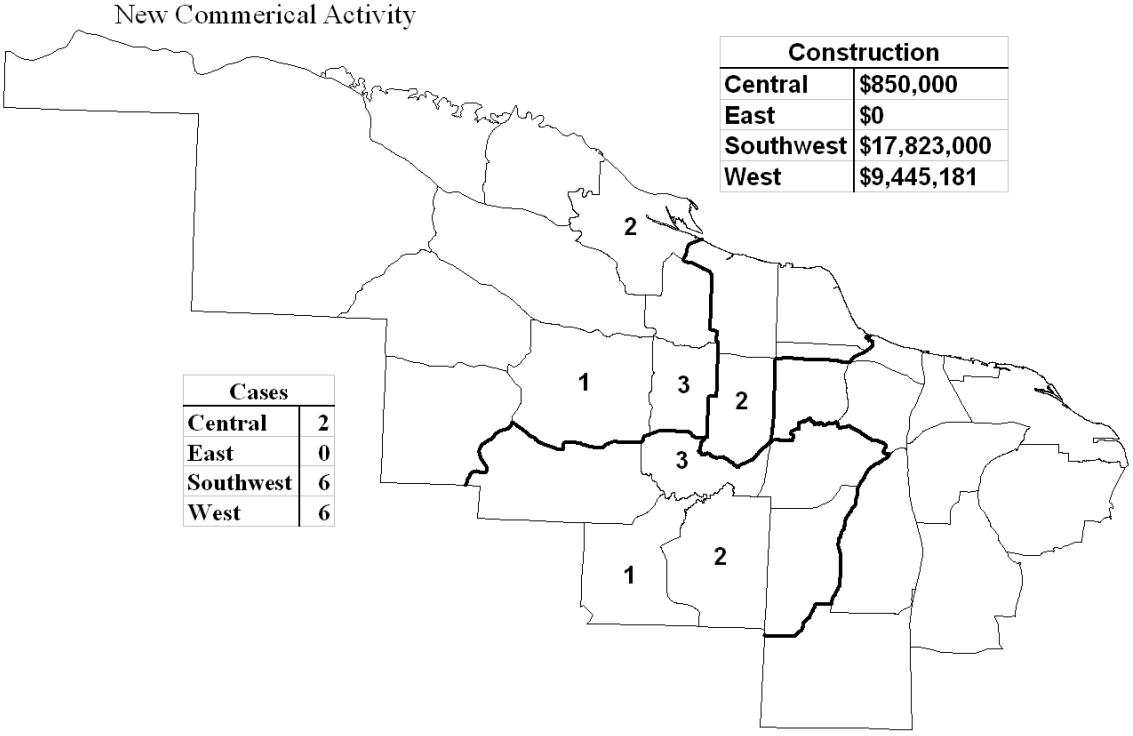
Year	Permits	Sq. Ft.	Cost
1996	53	3,321,000	$68,384,102
1997	38	2,100,340	$32,916,260
1998	29	419,669	$21,048,399
1999	26	348,112	$12,695,827
2000	20	315,873	$15,983,521
2001	22	336,692	$17,434,611
2002	20	231,895	$17,981,631
2003	26	962,519	$35,555,179
2004	32	529,251	$34,259,001
2005	45	677,554	$71,665,809
2006	27	478,592	$32,646,539
2007	27	823,137	$49,595,750
2008	14	268,887	$28,758,181

Commercial Projects Permitted in excess of 20,000 square feet

Project	Location	Sub-area	Sq. Ft.
Bale Honda	10 Colonel Glenn Court	southwest	69,011
Towne Place Hotel	12 Crossing Court	west	49,505
Riverside Motors	8 Colonel Glenn Plaza Dr	southwest	35,000
Haverty's	2616 Shackleford Road #B	west	30,027
WB Sports LLC	10 Viewpointe Cove	west	22,500

Commercial Activity

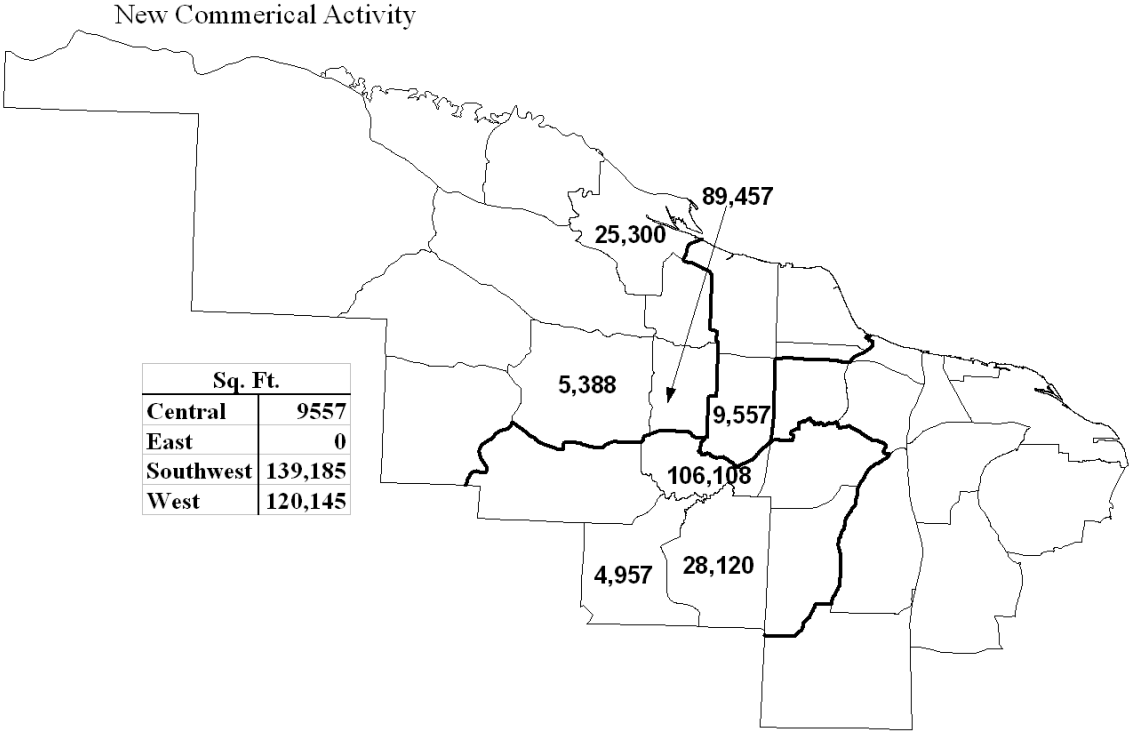
New Commerical Activity



Construction	
Central	$850,000
East	$0
Southwest	$17,823,000
West	$9,445,181

Cases	
Central	2
East	0
Southwest	6
West	6

New Commerical Activity



Sq. Ft.	
Central	9557
East	0
Southwest	139,185
West	120,145

Commercial Vacancy Rate

The occupancy rate information provided is based on 2008 data furnished by *Arkansas Business Lease Guide 2008*. 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	640,903	69.5%
Central	1,459,782	82%
Southwest	157,703	29.7%
West	3,605,200	87.4%

As in last years report, the areas reported for each sub-area are significantly different from that reported in the previous year. Most of the area reported does continue to be in either the central or west sub-areas. In the past these two sub-areas reported similar areas. In 2008, the central sub-area decreased and the west increased such that the west sub-area reported 61 percent of the reported area in 2008. This is a million more square feet to 3,605,200 with an average occupancy rate down to 87.4 from 90.3 percent. The central sub-area is reporting approximately half the area reported in 2007. For 2008, 1,459,782 square feet is reported with an average occupancy rate of 82 percent. In addition to the large drop in area, the average occupancy rate dropped 7.5 percentage points.

The east sub-area is also reporting more area for 2008, a 23 percent increase. The average occupancy level for the 640,903 square feet reported is 69.5 percent. The average occupancy rate is down approximately one percentage point from that reported in 2007. The southwest sub-area has reported the least area again and that amount declined by 60 percent. In 2008 only 157,703 square feet reported for the survey with an average occupancy rate around 30 percent. This occupancy is less than half that reported in the 2007 report.

As noted previously the vast majority of space is in the central and west sub-areas. These two areas give the best picture of how the City of Little Rock is doing in the retail sector. It should be noted that two major shopping developments “Life Style Centers” were completed in 2007 in the west sub-area and one mall in the central sub-area was removed. The owner of this site does propose to replace the mall with a ‘Life Style Center’ in the near future.

Industrial Activity

A total of 940,598 square feet of industrial projects were permitted during 2008 in the city. This represents a 345% increase over the square feet permitted during 2007. The value of new construction increased 184% to $60,727,710 in 2008 from $21,380,347 in 2007. While the number of projects remained at a moderate level, the value of the new construction was well above typical levels for Little Rock.

For 2008, the permitted projects were again split between the east and southwest sub-areas. The number of projects in the southwest sub-area remained at two. The east sub-area accounted for 75% of the projects (6) and all of the major projects. Five of the projects in the east sub-area were greater than 25,000. The largest by far was LM Glasfiber at 700,000 square feet and $24.4 million. This plant is the permanent location for a manufacturer of windmill blades in the Little Rock Port. Sage Foods also constructed a 90, 132 square foot building in the Port area. The next three (major projects) are new hangers at the Little Rock Airport for a second general aviation service – Supermarine. This includes three hangers from 32,800 to 42,000 square feet in area, to support the private aviation industry at Little Rock National Airport.

Building Permits – Industrial

Year	Permits	Sq. Ft.	Cost
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
2003	6	138,255	$10,650,090
2004	8	113,142	$2,642,000
2005	6	128,585	$12,591,006
2006	7	115,919	$7,591,799
2007	6	211,184	$21,380,347
2008	8	940,598	$60,727,710

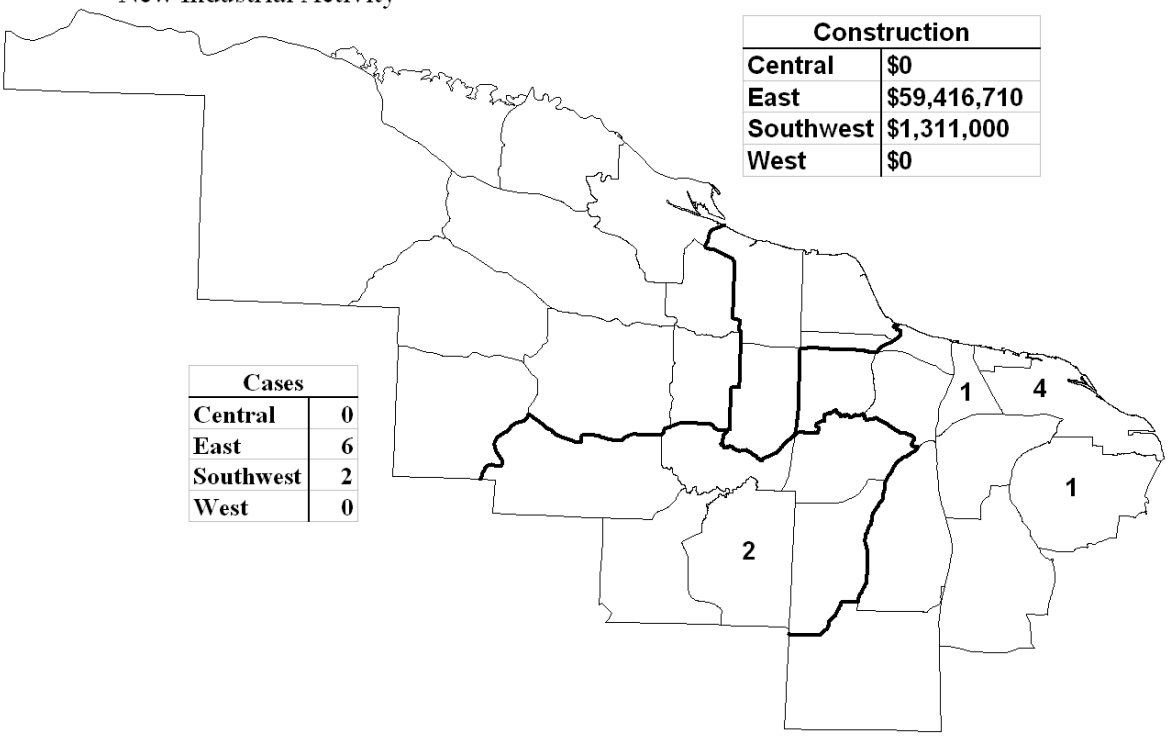
Industrial Projects Permitted in excess of 25,000 square feet

Project	Location	Sub-area	Sq. Ft.
LM Glasfiber	7901 Lindsey Road	east	700,000
Sage Foods	5901 Sloane	east	90,132
Supermarine - Hanger	2111 Bond	east	42,000
Supermarine - Hanger	2101 Bond	east	36,666
Supermarine - Hanger	2201 Bond	east	32,800

New Industrial Activity

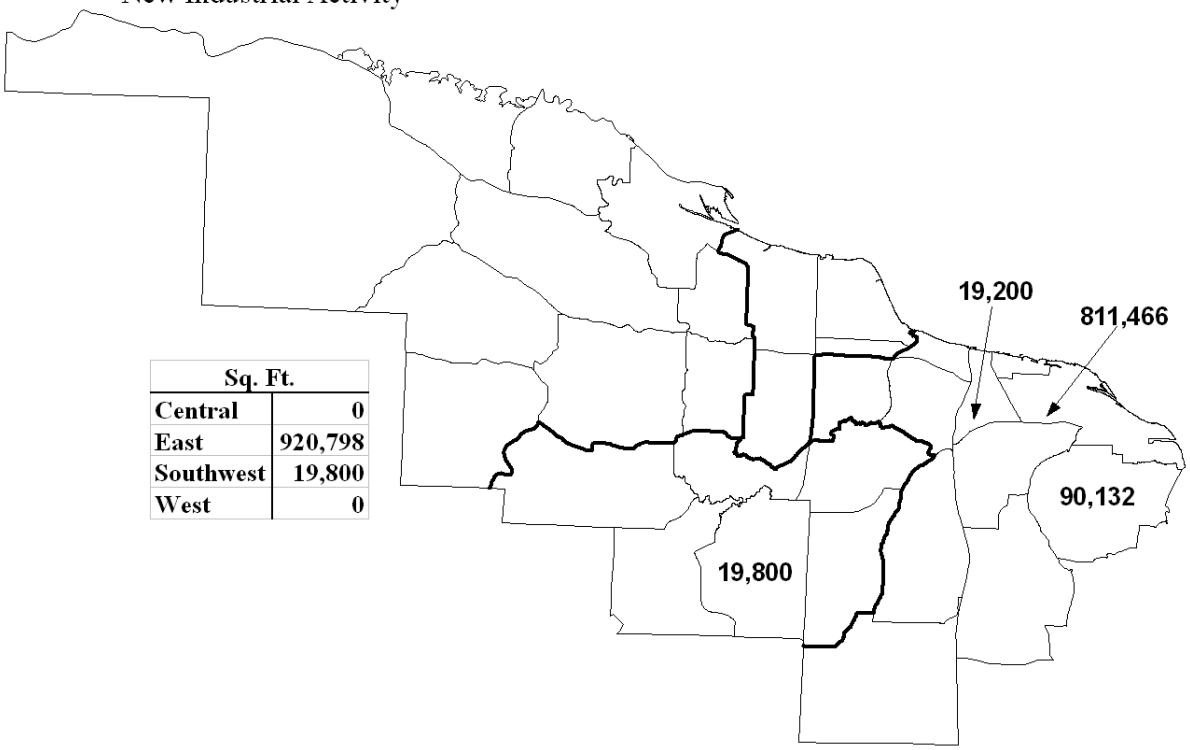
Construction	
Central	$0
East	$59,416,710
Southwest	$1,311,000
West	$0

Cases	
Central	0
East	6
Southwest	2
West	0



New Industrial Activity

Sq. Ft.	
Central	0
East	920,798
Southwest	19,800
West	0



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 2008 *Arkansas Business Lease Guide*, the amount of space reported declined in all sub-areas, except the east sub-area. As in pervious years construction of new structures really does not relate to the changes reported here.

Warehouse Market

Sub-area	Total Leasable Space	Average Occupancy Rate
East	1,365,143	25.3%
Central	707,354	83.3%
Southwest	2,697,458	53.2%
West	334,632	78.5%

In the east sub-area, the leasable square-footage reported increased 37 percent to over 1.3 million square feet. However, the reported average occupancy fell by half to 25 percent. This is by far the lowest occupancy rate of the sub-areas reported in 2008. The southwest sub-area continues to report the majority of the area, 52.8 percent of that reported in 2008. The area reporting in 2008 is 21 percent less than that in 2007 with an average occupancy rate improvement of 14.2 percentage points to 53 plus percent. Almost 80 percent of the area reported in 2008 is in either the east or southwest sub-areas, however these sub-areas also have the worst average occupancy reported rates, 25.3 and 53.2 respectively. Since industrial/warehouse uses often occupy an entire structure and may be owned by the business, one might expect self-reporting to over report vacancy. This could be a toll to advertise available properties not to report on the general condition of the industrial/warehouse segment of the economy.

The central sub-area continues to report the highest average occupancy level, though less than last year, at 83.3 percent. The available space reported is down from last hear by 14.6 percent to 707,354 square feet. The west sub-area reported the least square footage again. In addition the amount of area reported in 2008 fell 56.8 percent to 334,632 square feet. However the average occupancy rate of the reporting area improved to 78.5 percent

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 *2008 Lease Guide* includes listings on 43 warehouse properties down 23 properties from that in the 2007 guide. *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 six annexations, totaling 1109.16 acres in 2008. Four of the annexations were to the western part of Little Rock. All four are undeveloped, though one did at one time have a single-family home on it. Two of the annexation areas will be developed residentially – a total of 245 acres. The other two will be commercially developed in the future (15.6 acres). One of these commercial sites is the northwest corner of Kanis and Kirby Roads where a Crackerbox convenience store is proposed. The other commercial area is the northeast and northwest corners of the Kanis and Rahling Roads intersection. Note all these annexations to the western part of Little Rock were for future development of the land.

Year	Cases	Annexed Acres	City Limits Sq. Miles
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
2003	1	2.77	118.888
2004	3	377.24	119.477
2005	5	47.49	119.55
2006	1	9.94	119.57
2007	1	137.94	119.78
2008	6	1109.16	122.18

An annexation of 47 acres along Arch Street Pike in the southwestern portion of Little Rock was done to allow for sewer service to an existing industrial plant and its future expansion. The largest annexation was for over 801 acres, south of the Little Rock Port. This one annexation accounted for 72 percent of the area added to the City in 2008. The site is a developing industrial plant. Both of theses industrial annexations were requested to receive city services for future expansions.

With the acceptance of these areas, the current city limits of Little Rock expanded to 122.18 square miles. This is an increase of just over 2% from 2007, 3.55% from 2000 and 14.3% from 1990 in total square miles of the City. Areas presented in the table are based on the area generated using legal descriptions for each area.

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 third surge in the early to mid-1980s that makes the growth change noticeable to people today. The period of aggressive annexation activity experienced from 1979 through 1985 appears to be over. Since the middle 1980s, except for 'island annexations', all annexations have been at the request of property owners to obtain some city service.

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. Almost 82 percent of the cases were in either the west or southwest sub-areas, with eleven and seven cases approved respectively in 2008. The west sub-area accounted for a majority of the cases involved in a preliminary plat at 50 percent, with 53 percent of the area involved in the southwest sub-area.

The southwest sub-area had slightly fewer cases but more area involved than that of the west sub-area. Thirty-five plus percent of the area involved in preliminary plats was located in the west sub-area, while the southwest sub-area represented 53% of the area. Approximately 256 acres in the west sub-area, with 378 acres in the southwest, this is 88.8 percent of all the area subdivided in 2008. The west sub-area has been and continues to be the growth area of Little Rock. The 2008 data continues to show the renewed interest in development in the southwest sub-area continuing.

Most of the central and east sub-areas were developed and platted more than four decades ago. Thus the small amount of activity in the central and east sub-areas should not be a surprise. A little less than 4 acres in one case was approved in the central sub-area. Only three cases and 76 plus acres were subdivided in 2008 within the east sub-area.

The number of approved preliminary plats decreased from 25 in 2007 to 22 in 2008. The total acreage in 2008 increased 7 percent to 714.27 acres from 557.28 acres. Non-residential activity as measured by cases remained at low levels dropping one to eight cases. The total non-single family acreage platted increased to 281.18 acres from 226.7 acres (a 24 percent increase). Commercial acreage remained steady, dropping slightly to 190.5 from 195.9 acres. Residential platting activity dropped slightly (2 plats) 14 plats, a 12.5 percent decrease. There were no multifamily subdivisions for the fourth year. Single-family acreage increased 31 percent to 433.09 acres from 330.58 acres. Residential lots likewise increased 7 percent to 692 residential lots in 2008 from 647 residential lots in 2007.

The majority of the single-family residential approved preliminary plats in area were located in the west sub-area. 53.4 percent of the acreage (231.3 acres) but only 11.1 percent of the lots (77 lots) were located in the west sub-area. The southwest sub-area had the most cases and lots approved in 2008. The acreage involved in these plats was 197.89 acres and accounted for 45.7 percent of the area involved in plats for 2008 with 88.6 percent of the lots (613). The central sub-area had one case of 3.89 acres, two lots. The east sub-area had no residential activity.

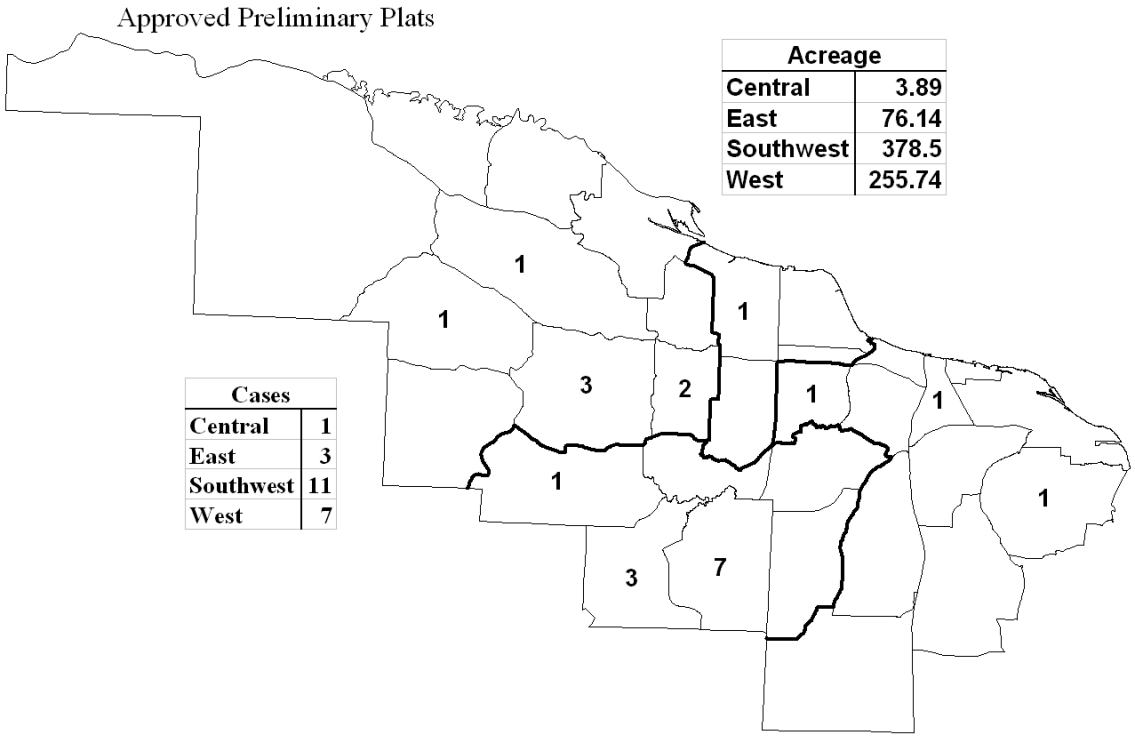
The non-single-family plat activity was somewhat different with three cases each for the west and east sub-areas. The southwest sub-area was the most active area by area involved in preliminary (non-SF) plats with 71.9 percent or 180.6 acres in two cases. The west sub-area had the least area with 24.44 acres or 9.7 percent of the area.

This plat activity shows continued interest in the west and southwest sub-areas for developable areas.

Subdivision Activity

Plan	Commercial		Office		Industrial		Multi-Family		Single Family		Res.
Dist.	cases	acres	cases	acres	cases	acres	cases	acres	cases	acres	Lots
3									1	3.89	2
7					1	13.85					
9					1	2.41					
11			2	14.49							
15	1	4.2							6	127.7	399
16	1	176.4							2	65.19	212
17									1	5.01	2
18									3	19.3	33
19	1	9.95									
21									1	212	44
26					1	59.88					
Total	**3**	**190.55**	**2**	**14.49**	**3**	**76.14**	**0**	**0**	**14**	**433.09**	**692**

***Revocation of single-family subdivision plat in Planning District 20**



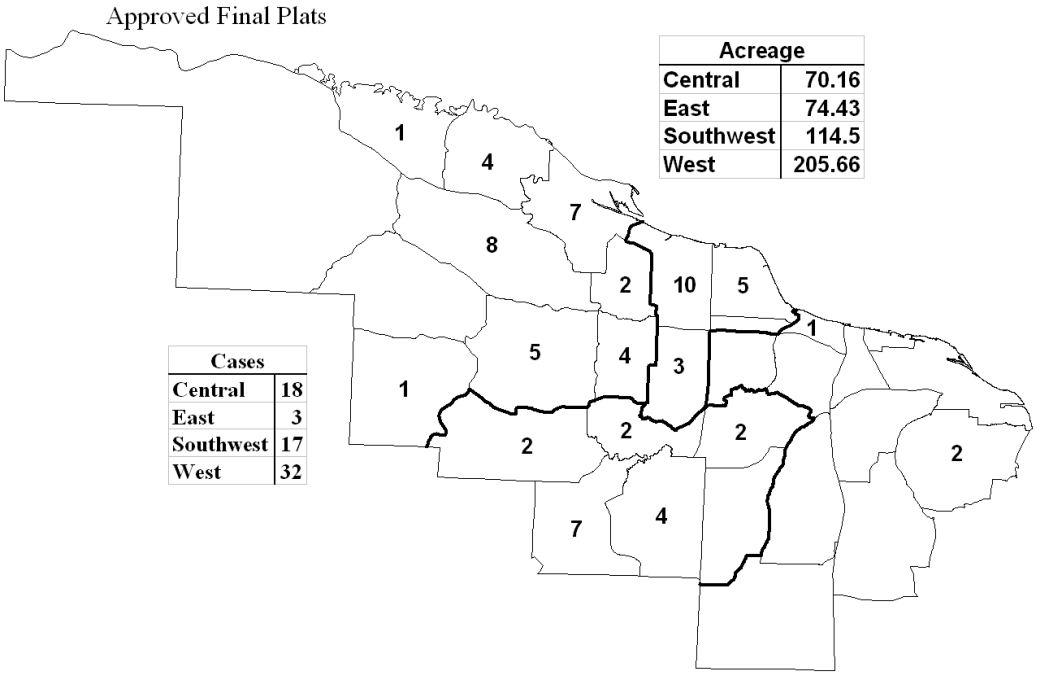
Final Plat Activity

During 2008, there were 70 final plats, this is a 23.1% decline from 2007. The acreage involved in 2008 was 464.75, down 10.3% from that in 2007. The final plat activity shows a slight slowing from that in 2007.

The area within signed final plats has been concentrated in the west sub-area with 205.66 acres (44.25%). The central sub-area had the second most activity with 18 cases (25.7%), but the least area at 70.16 acres or 15.1%. The southwest sub-area had the second most area final platted with 114.5 acres or 24.6%. The west sub-area represented 45.76% of the cases and 44.25% of the area final platted in 2008. The table and maps indicate more specifically the Planning Districts where the strongest activity is occurring.

Plan Dist.	Final Plat	
	cases	acres
1	7	10.04
2	2	3.43
3	10	41.49
4	5	23.16
5	1	0.51
10	3	5.51
11	4	61.77
12	2	10.75
13	2	7.15
15	4	37.35
16	7	49.61
17	2	9.64
18	5	35.35
19	8	74.7
20	4	10.9
22	1	4.47
26	2	73.92
29	1	5
Total	**70**	**464.75**

Only the central sub-area increased in the number of cases from 2007, by two resulting in 18 for 2008. Both the central and southwest sub-areas experienced increases in the area final platted. The southwest sub-area increased 104% to 114.5 acres, while the central increased 67.4% to 70.16 acres. The east sub-area had the greatest drop in cases 83.3% to three final plats with a 32.4% decline in area final platted to 74.43 acres. Activity in the west sub-area decreased in cases from 39 to 32, and decreased 33.7% to 205.66 acres in area.



Zoning Activity

In 2008, there were twenty-three approved reclassifications again. While the number of cases remained the same, the amount of land reclassified increased 200 percent – from 101.31 acres in 2007 to over 300 acres in 2008. Both the southwest and west sub-areas had nine cases, this is over 78 percent of the cases and 90 percent of that area was within these two sub-areas.

The largest request for reclassification was for 68.9 acres in the Chenal District. This one case was for five different zoning classifications. The largest area to one classification was in the Geyer Springs East District. This one case of 47 acres was the initial zoning of land annexed to the City of Little Rock and was classified to 'I-1', Industrial Park. The next largest reclassification was 31.5 acres to Agricultural/Forestry in the Crystal Valley Planning District.

Most of the cases in 2008 involved requests for commercial zoning (12 cases or 52 percent). Only one case involved a request to single-family and it was part of a package of reclassifications to commercial, office, open-space, multifamily and single-family from multifamily and single-family. Two cases involved reclassifications to open-space and three involved reclassifications to multifamily.

Planned Zoning District (PZD) activity remained more active than 'straight' reclassifications, however there was a drop of 21.4 percent in the number of cases (70 to 55 cases). During 2008, 55 cases were approved as PZD's for a total of 366.61 acres. This is a decrease of 21.4 percent in the number of cases and a decrease of 36.6% in the area involved.

The west sub-area continues to have the most activity with 43 percent of cases (24) and 42.7 percent of the area involved (246.64 acres). The second most cases were in the east sub-area with 18 cases or 32.7 percent, however this area represented only 10.3 acres or 1.8 percent of the area involved in Planned Developments. These two areas represent the two primary reasons Planned Districts are used – in new areas to maximize design review and assure high quality development or in older areas, where infill development needs to be carefully reviewed for compatibility with established or transitional neighborhoods.

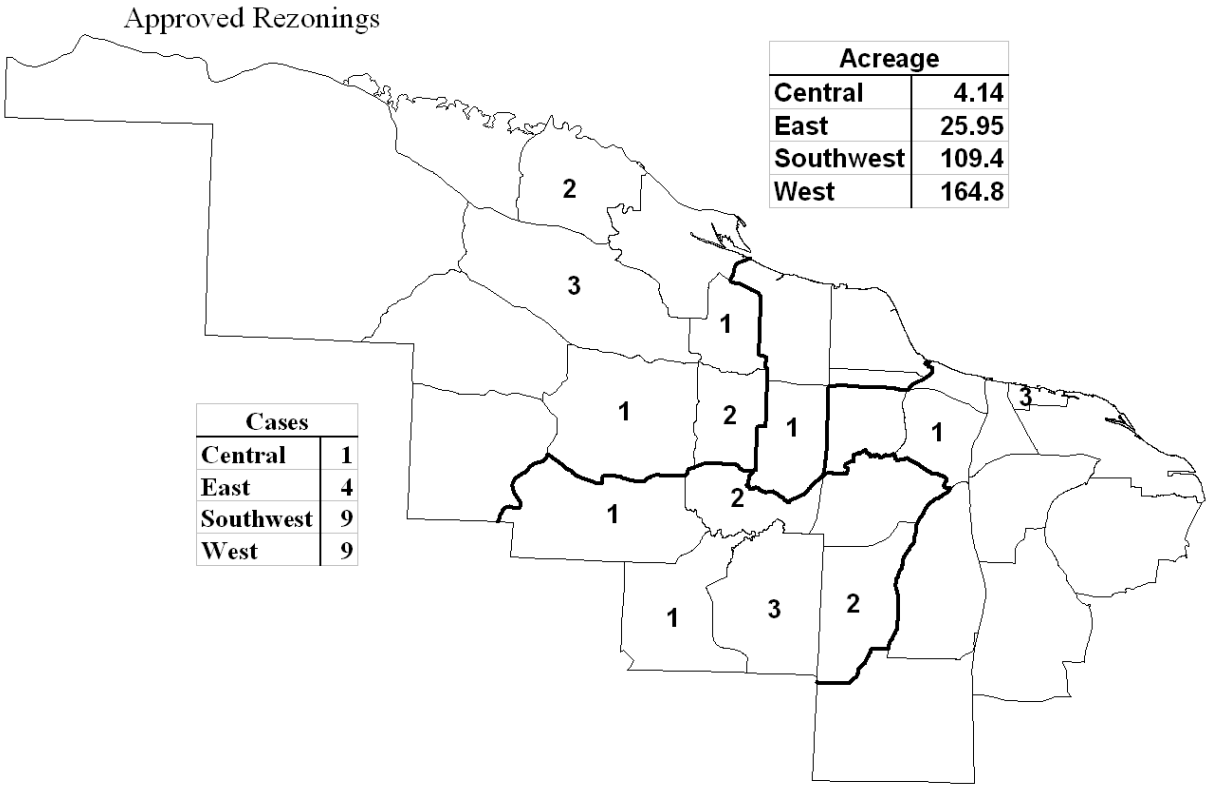
To get a complete view of the zoning activity, one needs to look at both PZD and regular reclassification. For 2008 the number of cases decreased fifteen or 16 percent from 2007. The area involved in reclassifications decreased 1.2% from 679.03 acres to 670.9 acres. The table and map of rezoning and PZD approved cases show the areas most likely to develop in 2009 or soon then after. Because of the nature of PZD request, these are projects likely to be developed in the near term.

Overall the zoning activity both 'straight' and 'Planned District' was concentrated most in the west and southwest sub-areas, with 87.5% of the area reclassified and 42.3% of the approved cases. Some of this activity is to make existing developments 'legal', but much represents potential new development of redevelopment in areas.

Zoning Activity

Planning District	Commercial		Office		Multi-Family		Single-Family		Industrial	
	cases	acres	cases	acres	cases	acres	cases	acres	cases	acres
2			1	3.44						
6									3	15.24
8			1	10.71						
10	1	4.14								
11	1	3.78	1	0.64						
12	2	17.7								
14	1	0.5							1	47
15	3	10.18								
16	1	2.52								
17*										
18*			1	9.38	1	6.37				
19*	2	41.41	1	5.17	1	34.21	1	3		
20			1	3.88	1	39.9				
Total	**11**	**80.23**	**6**	**33.22**	**3**	**80.48**	**1**	**3**	**4**	**62.24**

***PD 17 AF-1 case/31.5A; PD 18 OS-1 case/7.01A; PD 19 OS-1 case/6.61A**
PD 18: MF/OS/O3 all in one case; PD19: R2/OS/MF/O/C all in one case

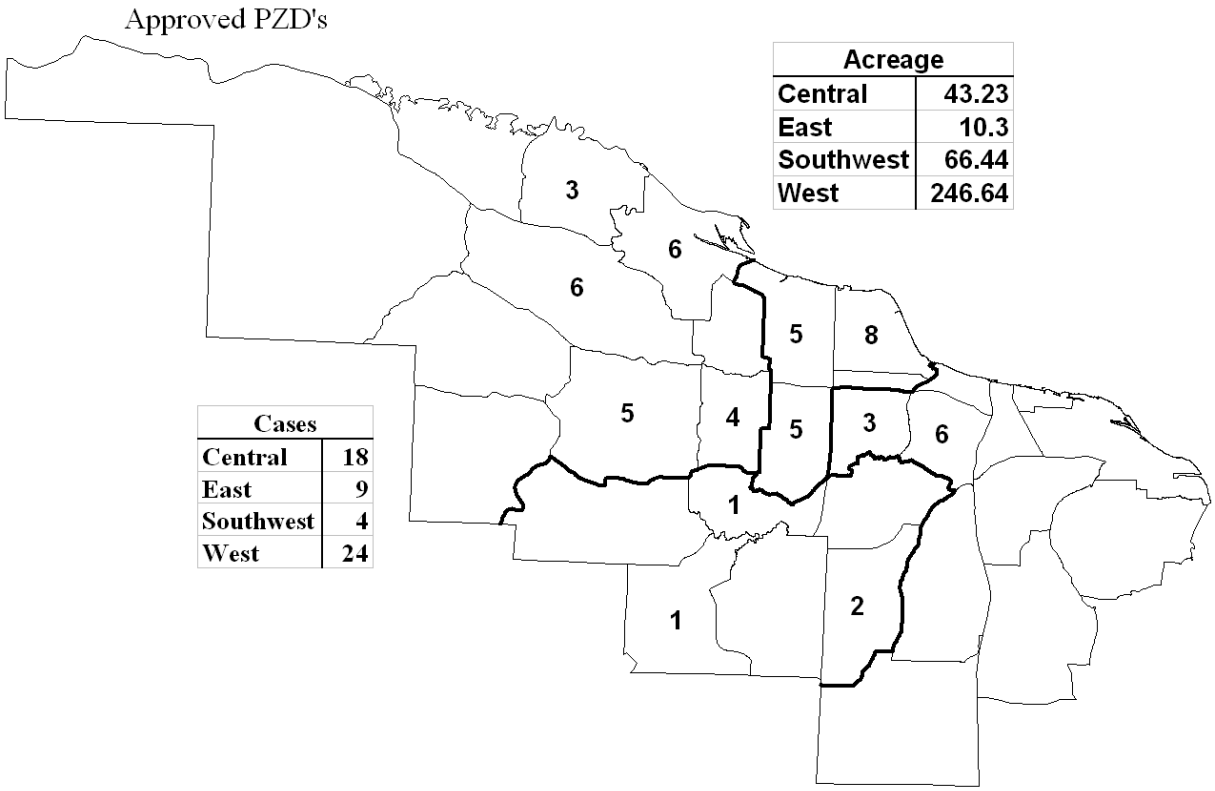


Zoning Activity

PZD Activity

Planning District	Commercial		Office		Industrial		Residential	
	cases	acres	cases	acres	cases	acres	cases	acres
1	2	15.33	4	7.94				
3	3	30.17	1	0.64			1	2.39
4	1	0.52	2	1.24			5	3.05
8	2	2.85	3	2.92			1	0.17
9	1	1.91	1	1.65	1	0.8		
10	4	3.23	1	1.99				
11	4	30						
12	1	12.7						
14	1	1.15	1	0.59				
16					1	52		
18	3	37.5	1	16.4			1	0.93
19	2	3.76	1	67.9			3	8.78
20	2	6	1	52.1				
Total	**26**	**145.12**	**16**	**153.37**	**2**	**52.8**	**11**	**15.32**

*Residential: two cases returned the land to 'R2' zoning from Planned Zoning Districts



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