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March 6, 2017

Joe Hafner
Jonesboro, AR 72401

Recently there has been a lot said about apartments and the bad affect that they have on an area. I have heard this so many times and yet I do not know where this idea came from. Recently there was a study made by Professor Michael Crow of University of Arkansas at Little Rock on this very thing.

The City of Little Rock paid UALR \$10,266.00 for this study. His study showed that new apartment complexes have no effect or a positive effect on nearby single family homes and have not caused an uptick in crime in the area.

This study by Professor Crow covers all house sales within 2,000 feet of all new multifamily Housing built between 2000 and 2016 and it was determined that residents shouldn't be concerned. His study showed that the building of condominiums resulted in a 7% increase to surrounded home value while small market-rate apartments increase home values 10%. He did show that other construction which he classified as dormitories did show a 35% decrease in surrounding home values.

I am attaching a copy of the article in the February 20, 2017 Arkansas Democrat/Gazette for you to look at.

It seem that we all have been under a misconception of the effect that new apartments being built in an area will have on that area.

Sincerely,

Copy: Study of Apartment in Little Rock, AR

In LR study, complexes' ill effects nil

UALR scrutinizes values, crime near new apartments

CHELSEA BOOZER
ARKANSAS DEMOCRAT-GAZETTE

New apartment complexes in Little Rock have either no effect or a positive effect on nearby single-family home values, a University of Arkansas at Little Rock study commissioned by the city has found.

In a review of city data going back to 2000, associate professor Michael Craw determined that, for the most part, multifamily projects don't harm home prices or cause an uptick in crime to an area — a finding similar to studies in other cities, he said.

The information was provided to help guide the city Board of Directors on deciding policy for approving multifamily developments. Little Rock paid \$10,266 to have Craw conduct the study.

The city board implemented a one-year ban on apartment construction along Bowman Road in west Little Rock in February 2016 to allow for time to study how complexes affect an area.

The board put the moratorium in place after neigh-

borhood opposition to a proposed 408-unit complex south of Brodie Creek Trail. The board ultimately turned down a zoning request that would have allowed that development.

Several nearby homeowners said more multifamily development would lower their property values, increase traffic congestion and diminish the green space that attracted them to their neighborhood.

Craw researched single-family house sales within 2,000 feet of all new-construction multifamily housing in Little Rock from 2000 to 2016 and determined that residents shouldn't be concerned.

He found that condominiums resulted in a 7 percent increase to surrounding home prices, while small market-rate apartments increased home values 10 percent. When subsidized apartments were built, there was an almost 17 percent increase in home values. Large market-rate apartments and senior apartments had no effect on home sales, the study showed.

See **STUDY**, Page 3B

Study

• Continued from Page 1B

Craw found that developments he classified as "other," most of which were dormitories, did show an almost 35 percent decrease in surrounding home values, but he was hesitant to draw any conclusions from that.

"It's not really clear why [that happened]. There's no clear guidance as far as the experience from other cities," Craw said.

His study involved data from 78 multifamily projects built in Little Rock since 2000.

"A number of recent similar studies [in other cities] suggest very little effect of housing development on crime," Craw said during a presentation of his findings to the city board.

He studied effects on the violent crime rate within 1,000 feet of new multifamily development in Little Rock.

In the case of condominiums, the vulnerability of properties to violent crime increased 0.28 percent. The vulnerability of properties to violent crime increased 0.74 percent when large market-rate apartment complexes were built. There was no effect on all other types of multifamily housing.

"The causal mechanism for this finding remains unclear," the study said of the increases near condominiums and large complexes.

The study found that the vulnerability of homes to property crime was likely to decrease about 2 percent in areas where subsidized apartments and dormitories were built. There was no effect when apartment com-

plexes and condominiums were constructed.

Senior apartments tended to show a 2 percent increase in property crime reports, but Craw cautioned against drawing any conclusions based on that.

"Maybe that population is more vulnerable to property crime or that population is more prone to report crime," Craw said.

Ward 5 City Director Doris Wright, whose area includes Bowman Road and who requested the yearlong moratorium in that area, said the study confirmed what her research had already told her.

"But still, perception is everything when it comes to real estate," she said.

She also noted that some of Little Rock's older apartments built in the 1970s, but remodeled several times since, weren't included in the data, yet many consider them notorious for crime.

Ward 7 Director B.J. Wyrick pointed out that many times when neighbors are upset about an apartment complex being built near them, they are concerned that it will deteriorate over time, not that the new construction will have a negative impact immediately.

"Your study did not delve into that," she said to Craw.

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Wright reminded City Manager Bruce Moore that the board's ordinance instituting the moratorium had also asked for a traffic patterns and impact study of the Bowman Road area, as well as a recommendation from staff on whether the area's land-use plan should recommend multifamily zoning.

The board was meant to study these issues over the past year while the moratorium was in effect in order to decide how to proceed with future multifamily requests. This month is the first time the issue has been brought back up at a public board meeting.

Moore told Wright that city staff would present findings of traffic studies and a land-use recommendation at the Feb. 28 board meeting.

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