Harris County Community Profile & Housing Market Analysis

Introduction

Harris County is the third largest county in the United States by population and is home to the fourth largest city in the nation, Houston. Harris County is situated in the Gulf Coast region of the state of Texas and is part of the Houston Metropolitan Statistical Area (MSA) along with the counties of Waller, Montgomery, Liberty, Fort Bend, Brazoria, Galveston, Austin, San Jacinto, and Chambers. (Map 3.1) While classified as an urban county due to the size of its unincorporated population, many parts of the county maintain a rural atmosphere. Approximately 25 percent of Harris County lies within the 100-year flood plain. In recent years, many people have relocated to the Harris County/Houston MSA. The growth in population is primarily due to the movement of immigrants to the area.

Map 3.1 Harris County, Texas Including Houston MSA

Community Profile

According to Dr. Steve Murdock, Texas State Demographer, there are four key demographic elements impacting the Nation, the state of Texas, as well as Harris County and will affect nearly all persons in coming years. These four factors include the rate of 1) population growth, 2) the aging of the population, 3) the growth in racial/ethnic minority populations, and 4) and the change in household composition.

According to Dr. Murdock, Texas had almost 23 million residents in 2005. California is the only state with a larger population. By 2040, the state will have somewhere between 35 and 50 million residents. Growth is moving to urban areas while many rural areas are losing population.

Rapid growth and diversity were trends common to the demography of Harris County throughout the 1990s. These trends are expected to continue throughout the twenty-first century. Harris County has experienced substantial population growth with an estimated population of 3,886,207 in 2006. Most of that growth is due to immigrants from other states, and immigrants from other nations along with their descendants. The minority population is expected to continue to grow, increasing to represent more than half of the total population. The increase in the non-Anglo population is what is impacting Harris County and Texas so significantly. By 2004, Anglos were less than half of the population for the first time. Growth of the Hispanic population is a national phenomenon according to Dr. Murdock.

HARRIS COUNTY AT A GLANCE

2006 Population	3,886,207
Age	
% Under 18 Years	28.95%
% Over 65 Years	7.65%
Ethnicity	
% White	36.7
% Black	18.4
% Hispanic	38.2
% Asian	5.4
Households,	1,325,019
% Family	68.6
% Non-family	31.4
Education	
% High School Graduate	25.1%
% College Degree	32.0%
% With Disability	12.1
Income & Poverty	
Median Household Income	$53,779
% Families Below Poverty	13.0
Housing Units	1,495,024
% Owners	58.3
% Renters	41.7

Source: U.S. Census Bureau, 2006 American Community Survey
2006 Demographicsnow.com, 09/18/07

This diverse population will also be an aging population. As baby boomers reach retirement age, median age will increase reflecting an overall older population. Baby boomers make up about 25 percent of the Texas populations. A young minority population in Harris County will temper the boomers increased age. According to Dr. Murdock, in the next three decades, the aging of the baby boomers will create the largest number and percent of elderly people we have ever had. In addition, household composition will continue to change as more single persons, single parents, married couples without children and other non-traditional family types characterize the population.

These projected demographic changes would be meaningless if it were not for their far-reaching implications. If the projected demographic changes take place, and relationships between such factors as minority status and income do not change, Harris County will be poorer and less competitive in the future.

General Population

A community's population size and location is dependent upon a number of factors. These include, but are not limited to a community's ability to provide quality infrastructure and satisfactory levels of basic public services and facilities, such as, police, fire, emergency medical services, streets, schools, and utilities at an acceptable cost to taxpayers; the impact of growth and development on the natural environment and quality of life. Harris County is fortunate with the surplus of available land to absorb an expanding population. This trend, however, is changing as an ever increasing immigrant and natural population are pushing growth to the out laying regions of the county.

The Bureau of the Census estimates Harris County's 2006 population at 3,886,207. At this population, Harris County continues to be the third-largest county in the United States. Between 2000 and 2006, Harris County's population grew by almost 14.28 percent which is the second fastest growth rate among the ten largest counties in the U.S. (Table 3.1).

Table 3.1 Population Growth Among the Ten Largest U.S. Counties, 1990-2000, 2006 (Estimated)

U.S. County	1990 Population	2000 Population	2006 Population	Change, 1990-2000	Change, 2000-2006
Los Angeles, CA	8,863,164	9,519,338	9,948,081	7.4%	4.50%
Cook, IL	5,105,067	5,376,741	5,288,655	5.3%	1.64%
Harris, TX	**2,818,199**	**3,400,578**	**3,886,207**	**20.66%**	**14.28%**
Maricopa, AZ	2,122,101	3,072,149	3,768,123	44.76%	22.65%
Orange, CA	2,410,556	2,846,289	3,002,048	18.07%	5.47%
San Diego, CA	2,498,016	2,813,833	2,941,454	12.64%	4.54%
Kings, NY	2,300,664	2,465,326	2,508,820	7.15%	1.76%
Miami-Dade, FL	1,937,094	2,253,362	2,402,208	16.32%	6.61%
Queens, NY	1,951,598	2,229,379	2,225,175	14.23%	0.19%
Dallas, TX	1,852,691	2,218,899	2,345,815	19.77%	5.72%

Source: TX Real Estate Center, Texas A&M University

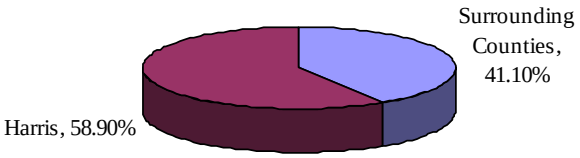
Harris County continues to be one of the top growing areas among the ten largest counties in the U.S. At a regional level, Harris County accounted for 58.9 percent of the growth (regions increased by 824,542 persons) in the region between 2000 & 2006 (Figure 3.1 & Table 3.2).

Table 3.2 Population Growth, Houston Metropolitan Statistical Area, 2000-2006

County	2000	2006	Percent Change, 2000-2006	Number Change, 2000-2006
Brazoria	241,767	287,898	19.08%	46,131
Chambers	26,031	28,779	10.56%	2,748
Fort Bend	354,452	493,187	39.14%	138,735
Galveston	250,158	283,551	13.35%	33,393
Harris	3,400,578	3,886,207	14.28%	485,629
Liberty	70,154	75,685	7.88%	5,531
Montgomery	293,768	398,290	35.58%	104,522
Waller	32,663	35,185	7.72%	2,522
San Jacinto	22,246	24,760	11.30%	2,514
Austin	23,590	26,407	11.94%	2,817

Source: TX Real Estate Center, Texas A&M University

Figure 3.1 Population Growth, 2000-2006



Source: TX Real Estate Center, Texas A&M University

Between 1990 and 2000 the incorporated areas experienced a much higher growth rate than the unincorporated area. The incorporated area accounted for about 62 percent of the growth in Harris County, when the population of the unincorporated area grew from 832,095 to 1,053,101, a 26.56 percent increase. At the same time, the population of the incorporated area grew from 1,986,104 to 2,347,477, an 18.19 percent increase.

Table 3.3 Growth in Harris County Compared, 1990-2000

	1990 Population	2000 Population	Change, 1990-2000
Harris County	2,818,199	3,400,578	20.66%
Incorporated Area	1,986,104	2,347,477	18.19%
Unincorporated Area	832,095	1,053,101	26.56%
CSD Service Area	1,002,969	1,237,055	23.33%

Source: 2000 Census of Population and Housing, Bureau of the Census, Population Estimates for States, Counties, Places, and Minor Civil Division

The population in incorporated areas continues to comprise the majority of the Harris County population. As shown in Map 3.2 Population Density, 2000, the population is centrally concentrated primarily within the boundaries of Beltway 8 and the City of Houston. About 69 percent of Harris County residents reside in one of the 34 incorporated areas of Harris County. Of the 2,347,477 persons, 1,954,848 live within Houston-the fourth-largest city in the U.S. Another 208,675 live in Baytown or Pasadena, both of which have populations greater than 50,000.

Tables 3.4 and 3.5, illustrate each precinct's population for 2000 and 2006. In 2000, Precinct Three is the most populous precinct in Harris County, followed by Precinct Two, Precinct Four, and Precinct One. In 2006, Precinct Three remained the most populous precinct in Harris County, followed by Precinct Four, Precinct Two, and Precinct One.

Table 3.4 Population by Precinct, 2000

	Pct. 1	Pct. 2	Pct. 3	Pct. 4
Population	839,095	860,832	934,717	855,945
Unincorporated	156,545	149,524	280,995	571,542
Incorporated	682,550	711,308	653,722	284,403
Unincorporated %	19%	17%	30%	67%
Incorporated %	81%	83%	70%	33%

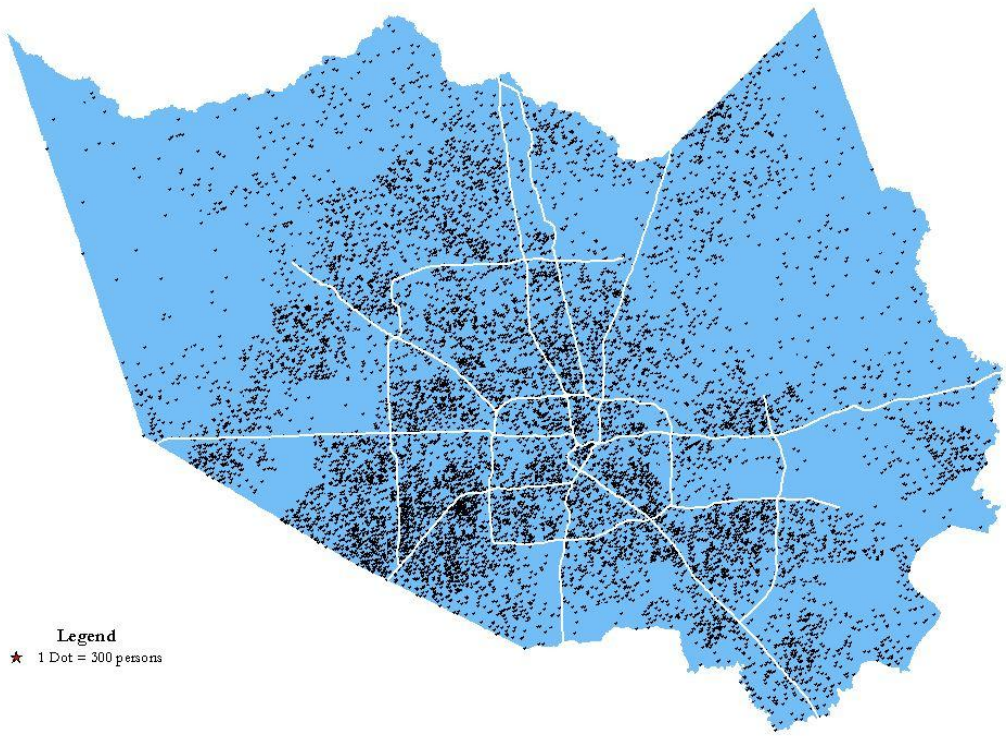
Source: U.S. Census Bureau, 2000 Census

Table 3.5 Population by Precinct, 2006

	Pct. 1	Pct. 2	Pct. 3	Pct. 4
Population	952,214	959,985	1,010,827	963,179
Unincorporated	185,587	171,837	312,851	654,900
Incorporated	766,627	788,148	697,976	308,279
Unincorporated %	16%	17%	29%	58%
Incorporated %	84%	83%	71%	42%

Source: U.S. Census Bureau, 2006 American Community Survey

Map 3.2 Population Density, 2000



Source: 2000 US Bureau of Census

Table 3.6 illustrates each precinct's population by geographic location. Precinct Three is the most populous precinct in Harris County, followed by Precinct Four, Precinct Two, and Precinct One.

Table 3.6 Population by Geographic Classification and Precinct, 2000

	Precinct 1	Precinct 2	Precinct 3	Precinct 4	Harris County
Urban	763,757	894,316	894,657	873,672	3,426,402
Rural	6,253	8,010	17,804	30,491	62,558
Total	770,010	902,326	912,461	904,163	3,488,960

Source: 2000 U.S. Census

Table 3.7 shows the population projections for Harris County, the city of Houston, and unincorporated Harris County. The projections indicate a 28.6 percent increase in the Harris County population from 2005 to 2025 and an 18.2 percent increase in the city of Houston population. Most notable is the 41.7 percent increase in the unincorporated Harris County population, increasing to 2,267,949 persons in 2025.

Table 3.7 County Trends and Projections for Houston CMSA, 2010-2025

Year	Harris County	City of Houston	Unincorporated Harris County
2010	3,908,477	2,114,726	1,793,751
2015	4,208,528	2,225,492	1,983,037
2020	4,445,069	2,306,141	2,138,929
2025	4,632,123	2,364,174	2,267,949

Source: University of Houston Center for Public Policy Institute for Regional Forecasting, DATABook Houston, April 2005

A striking characteristic of Harris County and its precincts are the population densities. There are 770,010 people inhabiting Precinct 1, an area just over 300 square miles, thus, creating a population density of approximately 2,486 people per square mile. In 2000, Precinct 2 was home to 902,326 people. Yet, these residents are confined to an area of 416.2 square miles. The population density was 2,168 people per square mile. The population density for Harris County is 1,960 residents per square mile (Refer to Table 3.8). Both Precincts Three and Four have population densities smaller than Harris County's density. Precincts One and Two had the highest population densities.

Table 3.8 Population Density

	Precinct 1	Precinct 2	Precinct 3	Precinct 4	Harris County
Area (square miles)	309.7	416.2	466.8	587.1	1779.8
Total Population	770,010	902,326	912,461	904,163	3,488,960
Density (people/square miles)	2,486	2,168	1,955	1,540	1,960

Source: 2000 US Census

In 2000, an estimated 1,237,055 persons reside in CSD service area. The population of the CSD service area grew by more than 23 percent between 1990 and 2000 when the service area population added an estimated 234,086 persons (refer to table 3.3).

Movement Within Harris County

Geographic mobility is an indicator of population change through movement both within and from outside of the county. According to the 2000 Census, 47.78 percent of people living in Harris County were living in the same house as five years earlier. Among those who moved, 66 percent had moved during the past five years from another house in the same county, 11.0 percent from elsewhere in Texas, 11 percent from another state, and 10.9 percent from abroad. Most significant of the 2000 Census figures is the indication of more persons moving to Harris County from another county. According to the 2006 estimates from the Census, 80 percent of people living in Harris County were living in the same house as five years earlier. Among those who moved, 14 percent had moved during the past five years from another house in the same county, 2 percent from elsewhere in Texas, 3 percent from another state, and 1 percent from abroad. Figures 3.2 and 3.3 illustrate the change in the proportion of persons moving within Harris County.

Figure 3.2 2000 Movement Within Harris County, Residence 5 Years Ago

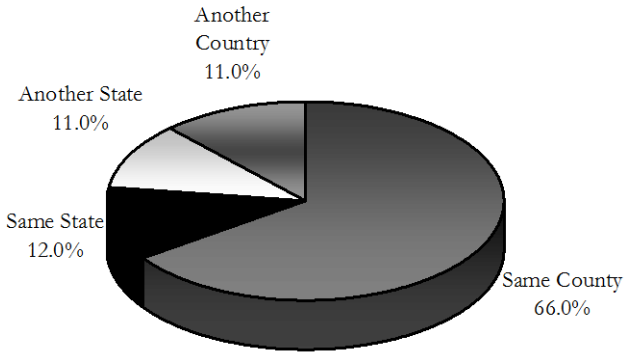
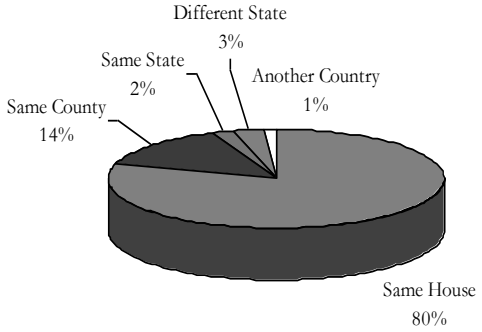


Figure 3.3 2006 Movement Within Harris County, Residence 5 Years Ago



Source: American Community Survey, 2006

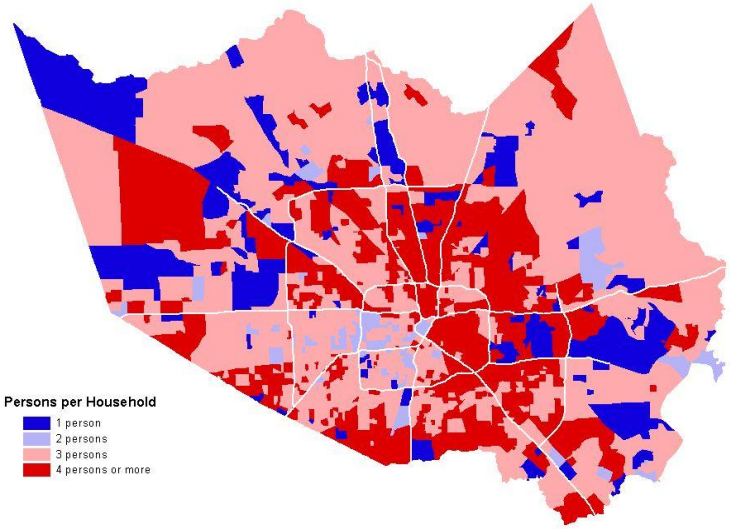
According to Steve Murdock, Texas Demographer, states that an influx of people entering Texas in the wake of Hurricane Katrina made Texas the fastest-growing state in the nation from 2000 to 2006. From April 1, 2000 to July 1, 2006, Texas' population grew from 20.9 million to 23.5 million, an increase of 12.7 percent. Although it is impossible to determine exactly how many people migrated to Texas from Louisiana as a result of Hurricane Katrina, Texas' average annual population increase of approximately 400,000 per year from 2000 to 2005 increased to 579,000 from 2005 to 2006. The number of domestic migrants (people coming to Texas from other states) grew from roughly 60,000 from 2004 to 2005 to nearly 218,000 from 2005 to 2006.

Households and Families

In 2006, the Bureau of Census estimated 1,331,175 households in Harris County. According to this number, households in Harris County increased by 2.55 percent between 2000 and 2006, a much lower rate of growth than the 21 percent increase in population, indicating that the number of persons per household has increased. In 2006, approximately 2.9 persons lived in the average Harris County household, a slightly larger size than the 2.81 persons in 2000.

Map 3.3, Persons Per Household in 2000, shows concentrations of larger households located throughout Harris County. Exceptions include the pockets of areas showing concentrations of smaller households denoted by the light blue and dark blue shading. These areas are located in west, northwest, east, southeast and mid-north central portions of the county. These concentrations of smaller households correspond to areas characterized by rapid population growth.

Map 3.3 Persons Per Household in 2000 According to Block Group



Source: 2000 U.S. Census

According to 2006 estimates from the Census numbers, married couple families represent just over half of all household types. Generally speaking, the presence of married couple households, especially those with children, is an indicator of community and household stability. In 2006, this category of households made up 47 percent of all households in Harris County which demonstrate a decrease from 2000.

Consistent with the projections of Dr. Steve Murdock, Texas State Demographer, is the increase in the number and proportion of non-family households. Non-family households are a household comprised of a group of unrelated people or of one person living alone. Families are classified by type as either a married-couple family or other family Married-couple family households are a family in which the householder and his or her spouse are listed as members of the same household. Other family households are a family with a male or female householder and no spouse of householder present. According to Table 3.9, other family households increased in the number of male and female family householders. These households grew by 20.34 percent and 21.34 percent respectively between 2000 and 2006, accounting for 224,844 (in 2000) and 272,231 (in 2006) households in Harris County. Non-family households —single persons living alone—not only grew at a faster rate than total household growth but also at a faster than total family households, increasing by 12.17 percent between 2000 and 2006. According to table 3.10, in 2000, precinct 3 (62,858) had the majority of the female householders followed by precinct 1 (46,409).

Table 3.9 Household Growth According to Family Type, 2000-2006

Household Type	2000	2006	Percent Change, 2000-2006	Number Change, 2000-2006
Married Couple Families	609,446	636,368	4.42%	26,922
Other Family, Male Householder	59,347	71,417	20.34%	12,070
Other Family, Female Householder	165,497	200,814	21.34%	35,317
Non-Family	371,226	416,420	12.17%	45,194
Total Family Households	834,290	908,599	8.91%	74,309
Total Households	1,205,516	1,325,019	9.91%	119,503

Source: DemographicsNow

Table 3.10 Household Type by Relationship, 2000

Household Type by Relationship	Precinct 1	Percent	Precinct 2	Percent	Precinct 3	Percent	Precinct 4	Percent
In households	752,364	97.71%	884,702	98.05%	907,324	99.44%	897,082	99.22%
In family households	640,104	83.13%	789,817	87.53%	756,371	82.89%	794,310	87.85%
Householder	179,737	28.08%	215,636	27.30%	229,351	30.32%	234,691	29.55%
Spouse	115,515	18.05%	161,005	20.39%	178,994	23.66%	185,541	23.36%
Child	245,527	38.36%	313,019	39.63%	278,088	36.77%	300,418	37.82%
Grandchild	34,571	5.40%	26,220	3.32%	9,640	1.27%	13,646	1.72%
Brother or sister	14,821	2.32%	14,866	1.88%	14,857	1.96%	11,805	1.49%
Parent	7,790	1.22%	8,860	1.12%	9,052	1.20%	7,771	0.98%
Other relatives	24,983	3.90%	29,634	3.75%	19,242	2.54%	21,634	2.72%
Nonrelatives	17,160	2.68%	20,577	2.61%	17,147	2.27%	18,804	2.37%
In nonfamily households	112,260	14.58%	94,885	10.52%	150,953	16.54%	102,772	11.37%
Male householder	46,494	41.42%	40,872	43.08%	62,063	41.11%	41,932	40.80%
Female householder	46,409	41.34%	35,528	37.44%	62,858	41.64%	40,959	39.85%
Nonrelatives	19,357	17.24%	18,485	19.48%	26,032	17.25%	19,881	19.34%
In group quarters	17,646	2.29%	17,624	1.95%	5,137	0.56%	7,081	0.78%
Total	**770,010**	**100%**	**902,326**	**100%**	**912,461**	**100%**	**904,163**	**100%**

Source: 2000 U.S. Census

Age/Gender

In recent decades, the United States' population has been marked with changes in the age structure/median age. This trend can be attributed to the baby boomer population's steady growth and maturation, life expectancy increases, and the continuous influx of immigrants who are typically younger and have larger families. Although this trend is more evident in the southern and western United States, Harris County's population is relatively young. While 14.1 percent of the U.S. population is 65 years of age or older, Harris County persons 65 years and over comprise only 7.36 percent of the population in 2006. Similarly, 25.9 percent of the U.S. population is below 18 years, compared to 28.9 percent in Harris County. In fact, Harris

County's population could be described as the youngest of the 10 largest counties in the country, with the highest percentage of persons below 18 years and the lowest percentage of persons 65 years or older (refer to table 3.12).

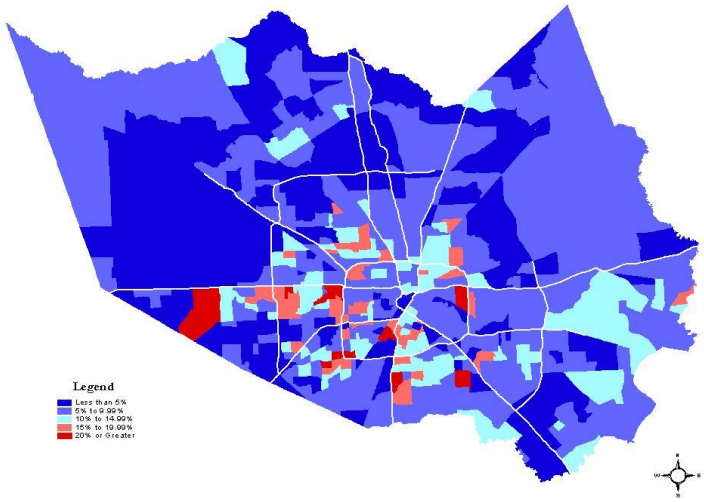
Table 3.11 Age Among the Ten Largest U.S. Counties, 2000

U.S. Counties	0-4	5-17	% Under 18	18-24	25-44	45-64	65+	% 65+
Los Angeles Co	728,242	1,931,560	27.94%	976,588	3,125,890	1,830,088	926,970	9.74%
Cook Co	382,431	1,007,343	25.90%	529,229	1,717,336	1,106,950	630,452	11.73%
Harris Co	**278,579**	**703,561**	**28.88%**	**351,039**	**1,145,868**	**671,115**	**250,416**	**7.36%**
San Diego Co	196,115	524,636	25.61%	319,755	907,811	551,814	313,702	11.15%
Orange Co	213,881	553,248	26.95%	265,704	950,519	584,132	278,805	9.80%
Maricopa Co	239,455	585,856	26.86%	311,881	971,068	605,055	358,834	11.68%
Kings Co	180,103	478,560	26.72%	253,793	761,301	508,287	283,282	11.49%
Wayne Co	151,911	425,121	28.00%	178,842	626,258	429,149	249,881	12.12%
Dade Co	144,850	412,572	24.74%	204,151	703,922	487,550	300,317	13.33%
Queens Co	140,509	366916	22.76%	212,452	741,807	484,871	282,824	12.69%

Source: 2000 U.S. Census

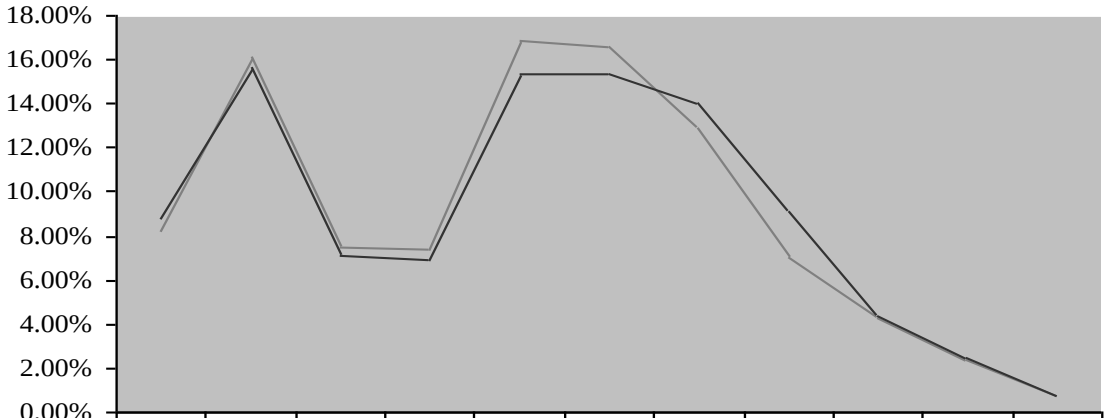
While Harris County may be described as relatively young in comparison to other counties, the population is aging. The baby boom generation, those born between 1946 and 1964, made up 27 percent of the Harris County population in 1990. According to 2000 figures this group now comprises more than 29 percent of the total population. This group is also responsible for the increase in median age over the last ten years. Currently median age for Harris County was 30.5 in 2000. The population will continue to steadily age as baby boomers near 65 years of age; by 2030 one out of six persons (16.8 percent) will be over 65 compared to the 7.7 percent in 1998. Map 3.4, Age, Percentage 65 Years & Older in 1990, shows that the vast majority of elderly concentrations occur within Beltway 8, the central west side and, the incorporated areas.

Map 3.4 Age, Percentage 65 Years & Older in 2000, According to Census Tract



Source: 2000 U.S. Census

Figure 3.6 Population According to Age, 2000-2006



	0 to 4	5 to 14	15 to 19	20 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 to 84	85 and over
2000	8.27%	16.10%	7.49%	7.43%	16.88%	16.54%	12.84%	7.01%	4.30%	2.39%	0.75%
2006	8.80%	15.59%	7.14%	6.93%	15.37%	15.34%	14.04%	9.13%	4.35%	2.50%	0.80%

Source: 2000 US Census, American Community Survey, 2006

In 2006, the 5 to 14 years age group at 15.59 percent (605,984 persons) had the highest population in Harris County as indicated by fig. 3.6. The 25 to 34 years of age group at 15.37 percent (597,261 persons) had the second highest population, and the 35 to 44 years of age group at 15.34 percent (596,289 persons) had the third highest population. The senior citizen population consists of 7.65 percent (297,327 persons) of the county's population. When looking

at the population by age group, ages 35-44 in precinct 3 had the highest population followed by precinct 4 (refer to table 3.12).

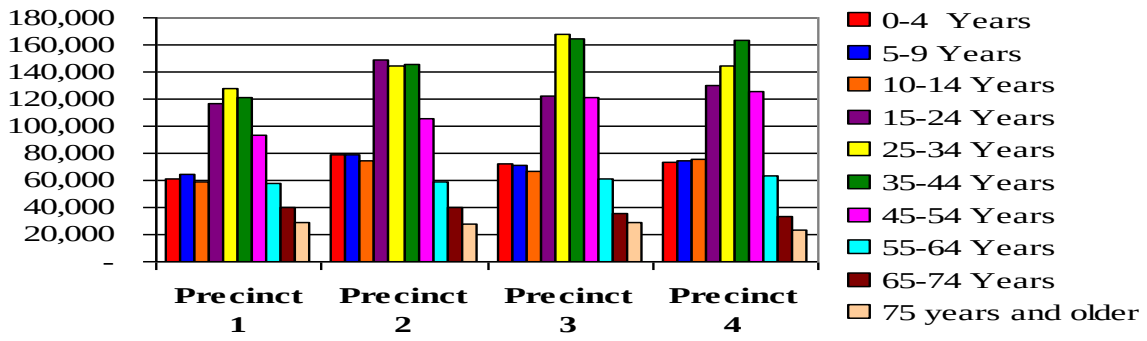
Table 3.12 Population by Age, 2000

Age Group	Precinct 1	Percent	Precinct 2	Percent	Precinct 3	Percent	Precinct 4	Percent	Harris County
0-4 Years	61,299	7.96%	78,883	8.74%	72,345	7.93%	73,083	8.08%	285,610
5-9 Years	64,247	8.34%	78,576	8.71%	71,611	7.85%	74,164	8.20%	288,598
10-14 Years	58,986	7.66%	74,985	8.31%	66,341	7.27%	75,035	8.30%	275,347
15-24 Years	116,953	15.19%	148,726	16.48%	122,657	13.44%	129,487	14.32%	517,823
25-34 Years	127,708	16.59%	144,231	15.98%	167,593	18.37%	144,296	15.96%	583,828
35-44 Years	120,784	15.69%	145,375	16.11%	164,509	18.03%	163,033	18.03%	593,701
45-54 Years	93,169	12.10%	105,474	11.69%	121,292	13.29%	125,941	13.93%	445,876
55-64 Years	57,570	7.48%	58,439	6.48%	61,549	6.75%	63,232	6.99%	240,790
65-74 Years	40,376	5.24%	39,833	4.41%	35,987	3.94%	32,813	3.63%	149,009
75 years and older	28,918	3.76%	27,804	3.08%	28,577	3.13%	23,079	2.55%	108,378
Total	770,010	100%	902,326	100%	912,461	100%	904,163	100%	3,488,960

Source: 2000 U.S. Census

According to Table 3.12 and Figure 3.7, the age groups 25-34 and 35-44 make up the majority of the population in Harris County. The age group 75 years and older makes up the lowest population in Harris County.

Figure 3.7 Population by Age by Precinct



Source: 2000 U.S. Census

The 2006 American Community Survey affirms the female population accounts for approximately 50 percent of the total American population. Females 65 years of age or older comprise 4 percent at 171,214 of the total county population. Yet, a further look at the age distribution of males and females reveals several interesting points. While the proportion of men to women ages 44 and younger in Harris County is relatively equal, there are more males in Harris County ages 44 and younger. This progression ends in the 45-54 years of age cohort as women begin to outnumber men (refer to table 3.13). This is not uncommon as males are generally the majority sex from birth to early/middle adulthood.

Table 3.13 Population by Gender, 2006

Age Group	Male	Female
0-4 Years	174,404	167,516
5-9 Years	168,744	145,204
10-14 Years	141,236	150,800
15-24 Years	283,118	263,765
25-34 Years	306,740	290,521
35-44 Years	301,772	294,517
45-54 Years	271,506	274,298
55-64 Years	172,262	182,477
65-74 Years	77,929	91,059
75 years and older	48,184	80,155
Total	1,945,895	1,940,312

Source: American Community Survey, 2006

Race/Ethnicity

The Texas State Data Center (TSDC) projects that the population of the state of Texas will become increasingly ethnically diverse in coming years. According to TSDC demographers, "By 2008, Texas will be less than half White and by 2030. The center projects the state of Texas to be about 37 percent White, 9 percent Black, 46 percent Hispanic and about 8 percent of the population being from other racial/ethnic groups, primarily Asian." For Harris County, population growth, particularly minority population growth, is expected to mirror the state. The Asian and Hispanic populations are projected to continue to experience rapid growth while other racial groups—particularly Whites—will show little growth.

According to table 3.14, the Hispanic and Asian communities experienced explosive growth during the 2000-2006. According to 2000 numbers, these racial groups are continuing to grow at a rapid rate. Between 2000 and 2006, the Hispanic community experienced a 32.6 percent change, increasing to 1,484,311 persons, representing 38.2 percent a total of the total county population. Likewise, the Asian population experienced a 20.4 percent change, increasing to 280,395 persons, representing 5.4 percent of the total county population.

The White population also decreased from 1,432,264 to 1,427,587. The Black communities grew at a modest pace, experiencing a 15.5 percent change, increasing from 619,694 to 715,627, and representing 18.4 percent a total of the total county population.

Table 3.14 Ethnicity in Harris County, 2000-2006

	1990 Population	Percent	2000 Population	Percent	2006 Population	Percent
White	1533307	54.41%	1,432,264	42.12%	1,427,587	36.73%
Black	532735	18.90%	619,694	18.22%	715,627	18.41%
Hispanic	634648	22.52%	1,119,751	32.93%	1,484,311	38.19%
Asian	113314	4.02%	173,026	5.09%	208,395	5.36%
Other	4195	0.15%	12,994	0.38%	20,109	0.52%
Two or More Races***	***	***	42,849	1.26%	30,178	0.78%
Total	2818199	100%	3,400,578	100.00%	3,886,207	100%

**** Category was not available for 1990 Census*
Source: 1990 and 2000 U.S. Census & American Community Survey, 2006

Table 3.15 Ethnicity in Harris County by Precinct, 2000

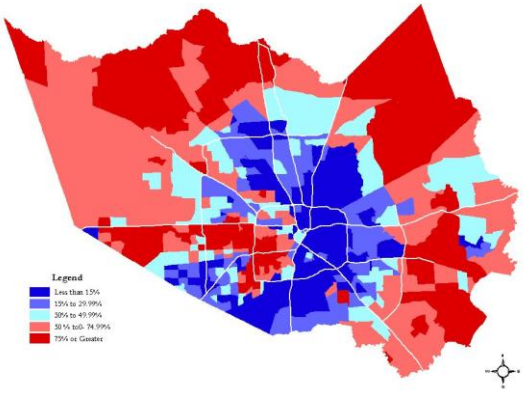
	Precinct 1	Precinct 2	Precinct 3	Precinct 4
White	175,262	329,224	455,853	492,305
Black	319,613	81,316	123,757	113,919
Hispanic	238,757	457,879	227,413	236,893
Asian	25,559	21,287	83,107	43,928
Other	2,765	3,156	3,884	4,103
Two or More Races***	8,054	9,464	18,447	13,015

Source: 2000 U.S. Census

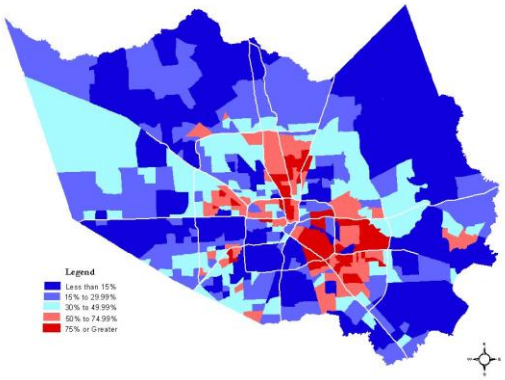
According to Table 3.15, precinct two has the highest Hispanic population, followed by precinct one, precinct four, and precinct three. Blacks had the highest population in precinct one and Whites in precinct four. Asians were more populous in precinct three.

Map 3.6, Ethnicity, Percentage White in 2000, shows that a significant majority of census tracts in which Whites comprise more than 75 percent of the population are located in the unincorporated area. Map 3-7, Ethnicity, Percentage Hispanic in 2000, shows that Hispanic concentrations tend to be located within incorporated north central and east-central Harris County. Map 3.8, Ethnicity, Percentage Black in 2000, shows that areas of Black concentration are generally located within incorporated northeast-central and south-central Harris County.

Map 3.5 Ethnicity, Percentage White in 2000, According to Census Tract

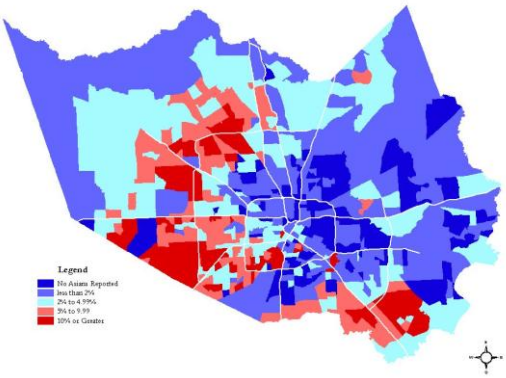


Map 3.6 Ethnicity, Percentage Hispanic in 2000, According to Census Tract

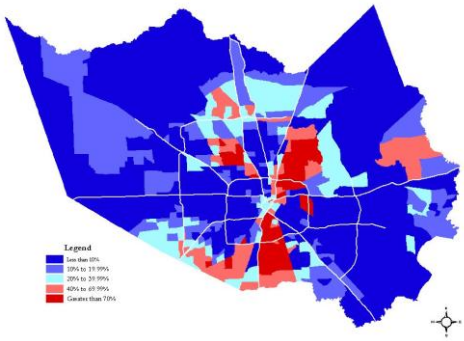


Source: 2000 U.S. Census

Map 3.7 Ethnicity, Percentage Black in 2000, According to Census Tract



Map 3.8 Ethnicity, Percentage Asian in 2000, According to Census Tract



Source: 2000 U.S. Census

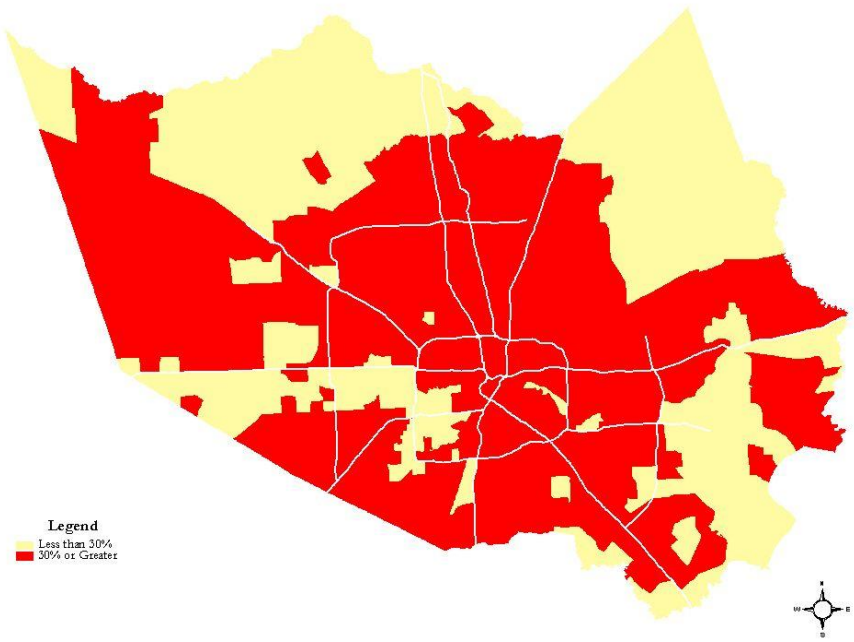
Asians account for 5.4 percent of the total Harris County population. It appears that the Asian community is only slightly more likely to locate in the unincorporated area. Map 3-8, Ethnicity, Percentage Asian in 2000, shows that Asian population concentrations occur along the western and southeastern edges of Houston and other centrally located incorporated areas.

Growth in the minority population is a key factor in overall population growth of Harris County. According to 2006 Census numbers, the minority population represents more than half of the county population. Between 2000 and 2006 the minority proportion of the total population increased from 25 percent. This percentage represents an increase of 490,306 persons between 2000 and 2006.

Map 3.9, Minority Concentration in 2000 shows that areas of minority concentration occur

throughout the county. Rather than identify the areas that have a concentration of minorities, it is easier to identify those areas that do not have a concentration. Those areas are unincorporated northwest, most of the unincorporated northeast, central west, and far southeast.

Map 3.9 Minority Concentration in 2000, According to Census Tract



Source: 2000 U.S. Census

Income

In 2006, the median household income in Harris County was $47,129 according to the 2006 American Community Survey. Between 2000 and 2006 households earning more than $50,000 increased by 21.6 percent (refer to table 3.16).

Table 3.16 Harris County Household Income, 2006

Income Range	2000	2006
Less than $9,999	9.21%	7.84%
$10,000 to $14,999	5.71%	5.49%
$15,000 to $24,999	12.60%	12.26%
$25,000 to $34,999	13.23%	11.66%
$35,000 to $49,999	16.15%	15.26%
$50,000 to $74,999	18.41%	17.56%
$75,000 to $99,999	10.34%	10.98%
$100,000 to $124,999	5.91%	7.20%
$125,000 to $149,999	2.91%	3.90%
$150,000 or more	5.54%	7.85%

Source: 2000 U.S. Census & American Community Survey, 2006

Growth of Consumer Price Index (CPI) or cost of living outpaced the growth of the median household income between 1990 and 2006 indicating household income in Harris County failed to surpass increases in the price of goods and services. *Table 3.17, Growth of Median Household Income and Consumer Price Index Compared 1990-2006* compares the percent change between 2000 and 2006.

Table 3.17 Growth of Median Household Income & Consumer Price Index, 1990-2006

	1990	2000	2006	Percent Change, 2000-2006
Consumer Price Index	120.60	154.2	180.6	17.1%
Median Household Income	$30,970	$42,598	$47,129	10.6%

Source: 1990 and 2000 Census & American Community Survey, 2006

Figure 3.8 Low- Income, 2000

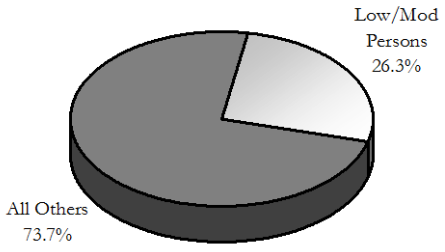
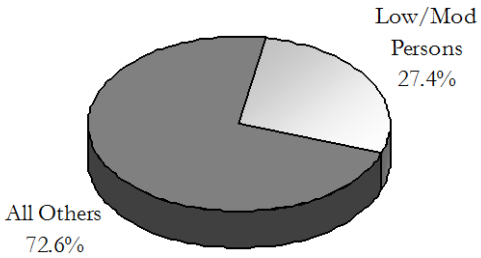


Figure 3.9 Low- Income, 2006

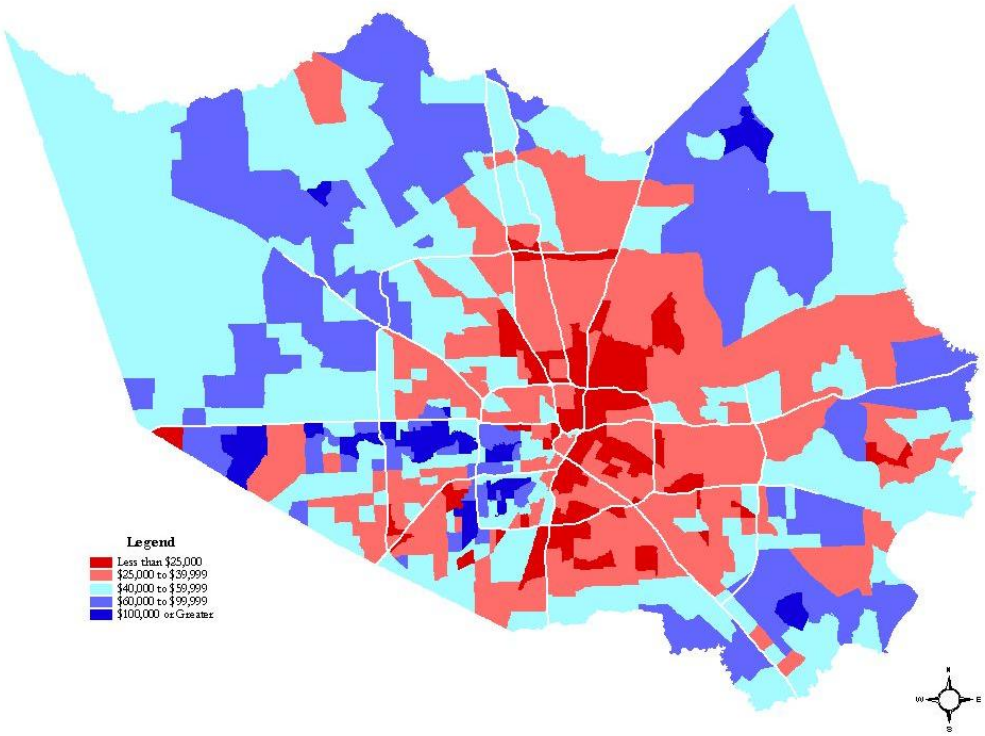


Source: 2000 Low and Moderate Income Summary Data CDBG Entitlement Program, U.S. Department of Housing and Urban Development

According to Figs. 3.8 and 3.9, in 2006 low-and moderate-income persons represent 27.4 percent compared to 26.3 percent in 2000. All others represent 72.6 percent in 2006.

Map 3.10, Median Household Income in 2000, shows geographic distribution of household income in Harris County. It shows that concentrations of higher income households located in the west, southwest, northwest, far northeast and far southeast. Generally, lower income households are located in the eastern portion of the county.

Map 3.10, Median Household Income in 2000



Source: 2000 U.S. Census

According to table 3.18, in 2000 the median household income was highest in Precinct Three ($63,401), followed by Precincts Four ($55,477), Two ($37,554), and One ($ 34,213). Across age groups, with the exception of the 75 years and older age group, Precinct One, which is predominately the city of Houston, had the lowest median household income. With the exception of householder under 25 years of age, Precinct Three has the highest median household income across the age groups.

Table 3.18 Median Household Income by Age of Householder by Precinct, 2000

	Median Household Income	Under 25 years	25 to 34 years	35 to 44 years	45 to 54 years	55 to 64 years	65 to 74 years	75 years and over
Precinct 1	$34,213	$18,482	$33,413	$38,895	$43,197	$39,787	$30,617	$24,337
Precinct 2	$37,554	$23,793	$37,258	$41,776	$47,378	$43,586	$31,213	$24,179
Precinct 3	$63,401	$24,478	$56,445	$68,562	$75,389	$69,237	$48,288	$39,157
Precinct 4	$55,477	$27,391	$50,096	$59,119	$67,733	$61,468	$43,065	$29,287
Harris County	$42,598	$24,210	$38,053	$47,930	$57,455	$50,695	$33,431	$25,375

Source: 2000 U.S. Census

Harris County FY 2006 Income Limits

FY 2006 Median Family* Income	$60,900
Extremely Low-Income (30% MFI)	$18,300
Very Low-Income (50% of MFI)	$30,500
Low-Income(80% of MFI)	$48,800

**Based on a family of four*
Source: FY 2006 Income Limits, U.S. Department of Housing and Urban Development

Harris County FY 2007 Income Limits

FY 2007 Median Family* Income	$57,300
Extremely Low-Income (30% MFI)	$18,300
Very Low-Income (50% of MFI)	$30,500
Low-Income(80% of MFI)	$48,800

**Based on a family of four*
Source: FY 2007 Income Limits, U.S. Department of Housing and Urban Development

Contrary to household income increases and coupled with racial income disparities is the increase and projected growth of low-income persons and households. Low-income persons are defined as persons residing in households earning less than 80 percent of the area Median Family Income (MFI). For the purpose of determining the number of low-income persons, the U.S. Department of Housing and Urban Development (HUD) divides households into five income groups:

- **Extremely Low-income** (0 to 30 percent of the area MFI);
- **Very Low-Income** (31 to 50 percent of area MFI);
- **Low-Income** (51 to 80 percent of area MFI)

In 1995, HUD reported 270,601 very low- and low-income persons within the CSD service area according to *1995 Annual Update for the 1990 Low-Income Summary Data (LMISD).* Between 1989 and 1995 the proportion of low-income persons in the CSD service area increased only slightly.

Unlike the slight growth in the proportion of low-income persons, low-income households are projected to experience significant increases over the next few years. By 2002, HUD projects that 41 percent of all Harris County households will qualify as very low- and low-income according to *2002 Consolidated Housing Affordability (CHAS) Table 1c.* This represents 498,715 low-income households. Of this number, 136,764 households will reside within the CSD service area, a 44.1 percent increase in low-income households from 1990. (Table 3.19)

Table 3.19 Low-Income Households, 1990-2002 (CSD Service Area)

	1990		2002		Percent Change, 1990-2002	
	Total	Elderly	Total	Elderly	Total	Elderly
0 to 30% MFI	23,539	5,992	35,572	9,723	51.1%	62.3%
31 to 50% MFI	24,465	4,912	35,636	7,938	45.7%	61.6%
51 to 80% MFI	46,887	5,680	65,554	8,738	39.8%	53.8%
Total Low Income	94,891	16,584	136,762	26,398	44.1%	59.2%
Total Households	346,460	18,449	419,045	40,606	21.0%	120.1%

Source: 1990 & 2002 Consolidated Housing Affordability (CHAS) Table 1C, U.S. Department of Housing and Urban Development

The proportion of low-income households is projected to increase by 5.2 percent between 1990

and 2002. Figures 3.10 and 3.11 show the proportion of low-income persons in 1990 and 2002.

Figure 3.10 Low- and Moderate-Income Households, 1990

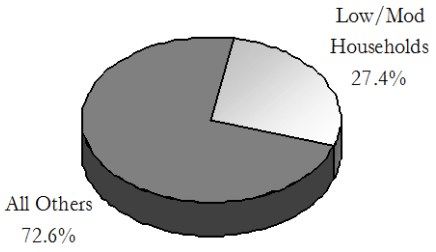
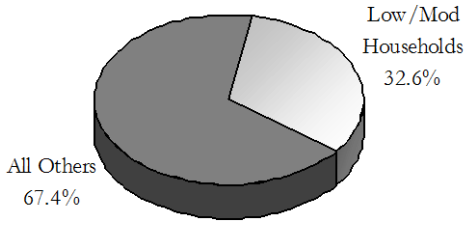


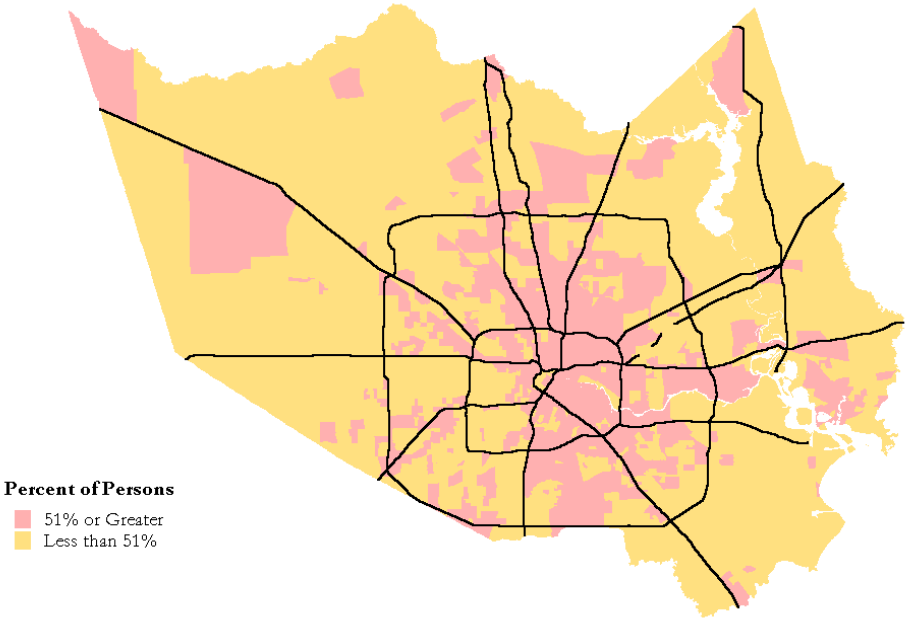
Figure 3.11 Low- and Moderate-Income Households, 2002



Source: 1990 & 2002 Consolidated Housing Affordability (CHAS) Table 1C, U.S. Department of Housing and Urban Development

Geographic analysis of low-income areas indicates that low-income persons are most likely to reside in the eastern portion of the county. *Map 3.11, Low- and Moderate-Income Areas in 1995, According to Block Group*, shows areas where more than 51 percent of population earns less than 80 percent of the MFI.

Map 3.11 Low-Income Areas, According to Block Group



Source: 2000 Low-Income Summary Data (LMISD), U.S. Department of Housing and Urban Development

Poverty

According to the 2000 Census Bureau, in 1999 15.11 percent of Harris County residents were below the poverty level compared to 16.44 percent in 2006. The age group with the greatest percentage of residents below the poverty level is children under the age of 18 at 19.97 percent compared to 23.5 percent in 2006. The age group with the second highest poverty level percentage is the 18 to 64 years at 13.21 percent compared to a slightly higher 13.77 percent in 2006. High child poverty percentages can be attributed to the erosion of employment opportunities for female head of household families, the declining value and availability of public assistance, and the lack of affordable housing. The 65 years and older age group has the lowest percentage of residents living below the poverty level at 12.47 percent compared to 11.97 percent in 2006 (refer to table 3.20).

Table 3.20 Poverty Status by Age in 1999-2006

Age Group	Total	Number Below Poverty Level	Percentage	Number At or Above Poverty Level	Percentage
1999					
Under 18 years	994,366	198,571	19.97%	795,795	80.03%
18 to 64 years	2,201,542	290,898	13.21%	1,910,644	86.79%
65 years and older	248,594	31,008	12.47%	217,586	87.53%
Total	3,444,502	520,477	15.11%	2,924,025	84.89%
2006					
Under 18 years	1,106,347	259,986	23.50%	846,361	76.50%
18 to 64 years	2,444,542	336,584	13.77%	2,107,958	86.23%
65 years and older	287,782	34,436	11.97%	253,346	88.03%
Total	3,838,671	631,006	16.44%	3,207,665	83.56%

Source: 2000 US Census Bureau, American Community Survey, 2006

Language Proficiency

English language proficiency is an important determinant of the wage and educational disparities between immigrants and citizens. Non-English speakers and individuals with little English language skills are commonly employed in occupations that require little education and have minute earning power. Specialized occupations generally require oral and written communication skills in the dominant language. Moreover, a significant number of employers tend not to hire workers who do not fluently speak the dominant language.

According to table 3.21, English Proficiency for children Ages 5 to 17 Years - 2000, 84.94 percent of all children ages 5 to 17 in Harris County speak English 'very well', 8.61 percent speak English 'well', 4.92 percent speak English 'not well', and 1.53 percent speak English 'not at all'. Of the 275,050 children in Harris County who speak a language other than English, 60.58 percent speak English 'very well', 22.55 percent speak English 'well', 12.88 percent speak English 'not well', and 4.00 percent speak English 'not at all.'

Table 3.21 English Proficiency for Children Ages 5 to 17 Years, 2000

	Total	Speak English 'very well"	Percent	Speak English 'well'	Percent	Speak English 'not well'	Percent	Speak English 'not at all'	Percent
Children Ages 5 to 17	720,223	611,793	84.94%	62,020	8.61%	35,416	4.92%	10,994	1.53%
Speak only English	445,173	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Speak language other than English	275,050	166,620	60.58%	62,020	22.55%	35,416	12.88%	10,994	4.00%
Speak Spanish	237,942	141,373	59.41%	53,560	22.51%	32,332	13.59%	10,677	4.49%
Speak other Indo-European languages	12,564	9,578	76.23%	2,167	17.25%	732	5.83%	87	0.69%
Speak Asian and Pacific Island languages	20,068	12,148	60.53%	5,636	28.08%	2,086	10.39%	198	0.99%
Speak other languages	4,476	3,521	78.66%	657	14.68%	266	5.94%	32	0.71%

Source: 2000 U.S. Census

Employment and Education

Employment and education are key indicators in the status of a local economy. Changes in employment and education are telling characteristics in how the economy is diversifying to meet the labor force needs of its business community. These indicators also show the capacity of a population to earn more income and thus overcome such conditions as poverty and homelessness. In coming years, projections at the state level by Dr. Steve Murdock, Texas State Demographer, suggest that in 2002, "the labor force could become less well educated and more poorly paid," if current conditions between minority status and education and employment do not change. Harris County, being the most populous county of the state, is projected to follow this trend at the local level over the next thirty years. However, analysis of the 2000 Census figures and the 2006 American Community Survey (ACS) estimates show that contrary to the projected decrease in educational levels and increase in low-skilled/low-wage jobs, Harris County has actually witnessed increases in the number of persons obtaining high school diplomas and college degrees and number of skilled professional and managerial jobs.

General Employment

The most recent civilian labor force estimates from Texas Workforce Commission for Texas statewide in July 2007 is 11,643,024, which is an increase in the labor force of 57,040 persons since July 2006. This represents a 0.5 percent change in Texas during this time period. These estimates are not seasonally adjusted. Harris County had a civilian labor force (CLF) of 1,929,794 for July 2007 which was a change of 27,078 in CLF since July 2006. This change

represented an increase of 1.4 percent for Harris County.

The median income of households in Harris County was $47,129 in 2006. Eighty-eight percent of the households received earnings and 10 percent received retirement income other than Social Security. Seventeen percent of the households received Social Security. The average income from Social Security was $13,374. These income sources are not mutually exclusive; that is, some households received income from more than one source according to the 2006 American Community Survey (ACS).

In 2006, there were 1,989,130 persons 16 years and older in Harris County, this number represents a 44.8 percent in the labor force. Of that 44.8 percent in the labor force, 56.6 percent are employed and 7.5 percent are unemployed.

Among the most common occupations in Harris County were. (refer to table 3.22). Management, professional and related occupations; Service occupations; Sales and office occupations; Farming, fishing, and forestry occupations; Construction, extraction, maintenance and repair occupations and Production, transportation, and material moving occupations.

Table 3.22 Employment by Occupation in Harris County for 2000-2006

Occupation	2000	2002	2006
Management, professional, and related occupations	533,406	579,170	593,419
Service occupations	241,725	238,552	297,368
Sales and office occupations	446,409	437,357	466,462
Farming, fishing, and forestry occupations	3,179	681	1,692
Construction, extraction, maintenance and repair occupations	195,106	219,264	235,768
Production, transportation, and material moving occupations	223,709	209,708	243,882

Source: American Community Survey, 2006

When compared to the state of Texas and the nation, Harris County had a similar composition of occupations in 2006. Managerial, professional and related specialty occupations comprised the greatest proportion, at 34.8 percent.

Labor Force

An increasingly sophisticated labor market requires a skilled workforce, and educational attainment is an important indicator of potential economic growth. The Texas Workforce Commission projected that, by the year 2006, professional and technical occupations would account for 20 percent of all jobs in the state. The number of workers available, along with their education, skills and training, influence the type of business that will locate in an area. To achieve greater economic variety and continue its prominence in the domestic and international business arenas in petrochemicals, engineering, health care, and scientific industries, Harris County must continue to attract and cultivate professionals in these industries and subsequent occupations.

Table 3.23 illustrates the industries and their concentration of workers by sex and percentage of the total Harris County labor force. The area's fastest growing groups - women, and racial and ethnic minorities - typically have below average educational attainment. The lack of skill and education is reflected in the concentration of workers in certain occupations. Female workers are concentrated mainly in sales and office occupations. Male workers are concentrated in the construction, extraction, maintenance, and repair occupations, followed by farming, fishing, and forestry occupations. Women made up 37.9 percent of the labor force and men made up 62.1 percent of the labor force.

Table 3.23 Occupational Distribution for Males and Females, 2006

Occupation	Male	Female
Management, professional, and related occupations	50.4%	49.6%
Service occupations	44.3%	55.7%
Sales and office occupations	39.9%	60.1%
Farming, fishing, and forestry occupations	82.8%	17.2%
Construction, extraction, maintenance, and repair occupations	97.1%	2.9%
Production, transportation, and material moving occupations	73.3%	26.7%

Source: American Community Survey, 2006

Table 3.24 Percentage of Employment by Industry, 2000-2006

Industry	% in 2000	% in 2006
Agriculture, forestry, fishing and hunting, and mining	2.23%	2.0%
Construction	8.74%	11.0%
Manufacturing	11.75%	10.0%
Wholesale trade	4.90%	4.0%
Retail trade	11.05%	10.0%
Transportation and warehousing, and utilities	6.79%	6.0%
Information	2.31%	2.0%
Finance, insurance, real estate and rental and leasing	7.02%	7.0%
Professional, scientific, management, administrative, and waste management services	12.54%	13.0%
Educational, health and social services	17.03%	17.0%
Arts, entertainment, and recreation	7.21%	8.0%
Other Services (except public administration)	5.50%	6.0%
Public administration	2.91%	3.0%

Source: 2000 U.S. Census & American Community Survey, 2006

The Texas Industry Profiles represents industries with prominent international exposure, such as oil and gas, petroleum and plastics, and engineering and construction services. These industries felt the impact of recessions in Asia and Latin America, and are just now starting to reap the fruits of improvements abroad. Also present are those that maintain a large domestic focus, which enjoy the stimulus of the ongoing national expansion that has helped the growth of Houston's economy. Listed below are the top manufactures for Harris County.

Table 3.25 Top 16 Manufactures for Harris County

Coastal Refining & Marketing	Rohm & Haas Texas Inc
Nextiraone Llc	Anheuser-Busch Inc
Shell Chemical	Baker Oil Tools
Corporate Brand Foods America	Goodman Manufacturing Corp
Equistar Chemicals Lp	Lockheed Martin Corp
Coco-Cola Bottling Co.	Mrs. Baird's Bakeries Inc
Simpson Pasadena Paper Co	NCI Building Systems
Lyondell Chemical Co	

Source: Texas Workforce Commission, Texas Industry Profiles

According to the Texas Workforce Commission, in the foreseeable future, jobs in services and government will lead the region's workforce growth. Government employment should be driven by population growth and by demands for services in the areas of education, social services and criminal justice. The most rapid growth should be in the field of health and business services.

At the regional level, job growth has occurred in the low pay, low skill or high pay, high skill occupations. Two of the fastest growing employment fields are business services and engineering/managerial services. Business services pay below-average wages, while engineering/managerial services pay some of the highest wages (with average earnings nearly twice the regional average). The Harris County area also has a large service sector, much of which is supported by health services employment at large hospitals, medical schools and medical research centers. Seven out of 10 jobs in the Harris County area are in the service-producing industries.

Travel Time to Work and Means of Transportation to Work

The 2006 American Community Survey reveals the travel time to work and the number of residents that work at home has decreased for a few travel times since 2000 Census. While workers with a travel time less than 29 minutes decreased in 2006, travel times 30 minutes and greater have decreased. Increased commute times to work can be attributed to the proliferation of neighborhoods in suburban and rural communities in Harris County.

Table 3.26 Travel Time to Work, 2000 and 2006

Travel Time	Number of Workers: 2000	Percent	Number of Workers: 2006	Percent Change
Less than 14 minutes	311,469	21.29%	368,662	18.36%
15 to 29 minutes	535,650	36.15%	604,122	12.78%
30 to 44 minutes	388,141	24.61%	437,308	12.67%
45 to 59 minutes	154,052	9.43%	172,104	11.72%
60 to 89 minutes	89,091	4.85%	116,375	30.62%
90 or more minutes	34,671	1.64%	36,999	6.71%
Worked at home	36,867	2.02%	***	***

**** Category was not available for American Community Survey, 2006*

Source: 2000 U.S. Census & American Community Survey, 2006

The 2006 American Community Survey indicates that most residents, 76.06 percent, drive their own vehicle to work (table 3.27). A fair number of residents, 13.48 percent, continue to use carpooling as their primary transportation to work. While the number of workers that use public transportation has decreased since 2000, the percentage of workers has also decreased. More workers are taking advantage of telecommuting and are working from home.

Table 3.27 Means of Transportation to Work, 2000 and 2006

Method of Transportation	Number of Workers: 2000	Percent	Number of Workers: 2006	Percent
Drove alone	1,171,533	75.59%	1,361,964	76.06%
Carpooled	228,249	14.73%	241,347	13.48%
Public Transportation	64,191	4.14%	61,050	3.41%
Bicycle/Walk	32,602	2.10%	38,082	2.13%
Other	16,499	1.06%	33,127	1.85%
Worked at home	36,867	2.38%	55,081	3.08%

Source: 2000 U.S. Census and American Community Survey, 2006

Female: Presence of Own Children by Employment Status

In an effort to obtain greater socio-economic status, females must overcome significant obstacles, primarily poverty, affordable housing, childcare, and access to high-wage specialized occupations. Many females in married-coupled relationships and head-of-householders either have extreme difficulty entering the labor force because they lack the necessary skills or educational attainment for many occupations.

Females with children 6 to 17 years of age represents 71.87 percent, 174,555 in the labor force. In addition, females with children 6 to 17 years of age have the lowest percentage unemployment rate at 7.45 percent followed by females without children under 18 years of age at 7.93 percent. Females with children 6 to 17 years have the highest employment status at 66.52 percent. Females not in the labor force fit into the category of children under 6 and 6 to 17 years of age at 47.38 percent followed by females with children under age 6.

Table 3.28 Females-Presence of Own Children by Employment Status, 2006

Presence of Own Children <18 Years by Employment Status for Females 20 to 64 Years	Under Age 6 only	Under 6 Years and 6 to 17 Years	6 to 17 Years	No Children Under 18 Years
Total	91,377	105,791	242,861	726,040
In labor force	52,862	55,665	174,555	522,003
% in labor force	57.85%	52.62%	71.87%	71.90%
Employed or in Armed Forces	47,555	49,242	161,559	480,613
% Employment or in Armed Forces	52.04%	46.55%	66.52%	66.20%
Unemployed	5,307	6,423	12,996	41,390
% Unemployed	10.03%	11.54%	7.45%	7.93%
Not in labor force	38,515	50,126	68,306	204,037
% Not in labor force	42.15%	47.38%	28.13%	28.10%

Source: American Community Survey, 2006

Education

Educational attainment is an important determinant of the earning potential of individuals. Communities with higher concentrations of educated workers tend to exhibit higher levels of income and are better able contribute to the socio-economic well-being for all residents. Further, a population with highly skilled, specialized employees is a critical factor influencing opportunities for attracting new business development to Harris County and achieving greater economic diversification.

Enrollment

The total school enrollment in Harris County was 1,087,188 million in 2006. Nursery school and kindergarten enrollment was 139,695 and elementary and high school enrollment was 725,302 children. College and graduate school enrollment was 222,191.

Table 3.29 School Enrollment, 2000 - 2006

School Enrollment	2000	2006	% Change
Nursery/preschool	59,191	73,090	23.5
Kindergarten	54,191	66,605	22.9
Elementary grade 1-4	235,937	253,256	7.34
Elementary grade 5-8	213,617	235,132	10.1
High School	203,374	236,914	16.5
College, undergraduate	139,021	184,350	32.6
Graduate, professional	38,854	37,841	-2.68
Total Enrollment	944,185	1,087,188	15.15

Source: 2000 U.S. Census & American Community Survey, 2006

According to table 3.30, people 25 years and older with at least high school diploma increased 34.48 percent with the largest percent change from 2000-2006. As seen in Figs 3.12 and 3.13, 27 percent of Harris County residents had a bachelor's degree or higher attainment in 2000 and 2006. Over the six years more persons reported having obtained their high school diploma, but less persons obtained some college education or degree overall.

Table 3.30 Educational Attainment for Residents 25 Years and Older, 2000-2006

Educational Attainment	2000	2006	Percent Change
No High School Diploma	524,422	565,328	7.80%
High School Diploma Only	447,295	601,503	34.48%
Some College	440,747	458,520	4.03%
Associate degree	98,048	126,663	29.18%
Bachelor's degree	370,465	421,238	13.71%
Graduate or Professional degree	186,422	218,168	17.03%

Source: 2000 U.S. Census and American Community Survey, 2006

Figure 3.12 Educational Attainment, 2000

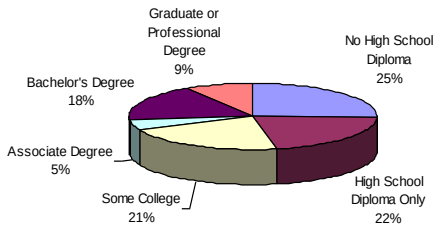
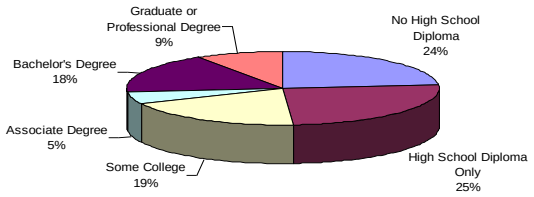


Figure 3.13 Educational Attainment, 2006



Source: 2000 U.S. Census & American Community Survey, 2006

Table 3.31 illustrates the educational differences among Harris County's precincts. Precincts 1 and 2 had the greatest number of residents who have not obtained a high school diploma. These residents comprise 32.87 percent and 36.66 percent of their respective precinct populations. While Precincts Two and Four have the greatest percentage of high school graduates, the most educated residents live in Precincts Three and Four. Although Precinct Four has the greatest number of residents with some college experience or an associate's degree, Precinct Three has the greatest number of residents with a bachelor's degree, master's degree, professional school degree, or a doctorate.

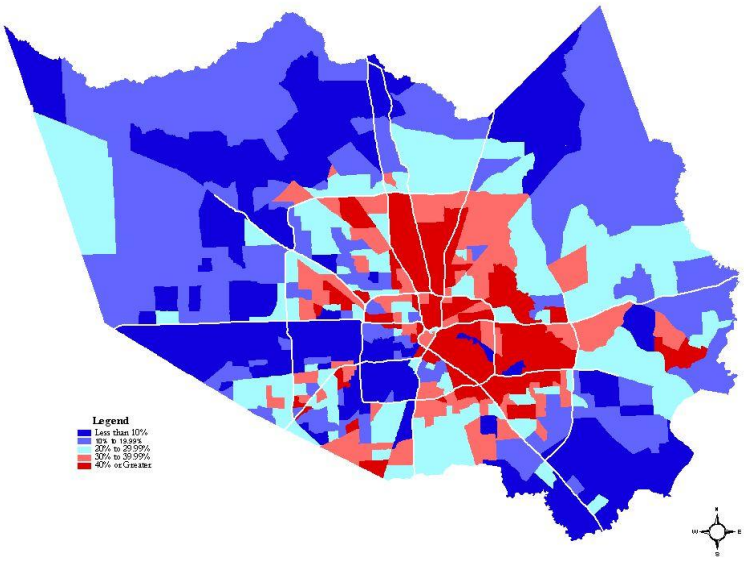
Table 3.31 Educational Attainment for Residents 25 Years and Older, 2000

	Precinct 1	Percent	Precinct 2	Percent	Precinct 3	Percent	Precinct 4	Percent
Not a high school grad	153,997	32.87%	170,725	36.66%	93,201	16.08%	106,394	19.26%
High school graduate	111,513	23.80%	114,639	24.61%	96,471	16.65%	124,336	22.51%
Some College	88,800	18.95%	92,074	19.77%	125,376	21.63%	134,113	24.28%
Associate degree	17,119	3.65%	19,949	4.28%	30,316	5.23%	30,578	5.54%
Bachelor's degree	58,252	12.43%	44,788	9.62%	154,731	26.70%	112,460	20.36%
Master's degree	22,183	4.73%	16,073	3.45%	48,933	8.44%	31,670	5.73%
Professional school degree	10,857	2.32%	5,078	1.09%	21,170	3.65%	9,013	1.63%
Doctorate degree	5,804	1.24%	2,412	0.52%	9,309	1.61%	3,830	0.69%

Source: 2000 U.S. Census

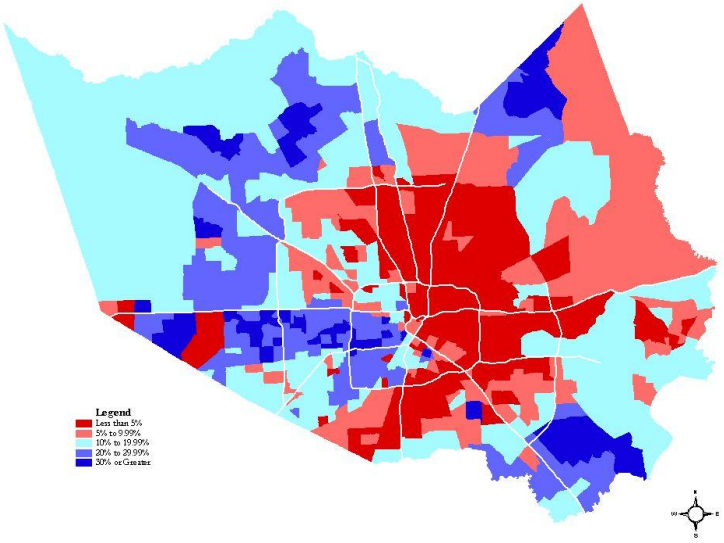
Geographic analysis of educational attainment illustrates concentrations throughout the county of highly educated and under educated communities. As seen in *Map 3-12, Percent of Persons with College Degree in 2000,* areas of high education occur mainly in the western portion of the county. A further demonstration of the low educational attainment common in many Harris County communities can be seen in *Map 3-13, Percent of Persons with No Diploma in 1990,* which shows the proportion of persons with no diploma.

Map 3.12 Percent of Persons with a College Degree in 2000



Source: *2000 U.S. Census*

Map 3.13 Percentage of Persons with no Diploma in 2000



Source: *2000 U.S. Census*

Dropout and Attrition Rates

Information from the Texas Education Agency on student dropouts from public schools for 2004-2005 shows that 4,144 students, grades 7-12, dropped out of school in Harris County. This represents a dropout rate of 1.32 percent as compared to a Texas statewide percentage of 0.90 percent of all students who dropped out during this period. Attrition rates are often viewed as measures of the percentage of students that begin high school but do not graduate with a diploma. The attrition rates for Harris County during the period of 2004-2005 by race and ethnicity were 42 percent for all students, 48 percent for Blacks, 21 percent for Whites, and 54 percent for Hispanics.

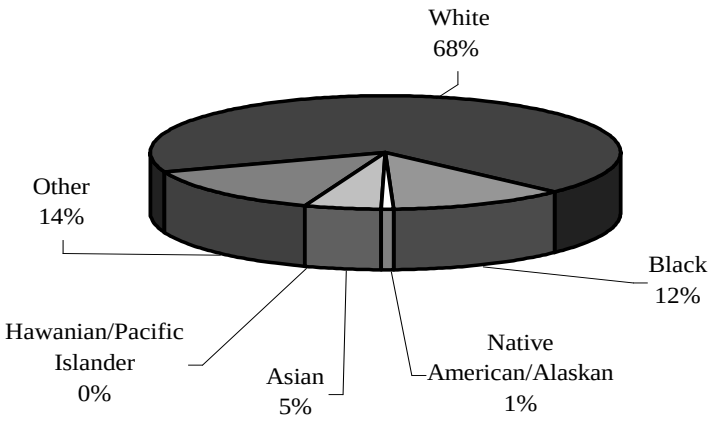
Persons with Disabilities

The U.S. Census Bureau, HUD, and Texas Department of Housing & Community Affairs (TDHCA) agree that the number of persons with disabilities in Texas has been severely underestimated. The Texas Department of Health and Human Services estimates that in 2006, there were 2,853,625 persons in Texas with some kind of disability, but it does not differentiate between types of disabilities. The 2006 U.S. Census only measured the disability status of civilian non-institutionalized persons above the age of fifteen, effectively eliminating a significant number of persons and reported only 383,902 persons over the age of 16 being disabled in Texas. In addition, the disability definitions it used were not sufficiently comprehensive and precise to effectively determine disability categories or housing needs.

In Harris County, among people at least five years old in 2006, 12 percent reported a disability. The likelihood of having a disability varied by age - from 6 percent of people 5 to 15 years old, to 10 percent of people 16 to 64 years old, and to 42 percent of those 65 and older.

When broken down by race, whites were reported as having highest number of disabled persons 68 percent, followed by other population 14 percent and blacks 12 percent. The census reported that in the Hispanic population 27 percent were reporting having a disability.

Figure 3.14 Percent of Persons with Disability Age 16 and over by Race in the Harris County Service Area



Source: 2000 U.S. Census
Note: The Harris County service area does NOT include the cities of Houston, Baytown and Pasadena.

Housing Market Analysis

Housing Availability

In general terms, housing in Harris County is by no means scarce. Driven by a solid demand, the housing market in Harris County continues to experience growth in the development and construction of both single-family and multi-family housing units despite the Nationally felt housing market course correction. Locally, the entry-price single-family communities and subdivisions, particularly in remote or secondary locations, are the most affected by the current housing slowdown plaguing many of the Nation's metropolitan areas (MetroStudy, 2007).

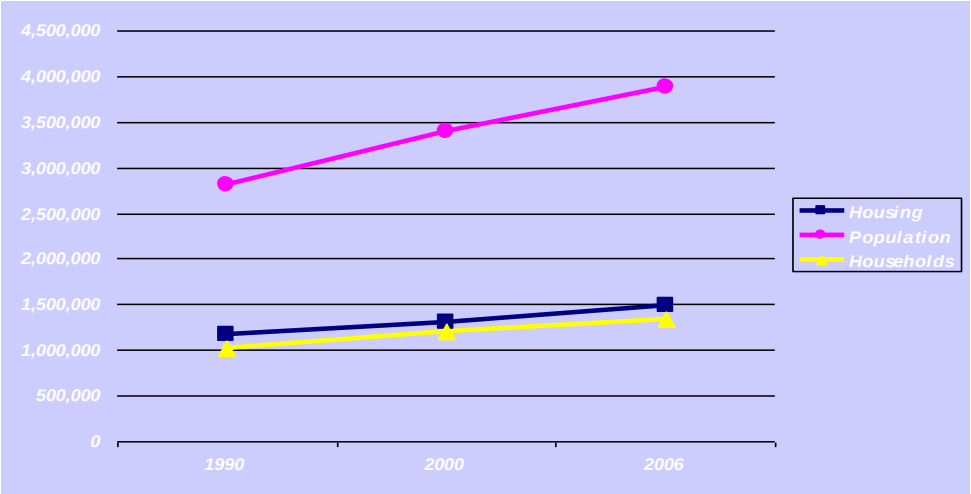
The cause of the slowdown locally is predominately the tightening of credit and underwriting standards due to the crash of the sub-prime mortgage industry. Over the past year, there has been a sharp rise in foreclosures both nationally and locally. The sub-prime market share in 2006 was 16.7 percent. With the drop in available sub-prime lenders more than 15 percent of potential homebuyers will not have access to the home buying process until other solutions for those with marginal credit is found. This situation is optimal for the apartment industry as more households will opt for renting over buying.

Area home builders did see a peak in home starts at over 50,000 in 2006, however, the first quarter of 2007 has shown a possible decline in starts. The current housing supply remains good with MLS "days on market" the lowest in four years (MetroStudy, 2007). Permitting activity is reaching an all time high. However, when analyzing housing in terms of the availability of a variety of housing products to meet a diverse population, there are shortfalls. Large families, lower-income families, and disabled persons may meet obstacles in finding affordable housing units that meet their space, accessibility and income needs. In Harris County, housing availability is also dependent upon location. The following narrative will focus on these issues and describe the current conditions of the availability of housing including future trends for Harris County.

Total Units

In 2006, Harris County was the third-largest county in the United States in housing, with an estimated 1,495,024 housing units. Between 2000 and 2006, housing in Harris County is up from a 2000 total of 1,298,130. Between 2000 and 2006, total housing grew by 15.17 percent, increasing by an estimated total of 196,894 units. Between 2000 and 2006 population growth occurred at a slightly higher rate of 20.7 percent than housing growth, indicating a slight increase in the number of persons living in each housing unit. Household growth also grew faster than housing growth between 1990 and 2006 indicating that not only are more persons living in each housing unit but there are also more households per housing unit. Figure 3.15, Harris County Housing and Population Growth, 1990-2006, shows that population and household growth has outpaced housing growth in Harris County.

Figure 3.15 Harris County Housing, Population, and Household Growth, 1990-2006

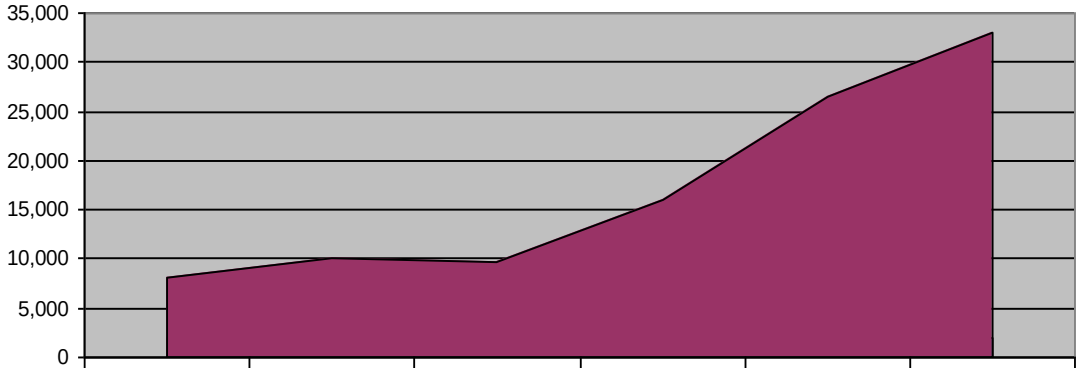


Source: 2000 - 2006 Census of Population and Housing

Housing construction in Harris County has been dynamic over the last 20 years. A growing population along with growing income has led to an increasing demand for new housing units. Fortunately, Houston/Harris County has been able to meet the growing demand for housing units at affordable prices.

Permitting activity plummeted in 1985 after an enormous housing development boom, and began to slowly grow again through 2006. Population growth coupled with a strong economy in the late 1990s caused a strong upsurge in the construction of new housing in Harris County by 2006. Between 1990 and 1999, 113,842 residential building permits were issued. From 2000 and 2006, Harris County issued 181,376 residential building permits.

Figure 3.16 Residential Building Permit Activity, 1990-2006



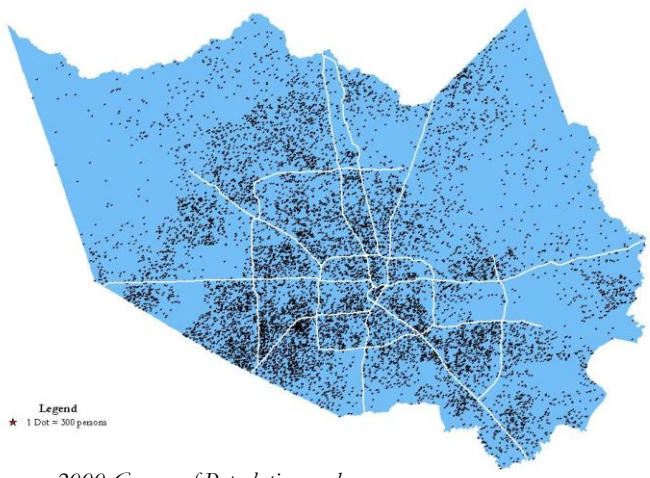
	1	2	3	4	5	6
Year	1990	1993	1996	1999	2003	2006
Building Permits	8,141	10,065	9,708	16,055	26,450	33,023

Source: Texas Real Estate Center

Single-Family Units

According to the 2006 American Community Survey (ACS), single-family housing units represented 63.5 percent of the total housing stock in Harris County, an estimated 844,925 units. This number represents a 0.74 percent increase in single family units since 1990.

Map 3.14 Housing Density, Single-Family Units in 2000



Source: 2000 Census of Population and Housing, Bureau of the Census

Geographically, single-family housing is primarily concentrated in the central and southwestern portions of Harris County. Map 3.14 Housing Density, Single-Family Units in 2000 illustrates these concentrations. According to the Harris County Appraisal District, there are approximately 316,115 single-family units located in the unincorporated area of Harris County. This represents 25.6 percent of the total housing stock located in Harris County.

As indicated by the increase in total residential building permits, construction of single-family housing has seen steadily growth since 2000. Between 2000 and 2006, 181,367 building permits were issued for single-family residential units compared to 116,031 between 1990 and 1999, a 56.3 percent increase. However, housing experts predict a slowdown of between 15 and 20 percent in new home starts in 2007 (MetroStudy, 2007).

Demand for single-family housing units, particularly in move-up, up-scale, and master-planned communities, continues to spur the construction of housing in Harris County. As the population in Harris County continues to grow it is expected to continue to significantly impact the demand for residential housing units. In addition, it is common for homes to be sold before the ground is broken for construction. This trend is projected to curb slightly but will not relent in the near future.

Houston's current median price of a home is $157,000 which is 30.4 percent less than the national median price, which reached $228,600 in July, according to statistics released by the National Association of Realtors. These data continues to show the tremendous value and lower cost of living afforded to Houstonians. Additionally, total sales for single-family homes in Houston/HC in August 2007 came in at 7,014, which was 1.2 percent lower than in August 2006.

Table 3.32 Residential MLS Activity – Median Price Single-Family Home

MLS Area	Aug 2006	July 2007	Aug 2007	Aug 06-Aug 07 % Chg	Year-to-Date	
					2007	% Chg Year Ago
Houston/Harris County	151,400	154,500	157,000	4%	152,300	2%
Texas	146,100	152,100	153,000	5%	148,200	3%

Source: Texas Real Estate Center

HAR also reports existing home statistics for the single-family home segment of the real estate market. For the month of August 2007, existing single-family home sales totaled 5,937, which was a 0.8 percent decrease from August 2006. The median sales price for existing homes in the Houston/HC area in 2007 was $151,550, a 4.5 percent increase compared to the same period last year. The average sales price for the month was $201,704 which was an increase of 6.3 percent from last year's level.

Low interest rates pushed single-family starts in Harris County and the adjoining seven counties to 34,311 units in 2001, surpassing the previous record of 33,300 set in 1983. Starts in 2002 eclipsed the 2001 total, rising to 34,640 as mortgage rates continued to decline. With sustained low rates over the next four years, single-family starts rose to 41,995 in 2003, 45,039 in 2004, 51,085 in 2005 and 55,063 in 2006 (refer to table 3.32). Single-family home starts in 2006 set a record, exceeding most forecasts because of continued low mortgage rates, job growth at more than twice the national pace and aggressive subprime lending. With tighter lending standards, Metrostudy (2007) expects single-family starts to decline percent to the vicinity of 40,000 in 2007.

According to the State of the Nation's Housing 2007 report, the problems in the housing market put an end to the big lift that the economy enjoyed since the 2001 recession. In the latter half of 2006, the drop in home building was so drastic that it shaved more than a full percentage point off national economic growth. Though builders cut back on housing starts, the numbers of vacant homes for sale rose by more than 500,000 from the fourth quarter of 2005 to the fourth quarter of 2006 and continued to rise in the first quarter of 2007.

Multi-Family Units

Multi-family housing represented 33.6 percent of the total housing in Harris County in 2006. There are an estimated 447,275 multi-family housing units in Harris County. Similar to the rise of single family residential, the increase in the construction of multi-family housing developments in Harris County is described as a "boom time" for the apartment industry. There was an estimated 33.6 percent of the multi-family housing units added to the housing stock by 2006 according to 2006 American Community Survey, U.S. Census Bureau.

CDS Market Research puts the 2006 multi-family starts at 16,125, up from 11,080 in 2005 which is the highest level in three years (refer to table 3.33). CB Richard Ellis reports that 12,536 units were completed in 2006, and that the number of leased units declined by 5,238. The firm expects another 9,200 units, of which 40 percent are affordable housing for seniors, to be completed in

2007. Year-end occupancy stood at 89.1 percent, down rough two percentage points on the year as some who fled to Houston/HC from Hurricane Katrina in 2005 returned to Louisiana.

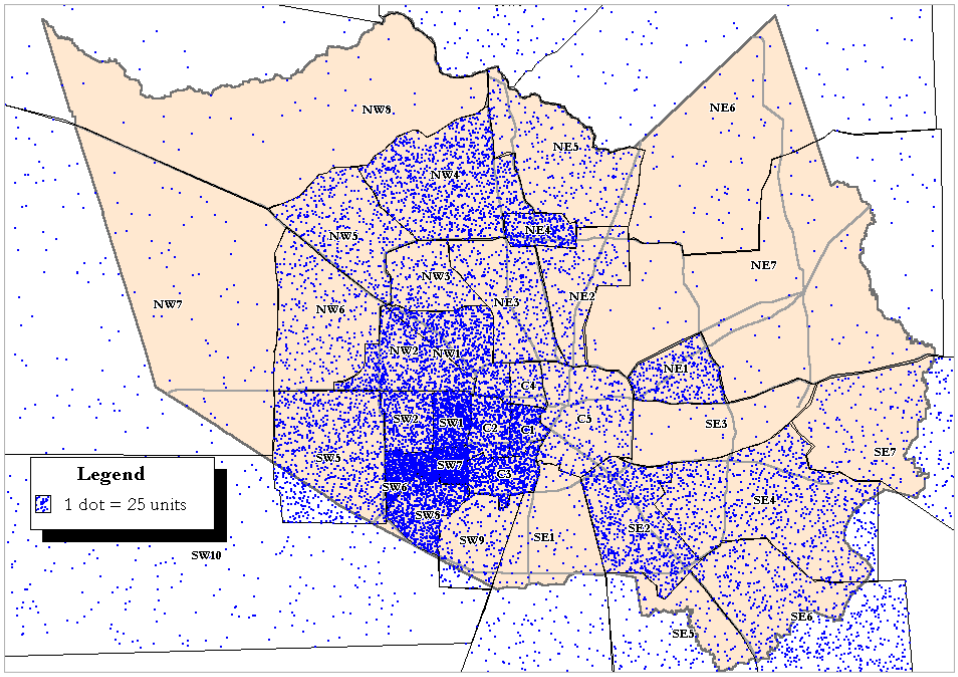
Table 3.33 Houston Consolidated Metropolitan Statistical Area (CMSA) Housing Starts

Year	Single-Family	Multi-Family	Total Units
2006	55,063	16,125	71,188
2005	51,085	11,080	62,165
2004	45,039	10,858	55,897
2003	41,995	16, 761	58,756
2002	34,640	12,207	50,170
2001	34,311	7,183	41,494
2000	31,120	7,590	38,710

Source: Greater Houston Partnership, CDC Market Research, March 2007

According to the Houston Facts 2007 Report, area year-end 2006 occupancy was 88.1 percent with an inventory of 2,532 complexes, 494,853 units. The average 2007 rent was $711.00/month with net absorption totaling -3,829 units in 2006. Completions in 2006 totaled 13,834 units in 31 projects.

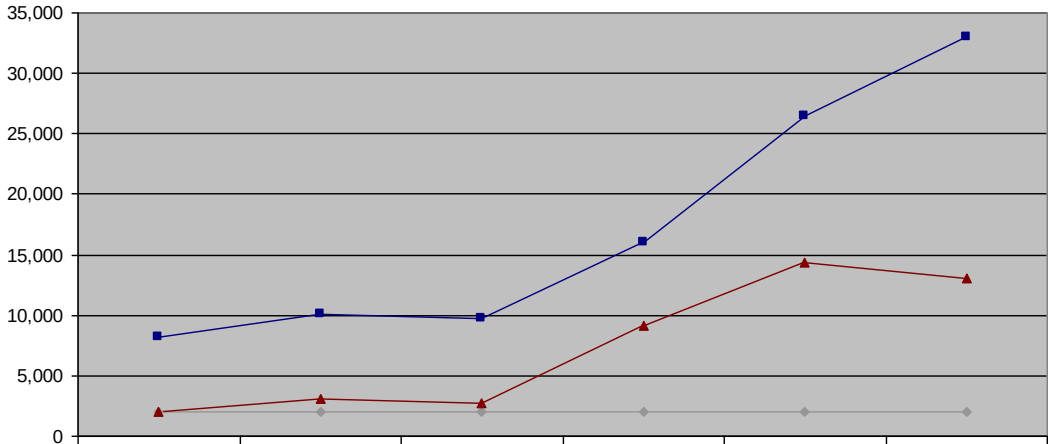
Map 3.15 Housing Density, Multi-Family Units



Source: Apartment Data Services, Inc., Apartment Market Trac, October 1999

Growth of multi-family housing is illustrated through the upsurge of multi-family permits according to fig. 3.17. In 2006, 13,017 building permits were issued for multi-family residential units which illustrates the growth of the housing market over the past years.

Figure 3.17 Residential Building Permit Activity According to Housing Type, 1990-2006



	1	2	3	4	5	6
Year	1990	1993	1996	1999	2003	2006
Single-family	8,141	10,065	9,708	16,055	26,450	33,023
Multi-family	1,967	3,119	2,784	9,081	14,370	13,017

Source: Texas Real Estate Center

Occupancy rate also signifies an upsurge of movement in multi-family units being built in Houston/HC. According to the Multi-family Market Overview 2007 report, the average occupancy for units built since 2000 were up 94.1 percent. The average occupancy was 92.2 percent (refer to table 3.34).

Table 3.34 Multifamily Market Overview 2007 (MSA)*

	MSA	Texas Metro Average
Average rent per square foot	$0.79	$0.77
Average rent per square foot for units built since 2000	$0.90	$0.86
Average occupancy	92.2%	92.8%
Average occupancy for units built since 2000	94.1%	94.1%

Source: Real Estate Center Market Overview, 2007
** MSA – Houston-Sugar Land-Baytown, TX*

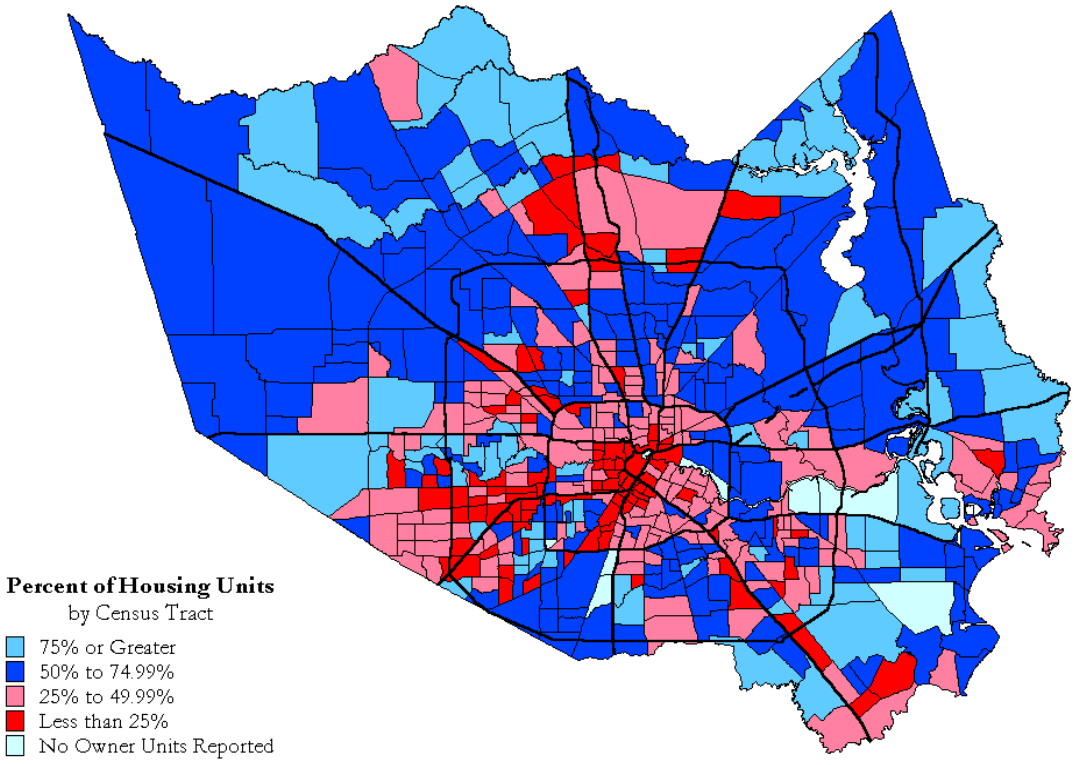
Occupancy and Tenure

Homeownership is generally a significant indicator of the stability of a community. It lends itself to pride, security and community involvement in an area. The percentage of Harris County households that have achieved homeownership is significantly less than the national average. In 2006, approximately 65.2 percent of all occupied units in Texas are owner-occupied. In Harris County, 58.3 percent of all occupied units are owner-occupied, which shows a slight increase from 55.3 percent in 2000.

Housing in Harris County is by no means scarce. Driven by a high demand, the housing market is experiencing an increase in the development and construction of both single-family and multi-family housing units. Geographically, occupancy statistics resemble those for housing type. As

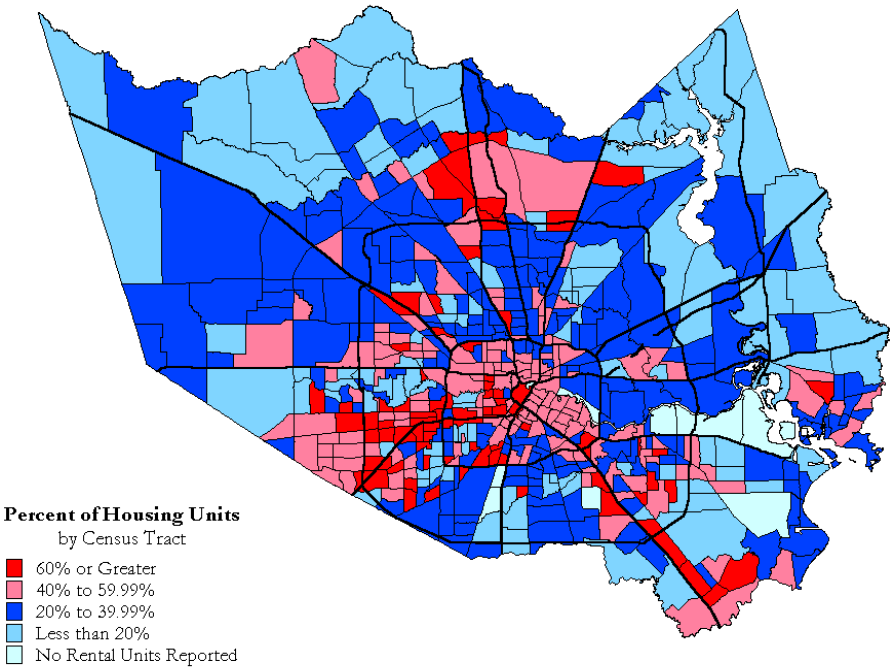
shown in Map 3.16, Housing, Percent Owner Occupied in 2000, owner-occupied homes represented 50 percent or more of the housing stock in the county, and are particularly prevalent in unincorporated Harris County. Renter-occupied units comprise a major portion of the housing stock in several incorporated areas of Harris County, particularly within the I-610 loop, along the Gulf Freeway (I-45 South), along the Southwest Freeway (I-59 South), and west of Houston Intercontinental Airport.

Map 3.16 Housing, Percent Owner Occupied in 2000



Source: 2000 Census of Population and Housing, Bureau of the Census

Map 3.17 Housing, Percent Renter Occupied in 2000



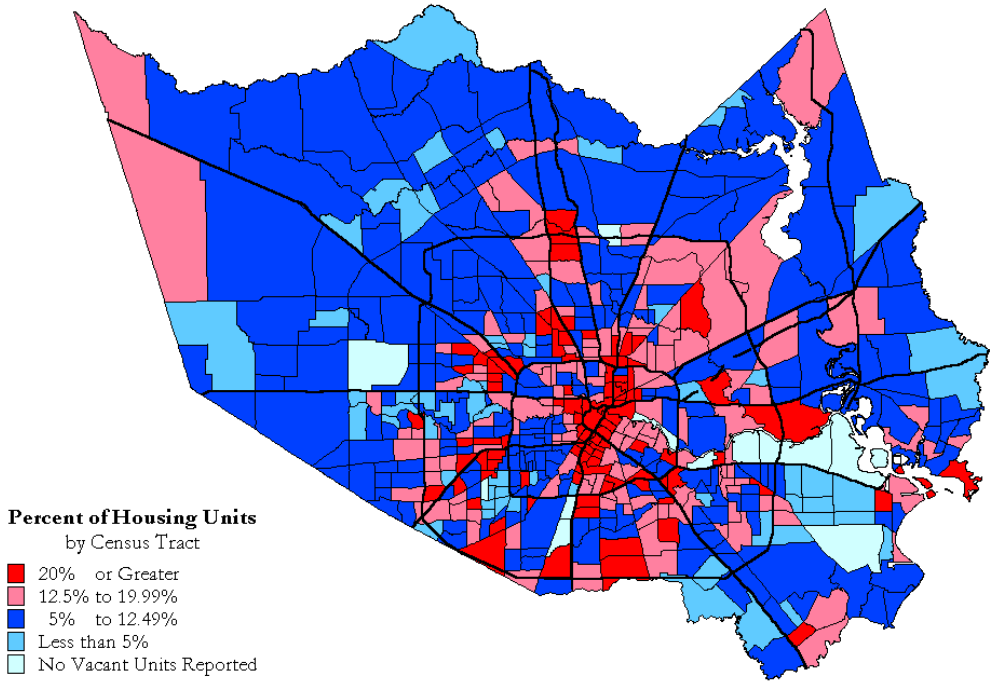
Source: 2000 Census of Population and Housing, Bureau of the Census

Vacancy

Vacancy rates in housing are often an indicator of the saturation of the total housing stock. High vacancy rates, especially in concentrated areas, often lend itself to vandalism and vagrancy in a community. It may also mean that the demand for housing in a particular community is low and can cause depressed housing values for all housing in that area. On the other hand, low vacancy rates may indicate a strong housing market but at the same time may mean that not all housing needs are being met when other indicators such as increased housing cost is present. For example, if vacancy is low and housing cost is increasing, low-income households may be moving into substandard housing or creating overcrowded housing situations.

The 2006 American Community Survey reports that there are 163,849 vacant housing units in Harris County; which represents an 11.2 percent increase in the number of vacant units since 1990. Of the number of vacant units in 2006, 11.1 percent are for rent, 11.1 percent for purchase, and 6.3 percent for seasonal, recreational, or occasional use. Map 3.18, Housing, Percent Vacant in 2000, shows that vacancy rates are much higher in older sections of incorporated Harris County.

Map 3.18 Percent Vacant in 2000



Source: 2000 Census of Population and Housing, Bureau of the Census

Demand

Demand for housing is affected by many market and demographic conditions. Analysis of demographic trends reveal that population growth, change in household composition, income and local economy will affect the demand for housing in the Harris County area. Specifically, the following trends will be the guiding force behind the demand for housing in Harris County:

- Rates of population growth are expected to continue in Harris County, indicating that population will likely increase by approximately 50 percent through 2030.
- Household growth is projected to outpace population growth through this era indicating a trend toward smaller household composition,
- The demand of the growing population consisting of an increased number of smaller households and more nontraditional household types will affect the need for more and varied housing.
- The impact of increasing low-income households indicates the demand of housing within many income brackets, especially within lower income thresholds.
- Total sales for single-family homes prices at $500,000 sold steadily, representing a 19.3 percent increase from December 2001.

In summary, the demand for housing will likely continue to support a thriving housing market. However, the collapse of the sub-prime lending market has forced many potential homebuyers with marginal credit to opt to remain renters as they rebuild credit and save for downpayments.

This data continues to show the tremendous value and lower cost of living afforded by Houstonians. In addition, total sales for single family homes in July 2007 came in at 6,856, which was 1.6 percent higher than July 2006 and reversed the previous two months of declining sales. The key to meeting this demand will be to provide housing products for a diverse population.

The demand for multi-family housing units is high as well in Harris County. The multi-family housing market determines housing trends by its absorption rate and occupancy status. These trends are reported through occupancy, rent, and absorption (change of occupied units) data based on operating, under-construction, and under-renovation projects for Classes A,B,C, and D (excluding Class U).

Table 3.35 Classifications of Properties

Class	Year	Status
Class A	Less than 10 years old	Excellent amenities, prime location, highest rents.
Class B	10 to 20 years old	Good locations, good amenities, overall good condition, affordable projects are classified in class B
Class C	20 to 30 years old	Few amenities, in poor locations, not well maintained
Class D	More than 30 years old	Poor condition, no or limited amenities, poor locations, lowest rents per unit
Class U		Senior housing, student housing, special housing with unusual lease terms. Often include meals or other services included in the rent.

Source: Houston Apartment Market Update, 1st Quarter 2007 Report

Amidst positive absorption in all four classes, overall Houston/Harris County occupancy slid 0.04 point to 88.5 percent. The decline in occupancy came as a direct result of elevated construction activity. Already in 2007, 2,213 units consisting of Class A and tax-credit units have been delivered to market, while another 12,705 units are currently under construction. As the vast majority of the new construction is in the Class A market. Adding to concerns is the fact that job growth is expected to slow somewhat to around 2 percent in 2007. Class B and C markets will benefit from the tightening in lending practices in the face of the subprime collapse, as a number of individuals will now have to stay put at apartment complexes rather than going through subprime lenders to obtain a home. Additionally, home foreclosures in the area will likely generate additional demand for Class B and C apartments. The issue of concern is the ever-changing FEMA rental assistance deadline, which is now expected to terminate in November 2007. Taking into account the varying factors, Class B occupancy is expected to remain relatively stable at its current rate, while Class C occupancy is expected to decline to around 85.54 percent over the year. Class D should remain the weakest of all classes, hovering between 83 percent and 84 percent through the rest of 2007 (refer to table 3.35).

Table 3.36 Houston Apartment Market at a Glance

Houston Apartment Market					
	Class A	**Class B**	**Class C**	**Class D**	**Overall**
Occupancy	90.96%	89.58%	85.54%	83.81%	88.49%
Rent/Unit	$1,038	$660	$559	$526	$711
Rent/SF	$1,097	$0.814	$0.691	$0.597	$0.833
Absorption	1,592	619	246	82	2,539

Source: Houston Apartment Market Update, 1st Quarter 2007 Report

In 2007, the Houston Apartment Market Update, 1st Quarter 2007 Report (tables 3.36 and 3.37), illustrate a total of 2,539 operating or under construction projects in the Houston/Harris County market area (greater than 25 units) with a total of 520,361 multi-family units. Approximately 25 percent of the total units are Class A units, 44 percent are Class B units, 27 percent are Class C units, and 4 percent are Class D units.

Table 3.37 Apartment Inventory by Class

Operating	Projects	Units
Class A	462	121,199
Class B	1,058	223,855
Class C	811	140,535
Class D	160	22,185
TOTAL	**2,491**	**507,774**
Under cons.	Projects	Units
Class A	36	10,414
Class B	12	2,173
TOTAL **	**48**	**12,587**

**Class B projects are primarily Tax Credit developments*
***There are additional Unclassified (Class U) projects*
Source: Houston Apartment Market Update, 1st Quarter 2007 Report

Housing Affordability

Overall, housing in Harris County is becoming increasingly affordable. However, low-income individuals and families are likely finding it harder to obtain affordable housing. The ability to pay for an adequate housing unit in Harris County depends mainly on income and number of persons in the household. Housing is generally more available and affordable for individuals and small families than for large families, but income also plays an important role.

To be considered affordable, the monthly rent or mortgage payment of an apartment or house must be less than or equal to 30 percent of the monthly household income. So, for a person who makes a net income of $15,000 per year ($1250 per month), an affordable home is one that costs $375 or less per month.

The cost of housing is generally easier to bear for people of a small household size (such as an individual or a family with 2 to 4 members). The difference in housing affordability for persons

of small and large household sizes can be explained by two factors:

- As more children are born in a family, the parent or parents remain the only source of income for the family. So while the family size increases, the size of the housing unit must also increase. However, while housing needs increase, family income generally remains the same. Therefore, with every new child, family expenses rise and less money is available per family member.

- As the family size increases, the need for more bedroom space increases. The resulting increase in rent or mortgage payments can easily end up costing more than the family can afford. Limited availability of housing units with 3 or more bedrooms also becomes a major challenge for large families.

Affordability is measured using two factors: income and price of housing. The Texas Housing Affordability Index (THAI) gives a general picture of how affordable housing is for a person of *median* income. The THAI is the ratio of median household income to the income required to buy a median-priced home using currently available mortgage financing. For example, a ratio of 1.00 indicates that the median household income is just enough to qualify for a loan sufficiently large to purchase a median-priced home. According to the THAI, median-priced housing in the state has generally become more affordable over the past 10 years.

Table 3.38 indicates that Texas has been a highly affordable housing state for some time. The trend of increasing affordability may have peaked in 2004, however. Many of the individual metropolitan areas have a lower affordability index in first quarter 2005 than in first quarter 2004 after showing a steady increase since 1999. The lower affordability index measures generally reflect slower income growth throughout the state over the past couple of years coupled with increased median home prices and a slight increase in interest rates since 2003.

Table 3.38 Revised Texas Housing Affordability Index (THAI) Estimates for Houston, TX

Year	Texas Housing Affordability Index
2005	1.98
2004	3.02
2003	1.95
2002	1.87
2001	1.97
2000	1.85
1999	2.05

Source: Texas Real Estate Center, 2005

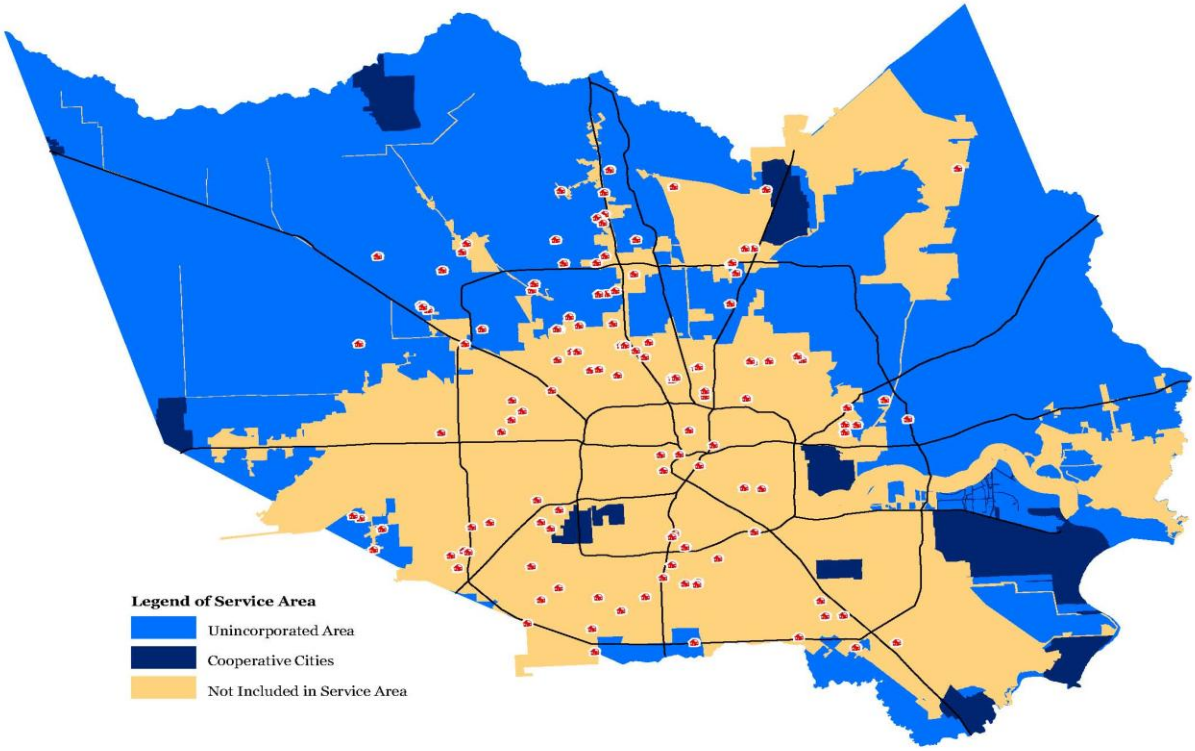
Family Income and Housing

The ability to which the housing market is responding to household income needs is another factor affecting housing availability. To adequately meet the housing needs of all households, housing products must be available at a wide variety of prices. Due to current market conditions and strong higher-end housing demands, housing development in Harris County primarily meets the needs of higher income households. For reasons, such as, perception, low profit margins, and lack of financing products, the development and availability of low-income housing is not

adequate to meet the needs of the low-income population.

However, we are still experiencing a shortage of subsidized housing especially for a county of this size. In total, approximately eight percent of the multi-family housing stock is available specifically for low-income persons in the service area. Map 3.19. Multi-Family Low Income Housing denotes the locations of low-income multi-family housing projects according to service area. Although, the total number of affordable housing units available to low and moderate-income persons is not expected to decrease over the next 3 years; five out of six low-income families, who qualify for government housing assistance do not receive it because of the shortage of subsidized housing.

Map 3.19 Multi-Family Low-Income Subsidized Housing, 2007



Source: Texas Department of Housing & Community Affairs

There are approximately 133 subsidized multi-family, low-income rental housing units available in Harris County and supported by the HUD's Section 8 Project Based Housing and the Texas Department of Housing and Community Affairs Low-Income Housing Tax Credit Program. The Low Income Housing Tax credit was originated in conjunction with the Tax Reform Act of 1986 to direct private capital towards the creation of affordable rental housing. The credits provide a mechanism for funding a wide range of developments including new construction, substantial

rehabilitation, moderate rehabilitation, acquisition and repair by existing owners. Tax credits allow developments to be leased to qualified families at or below market rents (refer to map 3.19).

The Harris County Housing Authority has already partnered to build six low-income housing tax credit projects. In addition, in 2006 the Harris County Housing Authority had an incredible year of dramatic achievements to promote affordable housing. HCHA administered the Housing Choice Voucher Program providing affordable housing for more than 1,800 families. They also assisted more than 1,100 Disaster-Voucher Program clients by helping them put their lives back together in the wake of Hurricanes Katrina and Rita. In addition, they continued to develop senior-housing tax-credit communities through public/private partnerships and opened an apartment community serving the homeless as part of the "Housing First Model." At the time of this plan, neither Housing County nor the Harris County Housing Authority own any public housing. Upon the last waiting list enrollment, some 12,000 individuals and families applied for the voucher program. As of September 2007, all of those clients have been housed and there is no one currently on the waiting list.

A study of rents done by the National Low Income Housing Coalition, for extremely-, low- and moderate-income families found that families are commonly paying rents far above their means. According to table 3.39 many of these families receiving modest hourly wages are virtually priced out of the housing market. If a family has an income below the poverty level, their income isn't even close to adequate to rent a place of moderate cost and quality. In Harris County there are 554,904 renter households. Among the very low-income families who earn less than half of the median family income, 42 percent pay more than one-half of their income for rent.

Table 3.39 Fair Market Rent Values

Rents	2000	2003	2007	% Increase
Efficiency fair market rent	$426	$514	$569	10.70%
1 bedroom fair market rent	$479	$578	$633	9.52%
2 bedroom fair market rent	$620	$747	$768	2.81%
3 bedroom fair market rent	$864	$1042	$1024	-1.76%
4 bedroom fair market rent	$1018	$1227	$1287	4.89%

Source: U.S. Department of Housing & Urban Development: www.hud.org

Table 3.40 Income Needed To Pay Rent Houston/Harris County

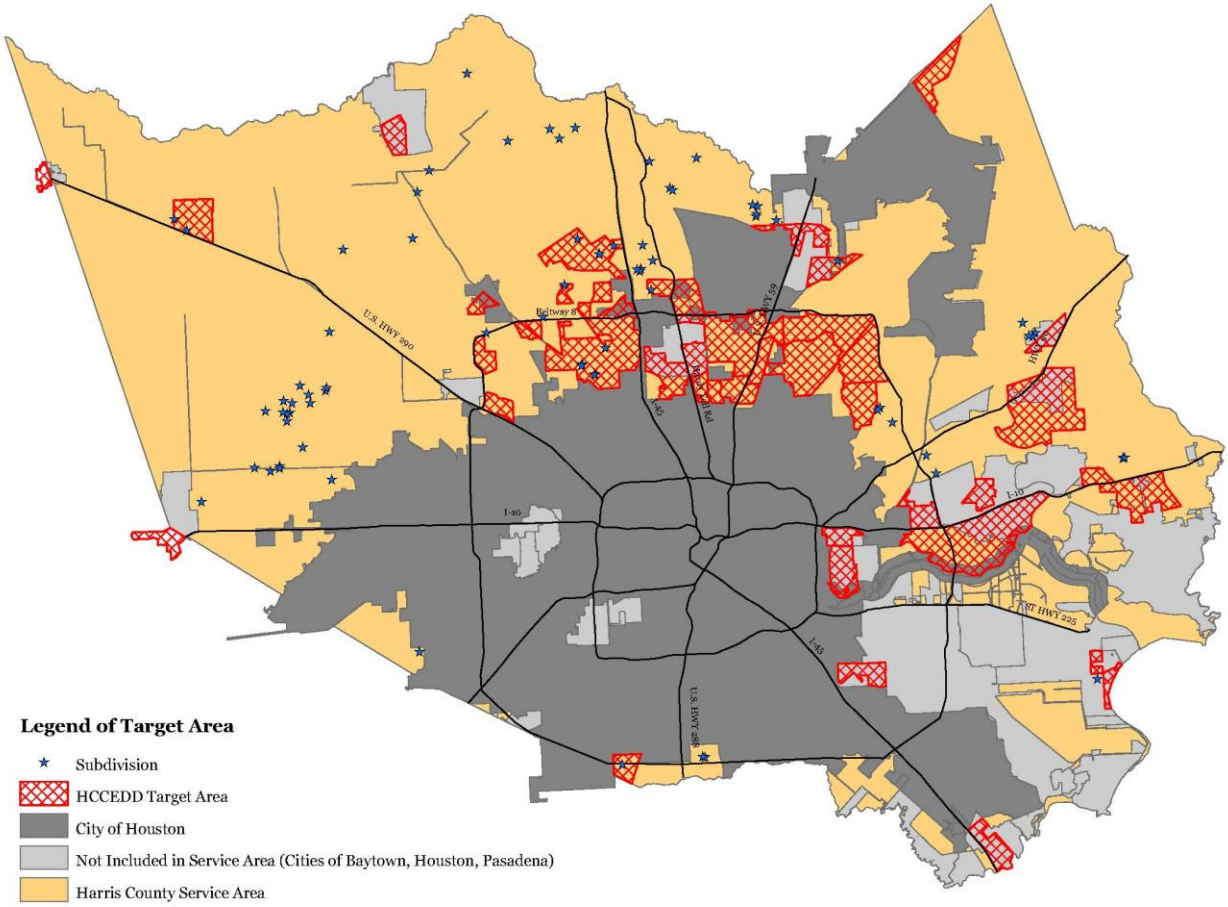
Median renter income	$30,103
Percent of median income to afford 1 bedroom	63.1%
Percent of median income to afford 2 bedroom	81.8%
Yearly income needed to afford 1 bedroom unit	$17,680
Yearly income needed to afford 2 bedroom unit	$22,920
Percent unable to afford 1 bedroom	32%
Percent unable to afford 2 bedroom	40%

Source: U.S. Department of Housing & Urban Development, American Community Survey 2006

Despite the large and growing demand for more affordable units, the housing market is not responding to the acute needs of lowest income renters. The private market stock of low-income affordable rental units fell by more than 25 percent by 2006. In Houston/Harris County alone, the

stock of privately owned very low-income rental units fell 28 percent, a net loss of over 136,000 affordable housing units.

Map 3.20 Single Family Low-Income/Affordable Housing Developments



Source: Harris County Community Services Department, DAP Program

Map 3.20, Single Family Low Income Housing Developments, denotes the locations of low-income affordable housing developments in the Harris County service area. Owners purchasing homes in the service area receive downpayment and closing cost assistance through our Downpayment Assistance Program (DAP). Low-income or affordable single family, owner-occupied housing comprises a much smaller percentage of the housing available to low-income persons. In 2006, these types of developments offer single-family housing at purchase prices below 80 percent of the area median housing value.

5-Year History of Affordability

From years 2000 through 2006, there was a steady increase in both median family income (MFI) and median price of a single-family home. According to this analysis, housing affordability for the general population has not significantly changed over the last five years. However, while the

MFI seems to be growing in proportion to the cost of single-family housing, there is an increasing affordability gap for individuals and families making less than the median income for Harris County (see Table 3.35).

Cost of Single-Family Homes

The median cost of a single-family home has significantly increased over the past 10 years. However, the modest increases in income have not been able to match this sharp increase in housing cost. Single-family homes have become less affordable for families making less than the median income.

According to the Houston Association of Realtors, the median price of a single-family home is $157,000 (August 2007). The median monthly mortgage payment for a single-family home in Harris County is approximately $1,551 (1 percent of the cost of the home). Housing experts, including HUD, have determined that no more than 30 percent of a households income should be used for housing costs-Affordability Level. As seen in Table 3.44, for those making 80 percent or lower MFI in Harris County, the monthly home-mortgage payment is much higher than the affordability levels. In fact, the affordability level for very low-income families is less than half the mortgage payment.

Table 3.44 Single-Family Home Affordability Analysis – 2000- 2007*

		2000	2003	2007
	Median Cost of Single Family Home	115,000	136,050	157,000
	Mortgage Payment (1% of Total Housing Cost)	1,150	1,361	1,570
30% of MFI	Very Low-Income (30% MFI) Limits	17,010	17,900	18,300
	Monthly Income	1418	1491	1525
	Monthly Affordability Level	425	447	458
	Monthly Affordability Deficit	**725**	**914**	**1112**
Very Low-Income (50% of MFI)	Low-Income (50% MFI) Limits	28,350	29,800	30,500
	Monthly Income	2363	2483	2542
	Monthly Affordability Level	709	745	763
	Monthly Affordability Deficit	**441**	**616**	**807**
Low-Income (80% of MFI)	Moderate-Income (80% MFI) Limits	45,360	47,700	48,800
	Monthly Income	3780	3975	4067
	Monthly Affordability Level	1134	1193	1220
	Monthly Affordability Deficit	**16**	**168**	**350**

**Affordability figures based on Median Family Income Limits for a Family of Four*

In addition, the new homeowner may be unprepared for the ongoing responsibilities of ownership and could end up losing the home. There are a number of factors that can turn the American dream of homeownership into a nightmare for low-income households:

- Loss of Household Income
- Home Maintenance, Repair, and Utility Costs
- Increase in Property Taxes
- Increase in Non-housing Expenses
- Poor Financial Management Skills
- Predatory Lending
- Significant interest rate increases
- Increase in homeownership insurance

While homeownership can provide tremendous benefits, it is important to make sure that low-income people go into homeownership with their "eyes wide open." Not only should they take into account the monthly mortgage and taxes, but utilities and other existing debt that they may have. According to the 2006 American Community Survey, seven percent of the households did not have telephone service and 8 percent of the households did not have access to a car, truck, or van for private use. Multi-vehicle households were not rare. If homeownership is not the best option for a family, they should not pursue homeownership.

Making Priorities for Housing Assistance

When making decisions regarding which Harris County residents have the greatest need for housing assistance, income and household size are the two most important factors. As the monthly rent or mortgage payment rises above 30 percent of the family's monthly income, it becomes increasingly difficult to be able to afford decent housing. And as family size increases, the need for more bedrooms often causes monthly housing costs to become unbearable. Table 3.42 shows specific incomes according to household size, and income level, relative to median family income (MFI).

Table 3.42 FY 2007 Median Family Income by Household Size – Houston PMSA

	Number of Persons in Household							
Family Size	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
30% limits	$12,800	$14,650	$16,450	$18,300	$19,750	$21,250	$22,700	$24,150
50% limits	$21,350	$24,400	$27,450	$30,500	$32,950	$35,400	$37,800	$40,250
80% limits	$34,150	$39,050	$43,900	$48,800	$52,700	$56,600	$60,500	$64,400

Source: U.S. Department of Housing and Urban Development Housing Program Income Limits for Houston MSA

In calculating housing affordability for small and large families, the income levels for small and large families were averaged. From these income levels, the monthly affordability factor (or how much a family can afford to pay per month for housing) can be found by taking 30 percent of the family's monthly income. When the affordability factor is compared with the Fair Market Rent prices for small or large housing units, it is easy to see that the burden of housing costs are heaviest for larger families with lower incomes (Tables 3.43 and 3.44).

Table 3.43 Monthly Affordability Factor - 2007 (30% of Monthly Family Income)

MFI	1 person	2 persons	3 persons	4 persons	5 persons	6 persons
30%	$320	$366	$411	$458	$494	$531
50%	$534	$610	$686	$762	$824	$855
80%	$854	$976	$1097	$1220	$1317	$1415

Source: U.S. Department of Housing and Urban Development

Table 3.44 Harris County Fair Market Rents (FMR)*, FY 2007

0 BR	1 BR	2 BR	3 BR	4 BR
$569	$633	$768	$1042	$1287

*Source: U.S. Department of Housing and Urban Development *In general, the FMR for an area is the amount that would be needed to pay the gross rent (shelter rent plus utilities) of privately owned, decent, safe, and sanitary rental housing of a modest (non-luxury) nature with suitable amenities.*

The best way to tell which families are most in need of housing assistance is to calculate the size of the gap (in dollars) between monthly income and monthly housing cost, also called an affordability deficit. So, the higher the affordability deficit, the more difficult it is for an individual or family to pay their monthly rent or mortgage payment.

Table 3.45 Monthly Affordability Rent Deficit*:

Persons	1		2		3		4		5		6
Bedrooms	0	1	1	2	2	3	2	3	3	4	4
30% MFI	-249	-313	-267	-402	-357	-631	-310	-584	-548	-793	-756
50% MFI	-35	-99	-23	-560	-82	-356	-6	-280	-218	-463	-432
80% MFI	285	221	343	208	329	55	452	178	275	30	128

Source: U.S. Department of Housing and Urban Development.Monthly Affordability Deficit is the difference between monthly income of low and moderate-income families (of small and large related household sizes) and the monthly affordability factor for the respective household characteristics.

As seen in Table 3.45, there are substantial deficits between a monthly income of low-income levels and the price of decent, safe, and sanitary housing. According to this analysis, households with the greatest affordability challenges are those of Large Related making 30 percent of MFI, Small Related making 30 percent of MFI, and Large Related making 31 – 50 percent of MFI, respectively.

These family types obviously face the greatest housing affordability challenges, relative to those with different household characteristics. Furthermore, as household size increases, being able to afford proper housing becomes increasingly difficult. According to the latest U.S. Census, there is limited availability for homes with 4 or more bedrooms. Furthermore, when a large family (5 or more persons) is in need of housing, overcrowding is often the result.

Housing Accessibility

Meeting the needs of persons with disabilities is also a factor in analyzing housing availability. The availability of accessible housing units is difficult to determine, because it is up to the homeowner to provide modifications to housing to meet their needs for accessibility. Rental housing projects may offer accessible units, but the number of units may be limited. It is the objective of CSD to use rental assistance products to assist low-income persons, including the

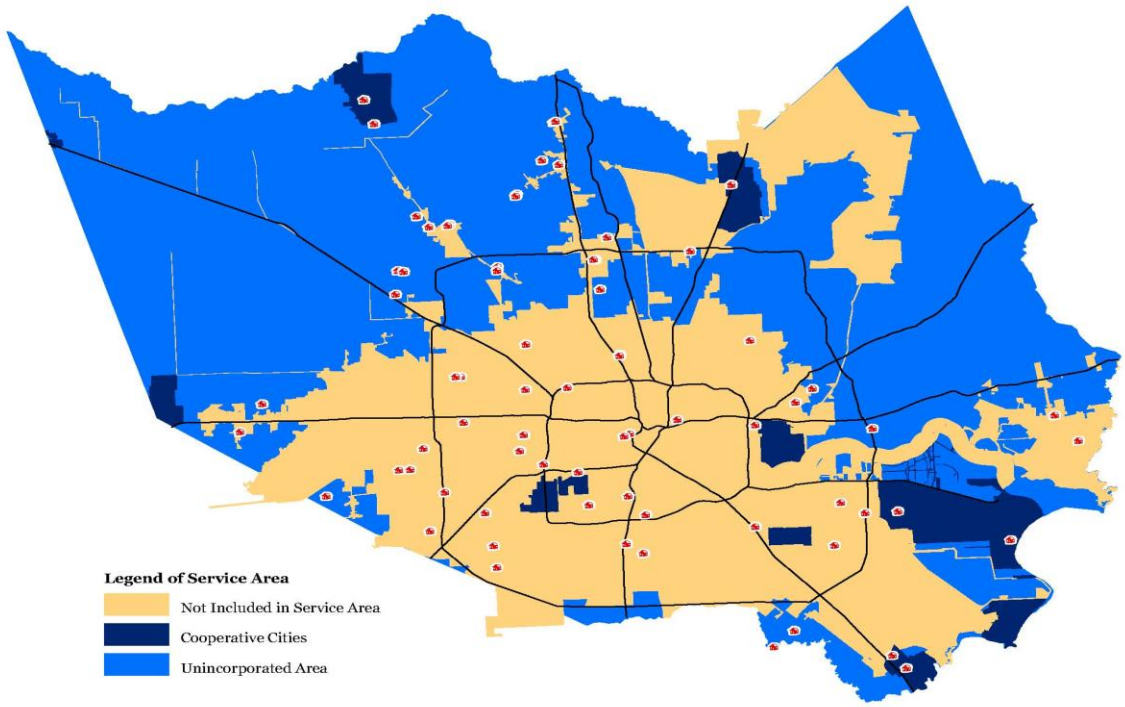
HUD defined special needs population. Additionally, affordability is also an issue in the availability of accessible housing. Persons with disabilities who are low income often do not have the funds to obtain barrier free housing.

Senior Housing

Meeting the housing needs of elderly persons is also a factor in analyzing housing availability. The growing elderly population has increased the demand for housing that meets the requirements of this particular population segment. In recent years, the housing market has responded to this demand through the development senior-only single-family and multi-family housing projects. However, many of these developments are not within affordability ranges for low-income senior citizens.

Housing needs of senior citizens often includes smaller units that have supportive services nearby or onsite. The types of housing for seniors range from multi-unit nursing facilities and group homes to single-unit master planned subdivisions. An inventory of subsidized facilities located within the CSD service area are denoted in Map 3.21 Senior Housing Facilities.

Map 3.21 Subsidized Senior Housing Facilities



Source: Senior HousingNet, www.seniorhousing.net

Affordable housing units specifically for seniors are more difficult to identify. However, Harris County's Section 8 Project Based Housing along with the Section 202 Housing includes 19

subsidized housing developments for seniors in the CSD service area. (See Map 3.21 Subsidized Senior Housing Facilities).

During retirement, housing for elderly citizens becomes much less affordable due to decreased income. According to the 2006 American Community Survey, males made up 42 percent of the population 65 and older while women made up 58 percent of that population. The median age was 74.4 years of age for that population.

According to the latest U.S. Census, the median income range for householders whose age is 55 to 64 is $50,000 to $74,999. Income then drops dramatically for householders whose age is 65 to 74, to a median income range of $15,000 to $24,999. Income drops again for householders aged 75 and older, whose median income range is $5,000 to $9,999. For householder's age 75 and older, there is a very high likelihood that income has dropped to well below HUD's extremely low-income limits (30 percent MFI). As a result, a greater percentage of their household income would go towards housing.

Table 3.46 Gross Rent as a percentage of Household Income

Age of Householder	Percentage Household Income
65 to 74	* 41.8%
75 years and older	* 49.9%

** 35 percent or more paying*

As observed in the following tables (tables 3.47 and 3.48), the total numbers of elderly owners is over five times that of elderly renters. This is encouraging not only because of the obvious advantages of persons owning housing equity, but also because of the likelihood that owners are no longer bound by monthly mortgage payments. However, by the time the home has been paid off, maintenance costs are more likely to have become substantial.

Table 3.47 Numbers of Elderly 1-and 2-Member Household Renters in Harris County

	1990	2002 Projections
0 to 30% MFI	2,216	1,916
31 to 50% MFI	1,342	1,252
51 to 80% MFI	1,130	1,184
TOTAL	4,688	4,352

Source: Comprehensive Housing Affordability Strategy (CHAS) Data Table 1C

Table 3.48 Numbers of Elderly 1-and-2 Member Household Owners in Harris County

	1990	2002 Projections
0 to 30% MFI	3,776	7,806
31 to 50% MFI	3,570	6,686
51 to 80% MFI	4,550	7,554
TOTAL	11,896	22,047

Source: Comprehensive Housing Affordability Strategy (CHAS) Data Table 1C

It is very likely that monthly mortgage and rental payments are no longer affordable for persons who have reached age 65 and older. In addition, it is also more likely that a householder has already paid off the mortgage purchased earlier in life. These seniors, however, often have problems with deferred maintenance on the home. For elderly householders who have not paid off their mortgage or who continue to rent, it is very difficult to make monthly payments for rent or mortgage for decent, safe, and sanitary housing.

High cost is a problem for the 30 percent of elderly households who pay more than one-third of their income for shelter. Although affordability problems affect both older homeowners and renters, renters are three times more likely than homeowners to have severe housing affordability problems. With incomes of less than $10,000 and few financial assets they spend more than half of their monthly income on shelter costs. According to the (TDHCA), shortage of affordable housing for low-income older adults is a serious problem.

Energy costs further decreases the affordability of housing. Social Security Income (SSI) recipients spend 13 percent to 20 percent of their household budgets on home energy costs. The use of less efficient systems and appliances contributes to higher energy costs.

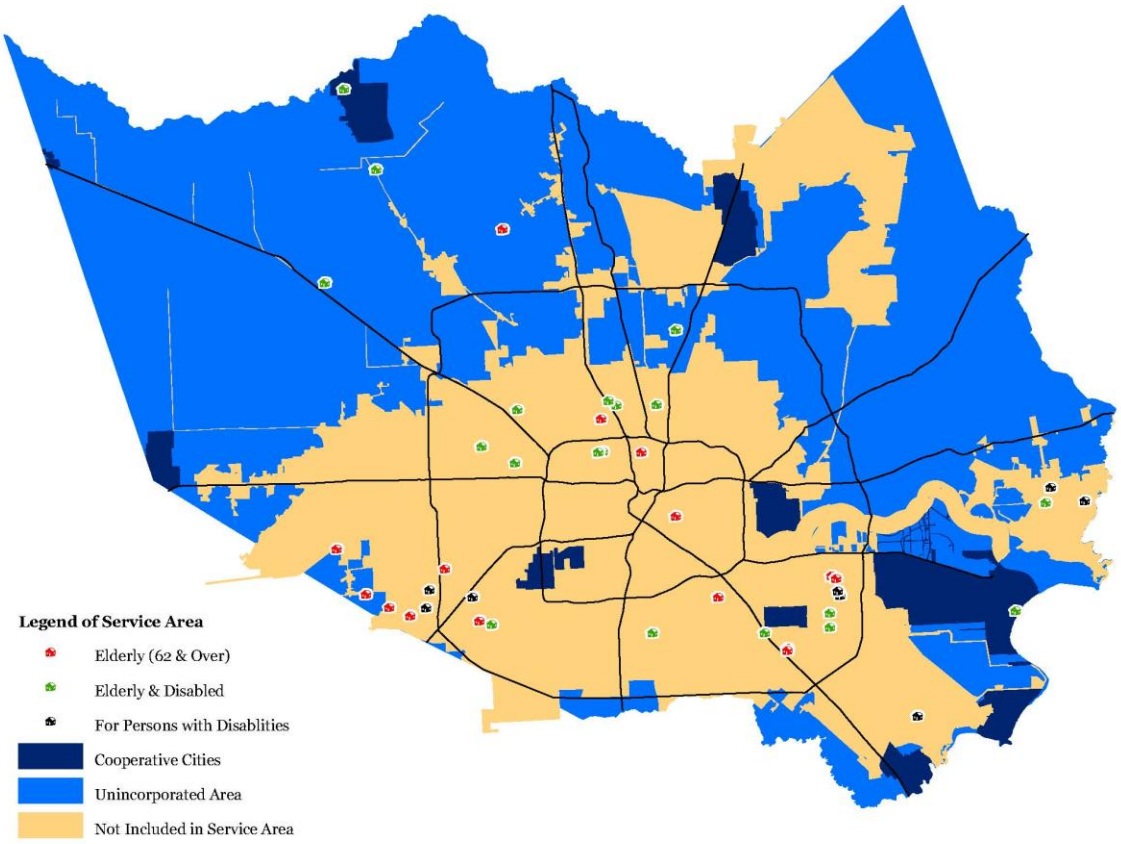
Property taxes and homeowners insurance also place a financial burden on older adults. Recent increases in homeowner's insurance have further disadvantaged older adults. Also with older adults, there are cases where the homes, both rental and owner-occupied, are in substandard condition and require repair and rehabilitation. The need for assistance with essential home repairs is more concentrated among older adults who lack both adequate income and assets. Over one-half million of these elderly households live in severely substandard dwellings that pose a threat to their safety and welfare.

Persons with Disabilities

According to the U.S. Census Bureau: ACS 2006 profile for Harris County, there were 424,659 persons age 5 and over with disabilities living in the Houston MSA. As of 2006, the percentage of disabled persons who earned incomes below the poverty level was over twice that of the percentage of the total population of Harris County with similar income levels. The median monthly earnings of men and women between 21 and 64 years of age with a severe disability, respectively is $1,262 and $1,000.

Many disabled persons rely solely on SSI, which is not enough on its own to reasonably pay for decent, safe, and sanitary housing. In January of 2002, the Social Security Administration's SSI program provided an individual with a monthly income of $545 (Priced Out in 2002). In 2006, the fair market rent for an efficiency apartment was $569 and for a one-bedroom unit was $633. This is approximately 85 to 90 percent of monthly SSI income, which means a disabled individual whose sole income is SSI cannot even come close to affording an adequate housing unit.

Map 3.22 Special Needs Housing for Elderly and Disabled



Source: Senior HousingNet, www.seniorhousing.net

Forty percent of very low-income households with a "worst-case" housing situation live with an adult family member with a disability. As a result, there are few options for housing for the disabled. In the Houston/Harris County, there are housing assistance programs available to persons with disabilities. The Section 811 program houses very low-income persons between the ages of 18 and 62 who have disabilities, including persons with physical or developmental disabilities or chronic mental illness and disabled families. The term "disabled family" may include two or more persons with disabilities living together, and one or more persons with disabilities living with one or more live-in aides. A disabled family may also include an elderly person with a disability. In Harris County there are 9 subsidized housing developments for persons with disabilities and 20 housing developments for persons that are elderly and disabled (refer to map 3.22).

Persons with HIV/AIDS

The AIDS Foundation of Houston estimates that over 1 percent of the population of the Houston/HC area is HIV positive. According to the City of Houston Quarterly HIV/AIDS

Update, Texas ranks as one of the ten leading states reporting the highest number of cumulative AIDS cases among residents as of June 2007, with 24,398 cases. Houston/HC ranked as one of the ten leading metropolitan statistical areas reporting the highest number of cumulative AIDS cases among residents as of 2005, with 24,914 cases.

Persons with HIV/AIDS generally have a more difficult time retaining employment due to discrimination and/or illness and risks of exposure to illness. These factors, combined with the high costs of health care, result in a greater likelihood for persons with HIV/AIDS to have low incomes and a greater need for affordable housing.

Housing for People Living With HIV/AIDS

According to the Coalition for the Homeless of Houston/Harris County, the Supportive Housing Program (SHP) the Madge Transitional Housing project has 16 units for women and their children that are living with HIV/AIDS. The Supportive Housing Program (SHP) is designed to develop housing and services that will allow homeless persons to live as independently as possible.

According to HUD, the Shelter Plus Care Program (S+C) provides rental assistance for hard-to-serve homeless persons and homeless persons with disabilities in connection with supportive services funded from sources outside the program. Under the Shelter Plus Care program in Houston/Harris County, six organizations offer a total of 548 housing units for persons living with HIV/AIDS. HUD states that this program has a variety of housing choices, and a range of supportive services in response to the needs of the hard-to-reach homeless population with disabilities.

Another form of housing that provides rental assistance for homeless single individuals with or without HIV/AIDS are Single Room Occupancy (SRO) dwellings. In Houston/HC there are five organizations that provide this type of housing.

In addition, according to the 2007 Houston/Harris County Continuum of Care Application, there are 370 total year round beds for people living with HIV/AIDS. Also, the Coalition for the Homeless Houston/Harris County lists 10 various providers who provide beds for clients living with HIV/AIDS.

Accessibility

Accessibility of housing units may be hindered by income limitations, credit problems, or discrimination against the applicant. A correlation can be found between areas of high mortgage application rejection rates and minority concentration areas and persons of low- and moderate-income. As seen in Figure 3.18, the higher the minority concentration, the higher the percentage of rejected mortgage applications. This does not necessarily mean that minorities' applications are rejected on the basis of race, because other factors such as low income or bad credit may be present. However, the correlation between areas of high minority concentration and high numbers of rejected mortgage applications is strong. Figure 3.19, also illustrates that income is a possible hindrance in mortgage application approval. Geographically, mortgage denial rates do correspond to areas of lower income in Harris County service area. Map 3.23, denotes higher denial rates for the eastern and northeastern unincorporated portions of the county, areas which

historically are older and lower income.

Figure 3.18 Mortgage Approval and Denial Rates by Minority Concentration

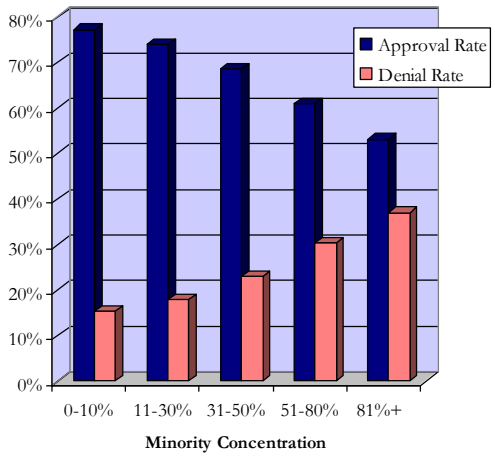
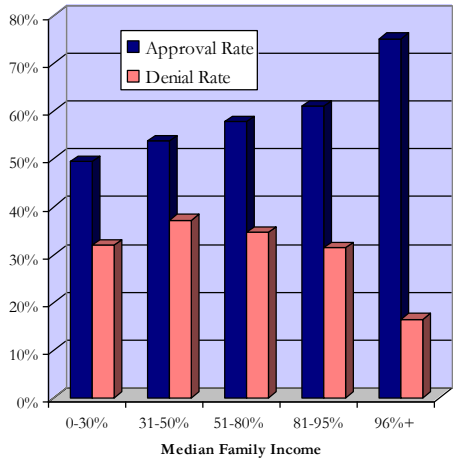
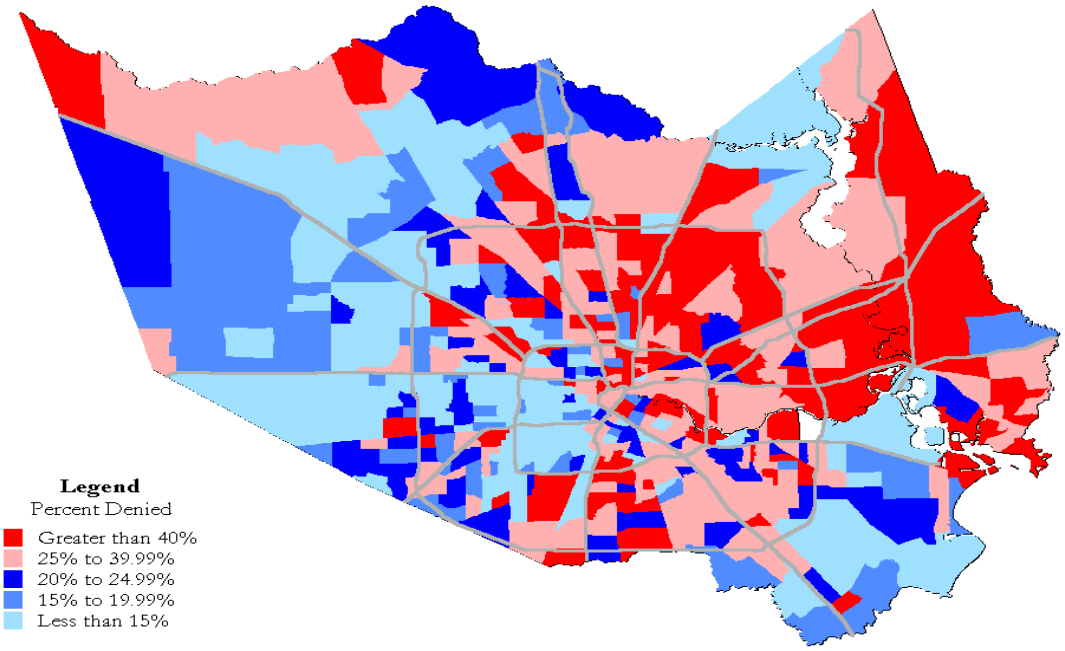


Figure 3.19 Mortgage Approval and Denial Rates by Median Family Income



Source: Mortgage Lending Activity, Federal Financial Institutions Examination Council (FFEIC)

Map 3.21 1999 Home Mortgage Applications, Percent Denied



Source: Mortgage Lending Activity, Federal Financial Institutions Examination Council (FFEIC)

Homeless

According to the 2011 Coalition for the Homeless Houston/Harris County Point-In-Time Enumeration Study, on the night of January 31, 2011 there were 8,026 sheltered and unsheltered homeless individuals (as per HUD's definition). This number is a 25 percent increase from the point-in-time study of 2010. In creating a more complete view of homelessness in Harris County, the study also takes into account homeless individuals in Harris County jail and those who would be homeless were it not for the assistance of vouchers for permanent supportive housing or rapid re-housing. These additional point-in-time figures increase the number of Harris County homeless individuals from 8,026 to 13, 340. While housing supply in Harris County is not lacking, homeless individuals generally have a more difficult time accessing high enough paying jobs or supportive services that allow them to maintain sufficient housing.

Housing Adequacy

The adequacy of housing is most simply explained by the physical condition of available housing units. In a jurisdiction as large as Harris County, with over 1.2 million housing units, it is difficult to determine the precise number of substandard housing units without a house-by-house inspection. Housing quality depends in part on the age, characteristics, and location of the dwelling unit. The age of a housing unit is one of the factors that affect its value. In addition the age of housing can also be a determinant its condition. Older structures require more maintenance and overall upkeep; if repairs are not made, the condition and value of the unit may deteriorate rapidly. Harris County relied on the 2002 Harris County Appraisal District (HCAD) housing annual inspection to determine the County's housing condition.

This annual inspection measures the overall physical condition of the dwelling relative to its age, or the level of maintenance that you would normally expect to find in a dwelling of a given age. Consideration should be given to the foundation, porches, walls, exterior trim, roofing, chimneys, wall finish, interior trim, kitchen cabinets, heating system and plumbing. Six alternatives are provided:

1. **Excellent** - The dwelling exhibits an outstanding standard of maintenance and upkeep in relation to its age.
2. **Very Good** - The dwelling exhibits light evidence of deterioration; still attractive and quite desirable.
3. **Good** - The dwelling exhibits an above average standard of maintenance and upkeep in relation to its age.
4. **Average** - The dwelling display only minor signs of deterioration caused by normal "wear and tear". The dwelling exhibits an average standard of maintenance and upkeep in relation to its age.
5. **Fair** - The dwelling is in structurally sound condition, but has greater than normal deterioration present (deferred maintenance) relative to its age.
6. **Poor** - The dwelling display signs of structural damage (as a sagging roof, foundation cracks, uneven floors, etc.) possible combined with a significant degree of deferred maintenance.
7. **Very Poor** - The dwelling displays a condition that approaches unsoundness; extremely

undesirable and barely useable.

8. **Unsound -** The dwelling is structurally unsound, not suitable for habitation and subject to condemnation. It is possible some dwellings may be occupied, but still suitable for coding as unsound.

Table 3.49 Single Family Housing Condition, 2002

Condition	Percent of Total	Housing Units
Excellent	0.11%	336
Very Good	5.87%	18,529
Good	21.92%	69,254
Average	33.41%	281,653
Fair	37.33%	117,936
Poor	1.07%	3,383
Very Poor	0.23%	740
Unsound	0.06%	198
Total	100%	492,029

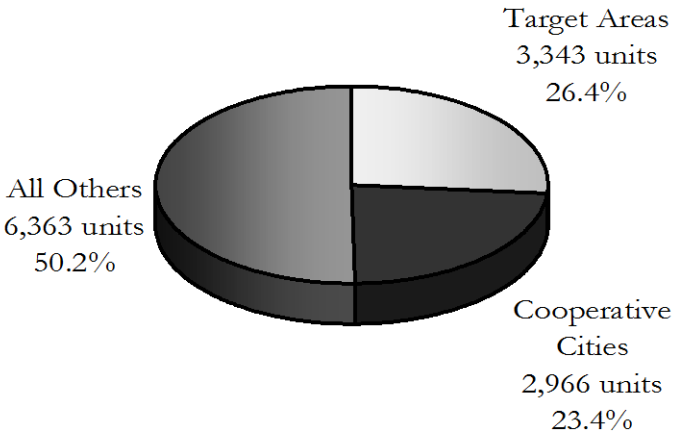
Source: Harris County Appraisal District

As of the 2002 HCAD Housing Inspection, there were 492,029 single-family housing units in the Harris County Service Area. In general, the housing inventory is in good repair. Single-family housing stock in need of replacement or rehabilitation accounts for 122,257 single-family housing units or 38.7 percent of the service area single family housing stock. The second largest group of single-family housing units, 33.41 percent (281,653), was those in an average condition or in display only minor signs of deterioration. There were additional 18,865 units, or 5.87 percent of the single-family stock that were in good or excellent condition. Table 3.49 graphically displays the percentage of single-family housing units falling into each of the above define categories in the County's service area.

Housing quality also depends importantly on the income of the occupants and their ability to pay for needed repairs. Today, many low-income households live in units that are at risk of loss because they cannot meet the basic costs of maintaining and operating standard housing. In fact, households with very low incomes (less than 50 percent of area median) are more than twice as likely as other households to live in structurally inadequate housing. And even accounting for income differences, renters are more apt to reside in structurally inadequate units than owners are.

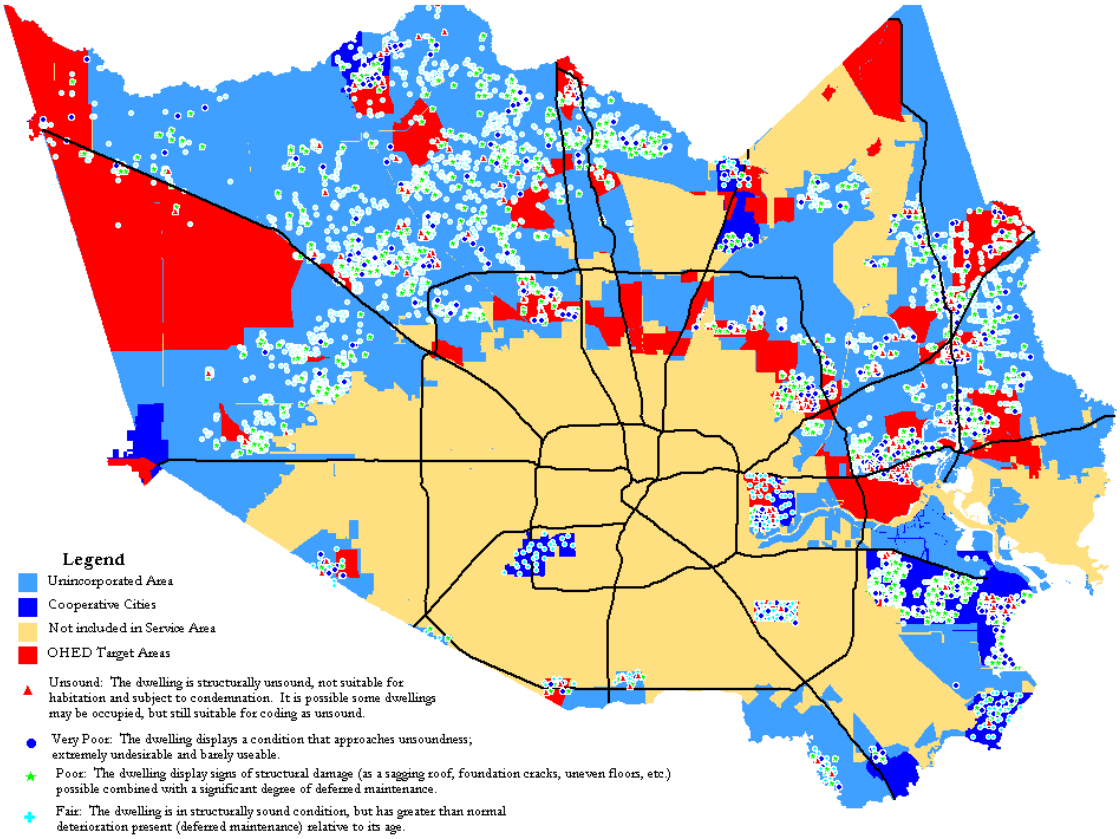
Based on the HCAD Single Family Survey, the highest concentration of single-family housing units in need of repair are in the Harris County Target Areas (See Single Family Housing in Need of Repair Map below). The target areas with the highest concentration are Aldine, Cloverleaf, Little York, McNair, Woodsdale, and South Houston. The cooperative cities with a high need of repair were identified as Jacinto City, La Porte, South Houston, Galena Park, Deer Park and Katy. Also, among the cooperative cities with a high number of units in need of repair are Bellaire and West University. Subsequently, the majority of these homeowners are elderly (refer to map 3.24 and fig. 3.20).

Figure 3.20 2002 Single Family Housing in Need of Repair by Location



Source: Harris County Appraisal District

Map 3.24 2002 Single Family Housing in Need of Repair Including Harris County Service Area

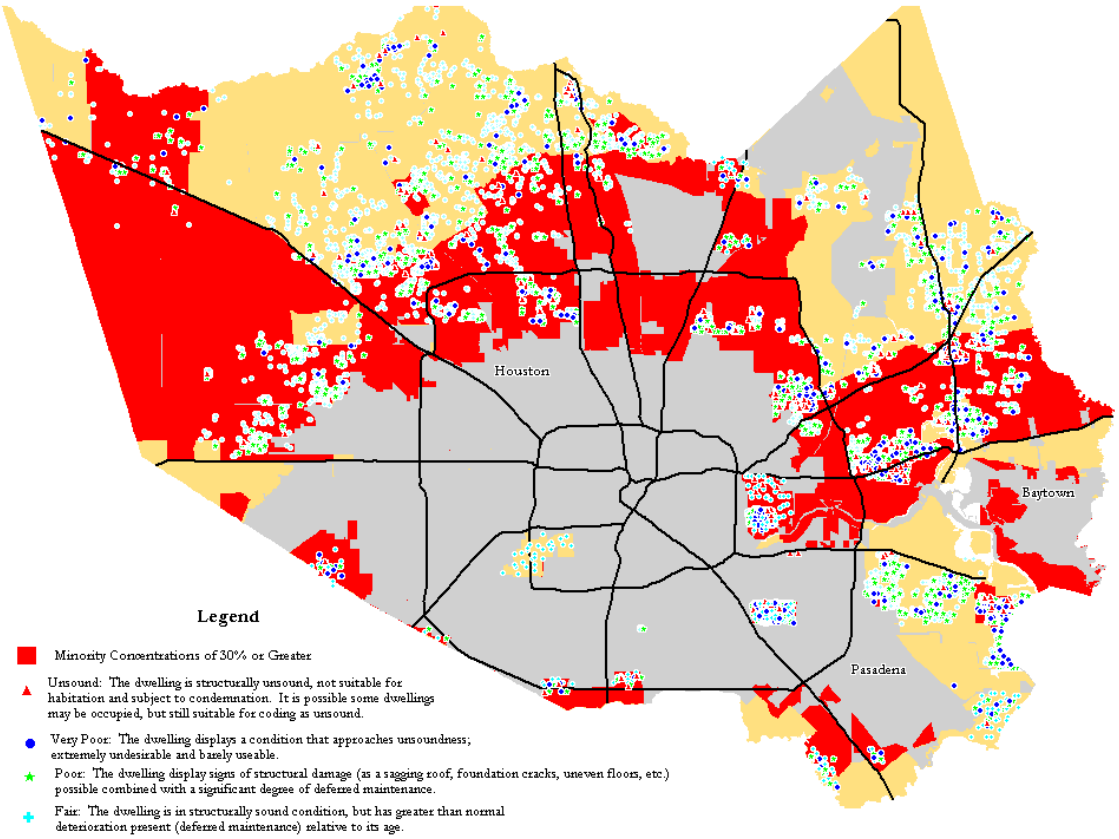


Source: Harris County Appraisal District

Overall, single family homes dominate the owner-occupied inventory. Unlike homeowners, rental property owners cut back substantially on repair and renovation activities. Depending on rent levels and the overall condition of the property, no expenditures on repair and remodeling are made. Small non-resident property owners appear to have the most difficulty keeping up with repairs. The oldest and smaller multi-family projects are found inside the target areas and in the cooperative cities. Conditions of multi-family housing follow the pattern of single-family housing.

Despite highly visible signs of renewed economic growth in many of the Target Areas and Cooperative Cities, housing development still faces barriers. Urban decay has left some neighborhoods with lots of vacant lots. Redeveloping these areas is complex and costly because it requires assembling the parcels, demolishing dilapidated structures, and sometimes it require construction of new and/or upgrading the existing infrastructure. Finding lenders willing to fund to these projects, and buyers willing to invest in these areas, is equally difficult.

Map 3.25 2002 Single Family Housing in Need of Repair by Minority Concentration



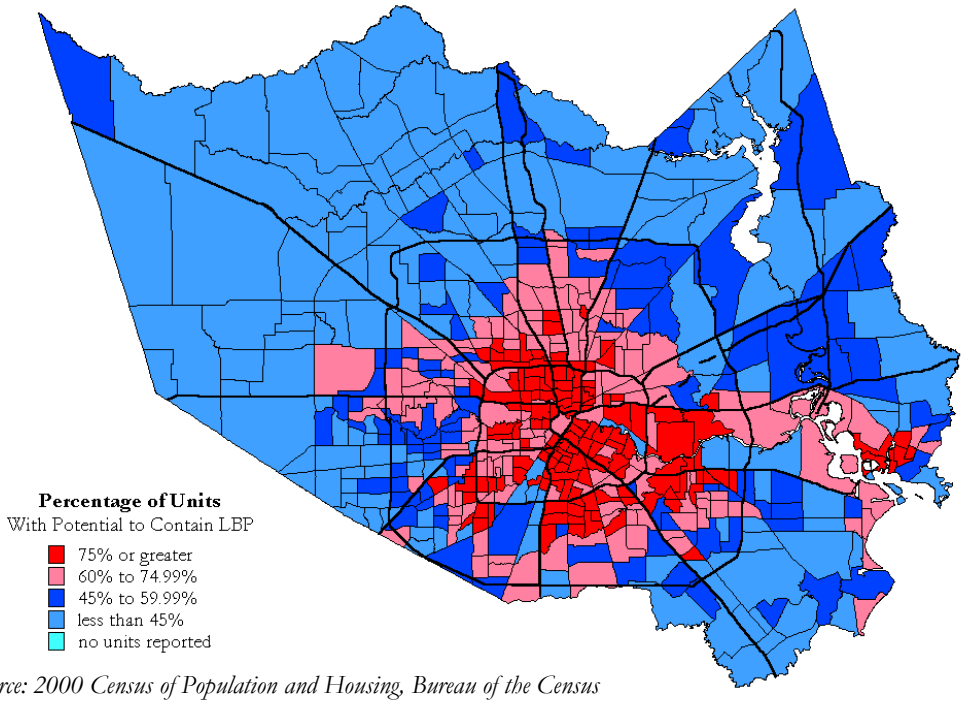
Source: Harris County Appraisal District

Lead-Based Paint

In addition to physical condition, adequacy of housing is also affected by the presence of environmental and health hazards related to the construction of the housing. The presence of lead-based paint in housing is one the most critical environmental hazards found in today's housing both at the national and local levels. In 1978, restrictions were placed on the use of lead-based paint. Years of research linked the use of lead-based paint to developmental disabilities in humans, including poor development in children and development of Alzheimer's disease among the elderly. Because lead-based paint was used extensively before 1978, many older homes are potential health hazards, particularly to the low- and moderate-income person who live in older housing but cannot afford the high costs of rehabilitation. In Harris County as a whole, slightly more than half of all housing units are likely to contain lead-based paint. The percentage of units projected to contain

lead-based paint is substantially higher in urban areas, most notably in older neighborhoods of inner-city Houston. (See Map 3.26)

Map 3.26 Housing Likely to Contain Lead-Based Paint, 2000



Source: 2000 Census of Population and Housing, Bureau of the Census

The population at greatest risk for lead poisoning is the approximately 142,000 children under the age of six based on the 2000 U.S. Bureau of Census. Harris County has projected that approximately 6,280 of these children are at risk of lead poisoning. Low-income families who live within the 109 census tracts, where at least 50 percent of the housing may contain lead-based paint, will be the primary target group. The areas most at risk are the cities of Baytown, Pasadena, Galena Park, Jacinto City, and LaPorte, as well as the unincorporated Census Designated Places of Aldine, Cloverleaf, McNair, Barrett Station and Channelview. Since housing in the unincorporated area of Harris County is relatively new, only 31.1 percent of housing units are likely to contain lead-based paint. The percentage is higher for homes in target areas. Approximately 42 percent of all homes in unincorporated target areas may contain lead-based paint, compared to 58 percent of all homes in incorporated target areas.

Based on estimates derived from 2000 Census data, approximately 124,000 homes in Harris County service area are at-risk of containing lead-based paint. This figure represents 34 percent of the total number of housing units in the service area. Areas especially susceptible to the hazards of lead-based paint are located in the eastern portion of the service area. In this portion of the county, risk factors associated with the hazards of lead-based paint are found in the majority of the housing stock. The housing in this area is among the oldest in the county, housing values in the area are among the lowest in the service area, and much of the housing is renter-occupied.

In addition to the age of housing as an indicator of risk, in 1996 the Houston Environmental Foresight Program estimated that a minimum 5 percent (22,000) of the children in the eight county region including Harris County may exceed the lead/blood action level. Concentrations in older areas may be as high as 20 percent. Residents in Harris County outside the City of Houston represent 31 percent of the region's population, so an equal distribution would include approximately 6,280 at-risk children in the service area as a result of contaminated housing.

Special Issues in Housing

Overcrowding

The ability to which the housing market is responding to specific household needs is often measured through overcrowding. HUD defines overcrowding as the condition where there are more than 1.01 persons per room. Overcrowding is often a problem for large and "extended" households (five or more persons), when the housing market fails to provide an adequate supply of housing units with three or more bedrooms. Affordability is also an issue that increases the likelihood of overcrowding. Analysis of the current Harris County housing development trends, particularly multi-family development, shows that the market is pumping out an abundant supply of one- and two bedroom housing units in response to estimated and projected increase of smaller households. However, the market's response to meet the needs of smaller households has created a void in meeting the needs of large households, thus enhancing the issue of overcrowding. In 2000, there were 157,039 overcrowded housing units in Harris County, 13 percent of the total housing stock. The majority of these overcrowded units are multi-family units.

Table 3.50, Multi-Family Housing Units According to Bedroom Size represents only 4 percent of the multi-family housing stock has four or more bedrooms with 23.1 percent occupancy. While two to three bedrooms units comprise 57.2 percent with 61.3 percent occupancy. As a result, overcrowding is likely to happen because of the lack of four or more apartment units.

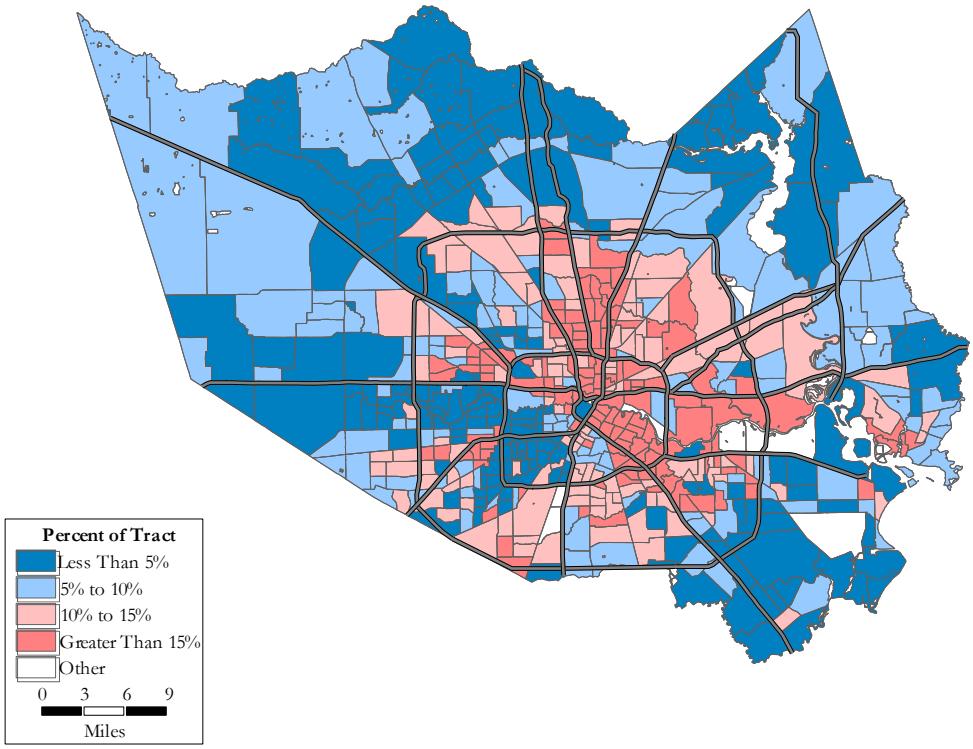
Table 3.50 Multi-Family Housing Units According to Bedroom Size

Bedrooms	Renter-occupied housing units	Total occupied housing units
No bedroom	1.3%	0.6%
1 bedroom	37.5%	15.1%
2 or 3 bedrooms	57.2%	61.3%
4 or more bedrooms	4.0%	23.1%

Source: Real Estate Center Market Overview 2007

In Harris County overcrowding is more likely to occur within the centrally located incorporated areas. Map 3.27 Housing, Percent Overcrowded in 2000 geographically illustrates the proportion of overcrowded housing units in the county.

Map 3.27 Housing, Percent Overcrowded in 2000



Source: 2000 Census of Population and Housing, Bureau of the Census

Special Housing – Hurricane Katrina

According to the O'Connor & Associates report, Hurricane Katrina: One Year Update 2006, reported on August 29, 2005, the breech of the levee devastated New Orleans, Louisiana. The Louisiana Recovery Authority estimated that Hurricane Katrina displaced 1.3 million residents from their homes and destroyed 204,500 homes. Pre-Katrina population of the City of New Orleans was estimated at 454,863 by the U.S. Census Bureau. As of January 2006, residents have steadily moved back into the area which includes students and faculty from the universities: Tulane, Xavier, Southern University, Dillard, University of New Orleans, and Loyola. The population of New Orleans current population remains less than half of what it was, at 190,000.

Houston took a massive number of New Orleans residents before and after the hurricane. Approximately 300,000 evacuees came to Houston, and over a year later, approximately 120,000 evacuees remain in Houston. Houston area school districts experienced a dramatic increase in enrollment after the hurricane. According to a survey conducted by O'Connor & Associated, 15,764 student evacuees were enrolled in Houston-area public school districts in October 2005. By the end of November, this number increased to 19,013. One year after the hurricane, 9,760 evacuee students remain enrolled. The September 2006 enrollment figures indicated that HISD had the highest number of evacuee students at 2,846, followed by Alief ISD at 1,738. Spring ISD reported 684, Cy-Fair ISD at 884, and Aldine ISD reported 980 students.

A major limiting factor for those wanting to return to New Orleans is the lack of available, habitable, reasonably-priced housing. According to the O'Connor & Associates report, throughout 2004, Houston/Harris County's apartment occupancy levels were trending downward. This was a result of overbuilding in the market, sluggish job growth, and record low mortgage rates. Occupancy bottomed out in the first quarter of 2005 at 86.33 percent. The market posted small gains in the second quarter as the resident's economic situation strengthened. In September 2005, the effects of Hurricane Katrina on the apartment market came to light, as occupancy immediately jumped more than 3 percentage points in one month, climbing above the 90 percent mark to 90.41 percent. As evacuees make their way out of hotels, shelters, and friends' homes, with many taking advantage of the 12-month apartment voucher program, occupancy continued to climb over the next three months. Occupancy peaked in December 2005 at 91.69 percent.

Since then, many evacuees with the financial ability have made their way back home, resulting in occupancy steadily declining. During the first quarter of 2006 registered 91.06 percent overall occupancy fell further to 90.28 percent during the second quarter. Third quarter 2006 figures indicate that occupancy has once again fallen bellow the 90 percent mark, to 89.7 percent.

However, construction activity is picking back up following a brief reprieve in 2005. 2006 is promising to be another active year, as half way through the year, 10 projects with 3,454 units were already completed, and an additional 28 projects containing 11,795 units are underway.

The far west sector is bringing the most units to the apartment market. The ever-expanding Woodlands area continues its steady pace of apartment construction. The combination of aggressive development and further Katrina evacuee vacancies will undoubtedly contribute to the increasing softness of the Houston/Harris County apartment market.

The issue of overcrowding is further increased the need for affordable housing. Large households that earn low-income may often opt for older housing that is more affordable due to age and condition, but is often much too small for their space needs. According to the census, the Harris County 2007 Fair Market Rent for a three-bedroom unit in the Greater Houston housing market area is $1,042. For a low-income family of five or more persons a rent at this cost may pose a housing burden. For a family making an average annual income between $10,000 and $19,999, 35 percent or more of their income goes towards household rent. However, the collapse of the sub-prime lending market and increased foreclose rate in 2007 should stabilize if not strengthen the apartment market as demand for rental units increases from displaced homeowners.

Supportive Housing for the Homeless

According to the 2011 Coalition for the Homeless Houston/Harris County Point-In-Time Enumeration Study, on the night of January 31, 2011 there were 8,026 sheltered and unsheltered homeless individuals (as per HUD's definition). This number is a 25 percent increase from the point-in-time study of 2010. In creating a more complete view of homelessness in Harris County, the study also takes into account homeless individuals in Harris County jail and those who would be homeless if it were not for the assistance of vouchers for permanent supportive housing or rapid re-housing. These additional point-in-time figures increased the number of Harris County homeless individuals from 8,026 to 13,340. While the housing supply in Harris County is not

lacking, homeless individuals generally have a more difficult time accessing high enough paying jobs or supportive services that allow them to maintain sufficient housing.

The CSD plan also includes an inventory of facilities, housing and services that meet the needs of homeless persons within the jurisdiction, particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth. (See Appendices B and K.

The Harris County Housing Authority has partnered with the Housing Corporation of Greater Houston to help create the Jackson Hinds Gardens – a 110-unit Single Residency Occupancy (SRO) community serving Harris County. The facility is vital to the region's efforts to address the needs of its large homeless population.

According to the Coalition for the Homeless of Houston/Harris County, the Supportive Housing Program (SHP) project Madge Transitional Housing has 16 units for women and their children that are living with HIV/AIDS. The Supportive Housing Program (SHP) is designed to develop housing and services that will allow homeless persons to live as independently as possible.

According to HUD, the Shelter Plus Care Program (S+C) program provides rental assistance for hard-to-serve homeless persons and homeless persons with disabilities in connection with supportive services funded from sources outside the program. Under the Shelter Plus Care program in Houston/Harris County, six organizations offer a total of 548 housing units for persons living with HIV/AIDS. HUD states that this program has a variety of housing choices, and a range of supportive services in response to the needs of the hard-to-reach homeless population with disabilities.

Another form of housing that provides rental assistance for homeless single individuals with or without HIV/AIDS are Single Room Occupancy (SRO) dwellings. In Houston/HC there are five organizations that provide this type of housing.

According to the 2007 Houston/Harris County Continuum of Care Application, there are 370 total year round beds for people living with HIV/AIDS. Also, the Coalition for the Homeless Houston/Harris County lists 10 various providers who provide beds for clients living with HIV/AIDS.

Harris County Housing Assistance Programs

Down payment Assistance Program (DAP)
DAP provides financial assistance in the form of a deferred, forgivable loan to eligible first time homebuyers for down payment and closing costs assistance in the purchase of new and pre-owned homes (built within the last 10 years). Assistance up to $14,400 is available to eligible homebuyers for the purchase of homes located in the unincorporated areas of Harris County, outside the cities of Houston, Baytown, and Pasadena, and within the 15 cooperating cities in Harris County. Assistance up to $34,500 as available to eligible homebuyers wishing to purchase new homes in HUD selected Harris County target areas.

Housing Resource Center
The Housing Resource Center is the first stop for housing resources and assistance programs in Harris County. In partnership with other government agencies, as well as non-profit and community organizations, the Housing Resource Center has built a network concerned with finding and maintaining safe, comfortable, and secure housing for Harris County residents.

Weatherization Program
Through its Agencies in Action Program, Center-Point (CNP) is making over $2 million dollars available annually to non-profit agencies that can provide energy efficiency improvements to the homes of income-eligible customers in the CNP electric distribution service area. Energy-efficient measures will include efficient lighting, ENERGY STAR refrigerators and air conditioners, solar screens, and attic and wall insulation. The maximum allowable expenditure under the program is $4,000 per home.

Disaster Housing Assistance Program (DHAP)
The DHAP replaces the existing FEMA rental-subsidy program, which currently assists approximately 40,000 families affected by Hurricanes Katrina and Rita – more than 8,000 of which reside in Harris County. The DHAP is the result of an interagency agreement between HUD and FEMA, and it is designed to move families currently receiving rental-assistance toward self sufficiency.

Minor Home Repair Program
The Harris County Home Repair Program provides grants to low-income and elderly households. It will give up to $10,000 for minor home repairs or up to $40,000 for Septic System and/or Water Well Repairs that have a current health and safety code violation citation (s).

Section 8 Housing Choice Voucher Program (HCVP)
The Section 8 HCVP assists low-income families secure decent, safe, and sanitary housing through voucher programs. Each family pays a portion (30 percent) of its income for rent. The program pays the remainder of the contract amount.

Homeownership "Independence" Program
HCHA's Homeownership Program will provide mortgage assistance to low-income households for the acquisition of newly constructed single-family properties. In conjunction with financial assistance, HCHA will offer counseling to prospective homebuyers including financial management, homeowner training, credit counseling and other educational information designed to create successful homeownership opportunities.

Affordable Housing Development Program
According to the Harris County Housing Authority, the HCHA is aggressively building and operating innovative tax-credit housing developments by working with the region's best private-sector partners. These properties, many of which specialize in housing for senior citizens and disabled, are full service developments on par with even the nicest private sector properties.

Homeless Housing Prevention Program

According to the Harris County Housing Authority, the HCHA works its non-profit partners to operate Jackson Hinds Gardens, a 110-unit single residency occupancy community serving the Houston region's homeless population. It is the first homeless facility in Houston built on the "Housing First" model – a concept that says we should help the homeless find long-term residency solutions, and then treat the root causes of their homelessness.

Harris County CSD also provides homeless prevention through two of its subrecipients Catholic Charities and Northwest Assistance Ministries.

Table 3.51 Priority Housing Needs/Investment Plan Table (Table 2A)

PRIORITY HOUSING NEEDS (households)		Priority		Unmet Need
Renter	Small Related	0-30%	H	32,360
		31-50%	M	24,910
		51-80%	L	10,235
	Large Related	0-30%	H	12,025
		31-50%	H	6,370
		51-80%	M	1,357
	Elderly	0-30%	M	10,474
		31-50%	M	5,414
		51-80%	L	3,112
	All Other	0-30%	H	22,955
		31-50%	M	20,000
		51-80%	H	12,760
Owner	Small Related	0-30%	H	10,485
		31-50%	H	10,705
		51-80%	M	14,690
	Large Related	0-30%	H	5,085
		31-50%	H	5,805
		51-80%	M	5,140
	Elderly	0-30%	M	12,324
		31-50%	M	7,299
		51-80%	L	5,114
	All Other	0-30%	H	5,325
		31-50%	H	3,320
		51-80%	M	4,914
Non-Homeless Special Needs	Elderly	0-80%	H	7,016
	Frail Elderly	0-80%		
	Severe Mental Illness	0-80%		
	Physical Disability	0-80%	H	14,400
	Developmental Disability	0-80%		
	Alcohol/Drug Abuse	0-80%		
	Rapid Re-housing			250
	HIV/AIDS	0-80%	H	1,500
	Victims of Domestic	0-80%		