

Harris County Management Services

Population Study - March 2011

Introduction

This is the twelfth report in an ongoing study of population changes in Harris County and their impact on demand for County services. The Census bureau released 2010 count data in late February and this report is a comparison of the 2010 count to the previous 2000 and 1990 census counts.

Harris County is Growing Fast

Harris County continues to be the nation's third most populous county with 4.1 million residents as of April 1, 2010 and one of the fastest growing counties in the US with a population increase of 20% since 2000 and 45% since 1990. Harris County contains all or part of 34 cities including Houston, the nation's fourth largest city. The following chart shows the population for Houston, the other cities in Harris County and the Unincorporated area of the County.

	2000 Census	2010 Census	Increase	Growth Percentage
City of Houston	1,919,789	2,057,280	137,491	7.2%
Other cities	439,615	473,716	34,101	7.8%
Unincorporated Area	1,041,174	1,561,463	520,289	50.0%
Total County	3,400,578	4,092,459	691,881	20.3%
<i>Percent Unincorporated</i>	<i>31%</i>	<i>38%</i>	<i>75%</i>	



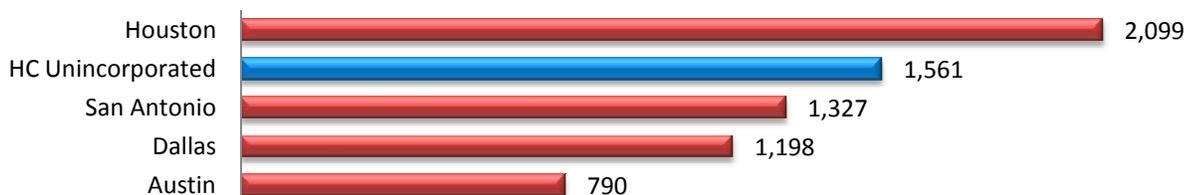
The unincorporated area now represents 38% of the total county population, up from 31% in 2000. Between 2000 and 2010, 75% of the growth in the county was in the unincorporated area.

Unique Unincorporated Area

Harris County is essentially home to the 2 largest cities in Texas if you consider the unincorporated area as a stand-alone city. The Census Bureau has not yet released 2010 count data for Arizona but there is a chance that Harris County Unincorporated may pass Phoenix in population which would make it the fifth most populous "city" in the US.

Harris County is the only county in Texas and likely the only county in the US with such a significant unincorporated area. The following chart shows the data for the top five "cities" in Texas.

	2000 Census	2010 Census	Increase	Growth Percentage
City of Houston (entire city)	1,953,631	2,099,451	145,820	7.5%
Harris County Unincorporated	1,041,174	1,561,463	520,289	50.0%
San Antonio	1,144,646	1,327,407	182,761	16.0%
Dallas	1,188,580	1,197,816	9,236	0.8%
Austin	656,562	790,390	133,828	20.4%

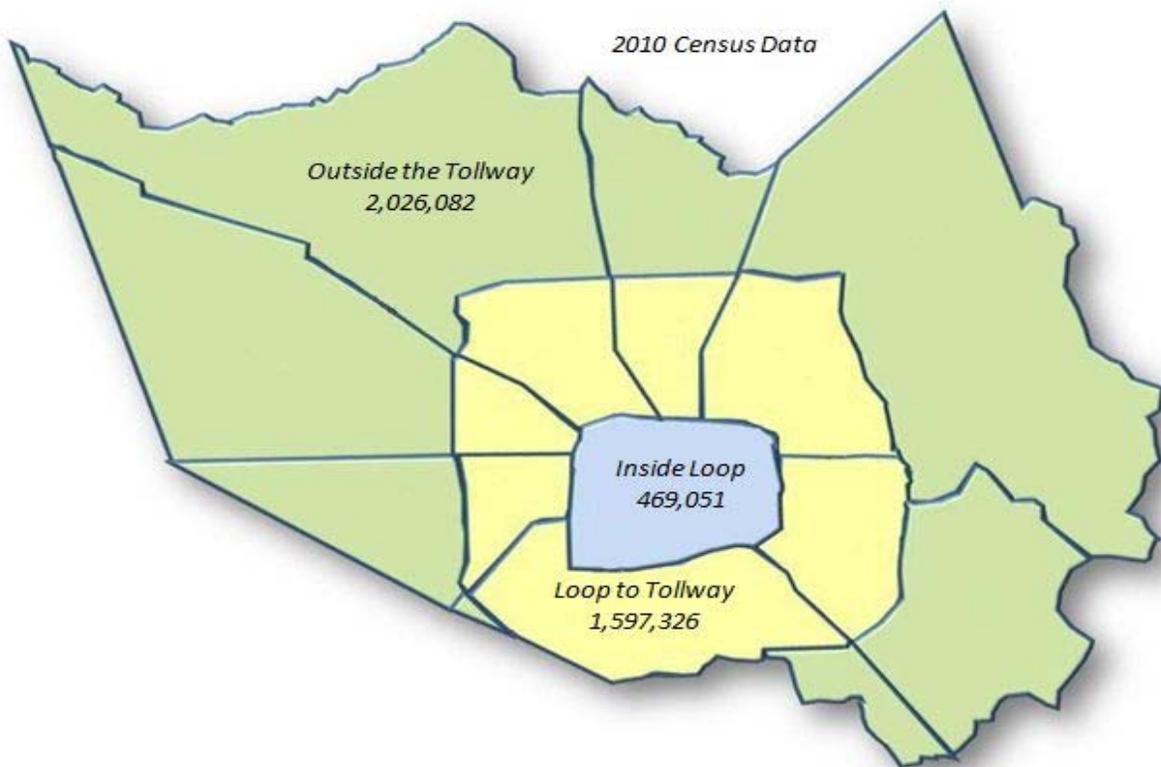


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Population Spreading Out

Over the last decade, the population of Harris County has spread out considerably. With the recent completion of the last segment of the tollway system in northeast, the tollway now forms a complete outer loop within the County. The following chart shows how the population outside the Tollway has grown significantly faster than the area inside the Tollway:

Population	1990	2000	2010	Growth Since 2000 Census	
	Census	Census	Census	Population	Percent
 Inside Loop 610	428,982	456,649	469,051	12,402	2.7%
 Loop to Tollway	1,281,787	1,493,635	1,597,326	103,691	6.9%
Subtotal Inside Tollway	1,710,769	1,950,284	2,066,377	116,093	6.0%
 Outside Tollway	1,107,430	1,450,294	2,026,082	575,788	39.7%
Entire County	2,818,199	3,400,578	4,092,459	691,881	20.3%
<i>Percent Outside Tollway</i>	<i>39%</i>	<i>43%</i>	<i>50%</i>	<i>83%</i>	



Infrastructure and Growth

Harris County is primarily responsible for the infrastructure maintenance and development outside the Tollway. This area is growing at a rate more than six times that of the growth inside the Tollway and the County relies primarily on property taxes to fund this development. Harris County does not receive general sales taxes like the cities and METRO.

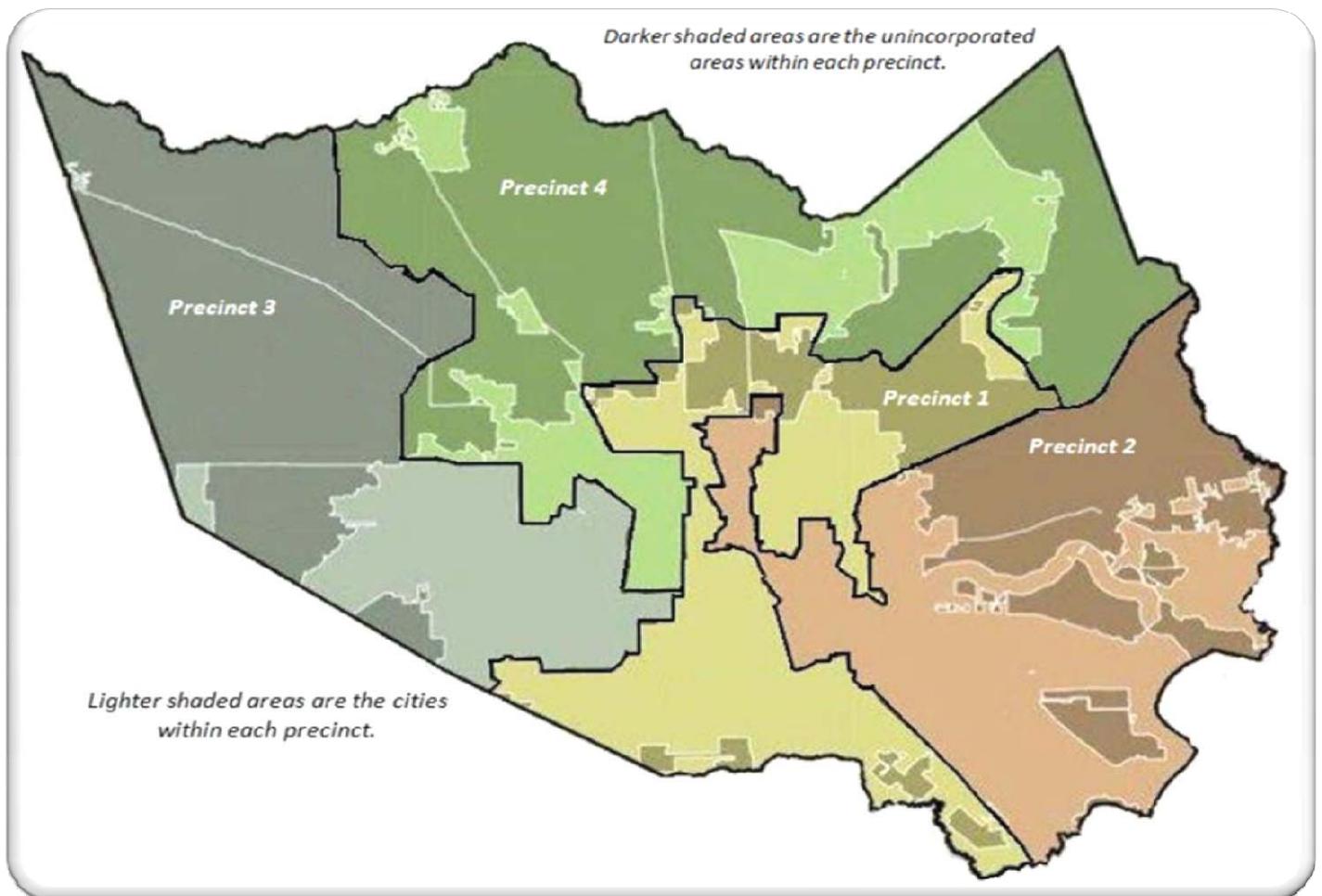
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Harris County Precincts and Redistricting

Each of the four Commissioner precincts in Harris County has a significant population in the unincorporated area. The following chart shows an estimate of the 2010 population in each of the precincts. The data is estimated because it is based on the census data for the 2,144 census blocks located in Harris County and about 50 of these areas fall within more than one precinct.

Data for the upcoming redistricting process for the Commissioner precincts will involve a more detailed look at census data, but the amounts in the table below should provide a reasonable picture of the current spread of population between the precincts.

Commissioner Precinct	Within City Limits	Unincorp. Area	Total	Percent in Cities	Share of Unincorp.
Precinct 1	780,956	160,226	941,182	83%	10%
Precinct 2	737,657	145,768	883,425	83%	9%
Precinct 3	667,734	478,402	1,146,136	58%	31%
Precinct 4	342,651	779,067	1,121,718	31%	50%
	2,528,998	1,563,463	4,092,461	62%	100%



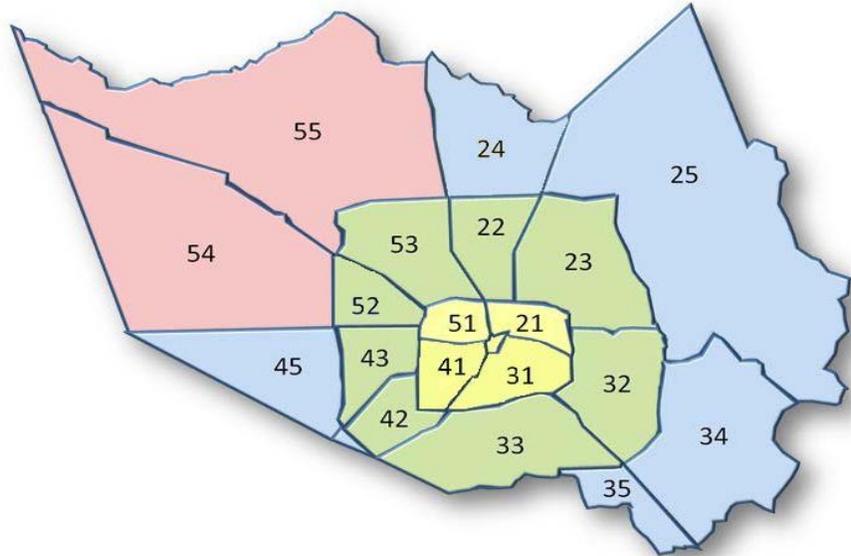
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Growth Trends by Area

The following map and data are by groups of Census Tracts. Tract 54 is the fastest growing area having nearly tripled in population since 1990.

Tract 55 has more than doubled in population since 1990 and has grown by more than 183,000 in the last 10 years.

When you add tract 45, the three tracts on the west side, 45, 54 and 55, have more population in the 2010 Census than the city of Dallas.



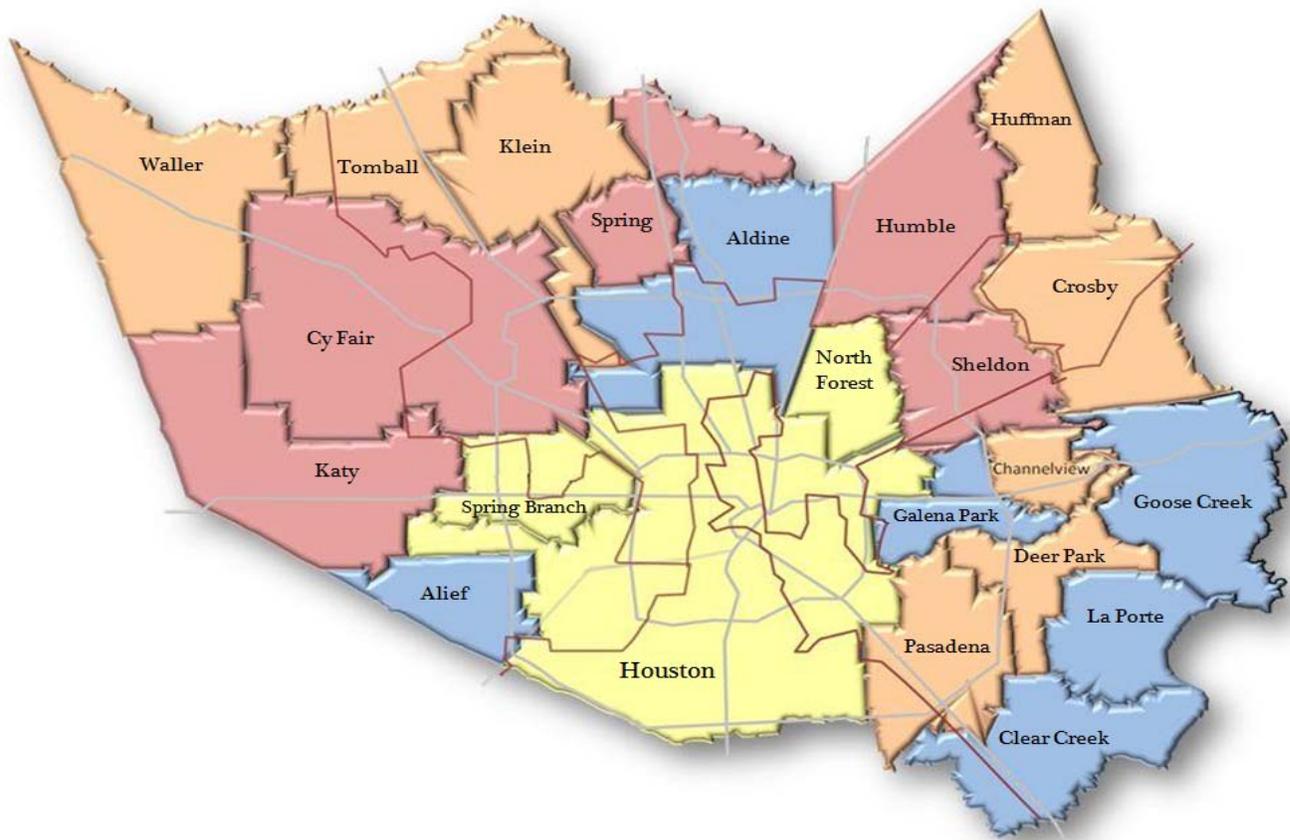
Census Tract Group	1990	2000	2010	% since 1990	% since 2000
10	7,005	6,678	4,690	-33%	-30%
21	82,060	87,747	82,863	1%	-6%
31	164,560	174,168	171,337	4%	-2%
41	106,766	120,085	133,604	25%	11%
51	68,591	67,971	76,557	12%	13%
Inside 610 Loop	428,982	456,649	469,051	9%	3%
22	132,054	160,360	168,240	27%	5%
23	179,196	195,978	210,010	17%	7%
32	166,368	189,380	200,164	20%	6%
33	172,204	192,110	239,957	39%	25%
42	172,331	210,909	201,950	17%	-4%
43	165,235	199,827	215,946	31%	8%
52	106,780	127,010	126,744	19%	0%
53	187,619	218,061	234,315	25%	7%
Loop to Tollway	1,281,787	1,493,635	1,597,326	25%	7%
24	72,284	80,515	141,673	96%	76%
25	212,651	255,176	341,034	60%	34%
34	145,410	179,184	192,512	32%	7%
35	46,756	51,250	69,659	49%	36%
45	242,273	313,170	364,338	50%	16%
54	120,428	186,295	348,989	190%	87%
55	267,628	384,704	567,877	112%	48%
Outside Tollway	1,107,430	1,450,294	2,026,082	83%	40%
Entire County	2,818,199	3,400,578	4,092,459	45%	20%

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School Enrollment Trends

The following shows the total student enrollment for each of the public school districts in Harris County comparing the 2009-10 school year with the 2000-01 year.

West Side Districts		Central Districts		Northeast Districts		Southeast Districts	
District	Growth %	District	Growth %	District	Growth %	District	Growth %
Cy-Fair	54.3%	Aldine	17.7%	Crosby	24.9%	Deer Park	10.5%
Katy	57.3%	Alief	4.2%	Huffman	19.8%	La Porte	1.0%
Klein	31.0%	Galena Park	11.3%	Humble	37.9%	Clear Creek	19.8%
Spring	44.1%	Houston	-3.9%	Sheldon	61.5%	Pasadena	20.1%
Tomball	33.5%	North Forest	-34.6%			Goose Creek	14.3%
Waller	18.8%	Spring Branch	-0.2%			Channelview	23.0%
Total Enrollment							
2000-2001	175,977	371,662		36,052		119,029	
2009-2010	258,999	372,821		49,679		139,450	
Change	83,022	1,159		13,627		20,421	
%	47.2%	0.3%		37.8%		17.2%	



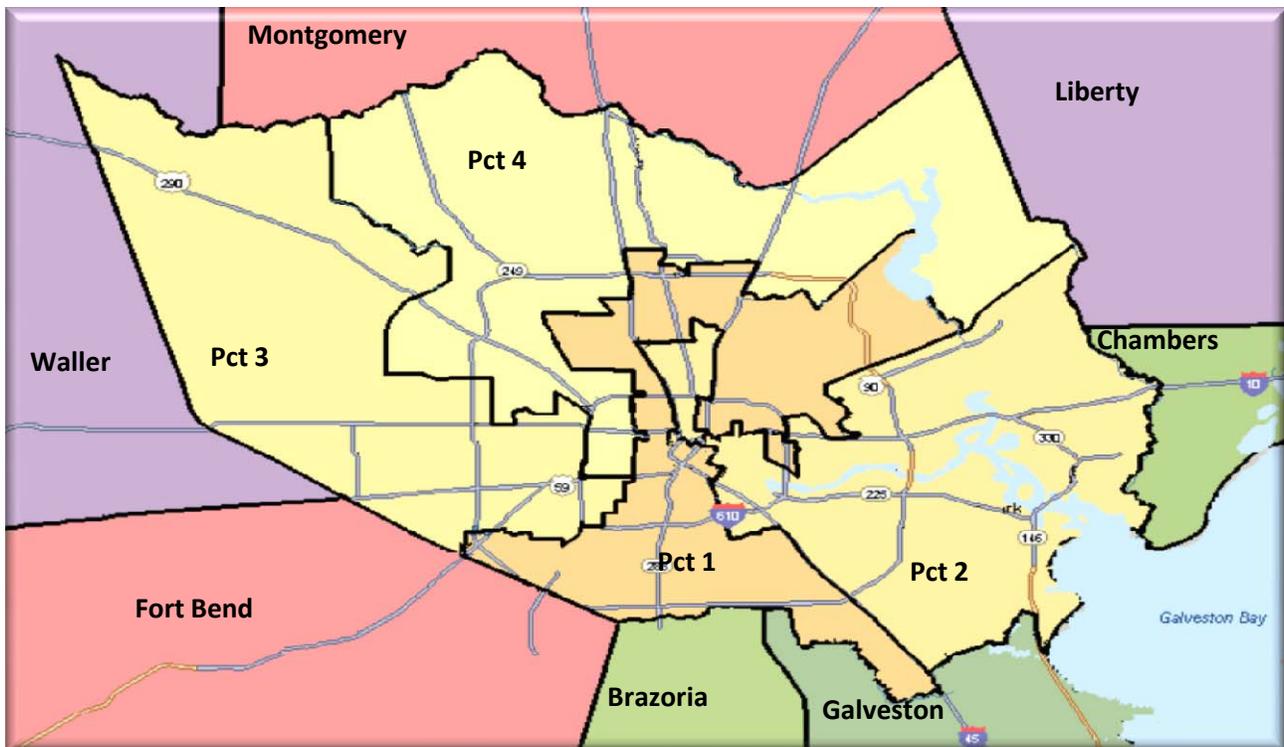
The 4 largest school districts in the western half of the County (Katy, Cy Fair, Spring and Klein) had 164,000 students enrolled 8 years ago which increased to over 244,000 this past year. These districts had only 78% as many students as HISD in 2001. Now they have 21% more students than HISD. Cy Fair alone has grown from 68,000 students in 2001 to 104,000 students enrolled in 2010, representing an increase from 32% of the size of HISD in 2001 to 52% in 2010. If these trends continue, Cy Fair could become the largest school district in the County by the year 2020.

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Growth of Surrounding Counties

Harris County sits at the center of a dynamic region. The 7 adjacent counties have experienced a 42% growth in population over the last 10 years compared to 50% for unincorporated Harris County.

A significant number of the new residents of these surrounding Counties actually work in Harris County, either by commuting to downtown Houston or to one of the growing number of suburban business centers. The two fastest growing counties, Fort Bend at 65% and Montgomery at 55% now have a combined population of over 1 million in the 2010 Census compared to just over 648,000 in 2000. These 2 counties have significant traffic flow to support toll roads into Harris County. Galveston and Brazoria Counties each have around 300,000 in population and have grown by 16% and 30%, respectively, since 2000. The smaller counties of Liberty, Chambers and Waller have grown by an average of 19% from 2000 to 2010.



The growth of the Harris County Toll Road system has contributed to the rapid growth in the unincorporated areas of the County as well as the surrounding counties. The Tollway has created increased mobility in the outlying areas of the County.

Increased mobility will continue to be a factor in the growth of new single and multi-family housing, retail centers and commercial development in the unincorporated areas.

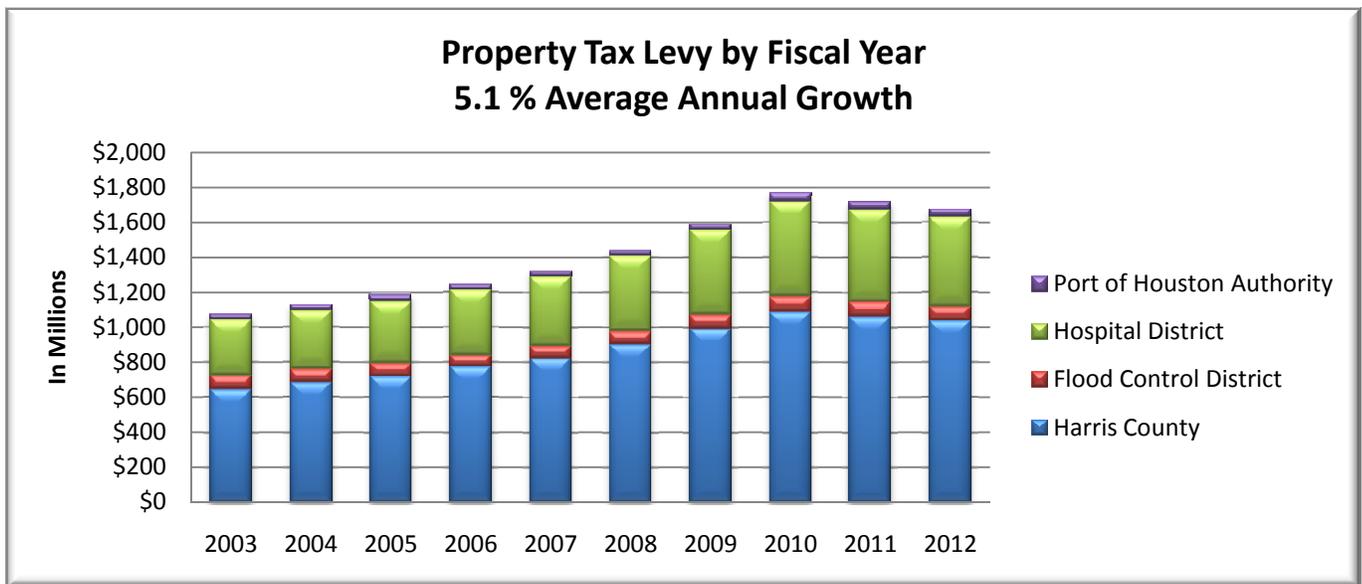
As these outlying communities continue to grow, there is increased demand for businesses to move to these suburban areas along with the development of retail outlets and grocery stores. Harris County is requested to provide roads, flood control, parks and county service annexes. Also, there are calls for increased law enforcement, fire safety inspections, libraries, public health, and other public services.

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Sources of Revenue - Property Tax Levy

Harris County relies on property taxes as its primary source of revenue to fund general operations and debt service. The city of Houston and other cities located in the County receive both property taxes and sales taxes to fund their operations.

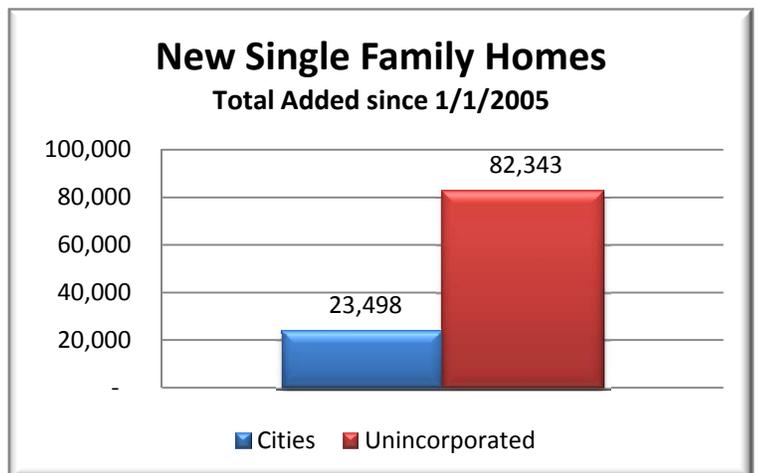
The following shows the property tax levy for Harris County and the 3 related taxing jurisdictions for which Commissioners Court sets tax rates, the Flood Control District, the Port of Houston and the Harris County Hospital District. The tax levy for the last two fiscal years has dropped by 3% each year. The tax rate has remained constant since the 1 cent reduction in fiscal 2008 to \$0.62998 per \$100 of valuation. Declining property values have resulted in property taxes being almost \$100 million less in the upcoming fiscal year compared to the peak in fiscal year 2010.



Growth in Number of Single Family Homes

The number of single family homes in Harris County increased by over 105,000 in the last five years according to Harris County Appraisal District data.

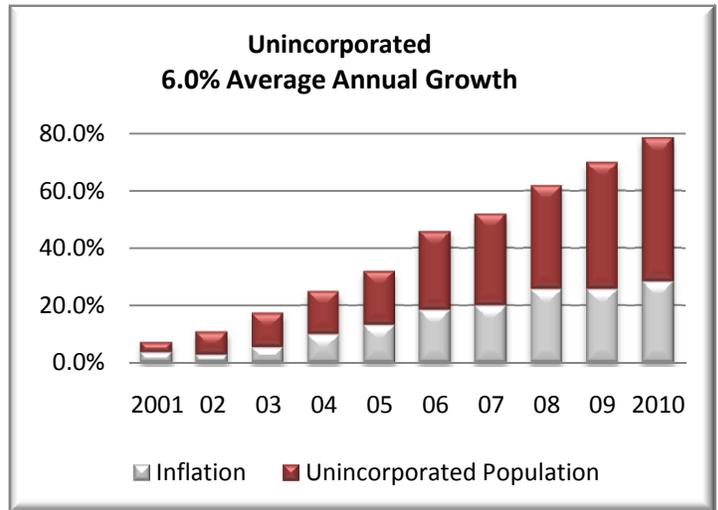
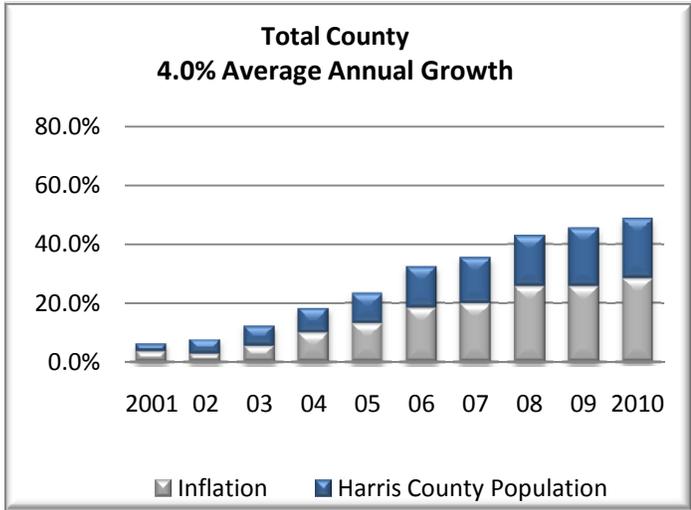
Since January 1, 2005, the number of single family homes in the unincorporated area of the County increased by 82,343 homes or 24%, while the number of single family homes in Houston and the other cities increased by 23,498 homes or 4%. Overall, 78% of homes added since 2005 are in the unincorporated area.



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Inflation plus Population Growth

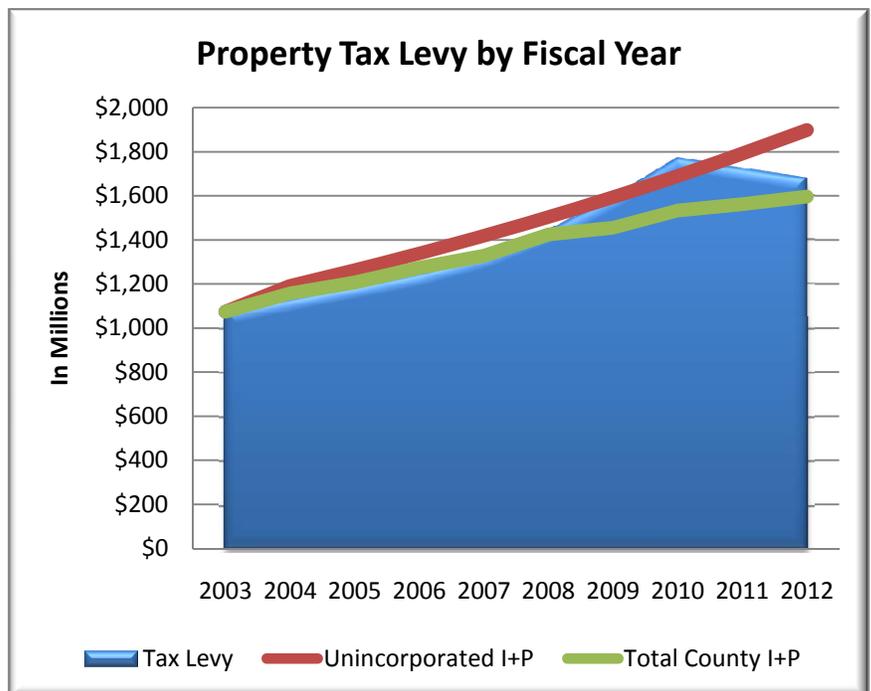
The United States Bureau of Labor Statistics publishes consumer price index data by Metropolitan Service Area (MSA). The CPI for the Houston-Baytown-Sugar Land MSA, which includes Harris County, the seven surrounding counties shown on page 6 and Austin and San Jacinto counties, shows total inflation of 28.3% from 2000 to 2010. The following charts show inflation plus population growth since 2000 for both the entire Harris County and for the unincorporated areas of the County using the local area MSA rate of inflation.



The following shows a comparison of the total tax levy for Harris County, including Flood Control, the Port and the Hospital District, to the amount that would have been levied if taxes were tied to the rate of inflation plus population growth both on a total county basis and just considering the unincorporated area.

The 5.1% annual growth rate in property tax levy over the last 10 years falls between the inflation plus population growth rates for the county as a whole and the inflation plus population growth rate for just the unincorporated area.

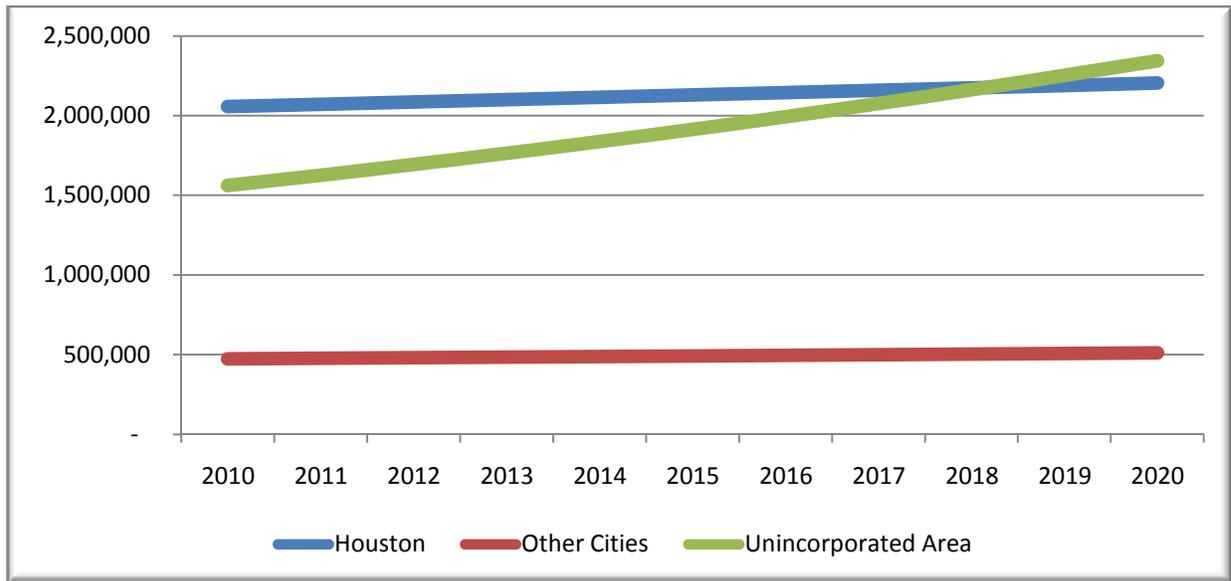
The ability to meet the demands of an increasing population with fewer resources is the primary challenge facing Harris County at this time.



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The Next Ten Years

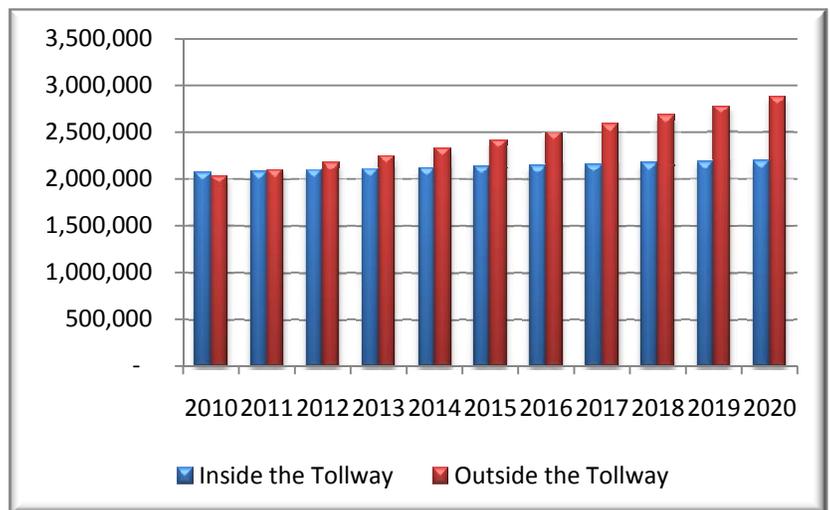
The following shows the projected growth in population during the next 10 years assuming that the growth patterns from 2000 to 2010 continue for Harris County with no significant areas being annexed by the city of Houston.



The unincorporated area would pass the city of Houston in population by 2018 if the current trends continue. Total Harris County population would pass the 5 million mark in 2019. The next chart shows the population inside and outside the tollway assuming the same trends continue.

Over 86% of the growth in population over the next 10 years would be outside the tollway.

Harris County government provides much of its services to residents throughout the County including people living in Houston and surrounding cities and towns. There are some services, such as law enforcement and public safety, public health and animal control, and libraries that are provided primarily to the unincorporated areas of the County.



While nothing is certain, all indications are that Harris County will continue to experience significant growth throughout the County in all 4 County Commissioner precincts and especially in the unincorporated areas. The demand for infrastructure to support this growth, as well as increased demand for services such as law enforcement and health care, will make it necessary to maintain adequate sources of revenue for budgetary purposes.