

Population Study

Introduction

This is the Mid Year Review update in an ongoing study of population changes in Harris County and their impact on demand for County services. This report compares the 2010 Census data to the counts in 2000 and 1990 and includes information about the Harris County redistricting plan.

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%
Percent Unincorporated	31%	38%	75%	

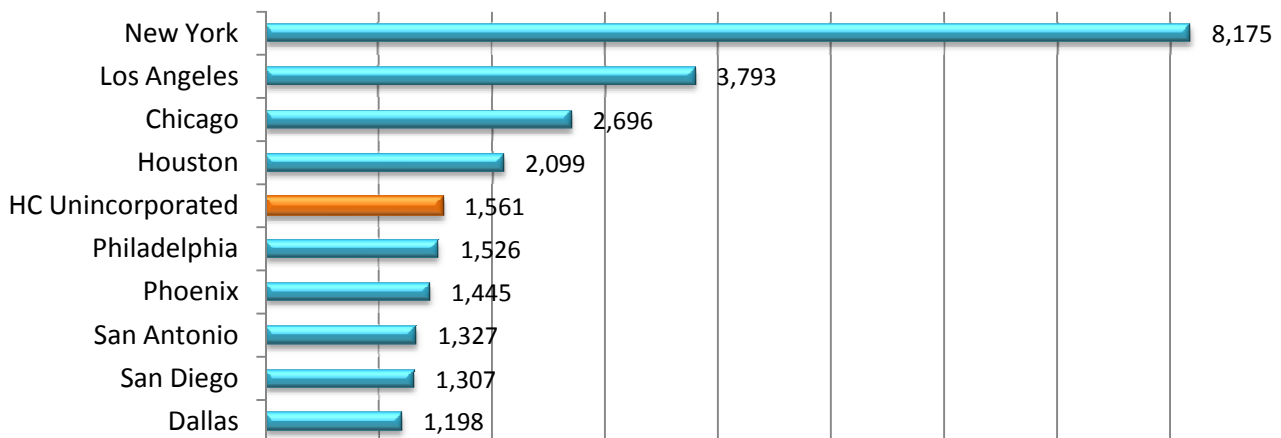


The unincorporated area now represents 38% of the total county population, up from 31% in 2000. Between 2000 and 2010, 75% of the growth in the county was in the unincorporated area.

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. Harris County Unincorporated passed the cities of Phoenix and Philadelphia in the 2010 census meaning that Harris County is essentially home to both the fourth (Houston) and fifth (Harris County Unincorporated) most populous "cities" in the US.

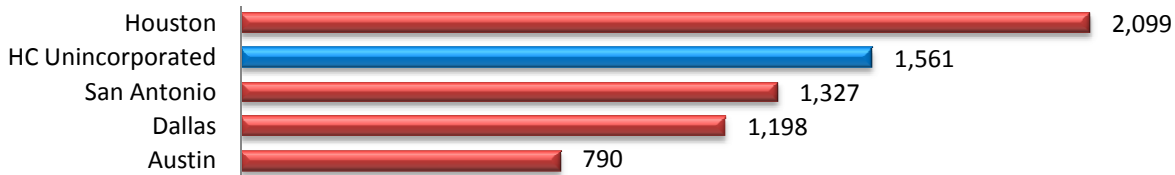
Harris County is the only county in Texas and likely the only county in the US with such a significant unincorporated area. The following chart shows the data for the top ten "cities" in the US based on the 2010 Census with Harris County's unincorporated area included:



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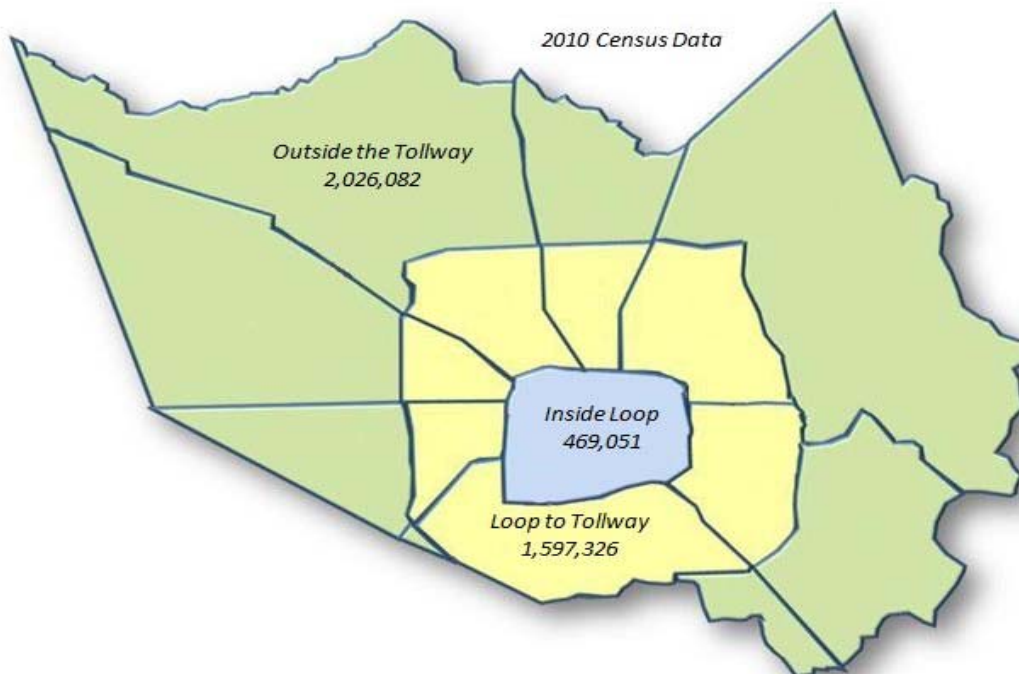
Harris county is also home to the 2 largest cities in Texas if the unincorporated area were a city:

	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%



The following shows how the population has grown significantly outside the tollway:

Population	1990 Census	2000 Census	2010 Census	Growth Since 2000 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%
Percent Outside Tollway	39%	43%	50%	83%	



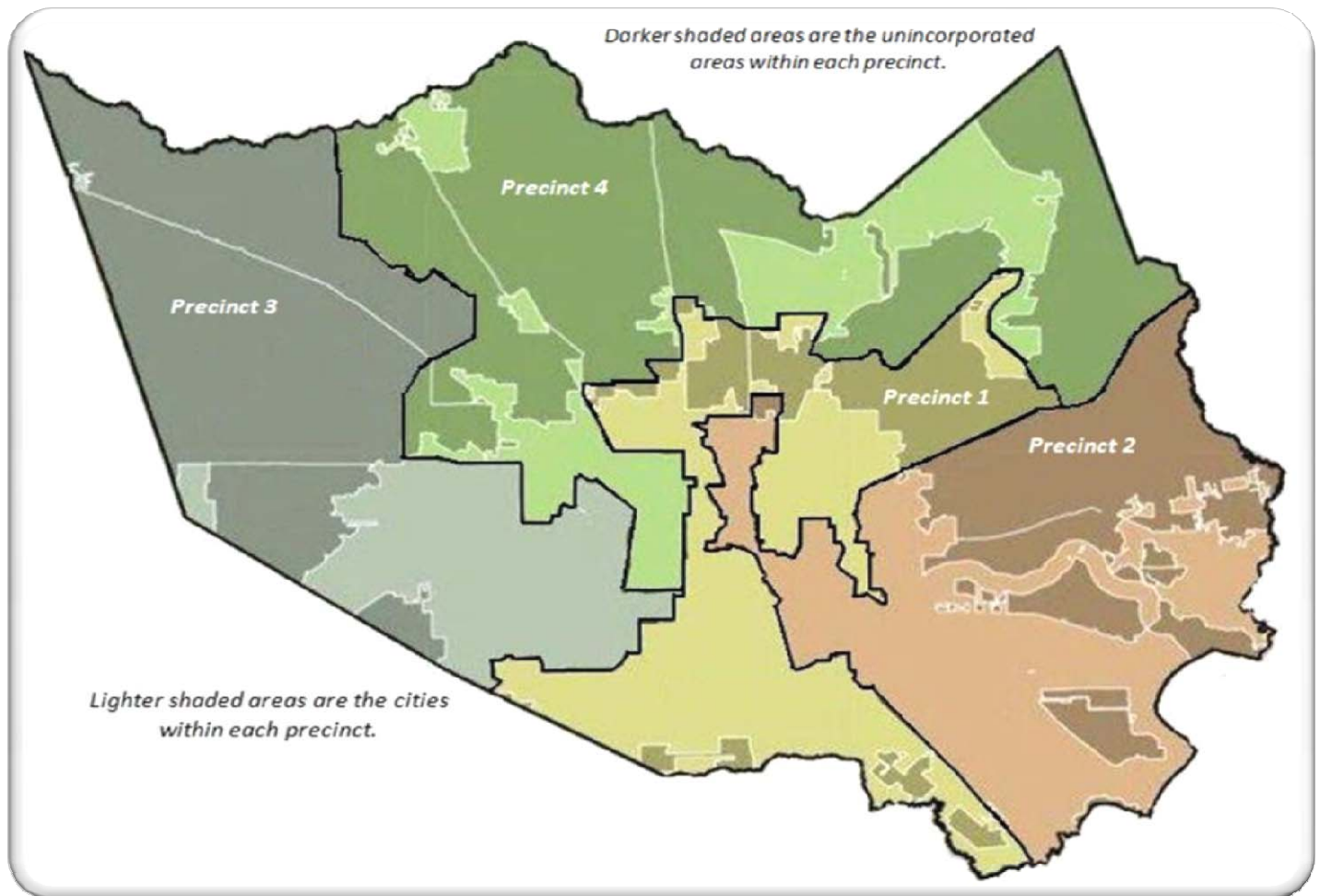
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Harris County Precincts

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.

Before Redistricting

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	344,649	777,067	1,121,716	31%	50%
	2,530,996	1,561,463	4,092,459	62%	100%



Commissioners Court approved a redistricting plan which has been submitted for review and final approval with the Department of Justice. The following page shows the effects on each of the precincts if the plan is approved without modification.

Harris County Precincts - Redistricting Plan

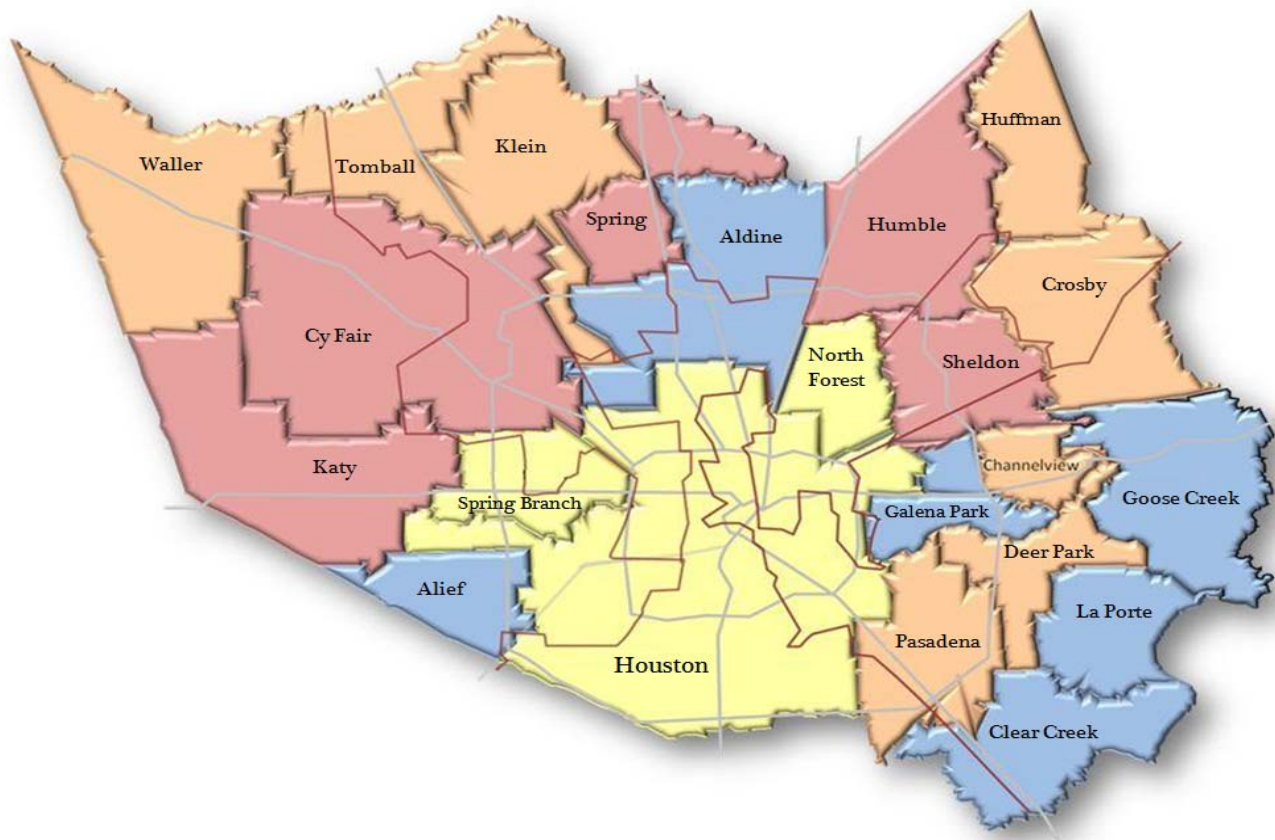
					<i>% of Uninc. Population</i>	
		Currently	Change	New Totals	Before	After
Precinct 1	Within City Limits	780,956	9,300	790,256		
	Unincorporated	160,226	69,024	229,250	10.3%	14.7%
	Total	941,182	78,324	1,019,506		
Precinct 2	Within City Limits	737,657	49,953	787,610		
	Unincorporated	145,768	66,789	212,557	9.3%	13.6%
	Total	883,425	116,742	1,000,167		
Precinct 3	Within City Limits	667,734	(34,351)	633,383		
	Unincorporated	478,402	(60,584)	417,818	30.6%	26.8%
	Total	1,146,136	(94,935)	1,051,201		
Precinct 4	Within City Limits	344,649	(31,719)	312,930		
	Unincorporated	777,067	(68,412)	708,655	49.8%	45.4%
	Total	1,121,716	(100,131)	1,021,585		

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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%	



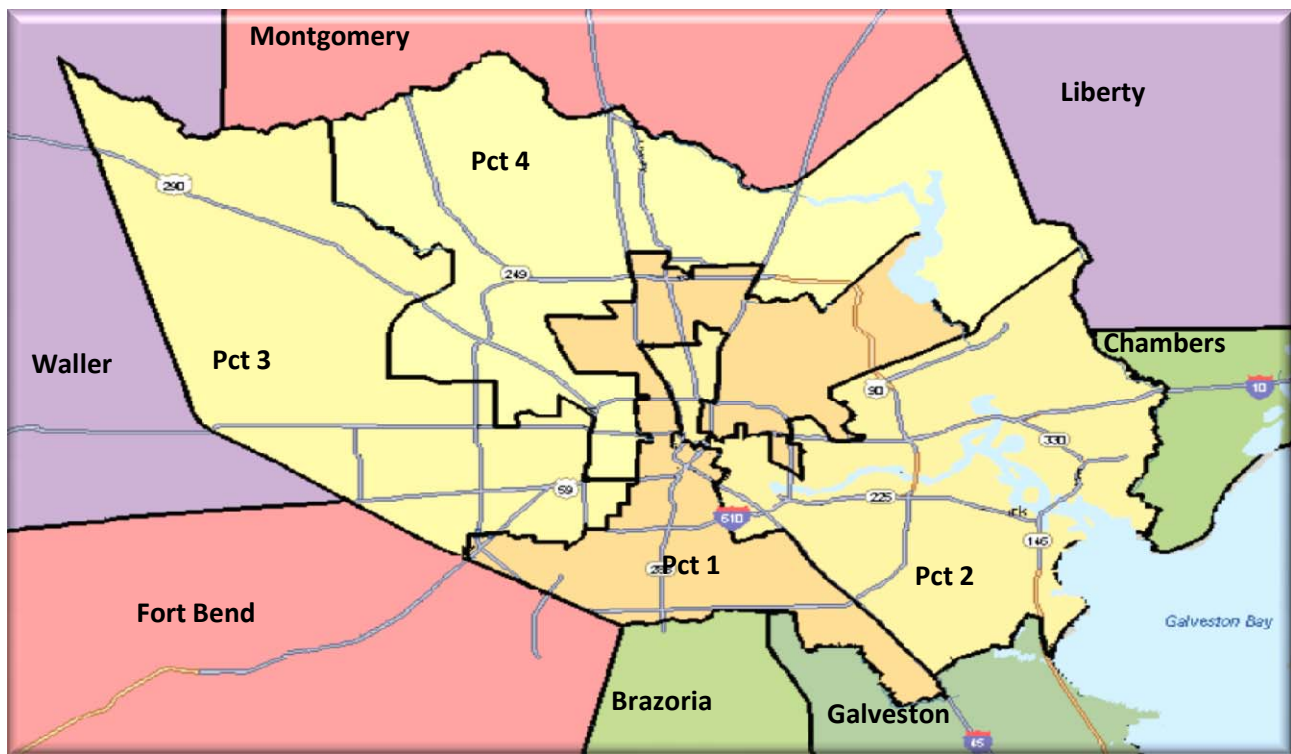
The 4 largest school districts in the western half of the County (Katy, Cy Fair, Spring and Klein) had 164,000 students enrolled 8 years ago which increased to over 244,000 this past year. These districts had only 78% as many students as HISD in 2001. Now they have 21% more students than HISD. Cy Fair 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.

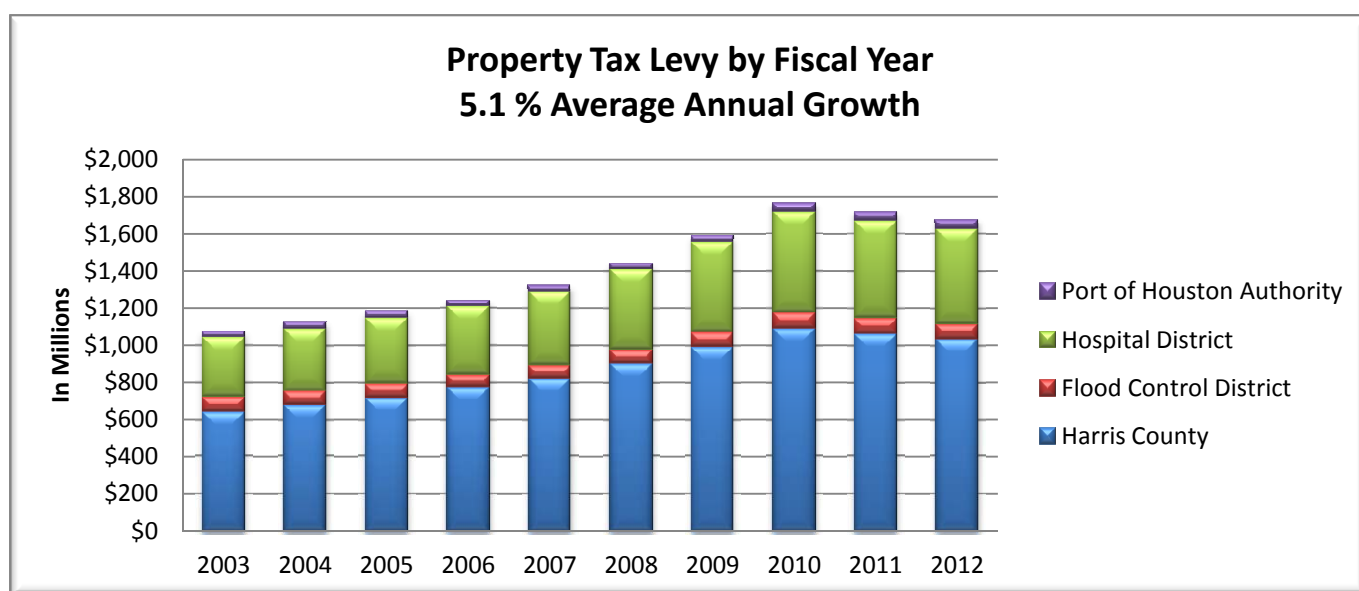
Increased mobility will continue to be a factor in the growth of new single and multi-family housing, retail centers and commercial development in the unincorporated areas.

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.

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.

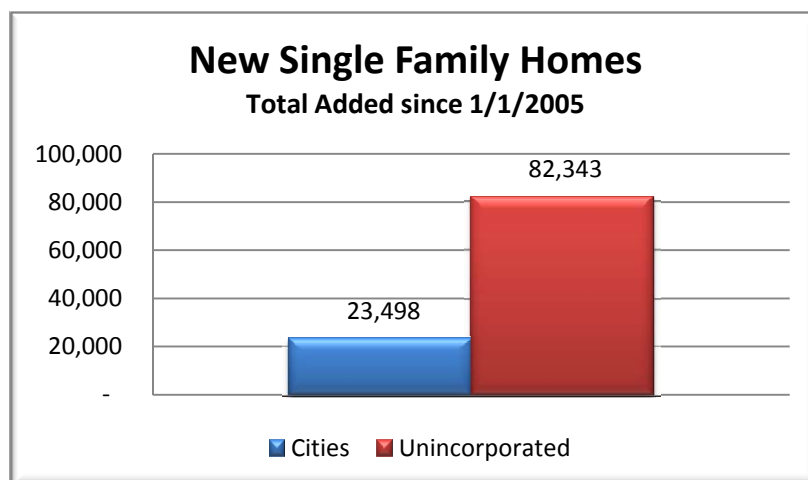
The following shows the property tax levy for Harris County and the 3 related taxing jurisdictions for which Commissioners Court sets tax rates, the Flood Control District, the Port of Houston and the Harris County Hospital District. The tax levy for the last two fiscal years has dropped by 3% each year. 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

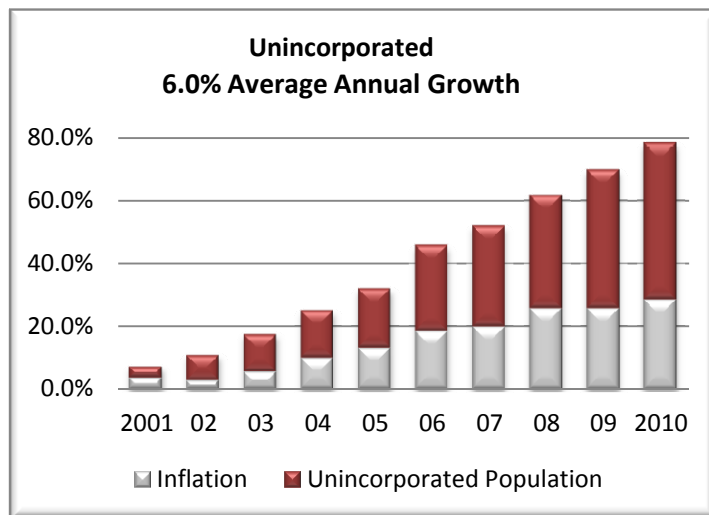
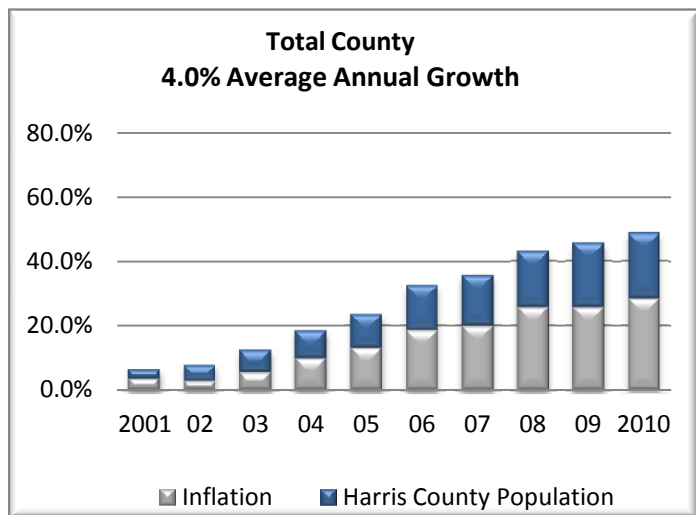
The number of single family homes in Harris County increased by over 105,000 in the last five years according to Harris County Appraisal District data.

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.



Inflation plus Population Growth

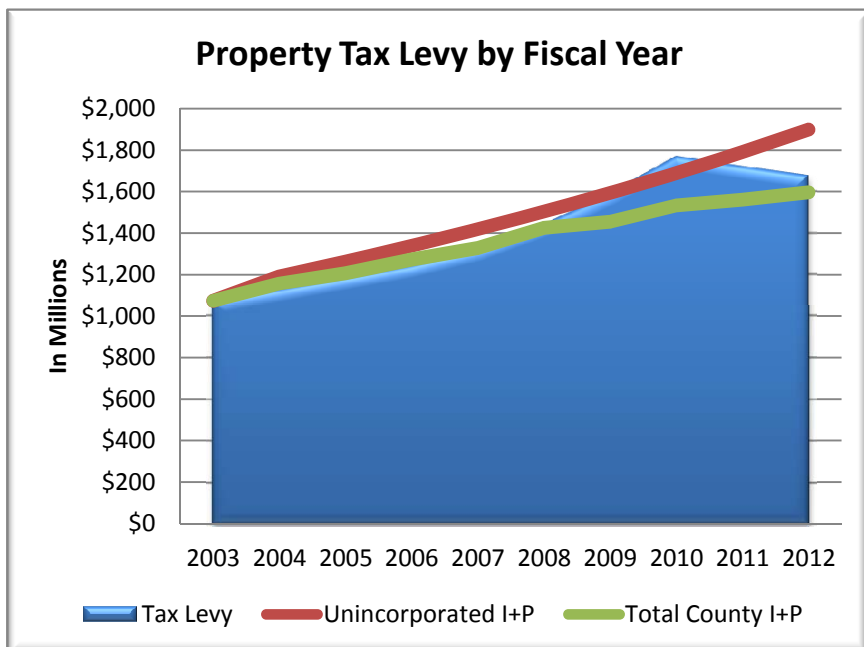
The United States Bureau of Labor Statistics publishes consumer price index data by Metropolitan Service Area (MSA). The CPI for the Houston-Baytown-Sugar Land MSA, which includes Harris County, the seven surrounding counties shown on page 6 and Austin and San Jacinto counties, shows total inflation 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.

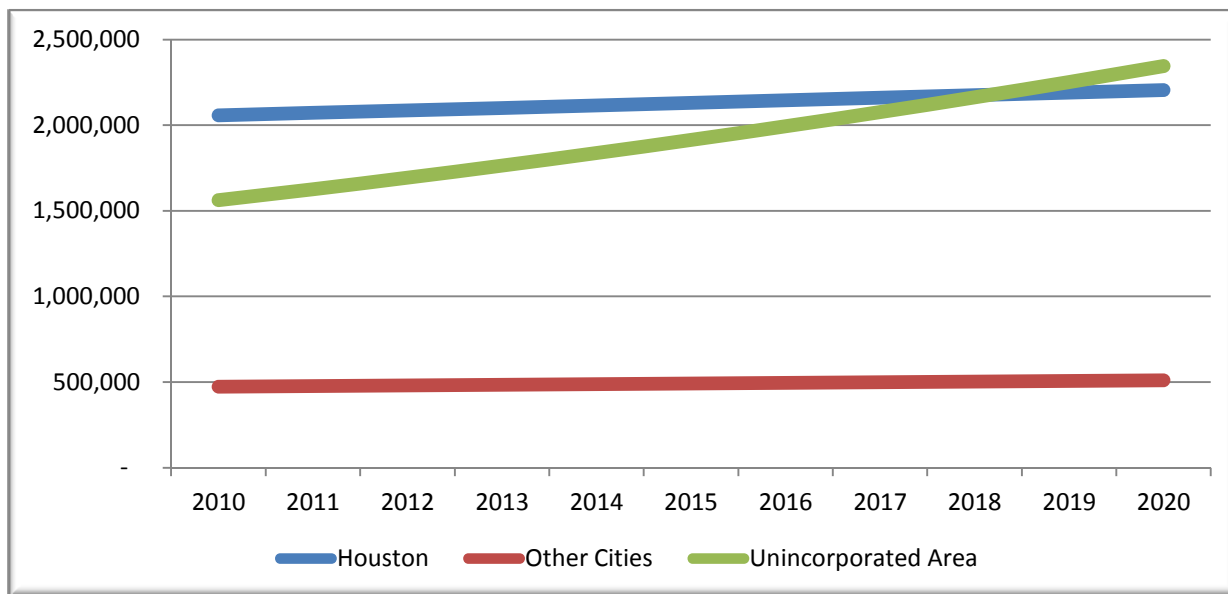
The 5.1% annual growth rate in property tax levy over the last 10 years falls between the inflation plus population growth rates for the county as a whole and the inflation plus population growth rate for just the unincorporated area.

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



The Next Ten Years

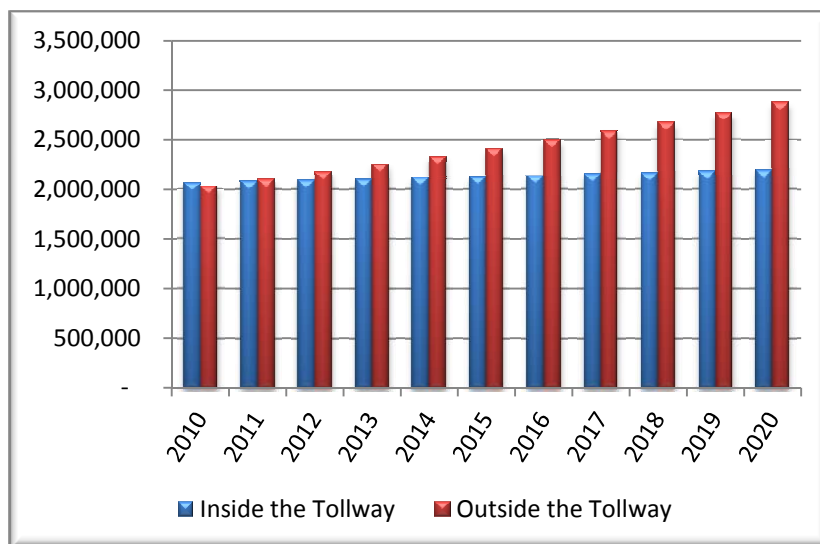
The following shows the projected growth in population during the next 10 years assuming that the growth patterns from 2000 to 2010 continue for Harris County with no significant areas being annexed by the city of Houston.



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.