

Population Report – February 2018

Harris County's population has grown to an estimated 4.72 million residents as of June 30, 2017. The population estimates and information included in this report are based on U.S. Census Bureau estimates, Harris County Appraisal District (HCAD) data, and historical trends.

Sustained Rapid Growth

Harris County continues to be the third largest county in terms of population and one of the fastest growing counties with 38% growth since 2000 and 67% growth since 1990.

The chart shows the percentage of population growth for Harris County, the entire nation, and both LA and Cook counties, which are the only two counties with more population than Harris County. Over a 17 year period, Harris County's population has grown more than twice as fast as the nation's population. Harris County is on track to pass Cook County and become the second most populous U.S. County within the next 3 – 4 years.



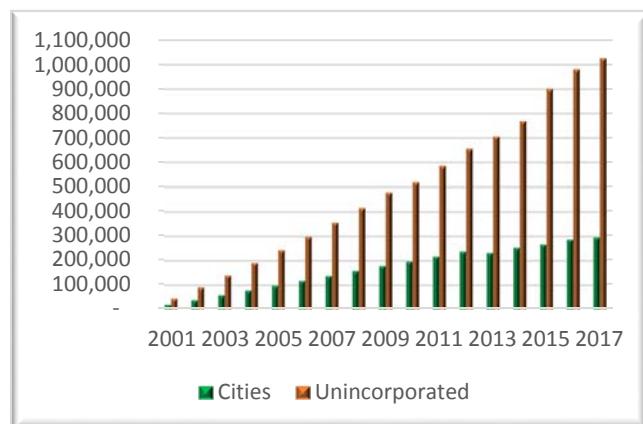
Harris County population has also grown faster than the State of Texas population. Since the 2000 census, the county has grown by 38.8% compared to 34.4% for the rest of Texas and since the 2010 census, the county leads 15.3% compared to 11.5% for the rest of the state. By 2017, the percentage of Texans living in Harris County has grown to 16.7% up from 16.2% in 2010.

Unique Unincorporated Area

Harris County is unique among all counties in the nation for having an unincorporated area population in excess of two million residents. "Harris County Unincorporated" or perhaps "Unique, Texas" would be the second largest city in Texas, the fifth largest in the U.S. and has a larger population than 14 U.S. states.

Harris County has more population than 26 states. Harris County now has more residents than each of the states that border Texas (Oklahoma, Louisiana, Arkansas and New Mexico).

Over 80% of the growth in population since 2000 has been in the unincorporated area. The chart below shows the population growth for the unincorporated area compared to the growth for the City of Houston and the 34 other cities within Harris County.



Population Report – February 2018

Population Estimates and Hurricane Harvey

Harris County's population has been increasing by an annual average of 80,000 to 85,000 residents since the 2010 Census. In August 2017, historic levels of rain fell on Houston, Harris County and the entire region as a result of Hurricane Harvey. The short term impact of Harvey is likely to slow the growth of new residential construction in Harris County for 6-12 months since most of the resources and manpower to build new homes are being consumed repairing existing flood damaged homes.

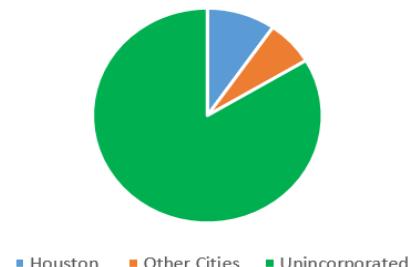
The size and scope of the damage is not fully known at this point. HCAD will be appraising the damaged homes and buildings as of January 1, 2018. Once this process is complete more specific information will be available and reflected in HCAD data provided in July or August 2018. In addition, the impact of the flood event on new construction in Harris County will be available. The following chart shows a breakdown of the estimated population of Harris County as of June 30, 2017.

Within Harris County	2000	2010	6/30/2017	Growth since 2010	
	Census	Census	Estimate	Population	%
City of Houston	1,919,789	2,057,280	2,200,000	142,720	7%
Other Cities	439,615	473,716	490,000	16,284	4%
Unincorporated Area	1,041,174	1,561,463	2,030,000	468,537	45%
	3,400,578	4,092,459	4,720,000	627,541	18%
<i>Percent Unincorporated</i>	<i>31%</i>	<i>38%</i>	<i>43%</i>		<i>75%</i>

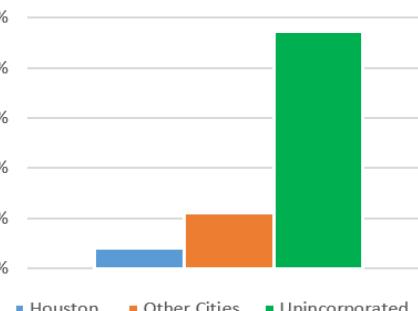
HCAD produces a property tax levy each year that shows the number of accounts, market and taxable value for each type of taxable property. It includes single family homes, apartments, other residential property along with commercial and industrial real estate and taxable business property. The following chart shows the number of single family homes in HCAD's report for 2006, 2010 and 2017.

Single Family Homes Within Harris County	Total Number of Homes			Increase since 2010		Increase since 2006	
	2006	2010	2017	Homes	Percent	Homes	Percent
City of Houston	453,828	459,285	472,082	12,797	3%	18,254	4%
Other Cities	114,255	122,969	127,038	4,069	3%	12,783	11%
Unincorporated Area	334,289	426,110	492,184	66,074	16%	157,895	47%
Total Harris County	902,372	1,008,364	1,091,304	82,940	8%	188,932	21%

Growth in Number of SFH Since 2006



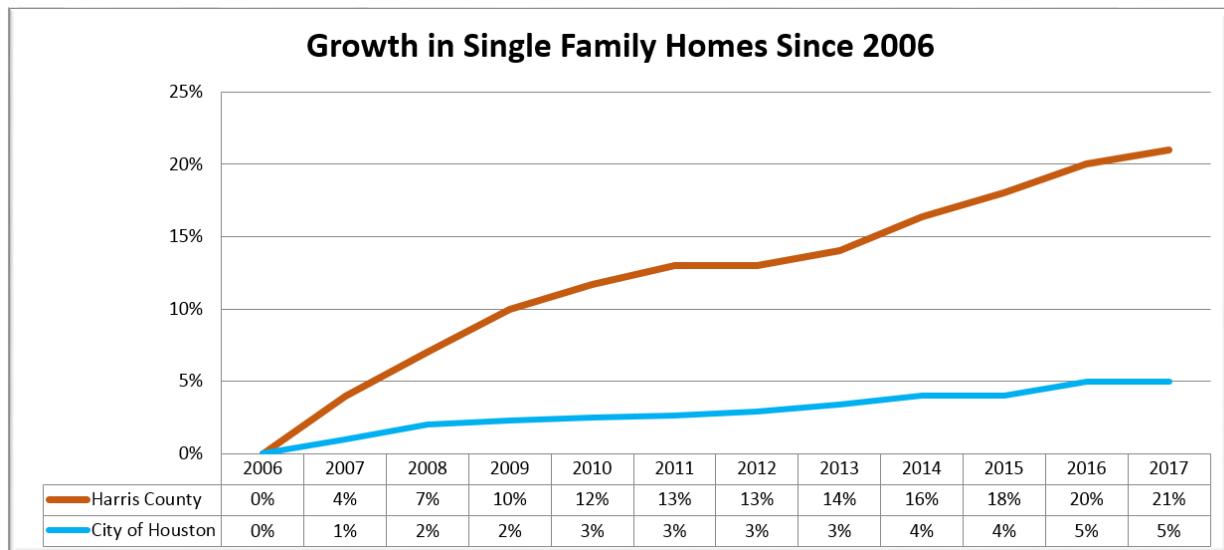
Percent Increase



Population Report – February 2018

Residential Property Growth

The number of single family homes in Harris County has grown by 20% since 2006. This growth has significantly impacted both the total taxable value of residential property but also the demand for county services with nearly one million additional residents living in the county since 2006.

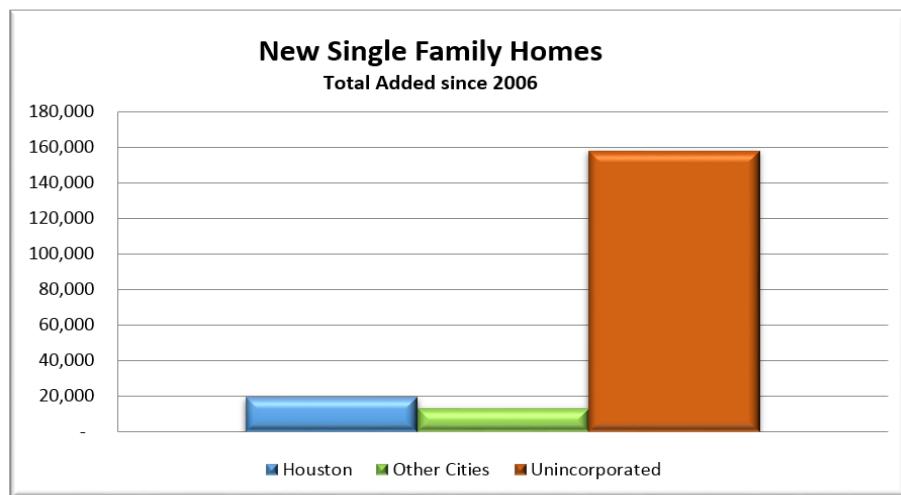


Growth in Number of Single Family Homes

The number of single family homes in Harris County has increased by over 191,000 from 2006 to 2017. Most of the new homes (83% or 158,000 homes) are located in the unincorporated areas.

The City of Houston has added a net of 20000 new single family homes since 2006. Other cities in the county have grown by 13,000 new homes over the same period.

The explosive growth means an accompanying demand for more roads and infrastructure, law enforcement and other government services now commonplace in heavily populated suburban areas. The new homes have also been a significant component of the growth of the tax levy for Harris County and the trend is showing no signs of slowing down.

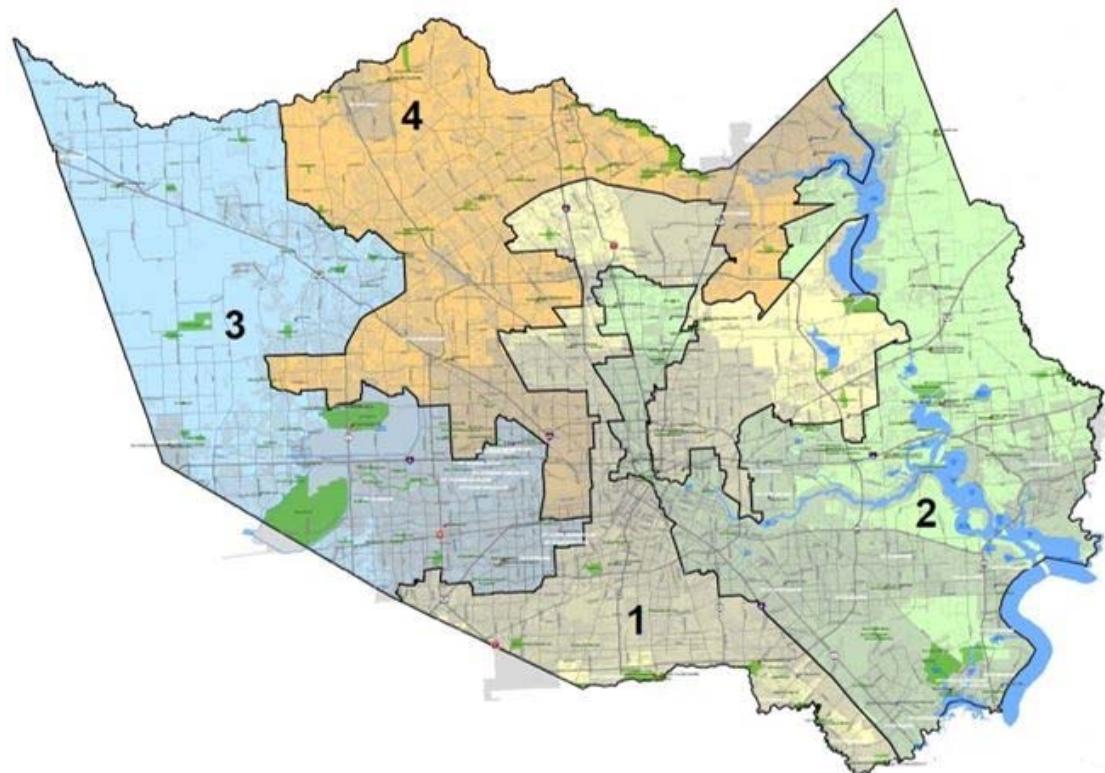


Population Report – February 2018

Estimated Population by Precinct

The map below shows the boundaries of each of the four commissioner precincts. The shaded areas represent the 33 cities including the City of Houston. Houston extends into both Fort Bend County to the south and Montgomery County to the north. The City of Houston includes areas outside the Sam Houston Tollway and some of the unincorporated area is located inside the Sam Houston Tollway. Other cities are spread over multiple counties including Katy to the west, Pearland, Friendswood, and other cities to the south.

Each precinct has a fairly significant unincorporated area and population, as indicated on the map in the lightly colored areas.



Since the last census count was completed in 2010 and the Census Bureau does not publish detailed estimates in the years between census counts, the estimates of population by precinct are based on historical trends, HCAD data, and voter registration information. The latest estimates are presented below.

Precinct	Estimated as of June 30, 2017		
	Total Population	Within City Limits	Unincorporated Area
Precinct 1	1,126,000	840,000	286,000
Precinct 2	1,126,000	840,000	286,000
Precinct 3	1,223,000	665,000	558,000
Precinct 4	1,245,000	345,000	900,000
	4,720,000	2,690,000	2,030,000

Population By Location	
Within City Limits	Unincorporated Areas
74.6%	25.4%
74.6%	25.4%
54.4%	45.6%
27.7%	72.3%

Population Report – February 2018

Impact of Growth on Property Tax Base

The property tax levy for Harris County has grown from \$225.1 billion in 2006 to \$435.3 billion in 2017, which is an average growth rate of 6.2% per year. Residential property has grown by 6.0% annually, while commercial and industrial property values have increased by 6.4% annually.

Tax Levy Comparison - Tax Year 2006 vs. Tax Year 2017				
In Billions	2006	2017	Average Annual Increase	
Residential Property				
Single Family	\$ 99,257	\$ 181,927	5.7%	
Multi Family & Other	18,181	40,719	7.6%	
Total Residential	117,438	222,646	6.0%	
Business Property				
Commercial	67,857	144,977	7.1%	
Industrial	32,755	57,060	5.3%	
Utilities & Other	7,060	10,585	3.7%	
Total Business Property	107,672	212,622	6.4%	
Total Taxable Value	\$ 225,110	\$ 435,268	6.2%	

Residential property was 52% of the tax levy in 2006 dropping to 51% in 2017.

Single Family Homes

While the total tax levy for single family homeowners has increased by an average of 5.7% per year since 2006, the actual taxable value per home has only increased by 4.2% due to increases in exemptions including the over-65 and disabled exemptions.

The average single family homeowner in 2006 paid \$678 in property taxes to Harris County which includes the County, the Flood Control District, the Hospital District and the Port of Houston. In 2017, the average single family homeowner paid \$1,048 in property taxes to Harris County for the same four taxing jurisdictions at a tax rate that is 1 cent per \$100 of taxable value lower than in 2006. This increase is an average \$33.58 more per year. A total of 17% or 158,000 of the single family homes in 2017 were built since 2006.

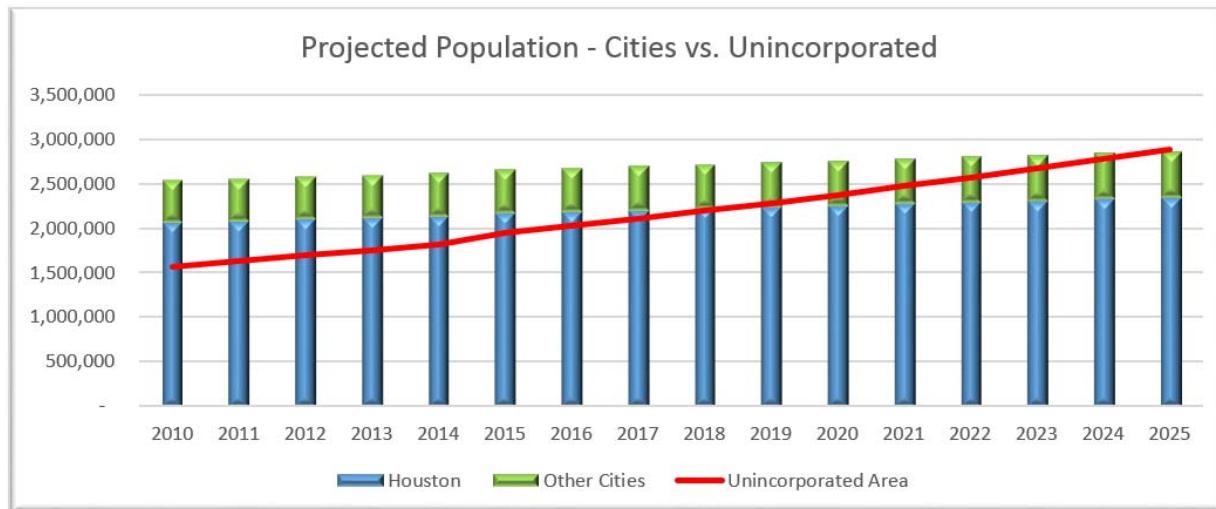
The impact of the significant growth in the number of taxable properties and the value added by those new homes to the tax levy are keys to the continued growth in population for this area.

Population Report – February 2018

Leading up to the 2020 Census

Harris County's unincorporated population now exceeds two million residents and has grown by an annual average of 4.1% since the 2000 Census, which is over five times as fast as the cities within the county which have averaged 0.7% annual growth per year.

The following graph shows the projected population growth based on these percentages through 2025. Based on these trends, Harris County's population will pass the five million mark during 2020 and reach 5.7 million by 2025. The unincorporated population would also pass the City of Houston's population that is within Harris County during 2020 and grow to be the largest component of population in 2025 exceeding the combined total of all cities in the County.



This projection assumes no annexation or new incorporation of any populated areas within the unincorporated area of the county.

Impact on County Government

Harris County government provides services to all of the residents of the county. Most of the higher cost county functions including the courts system, Hospital District, county jail and most of the county administrative functions are located within the City of Houston. County government is the primary provider of roads, parks, facilities and law enforcement for the unincorporated areas.

Harris County funds the county-wide and unincorporated area services primarily with property tax revenue. Despite the significant size and population of the unincorporated area, the county does not receive sales tax revenue to help fund services. The unique, ongoing challenge for Harris County government is to meet the needs of this rapidly growing unincorporated area without the funding sources provided to large cities in Texas. Most of the growth in expenditures in the County General Fund during this period has been for county-wide functions including law enforcement, the administration of justice, managing the jails and the growing cost of indigent healthcare. As the population continues to grow, the demand for services, new roads and expanded facilities in the unincorporated areas of the county will increase.