

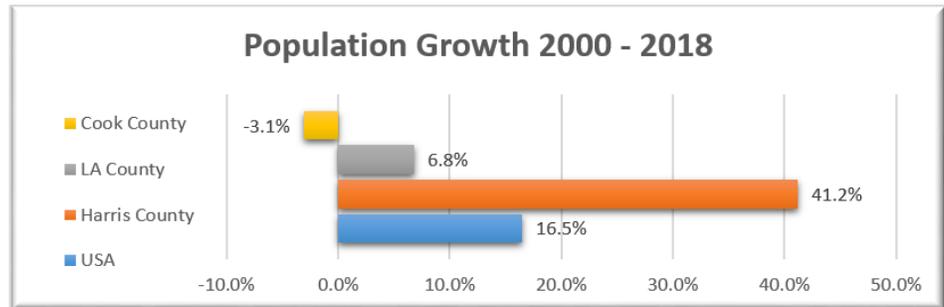
Population Report – January 2019

Harris County’s population has grown to an estimated 4.8 million residents as of January 2019. 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. The next full Census will be conducted based on the population as of April 30, 2020, just 15 months away.

Sustained Rapid Growth

Harris County continues to be the third largest county in terms of population and one of the fastest growing counties with 41% growth since 2000 and 70% 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 an 18 year period, Harris County’s population has grown more than twice as fast as the nation’s population.



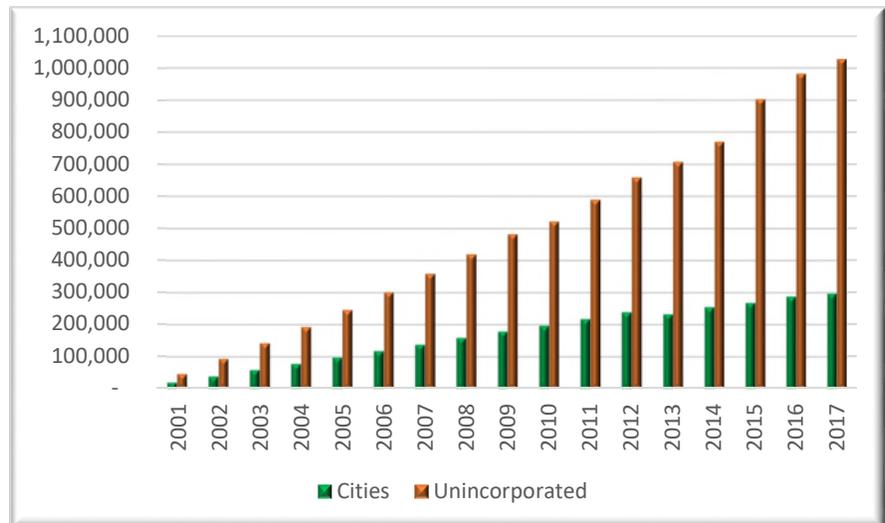
Harris County is on track to pass Cook County and become the second most populous U.S. County within the next 4-5 years.

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” 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 itself has more population than 26 states including 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 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.



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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 impact of this flooding on the population growth in Harris County appears to be insignificant 16 months after the event.

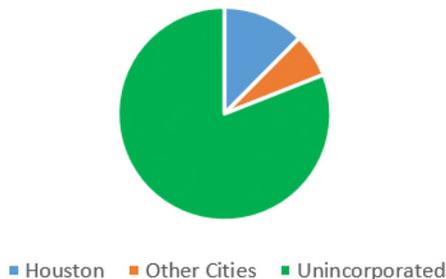
The 2020 Census will be conducted over the next few years which should establish the full impact of the Harvey flooding. The following chart shows a breakdown of the estimated population of Harris County as of January 1, 2019:

Within Harris County	2000	2010	1/1/2019	Growth since 2010	
	Census	Census	Estimate	Population	Percent
City of Houston	1,919,789	2,057,280	2,237,300	180,020	9%
Other Cities	439,615	473,716	498,300	24,584	5%
Unincorporated Area	1,041,174	1,561,463	2,064,400	502,937	32%
	3,400,578	4,092,459	4,800,000	707,541	17%
Percent Unincorporated	31%	38%	43%		

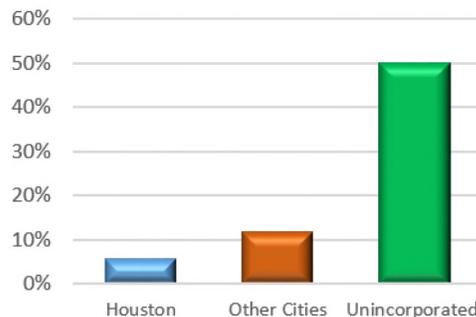
HCAD produces a property tax levy each year that shows the number of accounts, market and taxable value for each type of taxable property. It includes single family homes, apartments, other residential property along with commercial and industrial real estate and taxable business property. The following chart shows the number of single family homes in HCAD’s report for 2006, 2010 and 2018.

Single Family Homes Within Harris County	Total Number of Single Family Homes			Increase since 2010		Increase since 2006	
	2006	2010	2018	Homes	Percent	Homes	Percent
City of Houston	453,828	459,285	479,464	20,179	4%	25,636	6%
Other Cities	114,255	122,969	127,866	4,897	4%	13,611	12%
Unincorporated Area	334,289	426,110	501,362	75,252	18%	167,073	50%
Total Harris County	902,372	1,008,364	1,108,692	100,328	10%	206,320	23%

Growth in the number of Single Family Homes since 2006



Percent Increase

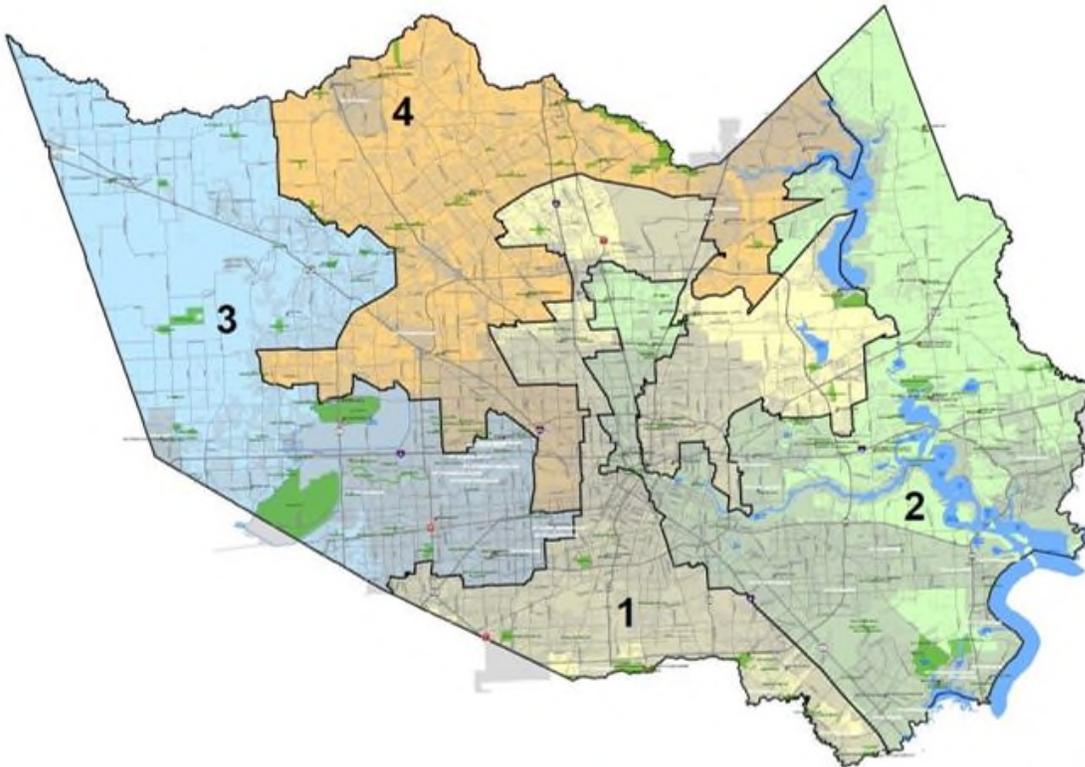


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Estimated Population by Precinct

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 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. With the actual census data being 9 years old, it is likely the count in 2020 will be slightly different than the estimate below:

	Estimated as of January 1, 2019		
	Total Population	Within City Limits	Unincorporated Area
Precinct 1	1,145,000	854,200	290,800
Precinct 2	1,145,000	854,200	290,800
Precinct 3	1,244,000	676,300	567,700
Precinct 4	1,266,000	350,900	915,100
	4,800,000	2,735,600	2,064,400

Population by Location	
Within City Limits	Unincorporated Areas
75%	25%
75%	25%
54%	46%
28%	72%

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Impact of Growth on Property Tax Base

The property tax levy for Harris County has grown from \$225 billion in 2006 to \$449 billion in 2018, which is an average growth rate of 5.9% 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 2018				
<u>In Billions</u>	<u>2006</u>	<u>2018</u>	<u>Average Annual Increase</u>	
Residential Property				
Single Family Homes	\$ 99,257	\$ 185,391	5.4%	
Multi Family and Other	18,181	44,694	7.9%	
Total Residential	117,438	230,085	5.8%	
Business Property				
Commercial	67,857	150,788	6.9%	
Industrial	32,755	60,289	5.2%	
Utilities and Other	7,060	7,975	1.0%	
Total Business	107,672	219,052	6.1%	
Total Taxable Value	\$ 225,110	\$ 449,137	5.9%	

Residential property was 52% of the tax levy in 2006 dropping to 51% in 2018.

Single Family Homes

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 2018, the average single family homeowner paid \$1,053 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 \$31.29 more per year. A total of 18% or 173,000 of the single family homes in 2018 were built since 2006.

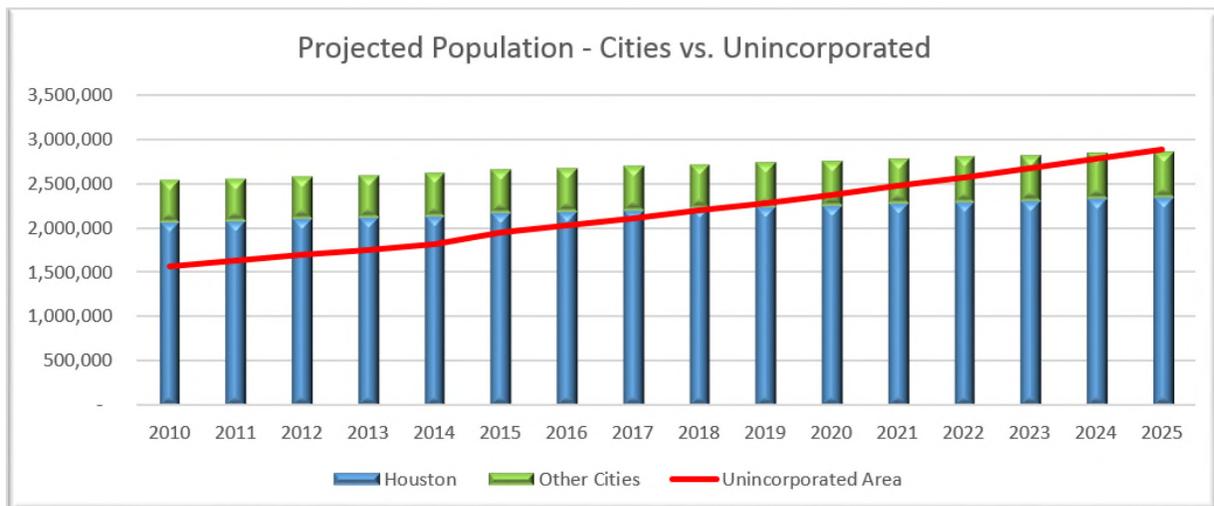
The impact of the significant growth in the number of taxable properties and the value added by those new homes to the tax levy are keys to the continued growth in population for this area.

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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.