



2017 State of the County Address

By Harris County Judge Ed Emmett

The given topic of this annual speech is “The State of Harris County.” Today, I am changing the topic to “The Future of Harris County.”

In recent weeks and months, two events have captured our hearts and minds - a storm named Harvey and a baseball team called the Astros. While Harvey was a matter of life and death, the Astros winning the World Series was just a sporting event. Both, however, show the need to focus on the future.

Rather than continue along the so-called normal path after buying the Astros, Jim Crane and his management team made some hard decisions to focus on the future. As a result, after a few years of suffering, the Astros are world champions and will be a dominant baseball franchise in the coming years. If we make some hard decisions now, Harris County will be an equally dominant franchise in its field.

The rains spawned by Hurricane Harvey were unprecedented, and perhaps we will never see anything like them again, but we cannot ignore the fact that our area has suffered three so-called “500-year” rain events in the past two years, and too many parts of the county have flooded repeatedly. Either our definition of a 500-year rain needs to be updated or we can hope that we are safe for the next 1,500 years. Obviously, we cannot rest our future on such false hope. Last month, I put forth a 15-point plan to help prevent flooding devastation in the future. The plan is not meant to be exhaustive, nor do I

suggest the ideas are original with me. Harris County and I are simply in the best position to drive the process. As County Judge, I might not have the power to bring all these proposals to fruition, but I can certainly be the loud voice making sure they are pursued and not forgotten. Overarching the plan are two key aspects. First, we should turn a perceived vulnerability into a real asset. Our overriding vision should be to convert the area rivers, bayous, creeks and flood mitigation features into nature preserves or recreational and tourist areas. The second key aspect of the plan is to leverage and coordinate resources and planning at all levels - from federal to local, from Congress all the way to municipal utility districts.

Just a few examples. The U.S. Army Corps of Engineers and FEMA have many projects that need to be finished. The State of Texas could accomplish a lot by using some of its \$10 billion "Rainy Day Fund" to design and construct a third reservoir and create a permanent nature preserve on the Katy Prairie. I have no illusions, though. The federal and state governments will not send enough financial help to do everything that is needed in our area. Harris County taxpayers will be asked to fund a specific list of flood control projects through a bond issue. We cannot "kick the can down the road."

I fear that many Americans and others around the world perceive Houston and Harris County as a flood-prone swamp. We must act quickly to change that perception. During Harvey, the response of our residents and the cooperative spirit among government officials showed our can-do attitude. From the Harris County Office of Emergency Management, to first

responders, to volunteers with boats and high water vehicles, to the magnificent efforts of the Baker Ripley team in setting up and operating the best shelter ever seen, the world saw something special. Let us capture that special caring for each other in other aspects of life.

Flood control is the top priority going forward, but we cannot forget other areas of concern.

The Harris County Jail is still the largest mental health facility in Texas. Even though Harris County has had a successful jail diversion pilot project for people with mental health issues, there are too few resources to accommodate those in need. The State of Texas should work with the medical community to greatly expand mental health facilities and services. The Harris Center for Mental Health and Intellectual and Developmental Disability, formerly MHMRA, should re-examine all mental health programs offered in Harris County. Again, working with the broader medical community and the Texas Medical Center could provide a gold mine of innovation.

Everyone in this room is aware of the turmoil, uncertainty and skyrocketing costs associated with health care. Harris County is buffeted by that issue more than any other. Harris Health, formerly known as the Harris County Hospital District, is responsible for providing indigent health care, and the property taxpayers of Harris County have to pick up the tab. More than 25% of the Harris County tax bill goes straight to Harris Health. In recent years, Harris Health has done a good job of managing their resources and working with other health care providers to

give quality care. But, remember, they have little control over their patient load or many of the costs associated with that care. The next time a state official makes a big deal about a fraction of a cent cut in the property tax rate, ask them why they won't help Harris County property taxpayers fund indigent health care. State leaders who are eager to seek federal dollars for disaster relief should also be willing to accept federal funding for indigent health care. That would be real property tax relief. More about taxes later!

Of course, transportation improvements will continue to be necessary if Harris County and the region are to prosper and grow and live up to our potential as the Gateway of North America. As chairman of the Texas Freight Advisory Committee, I was pleased to present the committee's comprehensive freight transportation plan to the Texas Transportation Commission two weeks ago. That plan recognizes the need for an I-69 bypass around the east side of Harris County, and it designates freight corridors in our area that must be improved. But, more importantly, the 2017 freight plan calls for more emphasis on multimodal movement of freight. We cannot build enough highways or have enough truck drivers to meet the coming demand. A renewed emphasis on railroads and installing new technology are the keys to moving the additional freight to and from Port Houston and other area ports.

However, Harvey will no doubt cause policymakers to do more in-depth analysis of the impact of transportation projects on drainage. We should not take such analysis lightly. We cannot go back in time and undo some poor decisions, but we can

learn from those decisions. One of the most glaring mistakes was the failure to convert the abandoned Katy rail line to commuter rail. There are also clear examples of roadways that inadvertently added to our drainage woes. We must avoid such mistakes in the future.

As I have said, flood prevention has become Job One. As the Director of Homeland Security and Emergency Management, I have the privilege of directing the nation's best Office of Emergency Management. Harris County's Emergency Operations Center is state of the art. Working with the county commissioners, other officials, and county departments, we will keep the residents as safe as humanly possible.

In doing so, we must also maintain Harris County's reputation as a prime location to locate a business and to live. Notice that I said Harris County. I know the Greater Houston Partnership sponsors trade missions and is keenly interested in economic development. Most trade development activities feature the City of Houston, Port Houston and the airport system. That makes sense. The world knows Houston. Harris County, not so much. However, many of the companies that move to "Houston" actually locate in unincorporated Harris County. And, of course, the City of Houston, except for a tiny piece, is all within Harris County.

Over the years, county government has not engaged much in international economic development. For the most part, I think that stemmed from a reluctance to spend property tax revenue on overseas travel, probably a wise decision. However, I believe

Harris County needs to find another way to be part of the global process. For that reason, I have created an international advisory committee and have hired a consultant to work with the Partnership and others to advance Harris County in the international arena. A month ago, HC Events, a non-profit organization formed by my office, held its 9th Annual Harris County International Trade and Transportation Conference. It was a solid success, but more importantly, that organization can provide the resources necessary for Harris County to fully pursue international economic development opportunities. We look forward to being a partner in those efforts with the City of Houston and the Greater Houston Partnership.

Every issue I have discussed, from flood control to emergency management to health care, plus a lot of other important issues like juvenile justice, animal shelters, and protective services for adults and children need to be addressed from an innovative perspective in the future. That perspective must recognize the unique reality that is Harris County and its relationship with the City of Houston, State of Texas and special districts such as municipal utility districts.

With 4.7 million residents, Harris County is the third most populous county in the nation. Almost 2 million of those residents live in unincorporated Harris County, where there is virtually no ordinance making authority and where services are funded almost exclusively by the property tax. If unincorporated Harris County were a city, it would be the fifth-largest city in the United States.

State leaders and some in the Legislature are proposing to tinker with the property tax at the expense of efficient, forward looking local government. Harris County has low taxes and exemplary financial ratings, but some state officials want more restrictions on our ability to meet the needs of our residents. Those same state leaders have shifted the public school tax burden more and more from the state onto local school districts. Then, in an effort to stir up voters, they have attacked counties and other local governments, all the while offering no real solutions.

Several bills were filed during the legislative session that would force Harris County to get direct voter approval on taxes and spending. Such a populist approach might sound reasonable, but the late British Prime Minister Margaret Thatcher described direct referenda as “a device for dictators and demagogues.”

During this year’s special session, leaders pushed the idea of limiting Harris County’s annual revenue growth to annual state population growth plus inflation. I pointed out that Harris County, particularly unincorporated Harris County is growing much faster than the state, and the major services we provide – criminal justice, indigent health care , roads and bridges, and flood control – are in no way tied to any known measure of inflation. Such legislation is neither logical nor conservative. It merely panders to a narrow self-interest group. Organizations like the Greater Houston Partnership should say enough is enough. I urge you to support vision, not pandering.

Here in Harris County, working with the City of Houston and others, we have an opportunity to create the standard for excellence in a unique urban setting. I look forward to working with Mayor Turner and officials from the other 33 municipalities in Harris County, as well as academic organizations such as the Kinder Institute, to design and implement a system of urban governance that not only meets the needs of our residents, but that in future years will draw people from around the world to study what we have done.

If we are to focus successfully on the future, we need the State of Texas to be a key partner. Because county government is an arm of the state, and cities and special districts are controlled to a large degree by the state, we need state leaders to share in shaping a better future.

Our tax system is broken. County government relies almost completely on property tax revenue, but the property tax is wholly inadequate as a means of financing the unique urban government that we have. Narrow-minded politics has pushed unfunded mandates from the state onto county government. Even though Harris County has the most generous residential exemptions in the state and a low overall tax rate, certain state leaders and legislators continually criticize us. It is pure ugly politics. And, by the way, the portion of county taxes paid by business is, of necessity, growing. We are reaching the point where tax policies are a drag on economic development.

I received my home's tax bill recently. Talk about out of whack. Because of state policy, and political decisions at all levels, this

year I will pay \$8,038 to the Houston Independent School District and \$1,305 to the Harris County Hospital District, but only \$216 to the Harris County Flood Control District.

Despite the problems facing Harris County, I am an eternal optimist. As I said earlier, we have the opportunity to become a model for urban governance.

During Harvey, the national media, federal officials and others came to the Harris County Emergency Operations Center and commented that it was the best they'd seen. That was the result of decisions made years ago. I reminded legislators that our EOC would not have been there if county leaders had been arbitrarily restrained.

If we now focus on the future, people years from now may perhaps marvel at the innovative way we manage storm water, and Harris County will be known for its greenspace and environment as well as its business climate. The county is ready, but we need partners.

But let's think bigger. Let's not be defined only by Harvey.

When researchers look for examples of the best programs for mental health, I hope they will be able to look to Harris County. Hopefully, the State of Texas will move way up from its current ranking of 48th among states in mental health funding.

When a poor person needs health care, I hope they will have a medical home and be able to receive the quality of care one would expect in the county that is home to the world's most outstanding medical center.

There are so many other issues to focus on for the future. For example, those whose passion is caring for animals should be able to know in their hearts that the animal shelters in Harris County are the model of compassion and that everything possible is being done to reduce the number of stray animals.

Yes, protection from flooding is on our minds. And we will handle that issue. But the goal should be broader. Generations yet to be born should be able to live in the best urban environment with the most effective, efficient government.

Those who merely want to complain about local government while offering no vision for the future should be overwhelmed by the same can-do spirit our residents showed during Harvey and that the Astros showed in winning the World Series.

As to the original given topic of this speech - the "State of Harris County" - Harris County is ready to focus on the future!