



\$1,730,000



The Power of the County

Who has the most influence when it comes to shaping the Houston region? It's not necessarily the city at its center.

UNBEKNOWNST TO MANY of its residents, Harris County is "a more significant agent of physical change than the city of Houston is," says Guy Hagstette, special advisor to the mayor for downtown urban development. Those who live in the central city may not see it, Hagstette adds, "But you go outside the city and there ... the county has a very strong influence."

Road construction lies at the core of Harris County government. Of its total expenditures of \$1.73 billion in fiscal year 2004, about 40 percent less than the city of Houston's \$2.96 billion,¹ Harris County spent some 30 percent, or a half billion dollars, on road construction and maintenance. Only the administration of justice took up a larger chunk of county expenditures.

Included in that half billion was \$213 million spent by the Harris County Toll Road Authority—the county's favored vehicle for new road construction, because it can generate revenue. Last year the Toll Road Authority opened the \$391 million Westpark Tollway. Now it is moving on ambitious plans to build 40 more miles of the Grand Parkway, complete the last segment of the Sam Houston Tollway, extend the Hardy Toll Road to downtown, and add "managed" lanes² along State Highway 290. It can accomplish all this without either citizen input or alternatives analysis (which federal regulations describe as the "heart" of environmental impact assessment).

The Toll Road Authority's relatively small budget belies its outsized impact on county road construction. The Authority was instrumental, for instance, in launch-

ing the \$2.2 billion Katy Freeway expansion project. One of the largest in state history, the project will transform 23 miles of I-10 into a 14-to-18 lane mega-highway, including a 12-mile stretch with four toll lanes designed, built, and operated by the county. The county's offer to contribute as much as \$500 million jump-started the project by reducing expected completion time from 12 years to six.

The county does more than simply construct roads. It also maintains 21,630 acres of parkland, about half the total that exists within county borders.³ The Harris County Flood Control District uses a dedicated portion of property taxes to administer the Houston area's biggest regional flood prevention program. Last year, the District released preliminary copies of its 100-year flood maps,⁴ the first county-wide revision of such maps since the early 1980s. These maps directly affect development because they can result in building restrictions and affect both flood insurance rates and property values.

The county has also played a role in revitalizing downtown and the Main Street Corridor. It has earmarked \$388 million to build or renovate many of the county courthouse and jail facilities in an area spreading out over a dozen downtown blocks. And it has pumped more than \$230 million into developing Reliant Park. As County Judge Robert Eckels says, redevelopment "wouldn't have happened without the county's participation." Citing the success of the Main Street light rail line, he notes the importance of the county's "work on develop-

ing the north end ... [and] likewise, the south end of the Main Street line.... We're the anchor on both ends of the system."

A Lack of Attention

Ask the average Houstonian what Harris County does, however, and you'll probably get a blank stare. "We don't get the type of attention that a city does," laments Judge Eckels. "It's actually very frustrating." One reason, he says, is the structure of county government. "People tend to understand the mayor [of Houston] and they understand the [city] council ... [but] the mayor of the county is called a judge, so nobody understands what it is that I do."

Texas' 254 counties operate under an antiquated structure set up by the State Constitution of 1876. Reacting to perceived excesses of Reconstruction, the document's framers sought to weaken central authority by dispersing it among multiple elected officials. That is why there are elections for county judge and local commissioners, as well as for county attorney, tax assessor-collector, and county auditor—not to mention judges and constables.

Ironically, this structure had the unintended effect of concentrating power among the county commissioners, particularly in urban counties such as Harris, Texas' largest and the third largest in the U.S. Since the State Constitution fixes the number of commissioners per county at four, commissioners in rapidly growing counties have become increasingly powerful. Each of Harris County's four com-

missioners represents a district of nearly 900,000 people. Precinct 4, the largest at 555 square miles, is larger in area than New York City and Chicago combined.

Moreover, each commissioner has control of the budget for his or her precinct. In the 2004 budget, Harris County commissioners were allocated a combined \$272 million. By year's end, however, they had left \$160 million—almost 60 percent of it—unspent. Observers suggest that these funds, often rolled over from year to year, provide a convenient source of discretionary spending.

The county judge occupies a much weaker position. Though he is the public face of the county and the only member of Commissioners Court to be elected countywide, he is neither a judge⁵ nor a true chief executive. With a budget of only about \$4 million, he commands no ready source of patronage, and his only real power is his one vote on Commissioners Court.

In contrast to the judge, the mayor of Houston is the most powerful politician in the city, with broad appointment powers and control over the budget. "In the city, so much depends upon the personality and power of the mayor," says Richard Murray, head of the University of Houston Center for Public Policy. "You get a mayor that's very efficient and effective, and he or she's got the tools to really make city government work. You get mayors with less power, ability, or interest, and things can deteriorate quickly."

Since 1991, city officials have been limited to six years of service, which has resulted in dramatic shifts in policy

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Harris County has added more than a half billion dollars worth of new and renovated buildings to Houston in recent years. Among the additions have been (from left to right) the downtown courthouse complex, Reliant Center at Reliant Park, the Harris County Juvenile Justice Center, and the county jail.



BY BEN JACOBSON

with each new mayor. But continuity has reigned at the county, where officials have been able to serve extraordinarily long terms. E.A. "Squatty" Lyons, for instance, served 48 years as a county commissioner before retiring in 1990. The average tenure on today's Court is 12.4 years. "One person coming in isn't going to change [county government]," observes Judge Eckels. "It takes working together to build a consensus to get something done."

Former City Councilman Vince Ryan says such longevity has led to an insular political culture in which decision-making takes place beyond public view. "At Commissioners Court, all it takes is walking down the hallway for two meetings until you've got three votes, and the fourth is usually pretty easy to get," Ryan notes. "And then nobody says anything, because they have no need to debate publicly." Such was the case with the building of Reliant Center.

Pleasing the Rodeo

By the mid 1990s, the Astrohalls, the principal exhibition facility in what was then Astrodome and is now Reliant Park, was showing its age. Built in 1966 by the Houston Livestock Show & Rodeo on land owned by Harris County, "the Astrohalls was definitely beginning to get into bad shape," recalls Leroy Shafer, the Rodeo's chief presentation and operations officer. "The roofs leaked.... Plumbing was bad. A/C was bad." The Astrohalls's other big user, the Offshore Technology Conference, reportedly threatened to move elsewhere if no improvements were made.

At the same time, the Astros were threatening to leave Houston unless they got a new ballpark. Faced with the prospect of losing another sports team—the NFL Oilers had split for Tennessee a few years earlier—city and county officials in 1996 decided to go to the voters with a referendum asking for approval to build two new stadiums, one downtown for baseball and one next to the Astrodome for football. The vote was expected to be close, and support from the Rodeo, with its thousands of influential community volunteers, was considered critical.

Says the Rodeo's Shafer, "We were told by a research firm ... this was going to be a 50/50 issue. If the Rodeo supported it, it would probably pass by a percentage point or two.... If the Rodeo was against it, it had no chance of passing." So in exchange for supporting the referendum, the Rodeo extracted a promise from the county, in a letter signed by Judge Eckels and Commissioner El Franco Lee, that the county would at its own expense build a new exhibition facility to replace the Astrohalls.

That new facility was Reliant Center, and the decision to build it had its origin in a backroom deal. Unlike with the baseball and football stadiums, there was no voter referendum. Partly, this reflected the fact that Reliant Center was presented as a low profile capital improvement project. But it also reflected a general consensus among decision makers that supporting the Rodeo, a longstanding pillar of the community, was the right thing to do.

"You didn't see a lot of the infighting that you see in some public projects,"

says Shea Guinn, president of Reliant Park-SMG, the firm that now operates Reliant Park, and the former head of the county-controlled entity that manages Reliant Center. "The county got this project done because the Astrohalls needed to be replaced. That was the [principal] motivating factor."

Special Service Organizations

The county's power is limited by its lack of home rule, or the ability to write laws. To get around its limited statutory authority, Harris County has resorted to setting up special purpose governmental and quasi-governmental organizations. That explains the proliferation of local government units such as the Flood Control District, the Hospital District, and the Toll Road Authority, all of which are under the county's budgetary control.

In the case of Reliant Center, Harris County established the Harris County Sports and Convention Corporation to develop and maintain its facilities in Reliant Park. Though state law already allowed Harris County to improve convention center facilities, the county established the corporation to avoid the impracticality of considering every purchase individually at Commissioners Court. "While it is cumbersome at times in that there are over 700 or so different political subdivisions [in Harris County], it also can be more efficient than in a single large entity [that] gets bogged down in its own bureaucracy and politics," explains Judge Eckels.

The Sports Corporation worked quickly. Construction of Reliant Center began in

June of 2000 and was completed less than two years later. This was an impressive achievement, since the Sports Corporation was simultaneously overseeing contracts for Reliant Stadium, which needed to be finished for the August 2002 start of the football season. During the middle of all this, Tropical Storm Allison struck, and 9/11 followed.

Though nominally a private corporation, the Sports Corporation leases Reliant Park from the county for \$1 per year. Commissioners Court appoints a majority of its board and approves its budget. If it incurs a deficit, the county makes up the shortfall. But it also benefits from semi-private status. In early 2000, it obtained the state attorney general's permission to bypass county procurement practices, such as those requiring competitive bidding, in order to maintain maximum operating flexibility.⁶

The Sports Corporation also carries considerable influence for an organization that employs only seven people. It has managed more than \$573 million in construction contracts for the building of Reliant Center and Reliant Stadium, and will one day decide, with approval from Commissioners Court, how to dispose of the Astrodome, Houston's best-known architectural symbol (see "Making a Dome Deal," page 31).

Though the corporation sees itself as the landlord for Reliant Park, a publicly-owned property, it has made little attempt to explain its mission or function to the public. It has no website, although it promises one soon, and is not listed in the phone book. A call to the county's



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Had it not been for Harris County agreeing to cover the cost of replacing the Astrodome with Reliant Center, it's possible the referendum that made Reliant Stadium—left, beside Astrodome—and Minute Maid Park possible would never have passed.

main switchboard in search of the corporation often results in the caller being connected to the Harris County/Houston Sports Authority,⁷ an entirely separate and unrelated entity.

“Part of the reason we have a low profile is we don’t deal directly with the public,” says Executive Director Willie Loston. “It’s not that we’re not trying to, but we have very little interaction with the public. When folks have problems on the complex, amazingly, they figure out how to find us.”

The Question of Citizen Participation

Addressing claims that it limits citizen participation, the county responds that public input is intended to go through Commissioners Court. However, citizens who have tried to use that avenue complain of being ignored. Robin Holzer, who has appeared before both Commissioners Court and the Houston City Council on transportation issues, sees the city of Houston working hard to be accessible, but at Commissioners Court, “It almost seems like most people don’t get listened to.”

By taking the public out of public policy, the county avoided grappling with the question of what, beyond just satisfying existing users, the wider public purpose was in building Reliant Center. Most convention center projects promise increased jobs, tourism, and economic development, but these were seldom used to justify building Reliant Center.⁸ In the 1999 master plan for Reliant Center, the Sports Corporation forecast attracting just two new conventions a year, which would bring in a total of \$760,000 annually in new revenues and hotel occupancy tax receipts. That’s not very much when one considers the \$20 million the county has to pay every year on the loans that financed the Center.

Houston has a long history of using public money to advance private objectives, with varying results. In the case of Reliant Center, one can argue that even if it does not perform well as an exhibition facility, it does serve the public’s interest by preserving a home for the Rodeo. After all, the Rodeo estimates that in 2003 it brought \$344 million of economic impact to Houston—enough to have paid off Reliant Center in one year.

With Reliant Center and the expanded George R. Brown Convention Center, Houston holds the distinction of being one of only two cities among the nation’s 20 largest to have more than one convention facility. The other city on that short list is Las Vegas. Yet next to the number of convention visitors Las Vegas draws, Houston’s numbers pale. And Houston’s reputation as a convention site barely ranks it in the third tier of cities among meeting planners.

Hospitality industry experts say it is not the presence or lack of convention facilities or hotels that makes a location desirable as a convention or trade show site, but the nature of the city itself. That’s why Orlando, Las Vegas, New Orleans, and San Francisco are perennial favorites for group meetings. “The problem that Houston has right now is that it’s not perceived as an environment where there are a lot of fun things to do,” says Hagstette of the mayor’s office. “We have a beautiful convention center now, we finally have a convention hotel, but convention clients are saying now we need to work on our amenity package.”

It may be time to consider the creation of the Harris County Amenity Corporation. ■

1. Harris County and Houston use different fiscal years, so this data is not directly comparable. The county’s year ends February 28, the city’s June 30.
2. “Managed” lanes employ variable pricing to raise tolls during times of peak congestion and lower them in off-peak hours to maintain a steady traffic flow.
3. The rest is maintained by the state, the city of Houston, or other municipalities.
4. A term leading to much confusion, the 100-year floodplain refers to land that has a 1 percent chance of being flooded in a given year.
5. There are some counties in which the county judge has judicial responsibilities.
6. The Corporation says it used a public procurement process for Reliant Center, but sought such permission to comply with fast-track construction of Reliant Stadium.
7. The Sports Authority is the joint city-county special venue district that financed and built Minute Maid Park and Toyota Arena.
8. At the opening of Reliant Center, Judge Eckels did claim that the new exhibition hall could host 300 to 400 events a year and pursue 156 of the nation’s 200 largest trade shows.