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## County officials 'sneak in' 4 percent tax hike

Harris County commissioners angered County Judge Robert Eckels and surprised almost everyone else by approving an unannounced property tax increase of nearly 4 percent Tuesday.

With only Eckels in opposition, commissioners voted 4-1 to boost the overall county tax rate by 2.4 cents, to 64.349 cents per \$100 assessed valuation.

The owner of a \$100,000 home, claiming the standard 20 percent homestead exemption, will pay \$19.20 more in property taxes next year as a result.

The increase, which will raise nearly \$26 million for the county, is the first since 1994, when the court voted to increase the overall tax rate by nearly 2.6 cents. Ironically, the court decreased the rate by one-fourth cent last year.

The rate increase was a surprise since the court provided no public notice that it intended an increase. The tax rates listed on the court's agenda for the past three weeks showed no increase in the overall tax rate, and commissioners said nothing at a public hearing this past week about any plans for an increase.

Commissioner Steve Radack proposed the new tax increase, which won support from Commissioners El Franco Lee, Jim Fonteno and Jerry Eversole.

Eckels blasted his colleagues for their vote.

"Today, there is absolutely no need for a tax increase in Harris County," Eckels said. "I assure you if this money goes into the budget, this court will find a way to spend it. I'm sure they're all going to be running back to their offices to try to find the projects to justify it. It's purely for the pockets of the commissioners."

Eckels also noted that the tax increase was passed before the public was told of its possibility and given a chance to discuss it with court members.

"The court has snuck one by them," Eckels said. "I think it's irresponsible."

Commissioners justified the tax increase by saying voters approved a 2-cent tax increase in 1989 and 1993 to finance the construction of an \$85 million Criminal Justice Center downtown and for improvements at the Port of Houston. Now that those bonds are being sold, they said, Commissioners Court can increase taxes to help pay for them.

But Eckels said that nearly every county financial adviser has said in recent months that no tax increase was needed to pay for the projects. Because of a restructuring of county debt, they said, Commissioners Court still had the ability to issue even more bonds without a tax increase.

One reason commissioners wanted the tax increase is that it would allow them to issue about \$260 million more in future bonds. Commissioners Court has been considering proposing a \$250 million to \$400 million bond issue to voters next year to pay for construction and improvement of county roads, libraries and parks in their precincts.

Now, with the new tax increase, that proposed bond issue may become even larger. In fact, Radack said immediately after Commissioners Court passed the increase that he now would favor a bond issue of between \$500 million and \$600 million next year.

Radack acknowledged that the tax increase was not needed solely to pay for the Criminal Justice Center and port projects approved by voters in 1989 and 1993, but was needed primarily for future projects to compete with neighboring counties.

"Should we pay for the Criminal Justice Center and the port at the expense of roads and bridges, parks and libraries?" Radack asked. "I don't think we should. I believe we are falling behind in Harris County in some of these projects that need to be done."

Eckels buys no part of that argument, though, saying the commissioners had used voter approval of the justice center and port improvements as "a pretext" for a tax increase to support future precinct projects.

"I don't know what the need is out there," he said. "I see absolutely no need for a \$600 million bond issue next year."

Eckels has said that he would oppose any large proposed bond issue that might jeopardize the county's financial security.

Passage of any bond issue becomes less likely with the vocal opposition of the county judge, he said.

"We're not going to sell bonds unless the county judge is out there selling bonds," he said in July.

Eckels also expressed fear that the tax increase could confuse and anger voters who are being asked to support a downtown baseball stadium financing plan on Nov. 5.

Tuesday's tax increase is perhaps the clearest indication yet of Eckels' split with commissioners on some financial issues.

Harris County commissioners have historically been fiercely protective of the money allocated to their precincts for road and park projects, and Eckels has not been supportive of some of their larger proposals.

And with passage of the tax increase Tuesday, Eckels said, the court may be jeopardizing some of the progress Harris County has been making toward increasing its bond rating to AAA by 2000.

If the revenue for the tax increase is used to support a major bond issue, he said, it will "adversely affect" the county's standing with the major bond-rating agencies.



Eckels



Radack