

**Mid-Census Growth Report
City of Victoria and Victoria County, Texas
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Introduction

The purpose of this report is to provide an analysis of growth experienced by the City and County of Victoria since the 2000 Decennial Census. Our primary focus will be on population growth. Other factors, including growth in the retail sector and traffic volumes will be addressed to present a more complete picture.

Is Victoria Growing?

If the question is, “Is Victoria’s population growing?”, the answer is yes, but very slowly. The City of Victoria had a population of 60,603 on April 1, 2000 (2000 Census). According to estimates prepared by the US Census Bureau, the City’s population on July 1, 2003 was 61,410. Based on this estimate, Victoria’s population grew by 1.33% during this 3-year period, an average annual growth rate of less than one-half of one percent per year (0.44%/year). For purposes of comparison, The Census Bureau estimates that the population of the State of Texas grew by 6.0% (2% per year) during the same 3-year period. The City of Victoria experienced an average annual growth rate of 0.86% per year between 1980 and 1990, and 1% per year between 1990 and 2000.

Sources of Population Estimates

There are two sources for annual population estimates during the years between each decennial Census; the US Census Bureau and the Texas State Data Center. The Texas State Data Center (Office of the State Demographer, UTSA) prepares estimates for cities and counties on January 1 and July 1 of each year. The latest Data Center estimate for the City is 61,055 on January 1, 2004. The Census Bureau publishes annual estimates as of July 1 of each year. The 2004 estimate has not yet been released. As noted above, the Census Bureau estimate on July 1, 2003 was 61,410. Estimates for the City and County of Victoria by both sources are provided below. In order to permit consistent comparisons, the January 1 Data Center estimates have been omitted.

Texas State Data Center Estimates

	1-Apr-2000	1-Jul-2001	1-Jul-2002	1-Jul-2003	Numerical Change	Total % Change
Victoria County	84,088	85,186	85,070	85,051	963	1.15%
City of Victoria	60,603	61,231	61,217	61,107	504	0.83%

Census Bureau Estimates

	1-Apr-2000	1-Jul-2001	1-Jul-2002	1-Jul-2003	Numerical Change	Total % Change
Victoria County	84,088	84,738	85,054	85,395	1,307	1.55%
City of Victoria	60,603	60,948	61,131	61,410	807	1.33%

I have reviewed both sets of estimates and the methodologies used by each agency, and have compared the estimates with local data on building permits, water connections and apartment occupancy rates. It is my opinion that the Census Bureau estimates track more consistently with local indicators. The State Data Center shows a slight spike in population in 2001, followed by small losses of population in 2002 and 2003. The local data do not support this trend. The local data indicate a slow but fairly consistent growth rate similar to the Census Bureau estimates.

Local Data

Several sources of data have been reviewed to determine the reliability of the Census Bureau and State Data Center population estimates. These included residential building permits and demolitions, water connections and apartment vacancy rates.

The total number of dwelling units is one factor used in estimating population. A persons-per-household (average) figure can be applied to the number of housing units to calculate an estimate. The City of Victoria had a total of 24,559 dwelling units at the time of the 2000 Census. According to building permit records, a total of 582 housing units were added between April 1, 2000 and July 1, 2003 (the date of the latest Census estimate). There were 168 residential demolitions during the same period, resulting in a net gain of 414 additional units. This represents a 1.69% increase in housing units.

The 1.69% increase in housing units is slightly higher than the 1.33% increase in population, as estimated by the Census Bureau. However, during the same period, Victoria's average occupancy rate in apartments dropped from approximately 95% to approximately 90% (Source: Victoria Market Report, Real Estate Center at Texas A&M University).

Water connections were also reviewed for the period between 2000 and 2003. The total number of water connections increased by 3.95%. While the rate of increase in water connections is significantly higher than the increase in housing units and estimated population, it is more difficult to make a direct correlation between water connections and population. The number of connections varies from one day to the next with new connections, disconnections, reconnections, address changes, etc. In addition, the total number of connections includes commercial development and irrigation meters, neither of which have an impact on population change. Taking these factors into consideration, the water connection numbers appear to be consistent with the Census Bureau estimates.

Based on a comparison of permitting and water connection data with the Census Bureau's population estimates, it is my opinion that the Census Bureau methodology is the most reliable means of estimating local population growth since the 2000 Census.

County Population

Are people fleeing the City of Victoria for the unincorporated portions of Victoria County? This is a common claim, but the data does not indicate a significant trend. The City's population as a percentage of the County has always fluctuated from a low of less than 25% in the early 1900's to a high of nearly 77% in 1970. The following table provides historic population data for the City and County of Victoria.

City and County Population, 1900 - 2000

Year	County Population	City Population	City Population as a % of the County
1900	13,678	4,010	29.32%
1910	14,990	3,673	24.50%
1920	18,271	5,957	32.60%
1930	23,471	7,421	31.62%
1940	23,741	11,566	48.72%
1950	31,241	16,126	51.62%
1960	46,467	33,047	71.12%
1970	53,766	41,349	76.91%
1980	68,807	50,695	73.68%
1990	74,361	55,076	74.07%
2000	84,088	60,603	72.07%
2003*	85,395	61,410	71.91%

* Census Bureau Estimate

The City's population as a percentage of total County population dropped by 2% between 1990 and 2000, an annual average of two-tenths of one percent per year. Based on Census Bureau estimates, 71.91% of the County's population lived within the City of Victoria in 2003. Between 2000 and 2003, the City's population as a percentage of total County population dropped by less than two-tenths of one percent over a 3-year period. While the rural part of Victoria County is still growing slightly faster than the City, the trend seems to have slowed somewhat since the 2000 Census.

2005 Estimates

As noted earlier, the last estimate released by the Census Bureau was for July 1, 2003. The annual increases for both the City and County have been fairly steady, ranging from 0.30% to 0.57% for the City and 0.37% to 0.77% for the County. The average annual population increase was 0.44% for the City and 0.52% for the County. Building permit data have remained relatively consistent since July 1, 2003. I believe it is reasonable to assume similar growth rates in 2004 and 2005 as were experienced from 2000 to 2003. By applying the average annual growth rates for the period of 2000 to 2003, we can obtain rough estimates for 2004 and 2005. These estimates are provided below.

Census Bureau and Planning Department Estimates

	2000 Census	Census Bureau Estimates			Planning Department Estimates	
		2001	2002	2003	2004	2005
Victoria County	84,088	84,738	85,054	85,395	85,839	86,285
City of Victoria	60,603	60,948	61,131	61,410	61,680	61,952

Traffic Volumes

What about all of this traffic? When people talk about how Victoria is growing, reference is often made to increased traffic. They are correct. Victoria's traffic volumes are increasing at a significantly higher rate than its population. The following table provides traffic count data for a sample of 13 locations along major thoroughfares and highways. The table provides traffic counts for 1990, 1995, 2000 and 2003, along with the percentage of increase (or decrease) between counts.

Traffic Volumes

Location	1990	1995	% Change	2000	% Change	2003	% Change
N. Navarro, S. of 463	27,000	30,000	11.11%	33,000	10.00%	32,000	-3.03%
N. Navarro, N. of Victoria	5,200	7,300	40.38%	5,600	-23.29%	5,600	0.00%
Loop 463, W. of Navarro	8,000	11,000	37.50%	17,400	58.18%	16,000	-8.05%
Loop 463, E. of Navarro	5,200	10,800	107.69%	13,000	20.37%	11,300	-13.08%
Main, S. of Loop 463	9,400	12,000	27.66%	18,100	50.83%	16,700	-7.73%
Houston Hwy, W. of 463	11,400	12,700	11.40%	14,400	13.39%	17,500	21.53%
Houston Hwy, at Airport	7,600	9,200	21.05%	9,500	3.26%	10,900	14.74%
US 59, E. of Telferner	15,700	18,000	14.65%	23,000	27.78%	25,000	8.70%
US 59, SW. of Telferner	10,300	9,200	-10.68%	13,000	41.30%	16,300	25.38%
US 59, SW of 463	14,900	14,300	-4.03%	18,800	31.47%	23,000	22.34%
US 77, S. of Victoria	8,300	9,600	15.66%	12,300	28.13%	16,300	32.52%
Bloomington Hwy, S. of 59	9,800	9,200	-6.12%	11,800	28.26%	11,300	-4.24%
Port Lavaca Hwy, S. of 59	7,000	8,200	17.14%	9,800	19.51%	11,000	12.24%
Total of All Locations	139,800	161,500		199,700		212,900	
Total Percentage Increase			15.52%		23.65%		6.61%

Victoria's major highways and thoroughfares began to experience significant increases in traffic volume during the mid-1990's with the construction of several major retail developments. The development of Target, Super K-Mart, Wal-Mart Supercenter, Sam's, Lowe's and Whispering Creek Center all occurred between 1993 and 1995. These large retail developments and the restaurants and smaller retail stores that followed established Victoria as a regional retail destination. This trend has continued with the development of Home Depot, the new Cinemark facility, redevelopment of the Rio Grande HEB, and several new motels.

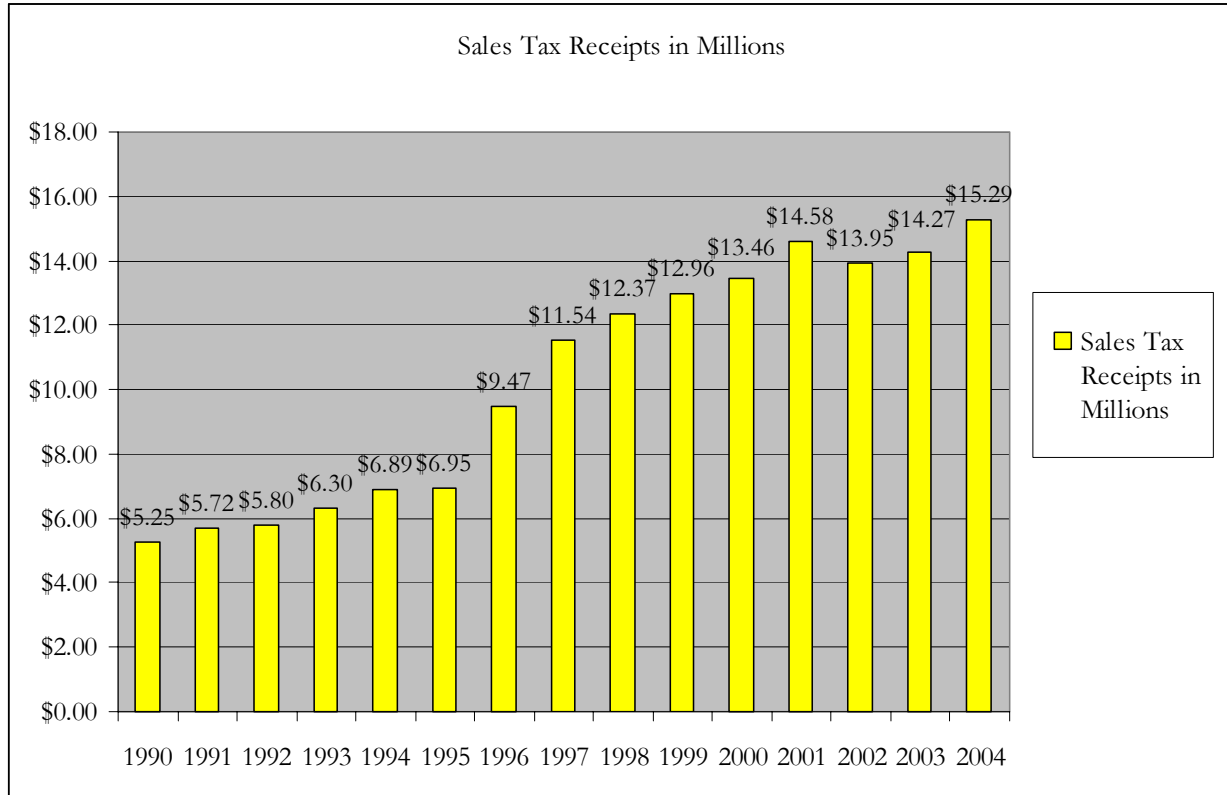
Other retail projects are currently either under construction or in the process of plan review, including Best Buy at the Victoria Mall, Walgreens and Hastings at Navarro/Sam Houston, Walgreens at Houston Hwy/Ben Wilson, Target expansion and adjacent shopping center expansion, Texas Roadhouse restaurant on Navarro, Baytown Seafood restaurant on Houston Hwy, and several smaller retail developments. Two additional motels are also under construction, a Hampton Inn on N. Navarro and a Best Western on Loop 463.

The most significant increases in traffic volume occurred between 1995 and 2000. The trend has leveled off since 2000, but overall traffic volumes continue to increase at a much higher rate than population growth. When reviewing the above traffic count table, the reader will note decreases in traffic volume at several locations. These short-term fluctuations are not uncommon. There are several potential explanations, but most of these situations can be attributed to one of two circumstances: 1) the facility

was under construction during the traffic count period, causing travelers to select an alternative route, or 2) a construction project on a more convenient route was completed, resulting in traffic being shifted to the “new” route.

Sales Tax Receipts

Further evidence of the City’s evolution as a regional retail center is found in the growth of sales tax receipts. The following chart shows City of Victoria sales tax receipts from 1990 through 2004.



(NOTE: An additional ½ cent sales tax for Economic Development was approved by voters in 1995)

Summary

Victoria’s population growth rate has slowed considerably since the 2000 Census. It is estimated that the City’s population has grown approximately 2.2%, from 60,603 in 2000 to an estimated 61,952 in 2005. While the State of Texas has grown at a faster rate of approximately 2% per year, most of that growth is occurring in large metropolitan regions, including Dallas/Forth Worth, Houston, the Austin/San Antonio/I35 Corridor and the Rio Grande Valley. Victoria is actually faring well in comparison with other mid-sized stand-alone cities in Texas. Many of these cities, including Abilene, Beaumont, Galveston, Port Arthur, San Angelo and Wichita Falls, have lost population since 2000. Although the City’s population growth has slowed, the retail sector continues to expand to serve the larger regional market.