
Regional Economic Indicators

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Regional Economic Research
Institute

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Introduction

The Regional Economic Research Institute (RERI) has been developing a regional economic database and this report as a way to support its mission and assist the region. Additional economic series are planned and information such as this report will be made available on the Florida Gulf Coast University RERI website. The Institute thanks its many partners for assistance in obtaining the data including the Southwest Florida Regional Planning Council, Economic Development Organizations of Charlotte, Collier, and Lee counties, and the county and city permit offices.

The institute has been working to improve the sources and timeliness of the permit information over the last couple of months and is introducing a new set of permit charts. The new permit charts are limited to those data sources that can provide permit data within two weeks following the end of the month. Lee County includes Fort Myers, Cape Coral and the unincorporated county permit information. Charlotte and Collier County's' permit charts include only the unincorporated county data. The development of the Regional Economic Indicators and this report are a continuing development journey and we welcome comments and suggestions.

Overview

Airport Activity

Airport passenger activity is defined as the number of arrivals and departures. Chart One shows the monthly seasonality of airport passenger traffic. Peak activity months are February, March and April during the winter season. Significantly lower activity takes place in the summer season especially the period of June through September. Regional Southwest Airport (RSW) located in Lee County has seen very fast passenger growth since 1990 as shown by Chart Two. A new terminal has been constructed at RSW to handle in the increased traffic which is currently serviced by 22 airlines. Traffic at RSW continues to mirror the cyclical nature of the traffic outlined above with 2006 data similar to 2005 with slight increase in October. Charts Three and Four show the airport passenger activity for Sarasota and Naples airports. Sarasota had higher passenger traffic in 2006 compared to 2005 for the peak season months and for October and November of 2006. The passenger traffic was lower in 2006 compared to 2005 for the summer months. In Naples the traffic, while maintaining a similar pattern, is still lower than traffic figures from 2005.

Building Permits

The number of single family building permits issued for Lee County increased from fewer than 500 per month in year 2000 to over 1,500 per month in year 2005. This has slowed significantly in 2006 as shown in Chart Five. By January 2007, Lee County's average monthly permitting figure had fallen to just above 400 per month slightly higher than the 400 per month issued in December 2006. The number of single family building permits issued by Collier County averaged about 300 per month between 2000 and 2005 as shown in Chart Six. By January 2007, Collier County had seen a significant decline in permits issued falling to slightly above 100. Charlotte County also saw increases in the number of permits from about 100 permits per month issued in 2000 to over 200 per month in 2005. During the first half of 2006 permitting increased significantly rising to 450 in May of 2006, however in the later part of 2006 permitting has fallen to a low between October and December of about 125 permits. January 2007 saw a rise in permits to about 175 permits.

Consumer Price Index

The Bureau of Labor Statistics (BLS) collects data monthly on the cost of a fixed basket of consumer goods at the national and regional level. Currently data is available for Tampa/St. Petersburg area on a semiannual basis. Chart Eight provides a summary of the changes observed since 2000. Several trends are of interest. First, consumer prices in the Southern region of the United States have grown at a slower rate than the nation for the period from 2000 to 2006. Second, the

Tampa/St. Petersburg consumer prices have increased at a faster rate than the nation and appear to be continuing to do so.

Population

Historic population estimates and projections are provided by the Bureau of Economic and Business Research (BEBR) at the University of Florida. Charts Nine and Ten show the historic growth from 1980 to 2006. Charlotte and Lee Counties have doubled their populations from 1985 to 2006. Collier County has grown at an even faster rate doubling its population from 1991 to 2006. Glades and Hendry Counties have had lower rates of population growth. Chart Eleven shows the projected population increased for 2007 to 2030. The Coastal Counties are expected to continue growth at a very fast pace. Hendry and Glades are expected to see much more rapid growth in population as coastal expansion expands eastward. Charts Twelve through Fourteen provide the regional percentages of population by County for the years 1990, 2006, and 2030.

After evaluating the demographic data above it is clear that we have experienced tremendous growth over the past 30 years and all signs point to the continued long-term growth of the area. :

Having said that the growth will not be as large due to a number of factors such as:

- **Build out** – suitable land for construction has become scarce
- **Restrictions** – building codes and hurricane restrictions may limit the expansion of some areas
- **Costs** – both the conversion of land and construction costs continue to escalate as well as insurance costs upon completion
- **Climate** – hurricane fears may limit demand to the area particularly in the period of increased activity we appear to be in.
- **Population Tree** – as the population ages and the baby boomer population passes thru the age of retirement there is a smaller cohort to follow.

Taxable Sales

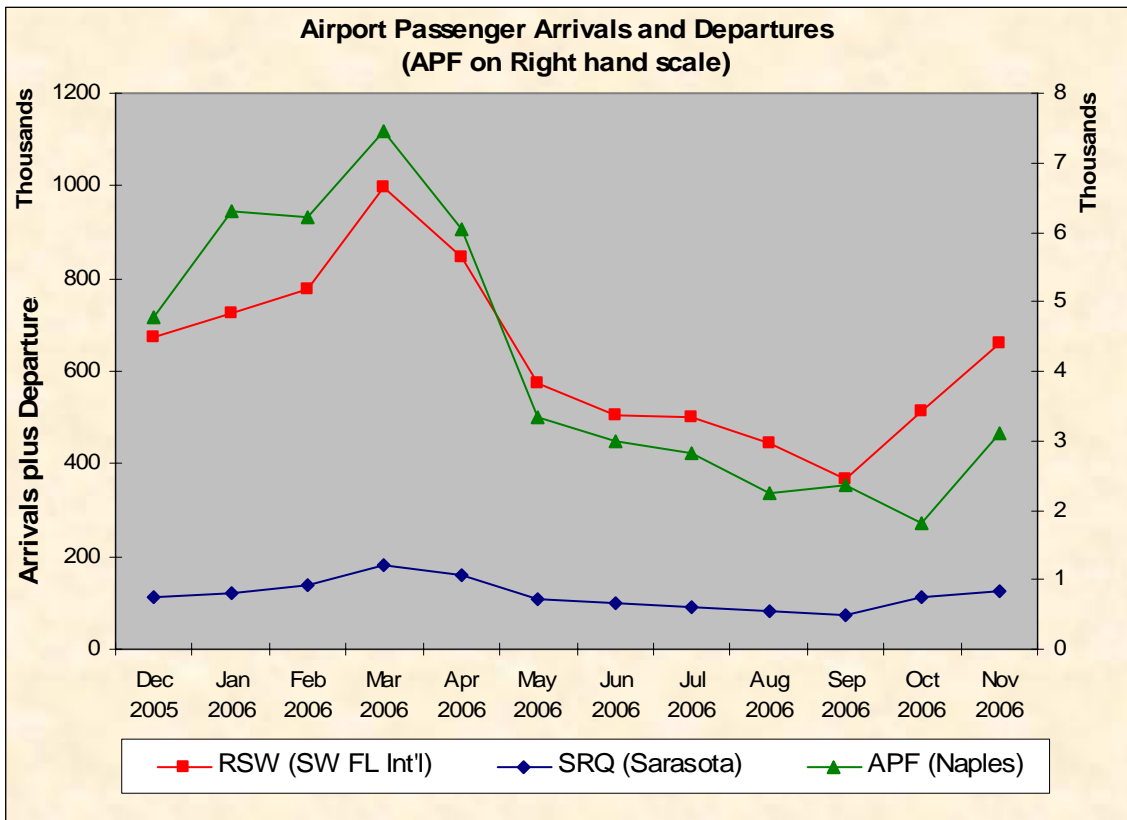
Taxable sales are reported by the Florida Department of Revenue. The figures are used to track consumer spending, an important contributor to economic growth in the region. Charts Fifteen and Sixteen show continuous growth in taxable spending from 1990 to 2005. There have been slower growth periods as shown in 2001 were the nation entered a recession. The latest month of October 2006 showed significantly increased sales over October 2005 for Charlotte and Lee Counties but a decline of about 2 percent for Collier County. Care should be exercised when using the partial 2006 year due to seasonality. These charts display the summer seasonality with its generally lower consumer taxable sales figures.

Workforce – Unemployment

The unemployment rates for the region have been at historic lows and are expected to increase some over time as the economy slows to a more normal or long-run rate of economic growth. Average annual unemployment and monthly average unemployment for the latest year are shown in Tables Seventeen and Eighteen. Within the region there is a strong element of seasonal employment in the winter and so the unemployment rate tends to rise in the summer months as Chart Twenty-three illustrates. Collier County shows greater seasonal variation in unemployment possibly due to the large agriculture employment sector.

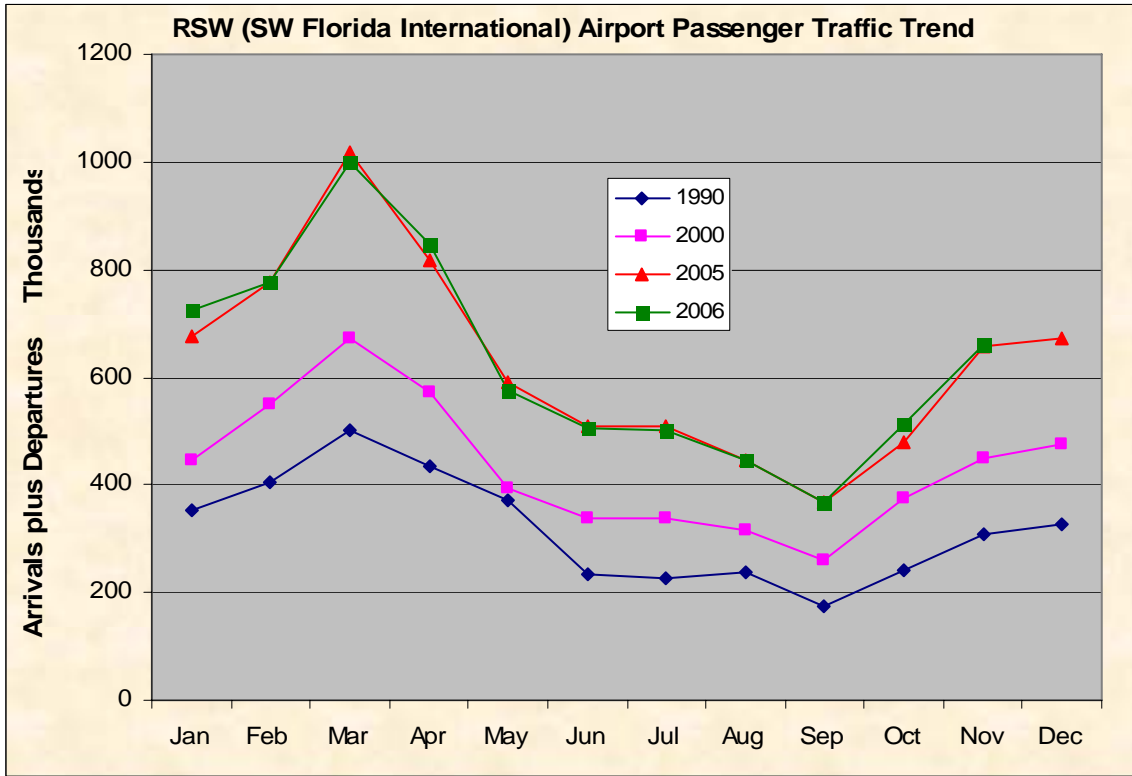
Airport Activity

Chart One



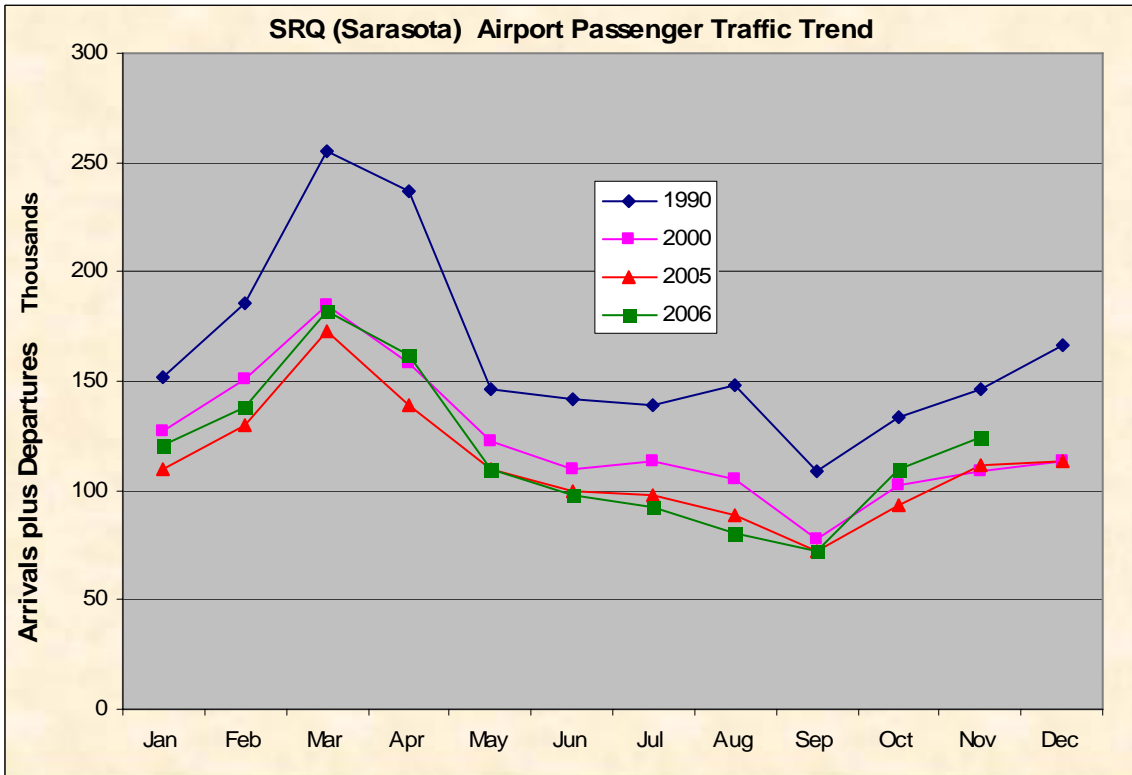
Source: Local Airport Authorities

Chart Two



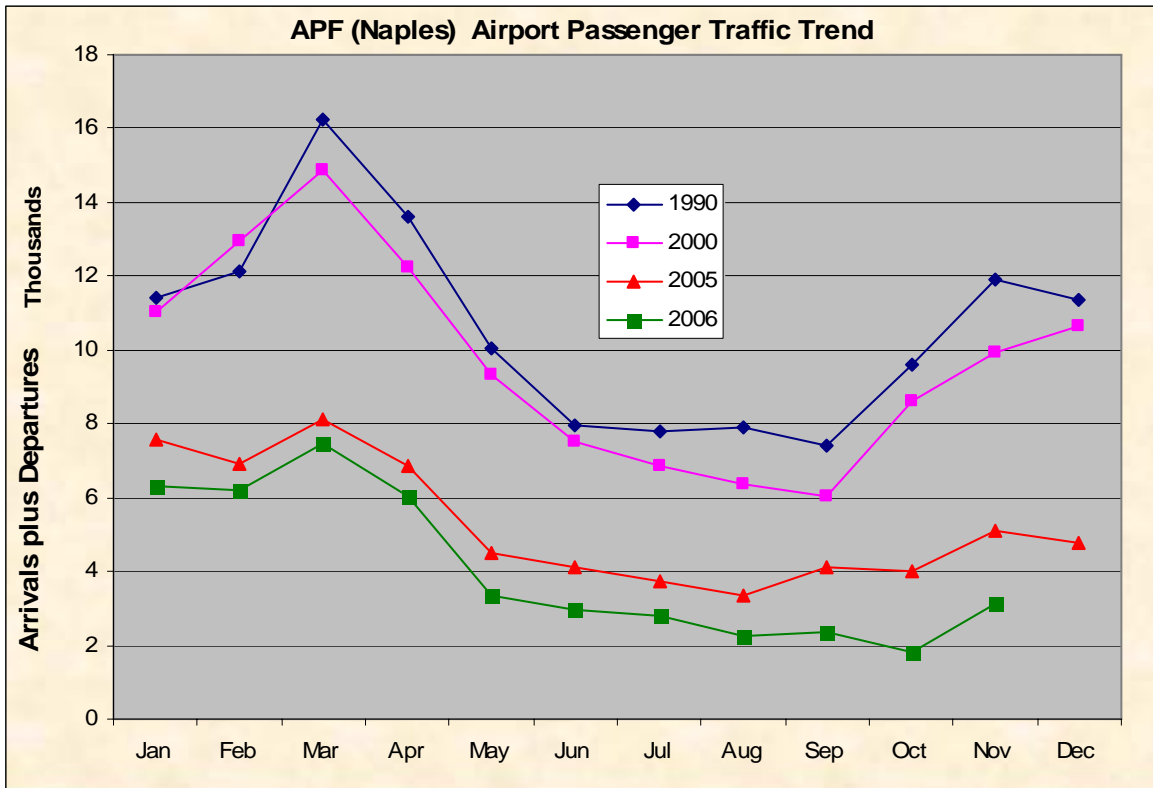
Source: Local Airport Authorities

Chart Three



Source: Local Airport Authorities

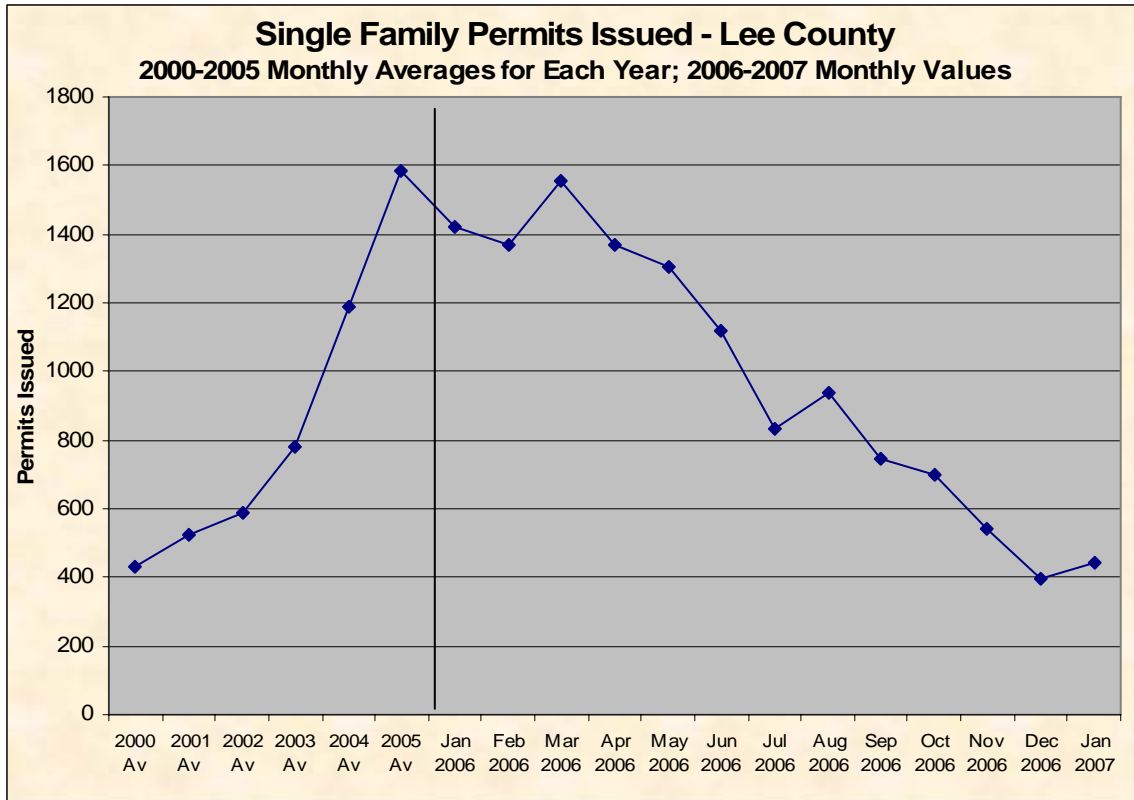
Chart Four



Source: Local Airport Authorities

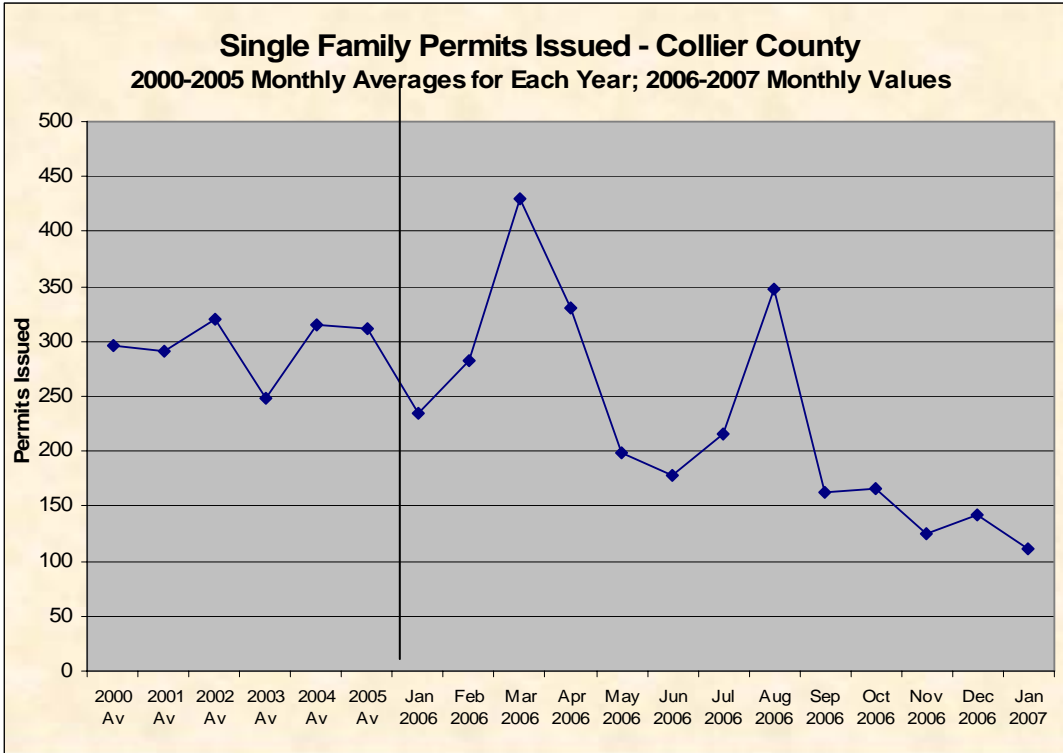
Building Permits – Single Family

Chart Five



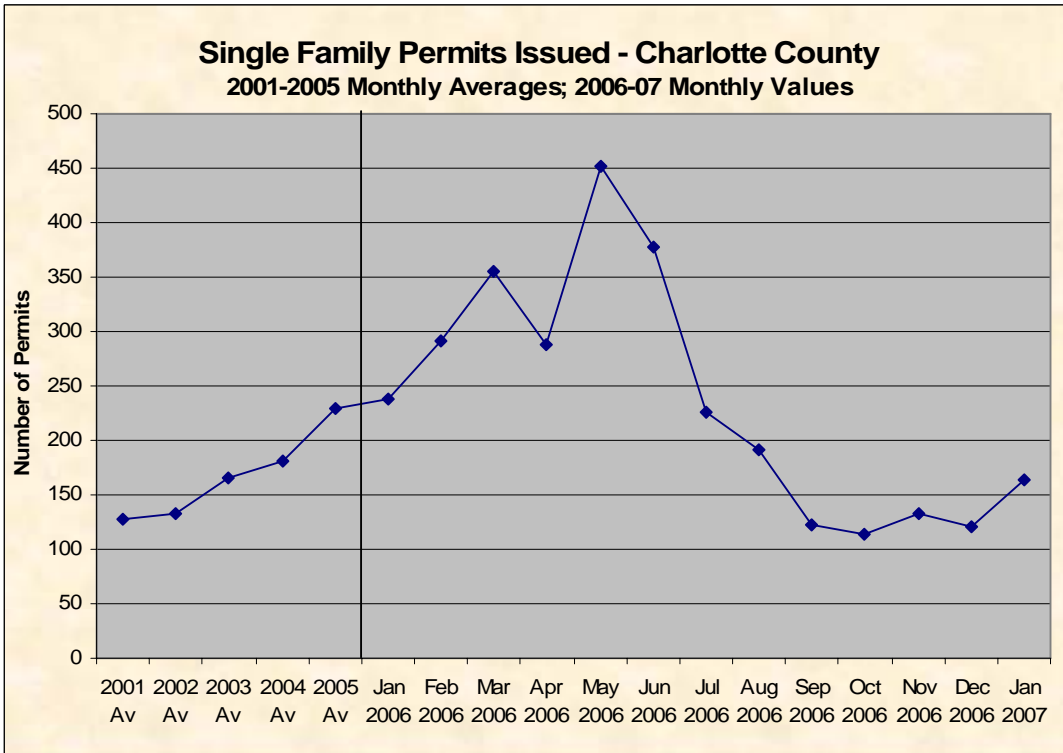
Source: Local Building and Zoning Departments, included Fort Myers, Cape Coral, and unincorporated Lee County permits

Chart Six



Source: Local Building and Zoning Departments; includes unincorporated Collier County permits only.

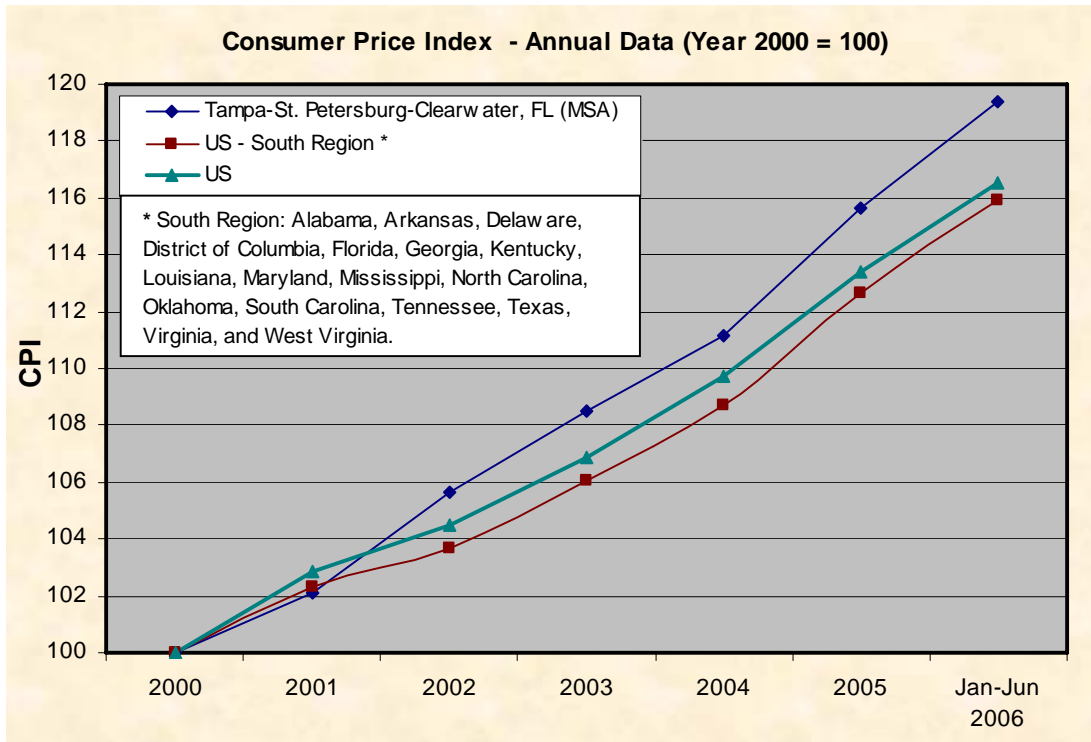
Chart Seven



Source: Local Building and Zoning Departments; includes unincorporated Charlotte County permits only.

Consumer Price Index

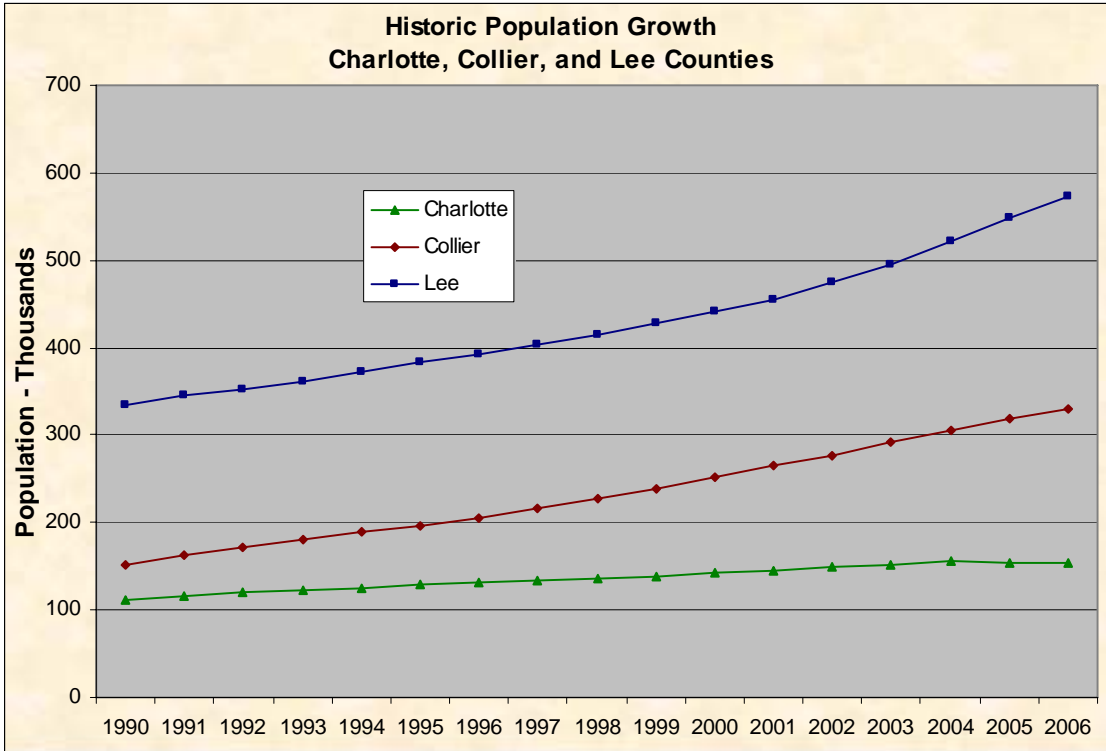
Chart Eight



Source: BLS

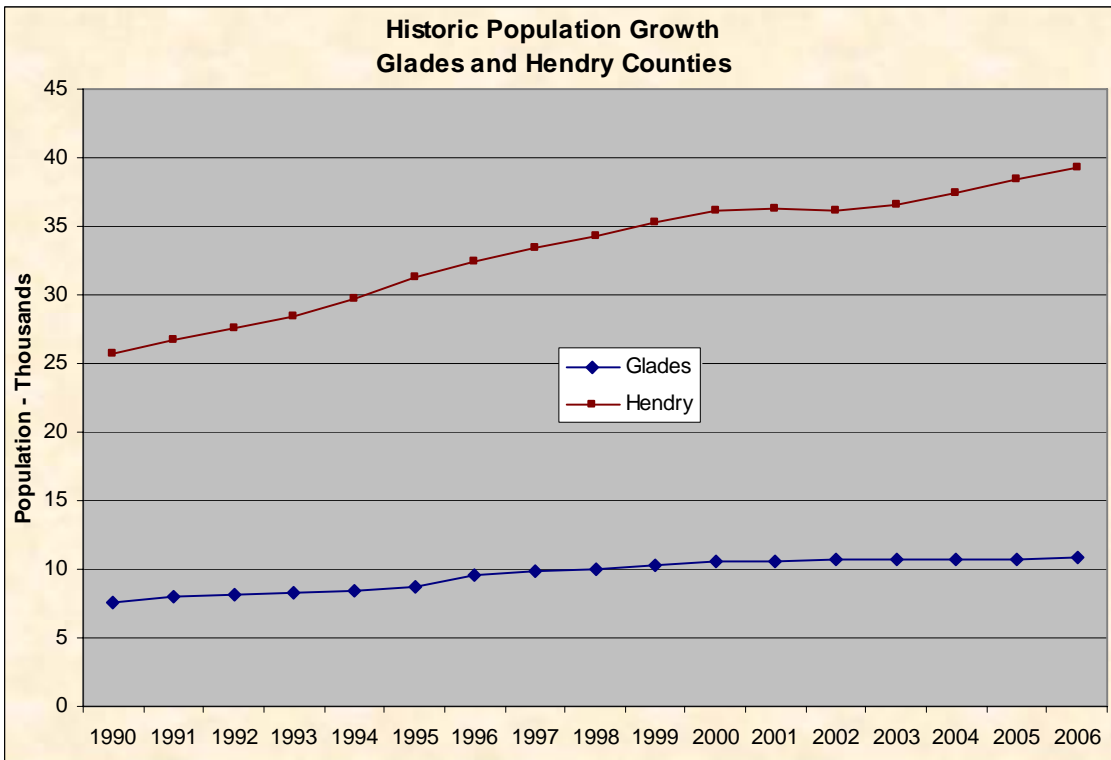
Population

Chart Nine



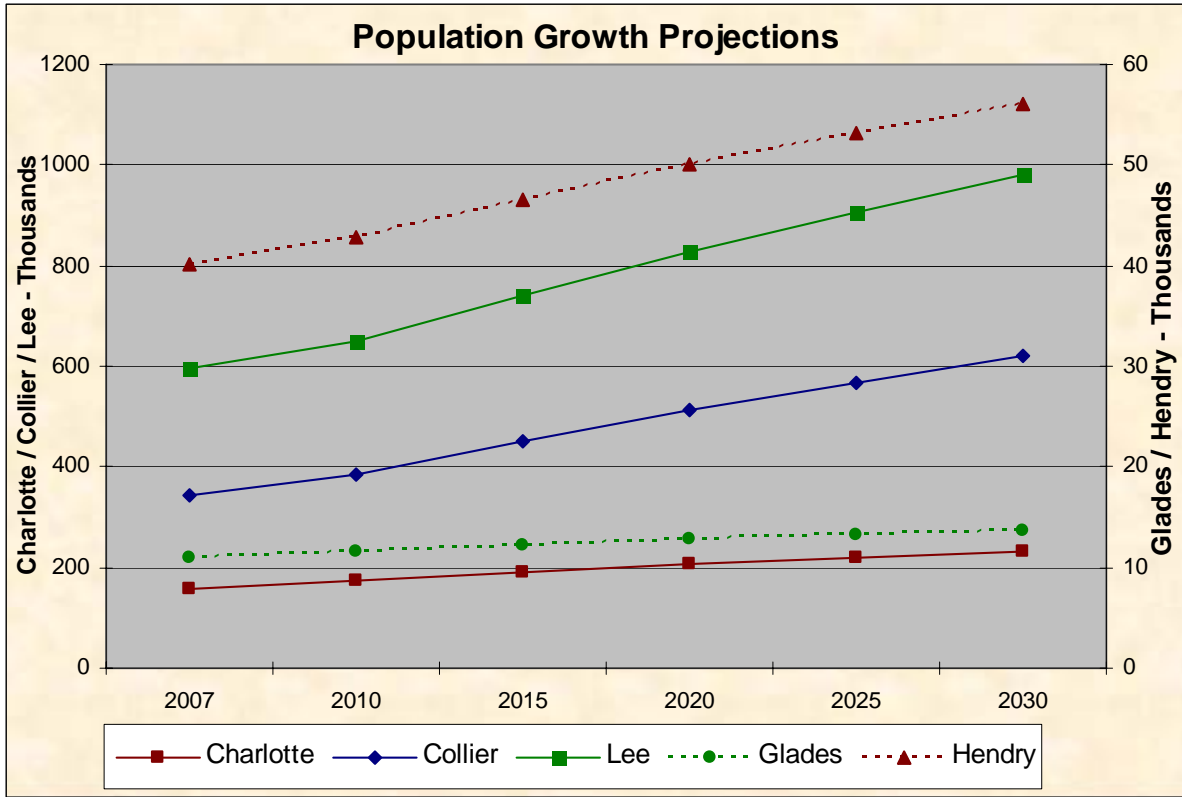
Source: BEBR at University of Florida

Chart Ten



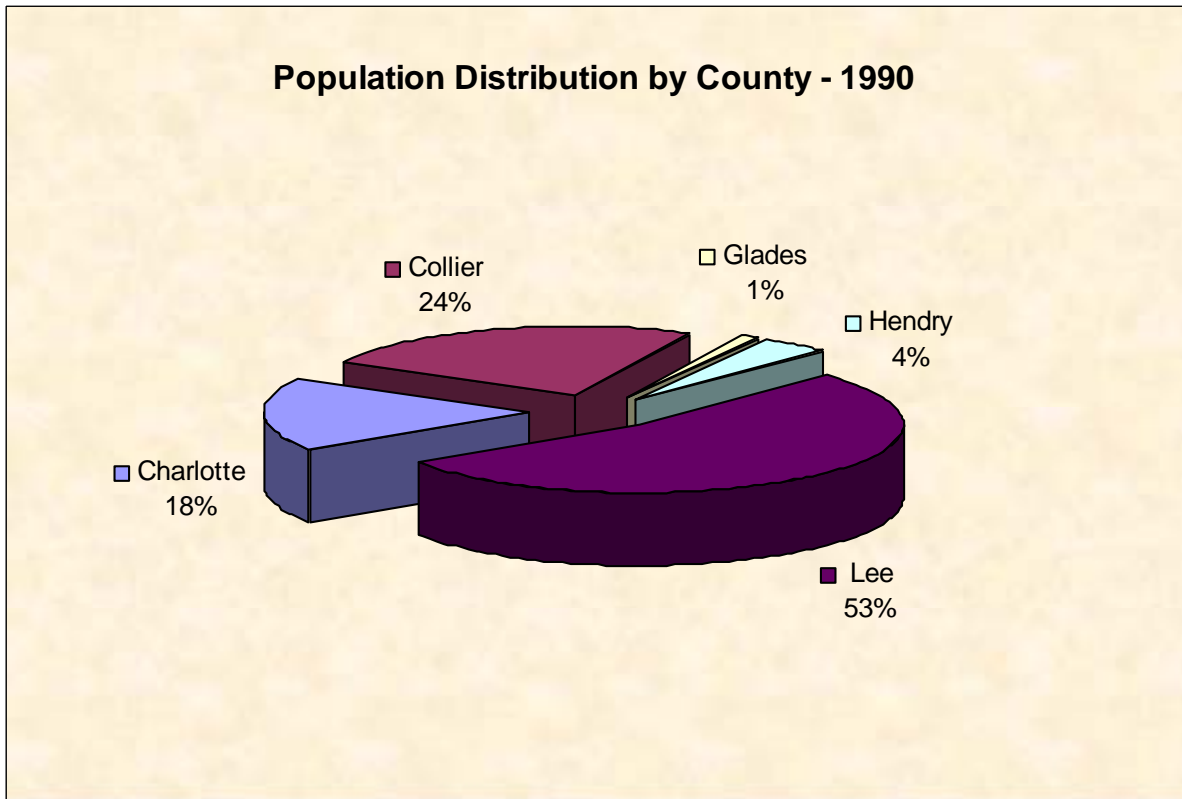
Source: BEBR at University of Florida

Chart Eleven



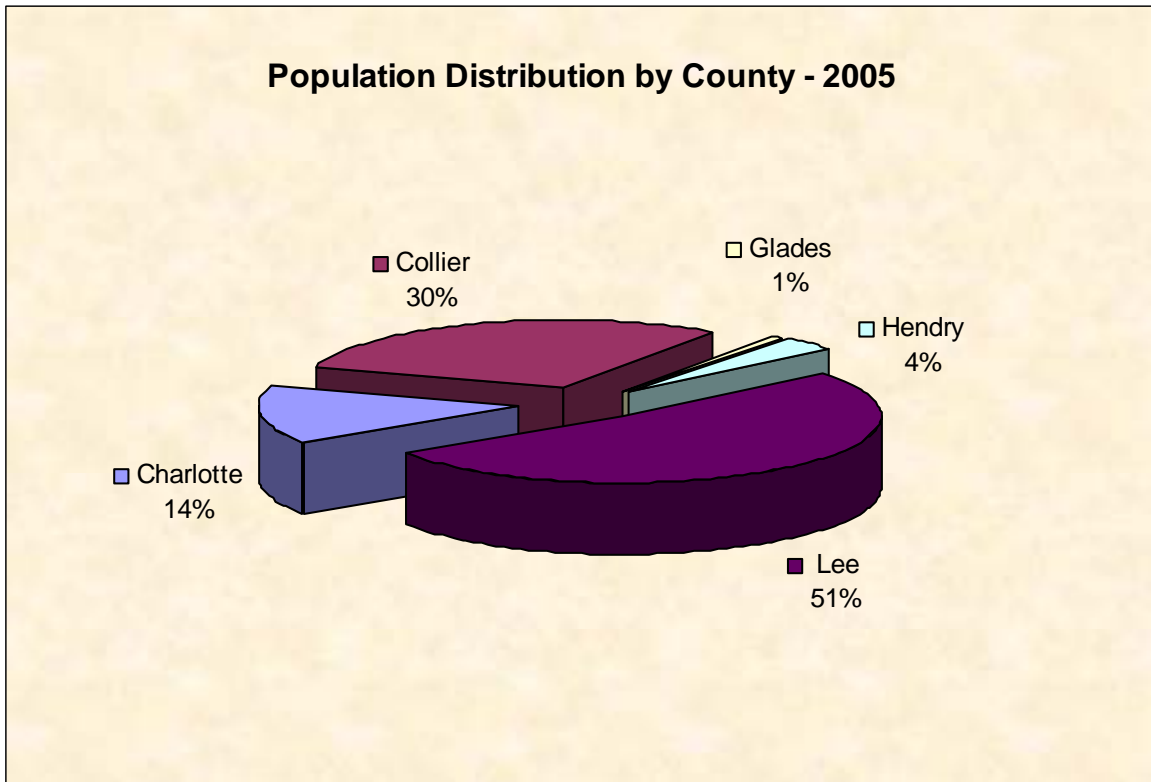
Source: BEBR at University of Florida

Chart Twelve



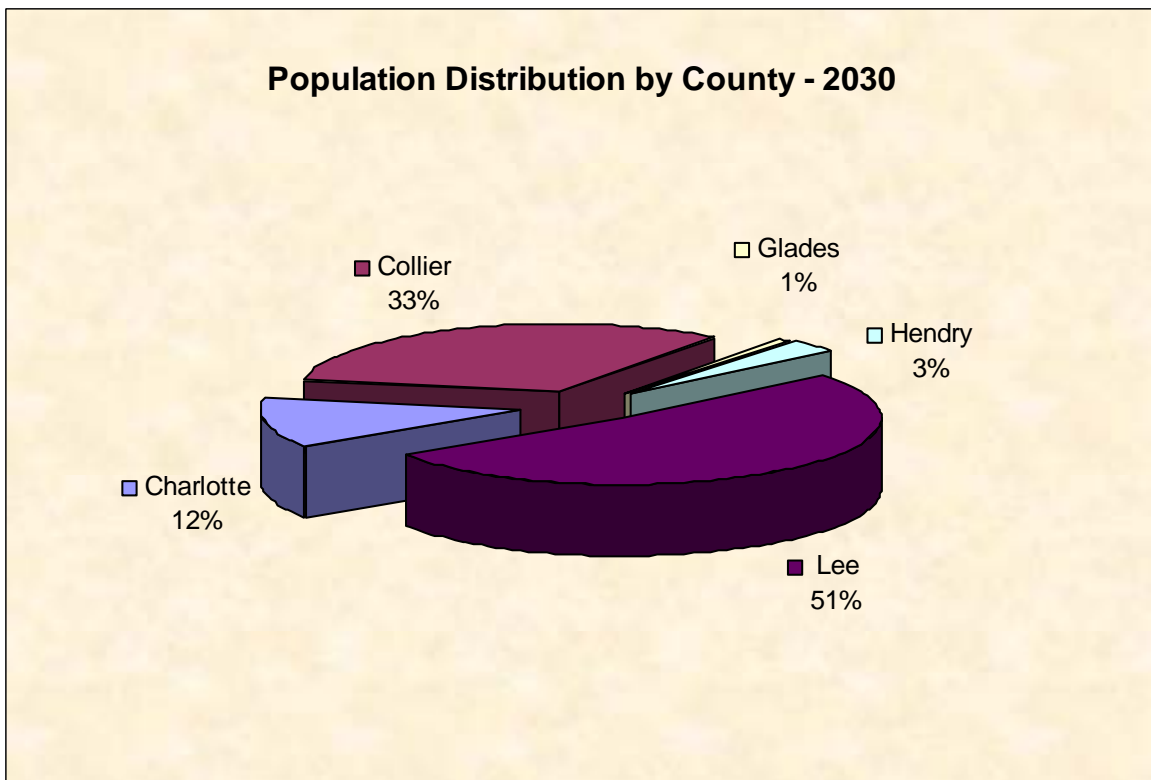
Source: BEBR at University of Florida

Chart Thirteen



Source: BEBR at University of Florida

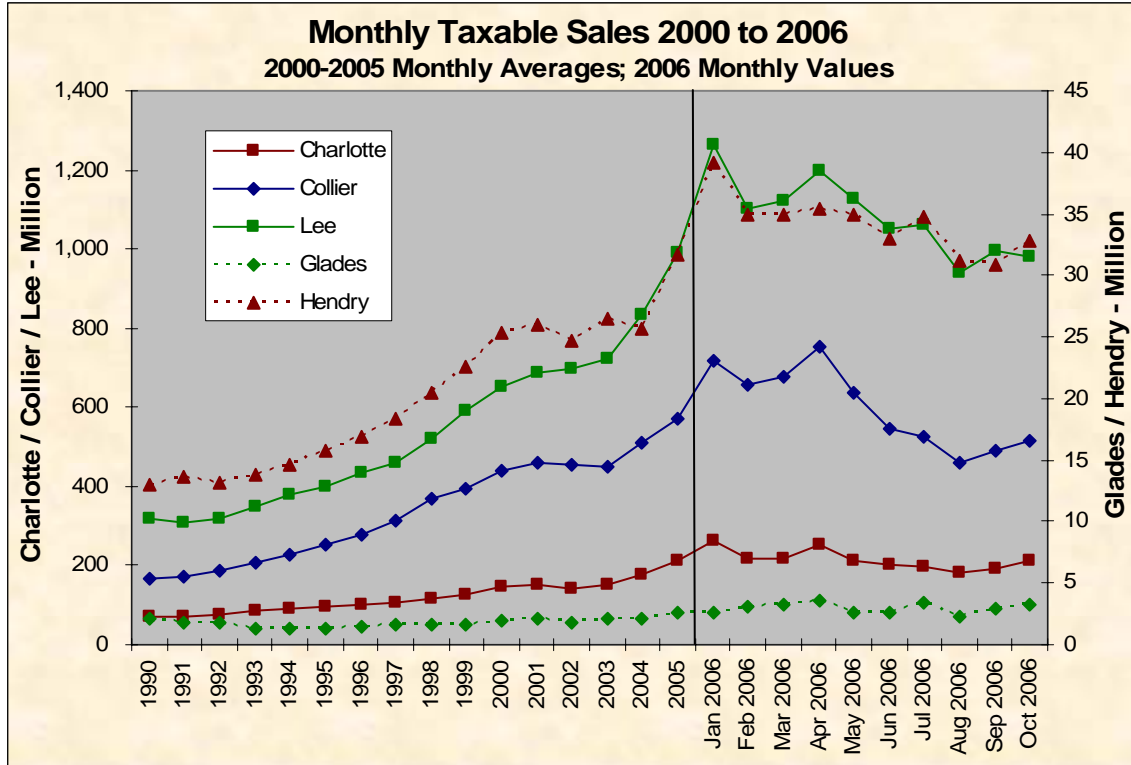
Chart Fourteen



Source: BEBR at University of Florida

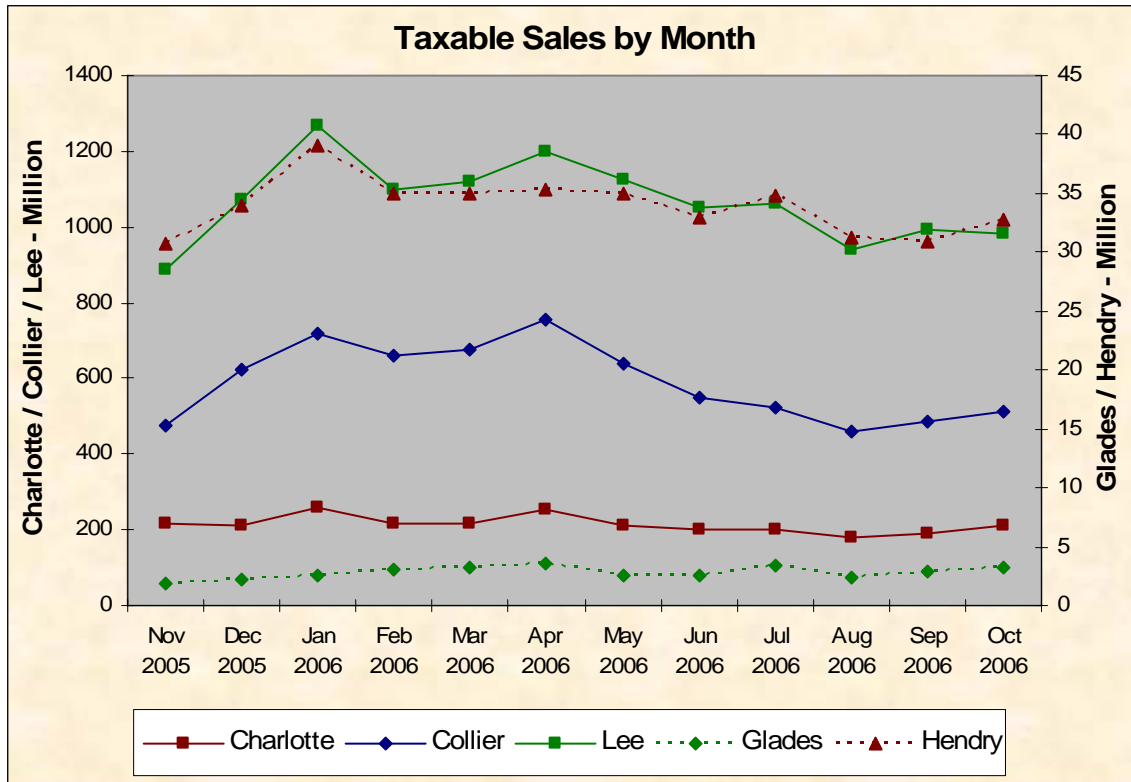
Taxable Sales

Chart Fifteen



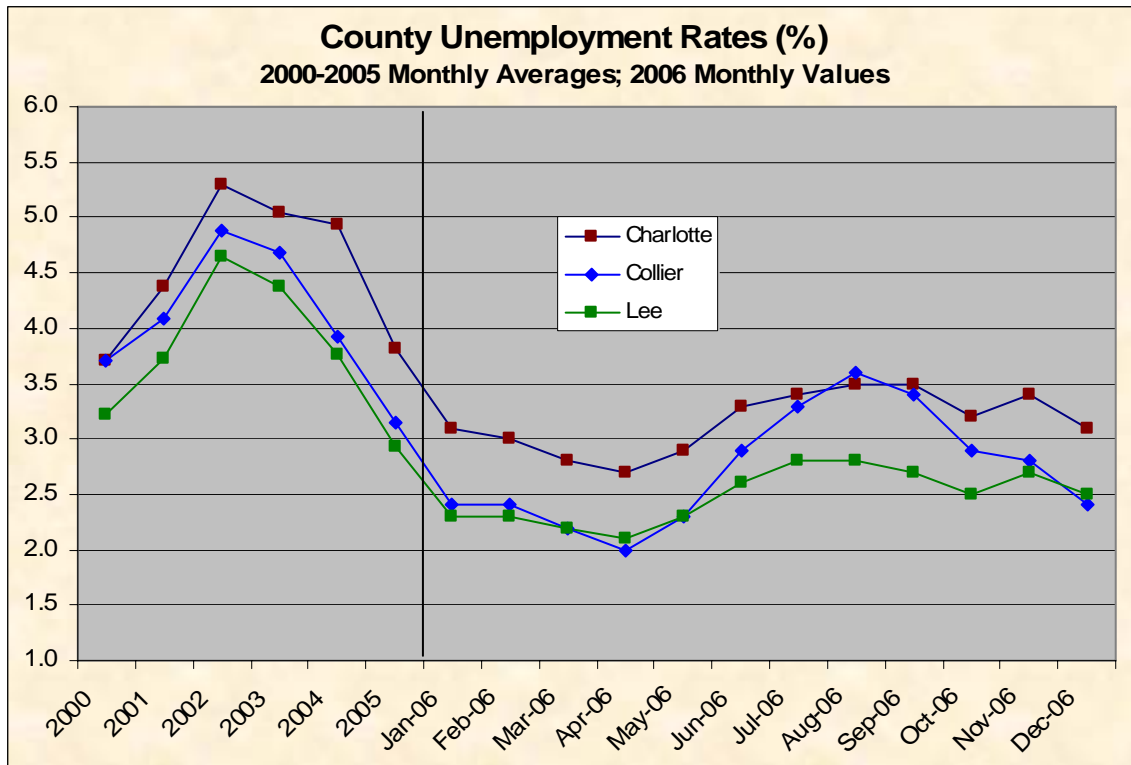
Source: Florida Department of Tax Research

Chart Sixteen



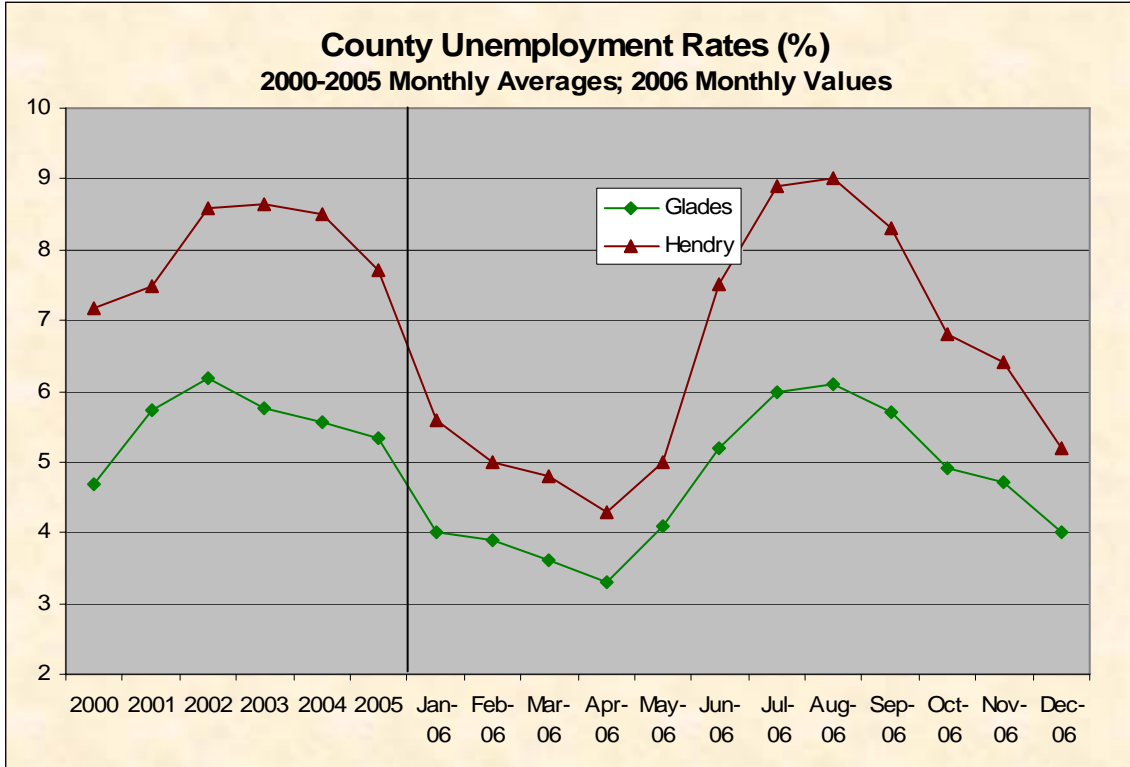
Source: Florida Department of Tax Research Workforce - Unemployment Rates

Chart Seventeen



Source: AWI

Chart Eighteen



Source: AWI