
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 is reporting new population estimates for 2006 that were released late in March by the Population Division of the U.S. Census Bureau. In addition, we are providing some new charts that show existing housing sales volume and the median price obtained from the Florida Association of Realtors. These new charts were requested by some of our readers and we welcome suggestions on the report or on new economic indicators. Some charts will have a break in the middle. This is a way to more clearly indicate that we are moving from annual monthly averages to more current monthly numbers.

Overview

Airport Activity

Airport passenger activity is defined as the sum 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. February 2007 Airport passenger Traffic at RSW increased by nine percent over February 2006. Charts Three and Four show the airport passenger activity for Sarasota and Naples airports. Sarasota increased its passenger activity by 7 percent in February 2007 compared to the same month in 2006. The February 2007 passenger traffic for Naples was significantly lower than the same month a year ago.

Building Permits

The number of single family building permits in Lee County increased in March 2007 to 575 from 417 in February 2007 and is the first significant increase in building permits since May of 2006. Several months of additional permitting data will be needed before we can confirm a trend to a higher level of 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 starting in 2006 as shown in Chart Five.

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 March 2007, Collier County had seen a significant decline in permits issued falling to slightly above 100.

Charlotte County 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 had fallen to about 125 permits. Single family permits fell to a recent low of only 73 permits in March 2007.

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.

Population

The Population Division of the U.S. Census Bureau released its July 1, 2006 estimates for county population on March 22, 2007. Charlotte County had an estimated population on July 1, 2006 of 154,438 which is 98 people higher than the estimate for 2005 and 2,654 people lower than the estimate for July 1, 2004. The decline in population and slow growth are primarily a consequence of the destruction of housing and businesses caused by Hurricane Charley in August of 2004. The 2006 Census population estimate at 154,438 is slightly higher than last year's conference estimate of 154,094.

The new U.S. Census population estimate for 2006 for Collier County is 314,649 which is 15,806 lower than last year's conference estimate reported by EDR. The new U.S. Census estimate for 2006 for Lee County is 571,344 which is 2,541 lower than last year's conference estimate. Hendry and Glades County 2006 new Census population estimates are 40,459 and 11,230. Chart thirteen reflects the new 2006 U.S. Census estimates. We will update the remaining population charts this July with the new Florida conference population forecasts.

Historic population estimates and projections are provided by the Florida Office of Economic and Demographic Research (EDR). A Demographic Estimating Conference is held each year in July to update the population forecasts. Charts Nine and Ten show the historic growth from 1980 to 2006. Charlotte County has doubled its populations from 1984 to 2006. Collier County has grown at an even faster rate doubling its population from 1991 to 2006 and Lee County has doubled its population from 1986 to 2006. Glades and Hendry Counties have had lower rates of population growth. Chart Eleven shows the projected population increases for 2007 to 2030. Charts Twelve through Fourteen provide the regional percentages of population by County for the years 1990, 2006, and 2030.

A slightly slower population growth rate in the near term is expected through 2008 reflecting the slowing housing and job market. 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. We have adjusted the taxable sales charts to show the month of collection instead of the reporting month that is issued by the Florida Department of Revenue. This makes December 2006 the latest collection month available. The figures are used to track consumer spending, an important contributor to economic growth in the region. There have been slower growth periods as shown in 2001 were the nation entered a recession. Each county in Southwest Florida showed an increase in December 2006 taxable sales over November 2006 driven by increased visitors and seasonal traffic. Although not shown on the chart, December 2006 taxable sales increased very slightly over December 2005 taxable sales for Charlotte County. Lee and Collier Counties saw about a three and five percent reduction in taxable sales, respectively, for December 2006 compared to December 2005. Chart 15 shows the average monthly sales by year for 2000 to 2006. Chart 16 shows the taxable sales by month for 2006.

Workforce – Unemployment

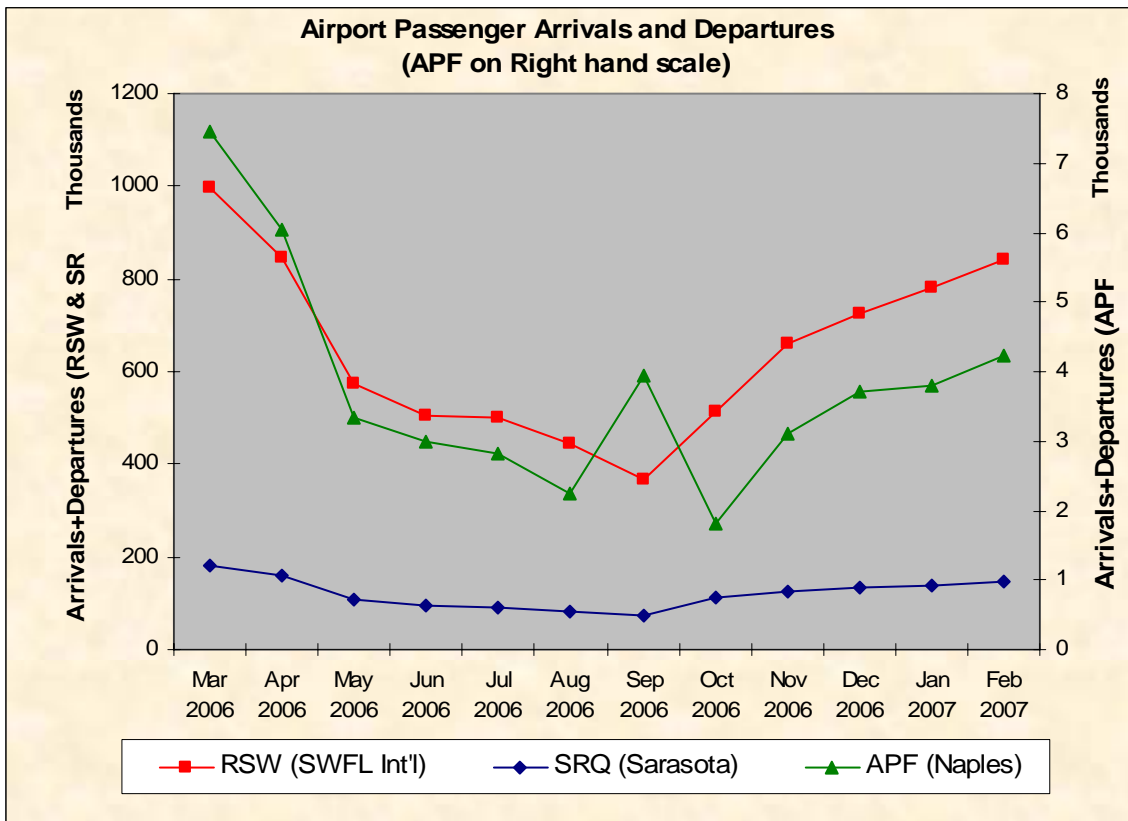
In February, 2007 the unemployment rate for Charlotte County fell to 3.8 percent from 4.0 percent in January 2007. Collier County's February unemployment rate fell to 2.8 percent from 3.0 percent in January 2007. Lee County's February unemployment rate fell to 3.2 percent from 3.3 percent in January 2007. The national unemployment rate in February 2007 is 4.5 percent. Average annual unemployment and monthly average unemployment for the latest year are shown in Tables Seventeen and Eighteen. The low unemployment rates would indicate the continuation of a very tight labor market.

Sales of Single-Family Existing Homes and Median Sales Price

The Florida Association of REALTORS provides a summary of the number of existing home sales and the median price per month. Charts Nineteen through Twenty-one provide the latest trends for Lee, Collier and Charlotte Counties. Lee County had existing sales of 423 in February of 2007 down from 622 in February of 2006. The median sales price was \$256,100 which is down from \$280,300 in February of 2006. Collier County has had data reporting issues since November of 2006 so their chart only goes through October of 2006. There is a similar pattern of fewer homes sold at a lower median price. Charlotte County has seen home sales for February 2007 of 216, a slight decline from February 2006 with a median price of \$201,100 in February 2007 down from \$226,300 in February 2006.

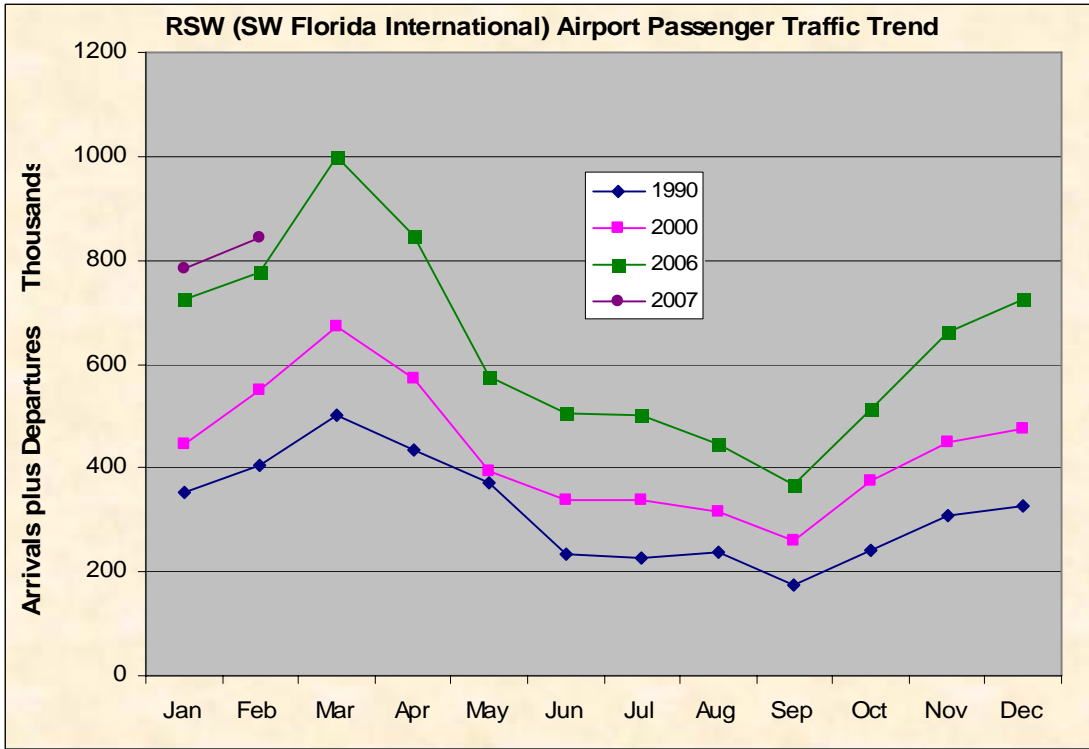
Airport Activity

Chart One



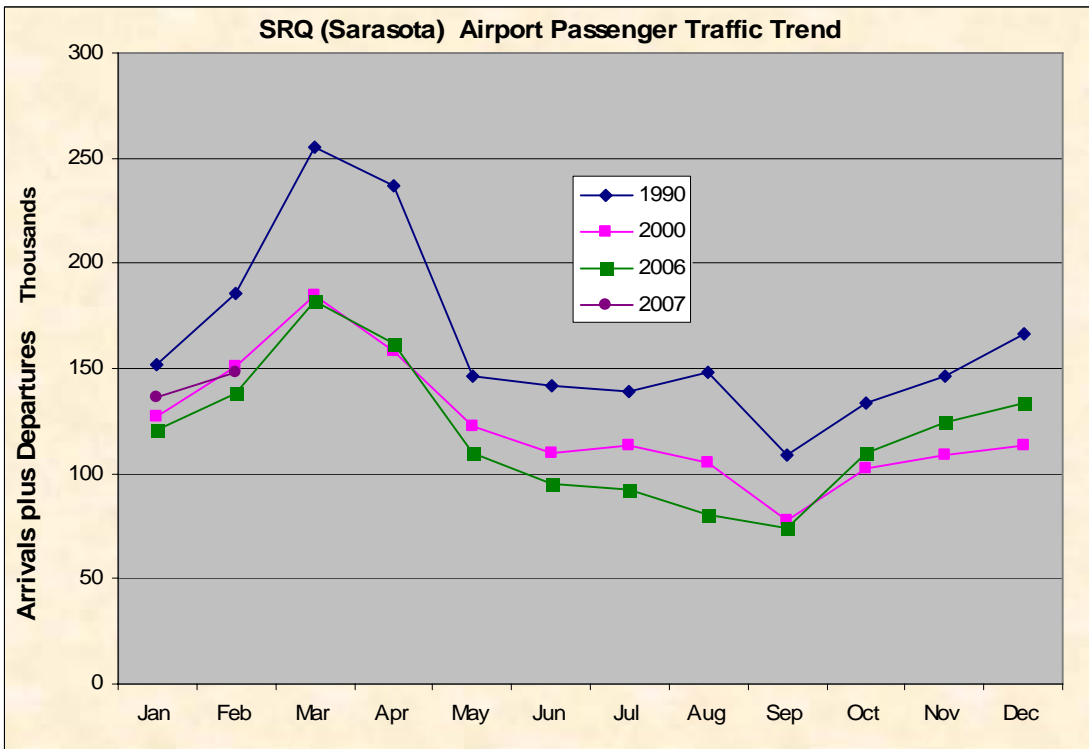
Source: Local Airport Authorities

Chart Two



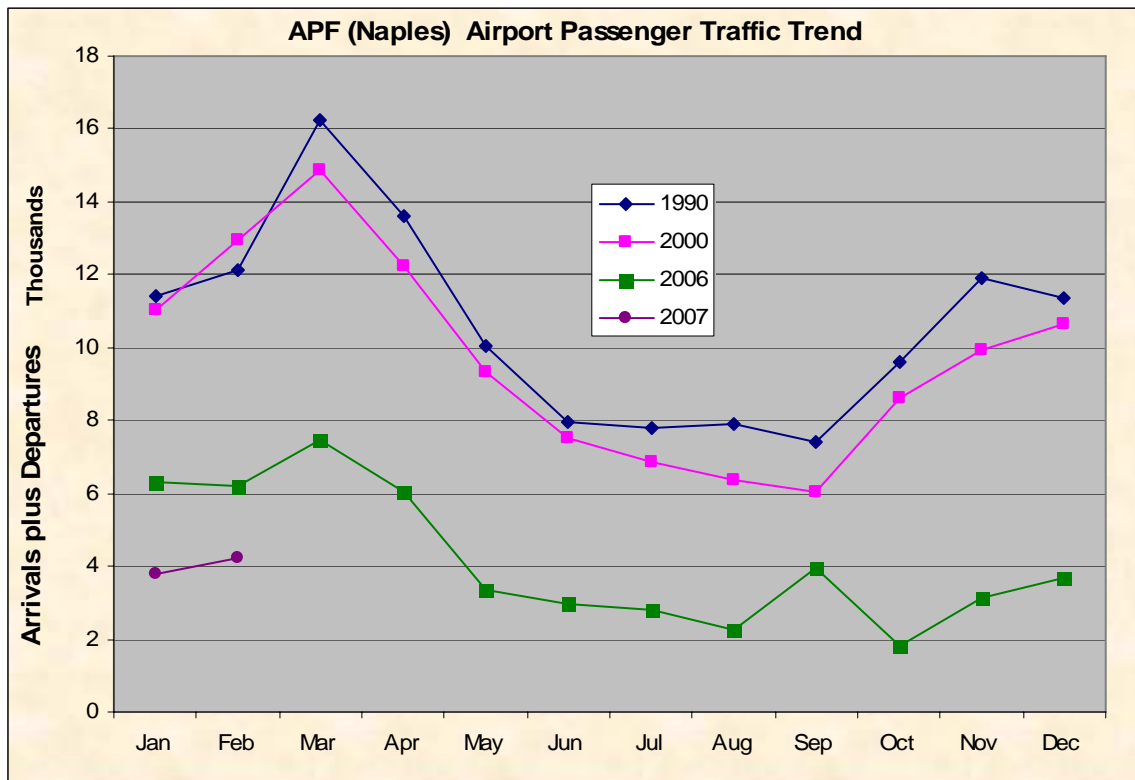
Source: Local Airport Authorities

Chart Three



Source: Local Airport Authorities

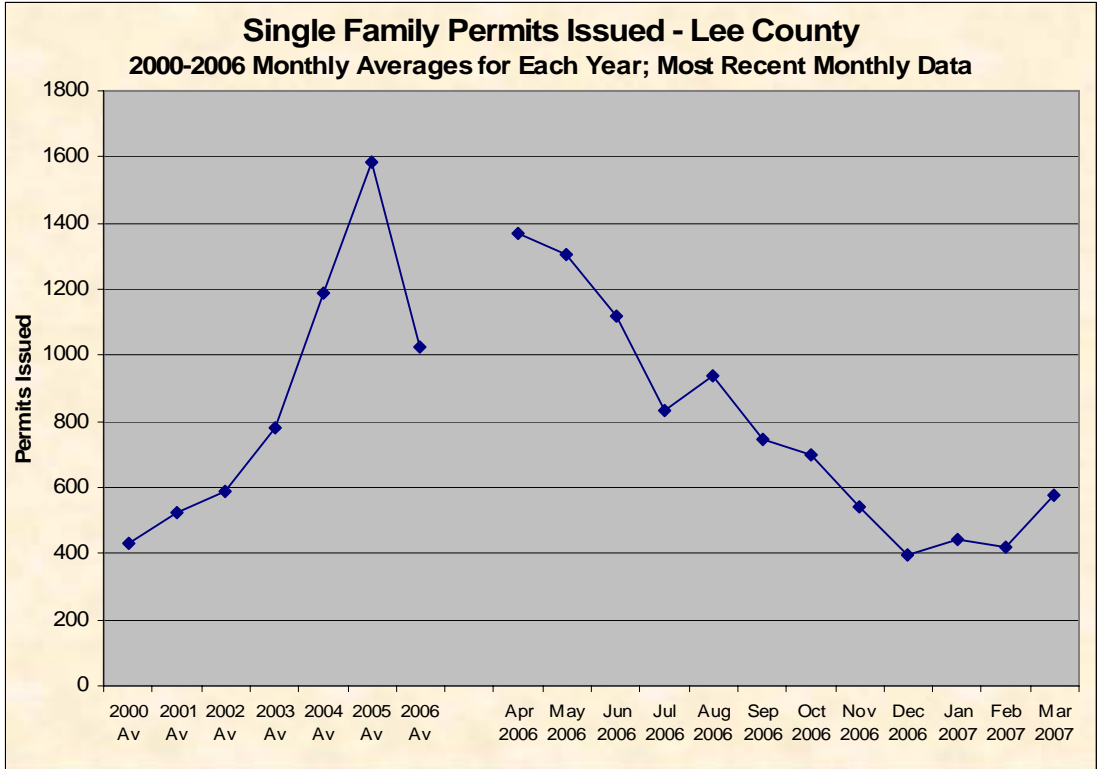
Chart Four



Source: Local Airport Authorities

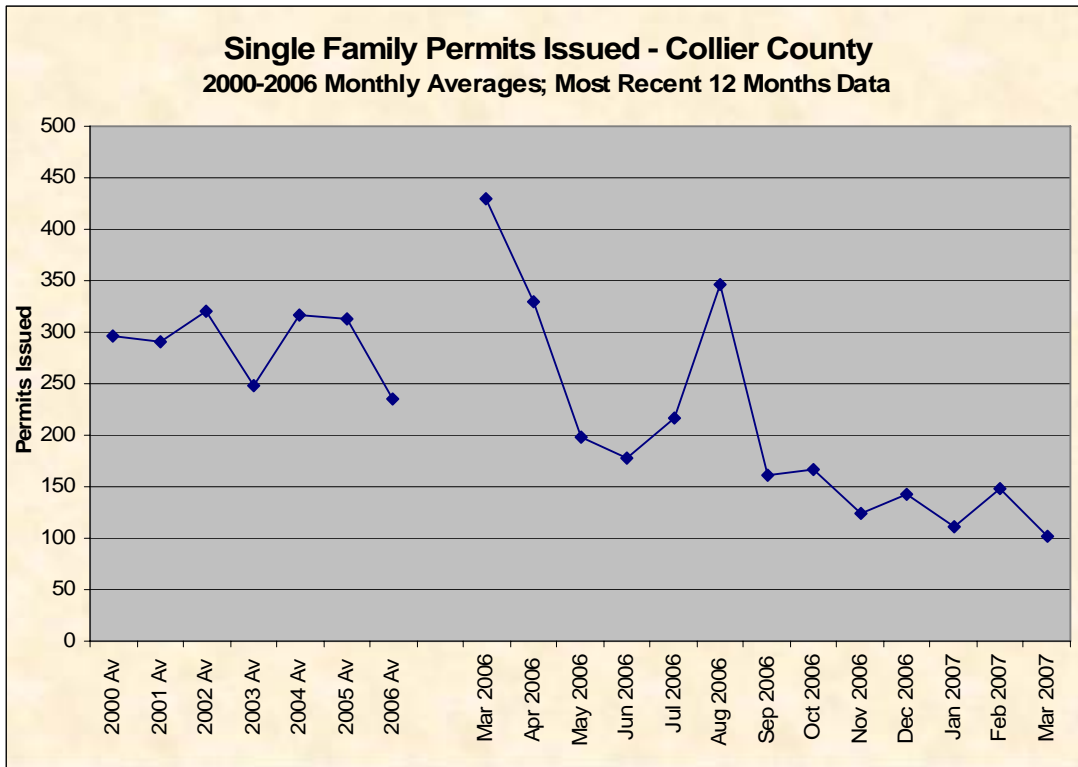
Building Permits – Single Family

Chart Five



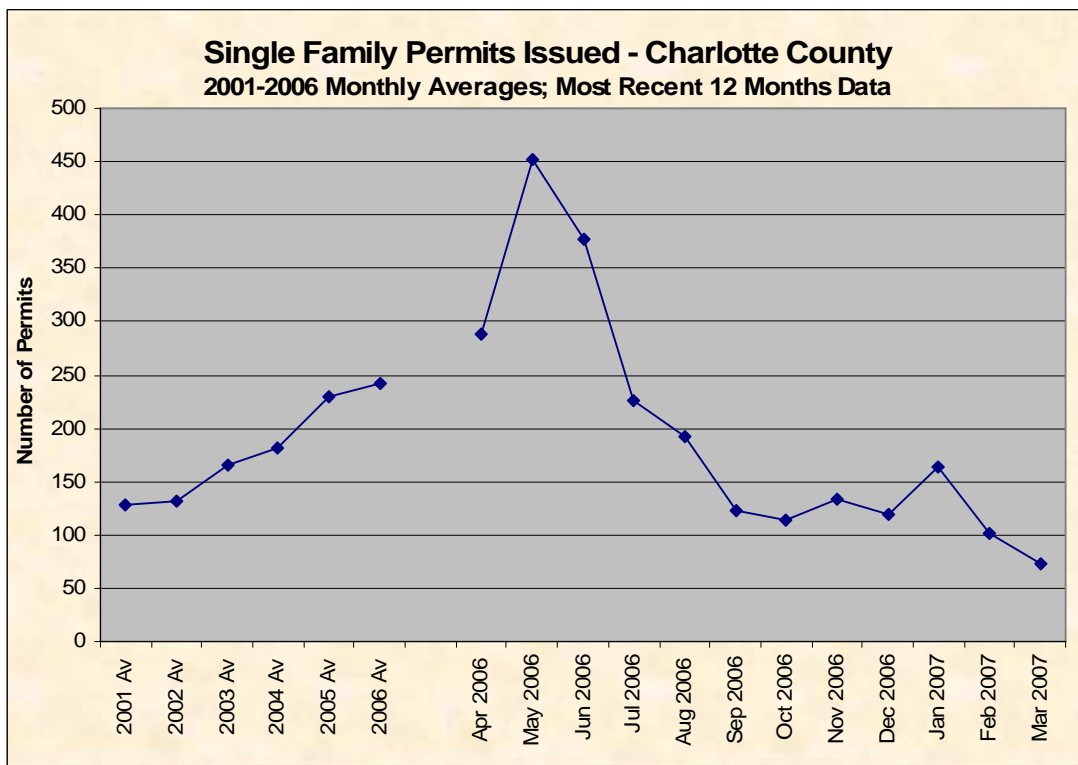
Source: Local Building and Zoning Departments, included Fort Myers, Cape Coral, and unincorporated Lee County permits

Chart Six



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

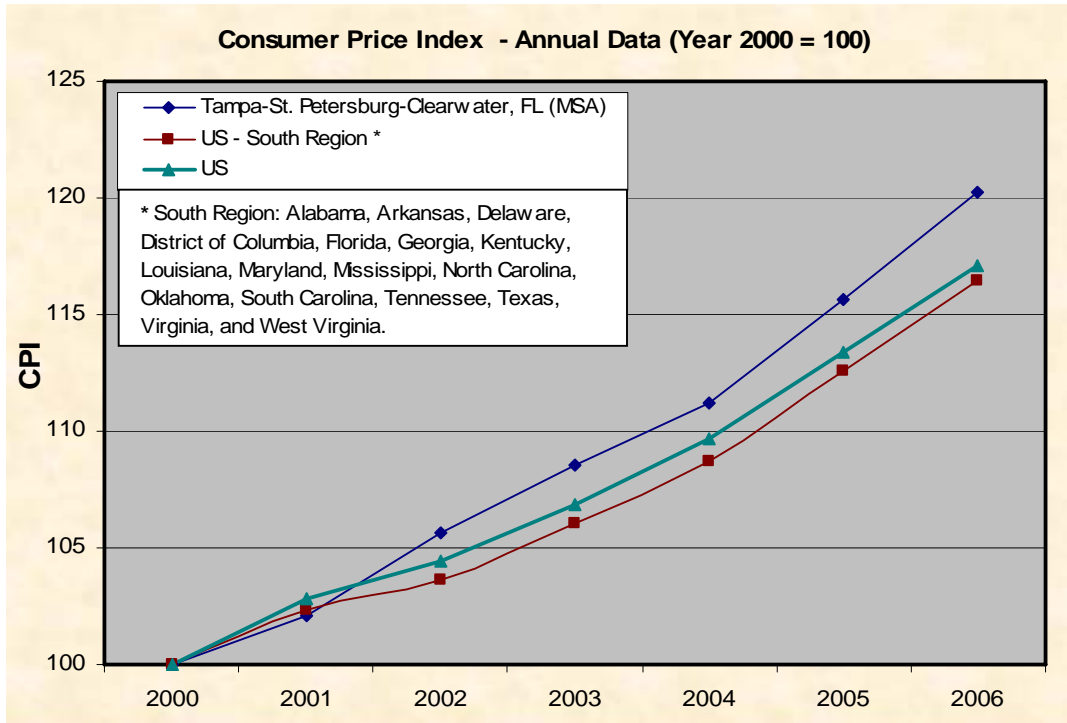
Chart Seven



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

Consumer Price Index

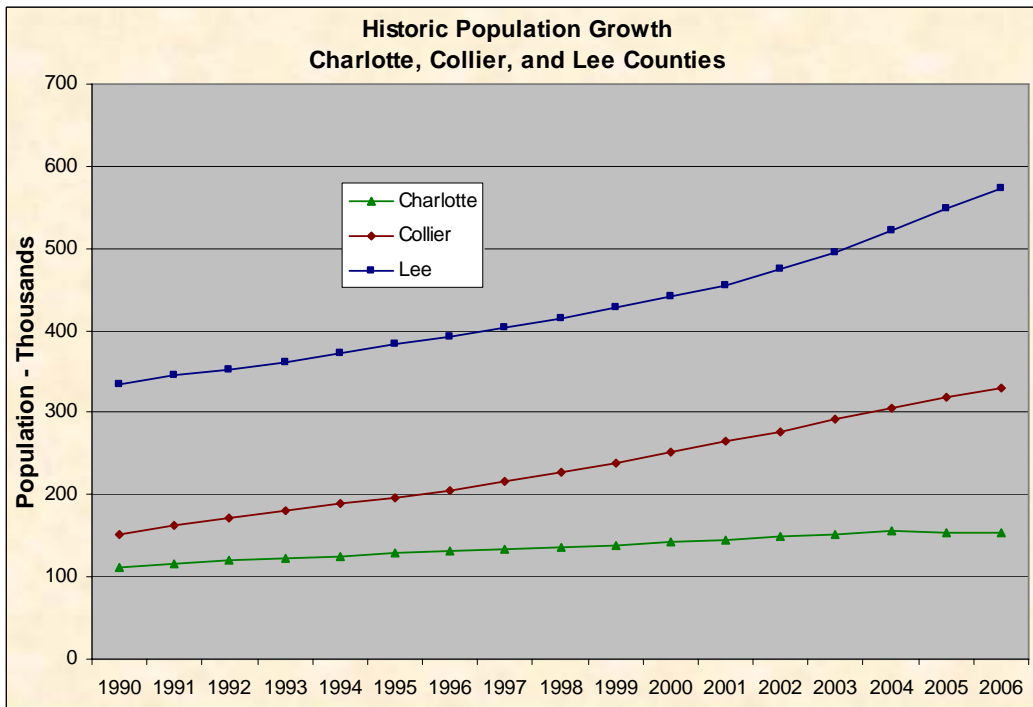
Chart Eight



Source: BLS

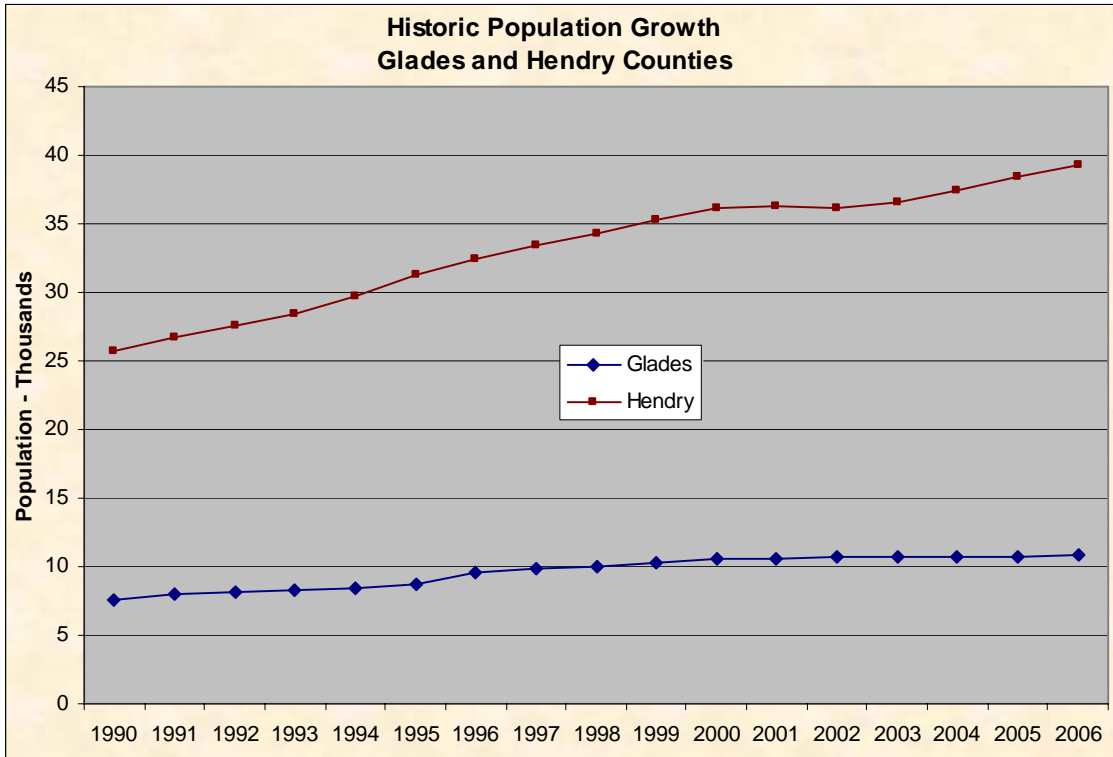
Population

Chart Nine



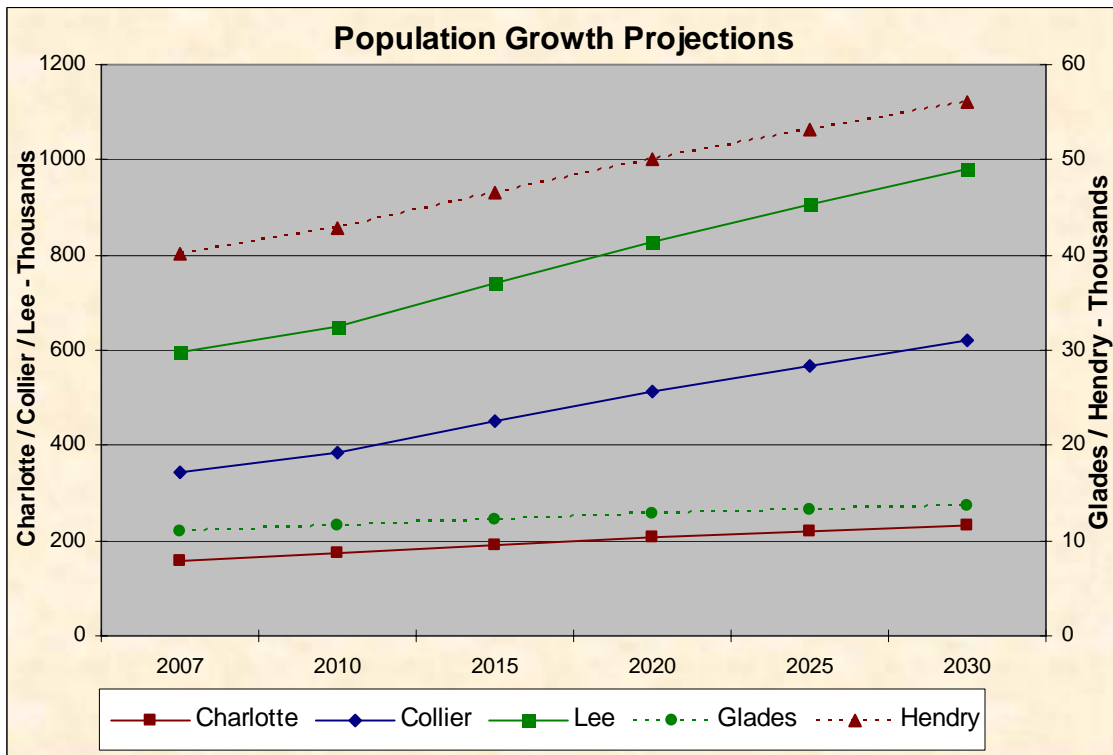
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Ten



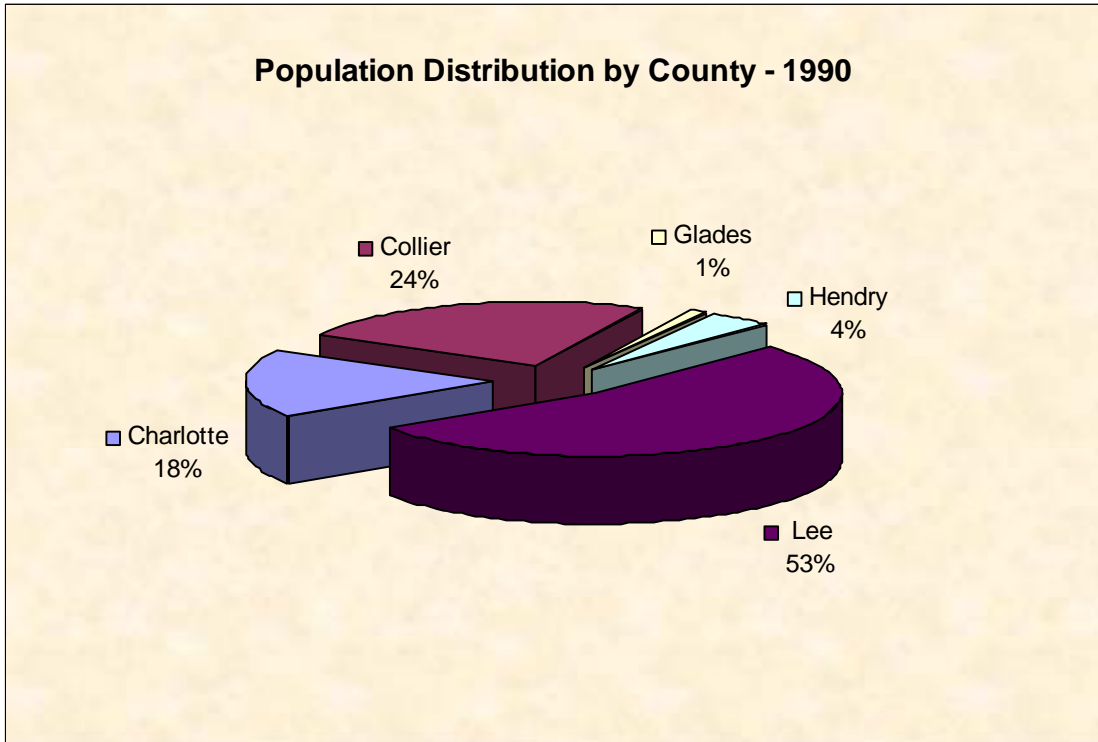
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Eleven



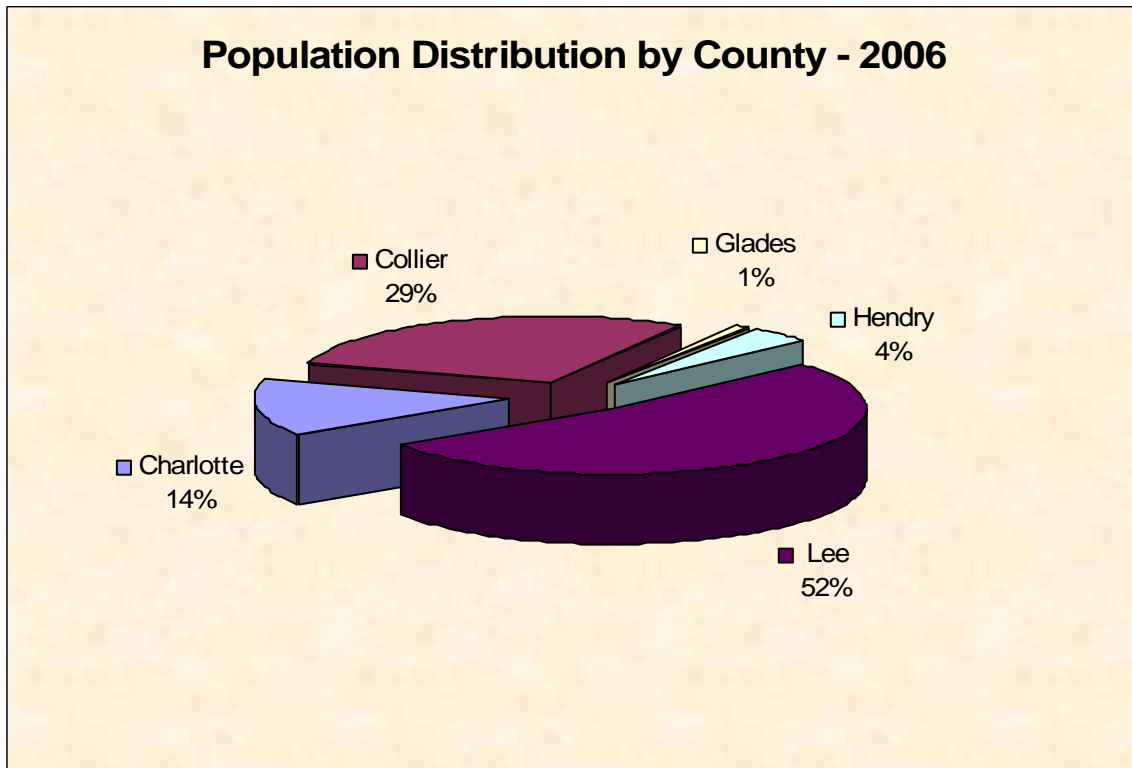
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Twelve



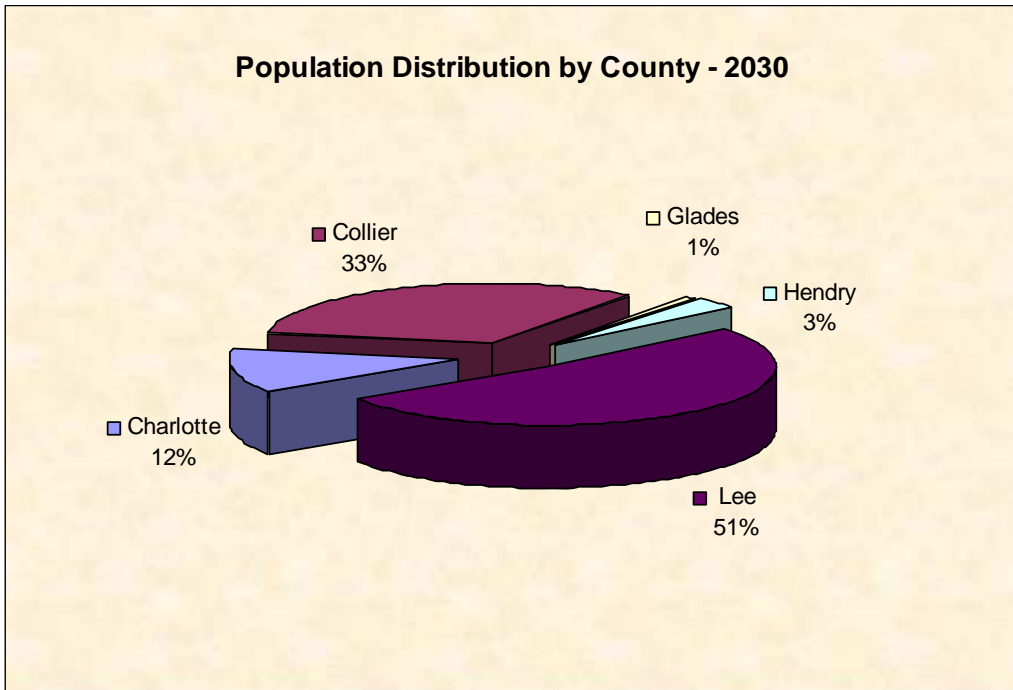
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Thirteen



Source: Population Division, U.S. Census Bureau, Released March 22, 2007.

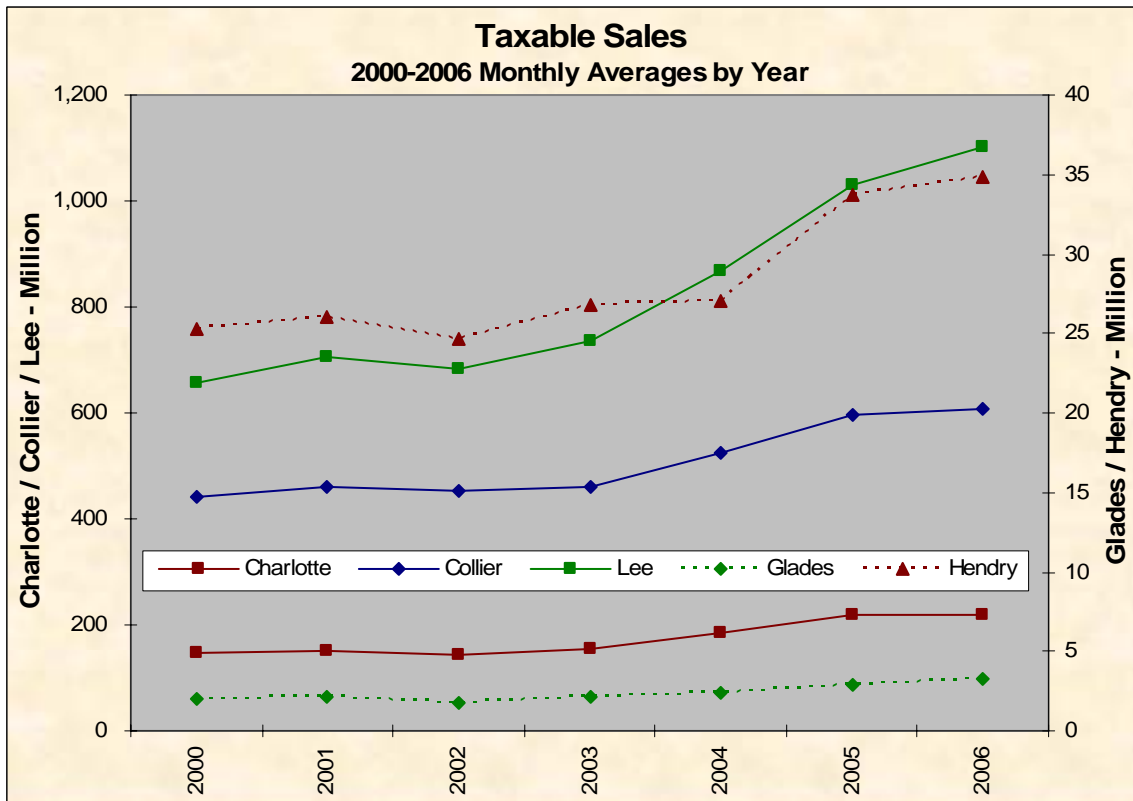
Chart Fourteen



Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

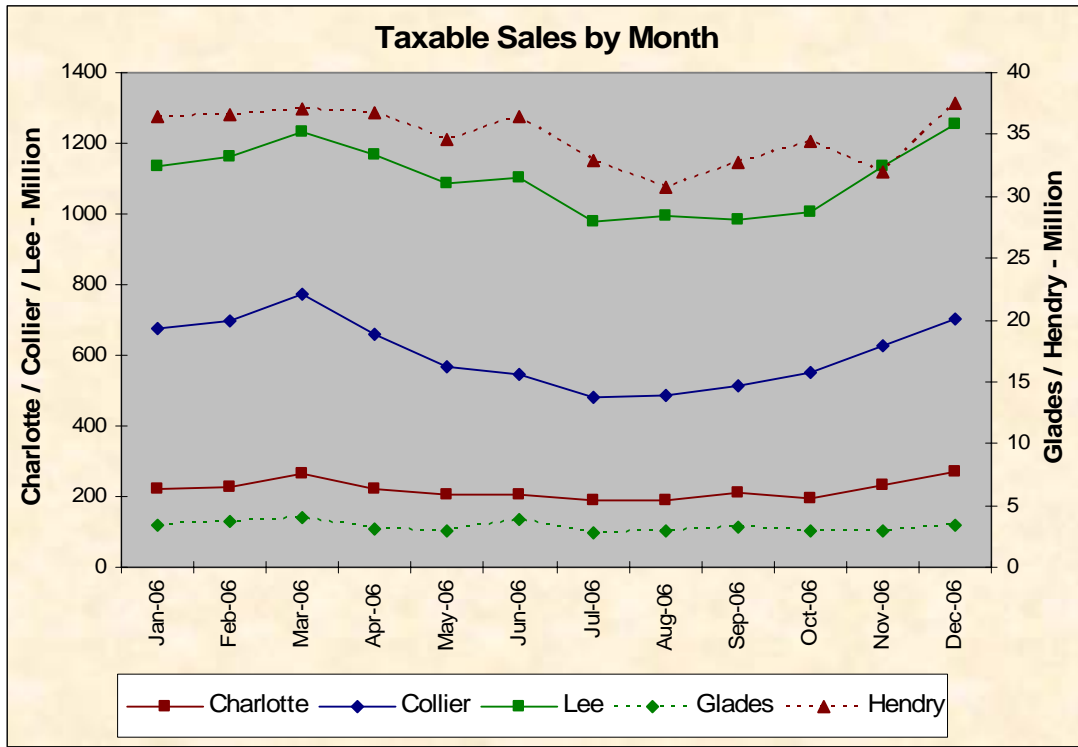
Taxable Sales

Chart Fifteen



Source: Florida Department of Tax Research

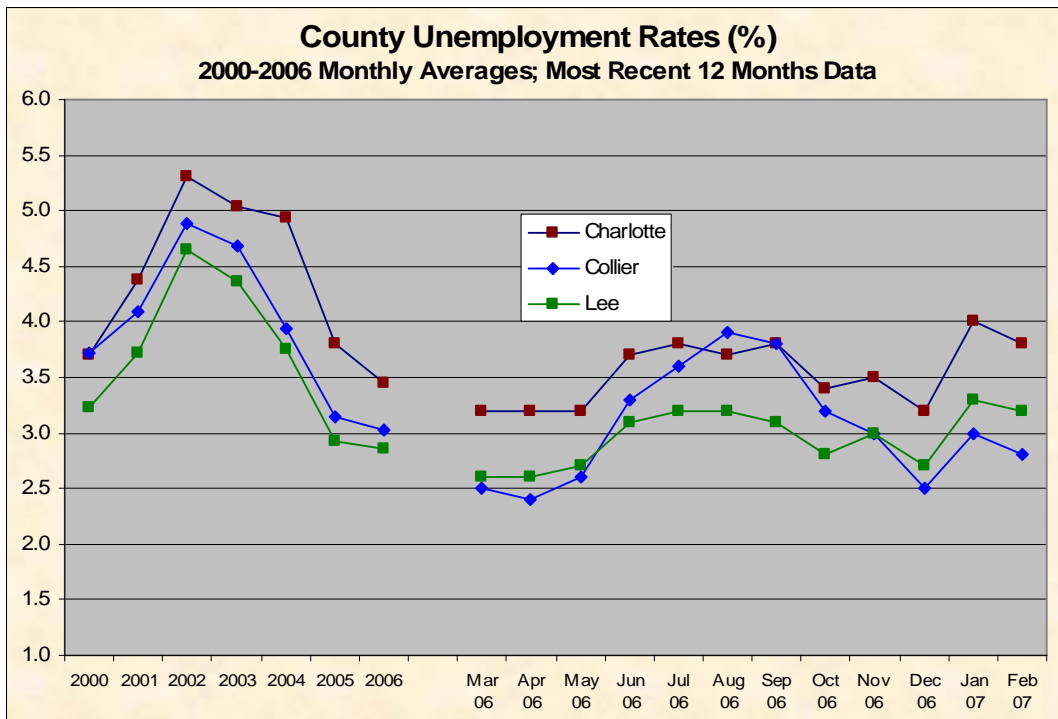
Chart Sixteen



Source: Florida Department of Tax Research Workforce - Unemployment Rates

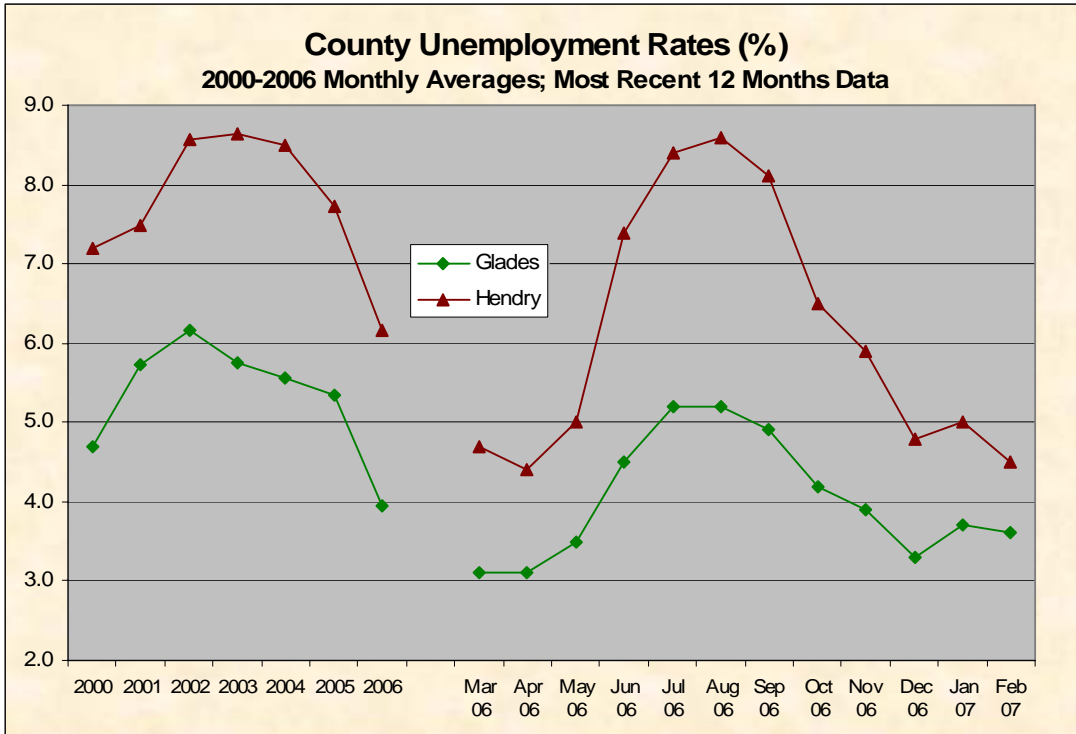
Workforce – Unemployment Rates

Chart Seventeen



Source: AWI

Chart Eighteen



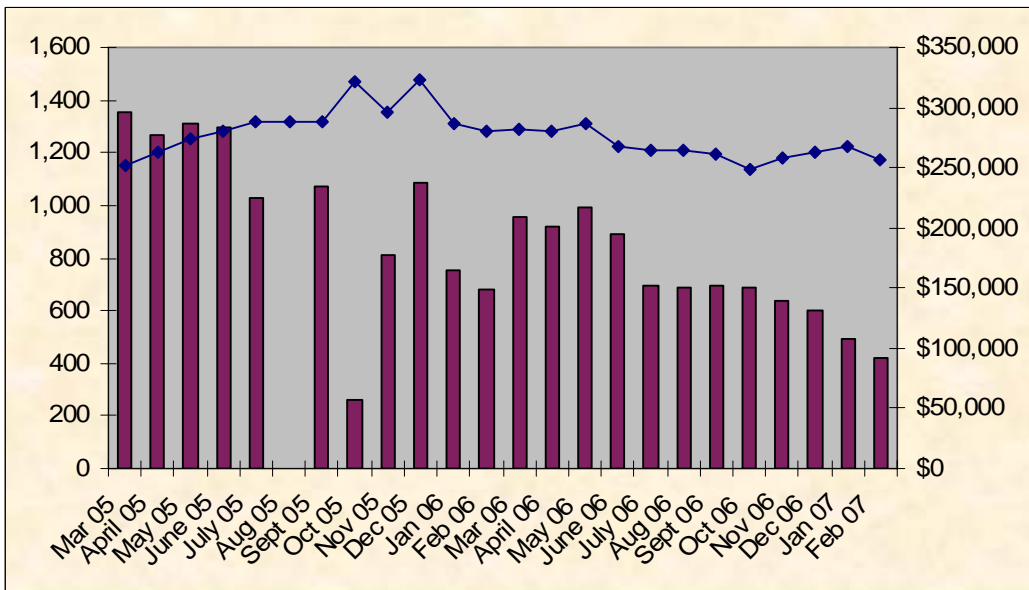
Source: AWI

Existing Home Sales and Median Prices

Chart Nineteen

Lee County

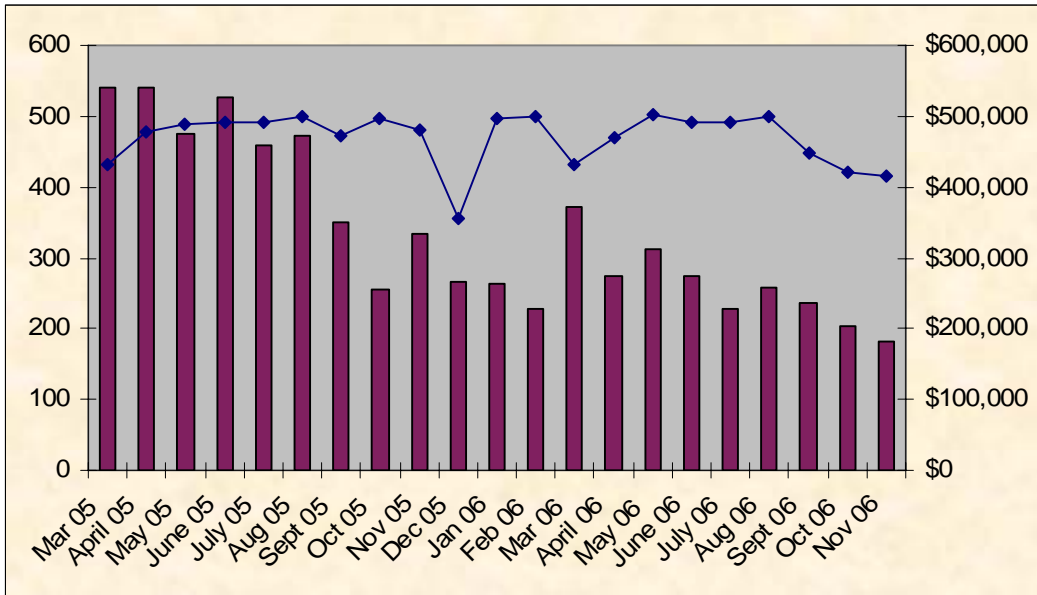
Existing Single Family Sales by REALTORS – Bar Chart, Scale on the left
Median Housing Price – line Chart, Scale on the right



Source: Florida Association of REALTORS, August 2005 price estimated, Fort Myers – Cape Coral MSA

Chart Twenty

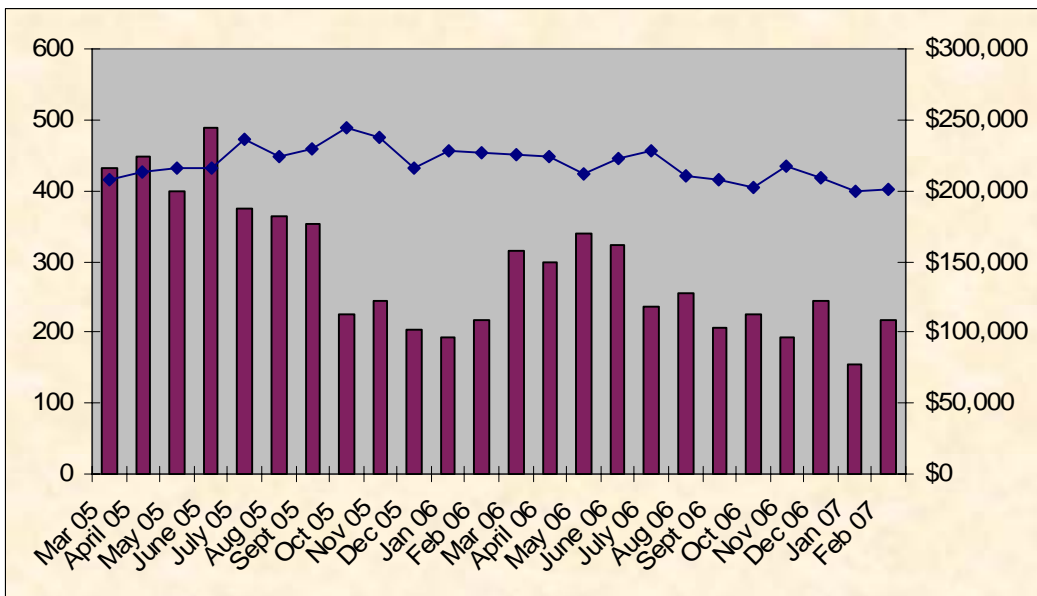
Collier County
Existing Single Family Sales by REALTORS – Bar Chart, Scale on the left
Median Housing Price – line Chart, Scale on the right



Source: Florida Association of REALTORS, Naples – Marco Island MSA

Chart Twenty-one

Charlotte County
Existing Single Family Sales by REALTORS – Bar Chart, Scale on the left
Median Housing Price – line Chart, Scale on the right



Source: Florida Association of REALTORS, Punta Gorda, Florida MSA