
Regional Economic Indicators

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Regional Economic Research
Institute

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Introduction

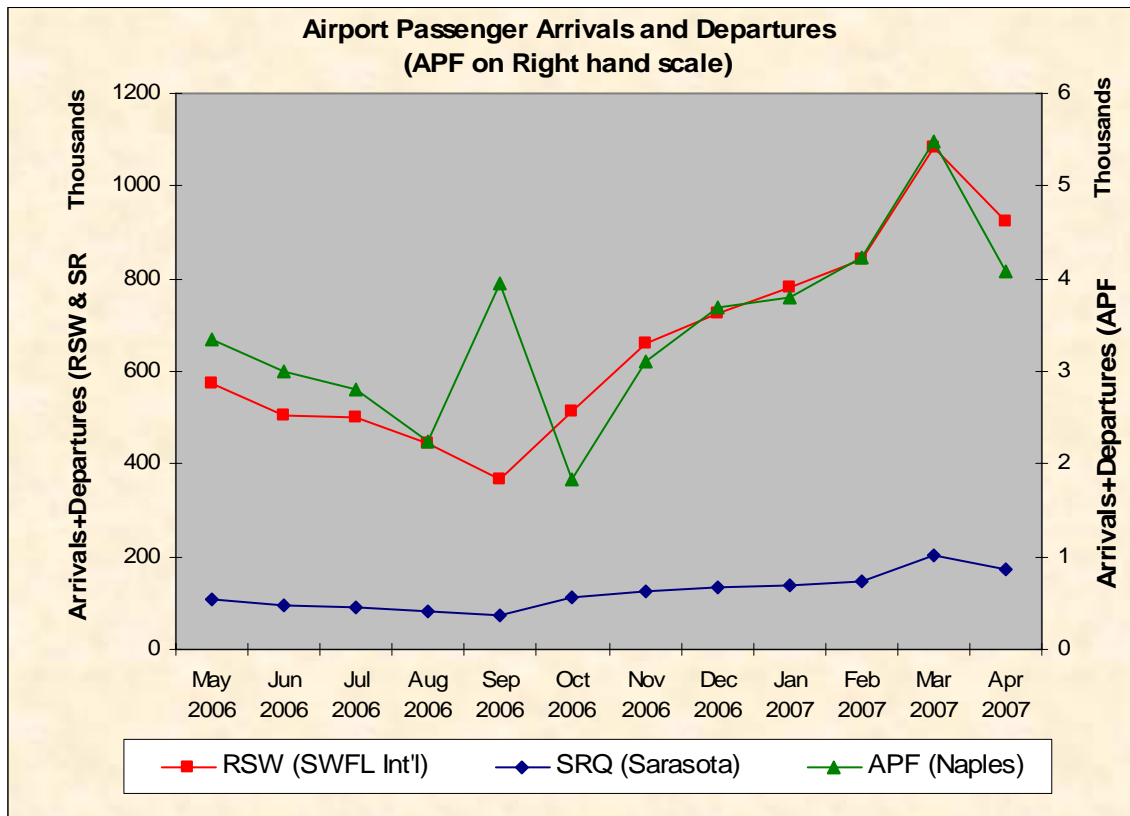
The Regional Economic Research Institute (RERI) has been developing a regional economic database and this report as a way to support its mission and assist the region. Additional economic series are planned and information such as this report will be made available on the Florida Gulf Coast University 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.

We welcome suggestions on the report or on new economic indicators you wish to see included in future editions.

Airport Activity

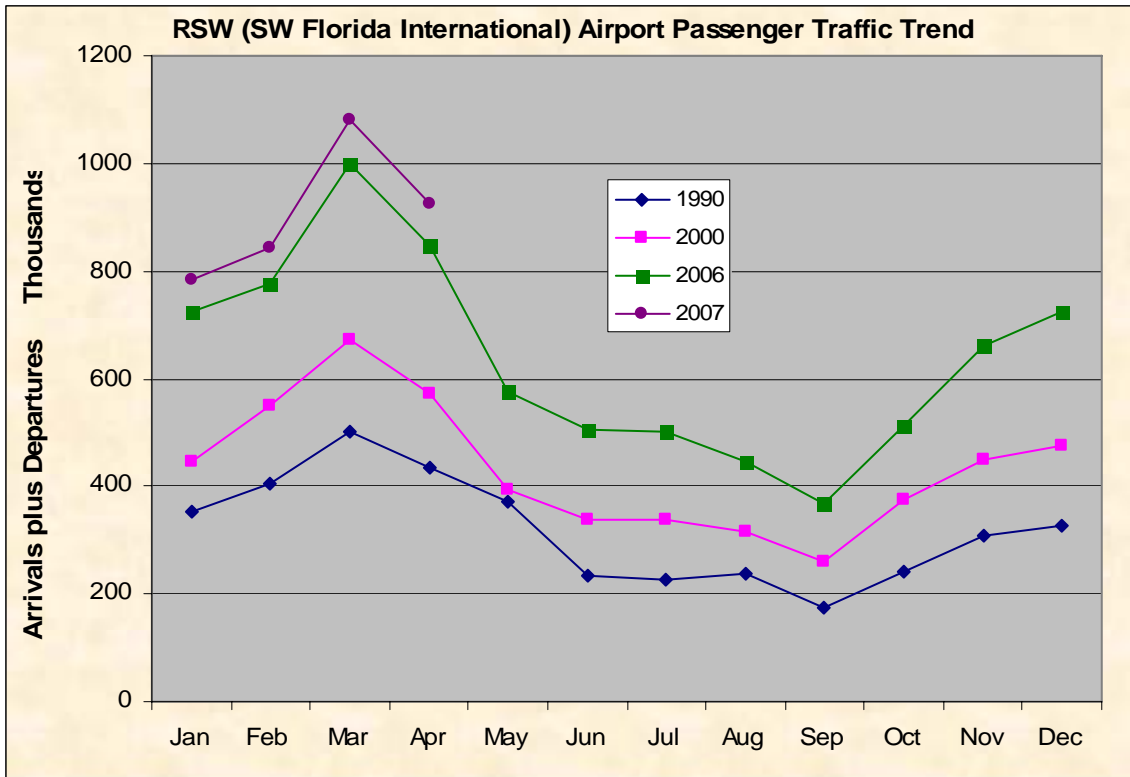
Airport passenger activity is defined as the number of arrivals and departures. Chart One illustrates the monthly seasonality of airport passenger traffic. Peak activity months are February, March and April during the winter season. Significantly lower activity takes place in the summer season especially 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. April 2007 traffic figures for RSW continue to exceed the figures for 2006 by 9%. Charts Three and Four illustrate the airport activity for Sarasota and Naples airports respectively. Passenger activity in Sarasota increased by 6 % in April 2007 compared to April 2006. The April 2007 passenger traffic for Naples continues to track the regional seasonal fluctuations however is substantially below the highs for traffic at that airport from 1990. The April 2007 figures for traffic are just 67% of the figure from April of 2006.

Chart One



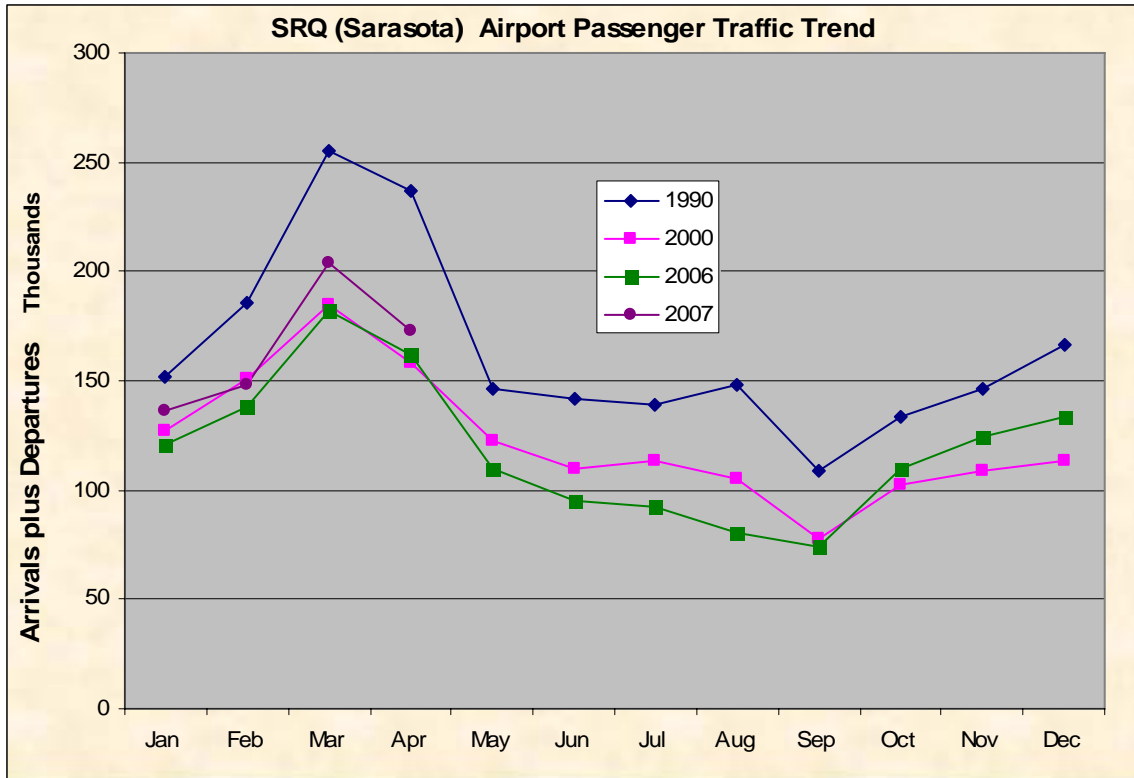
Source: Local Airport Authorities

Chart Two



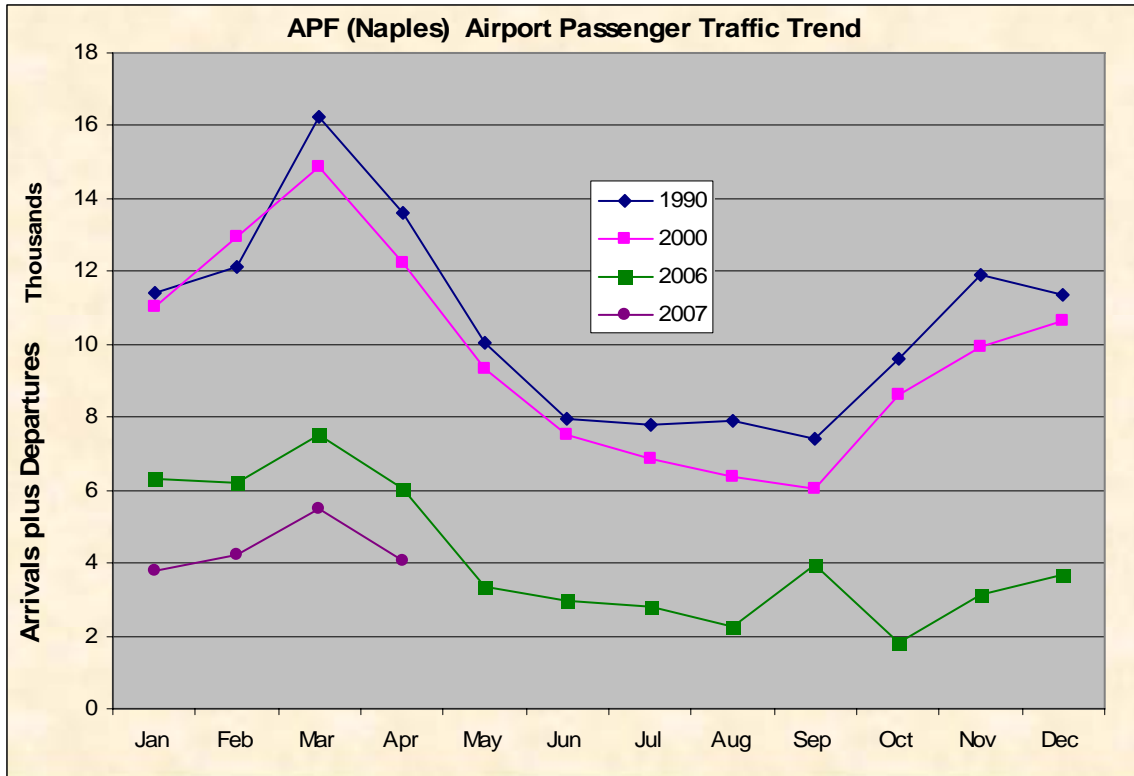
Source: Local Airport Authorities

Chart Three



Source: Local Airport Authorities

Chart Four

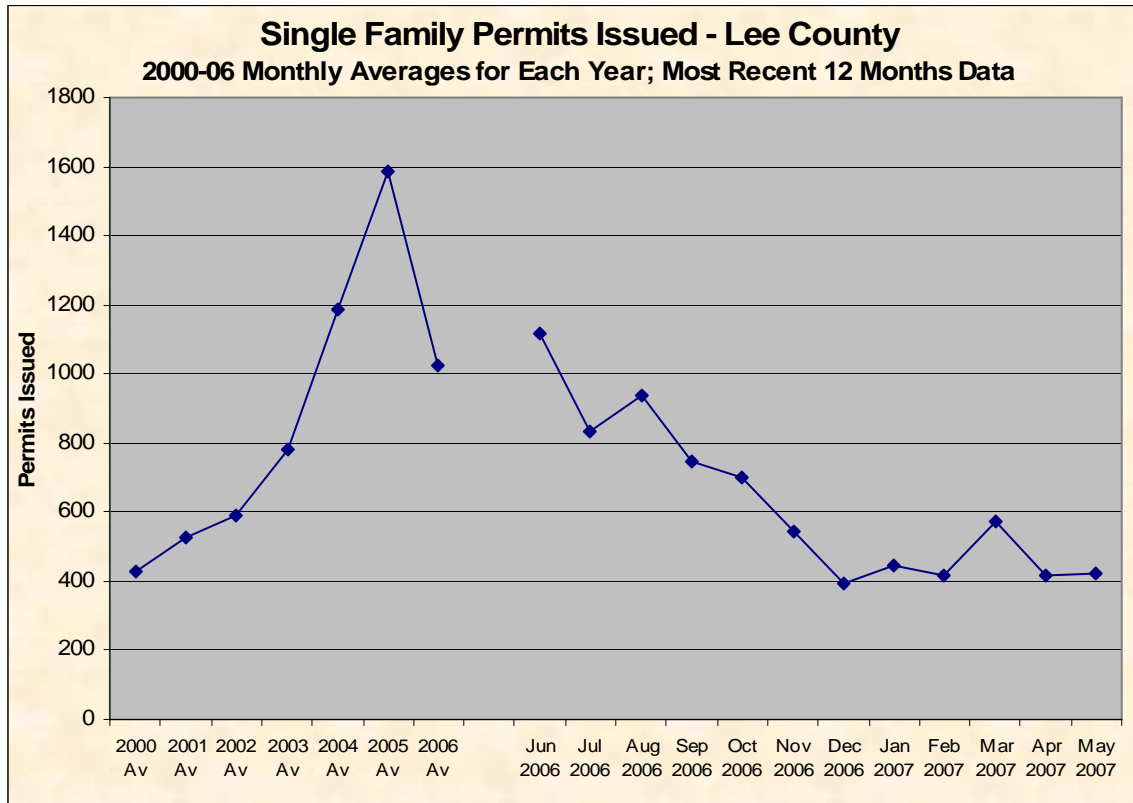


Source: Local Airport Authorities

Building Permits

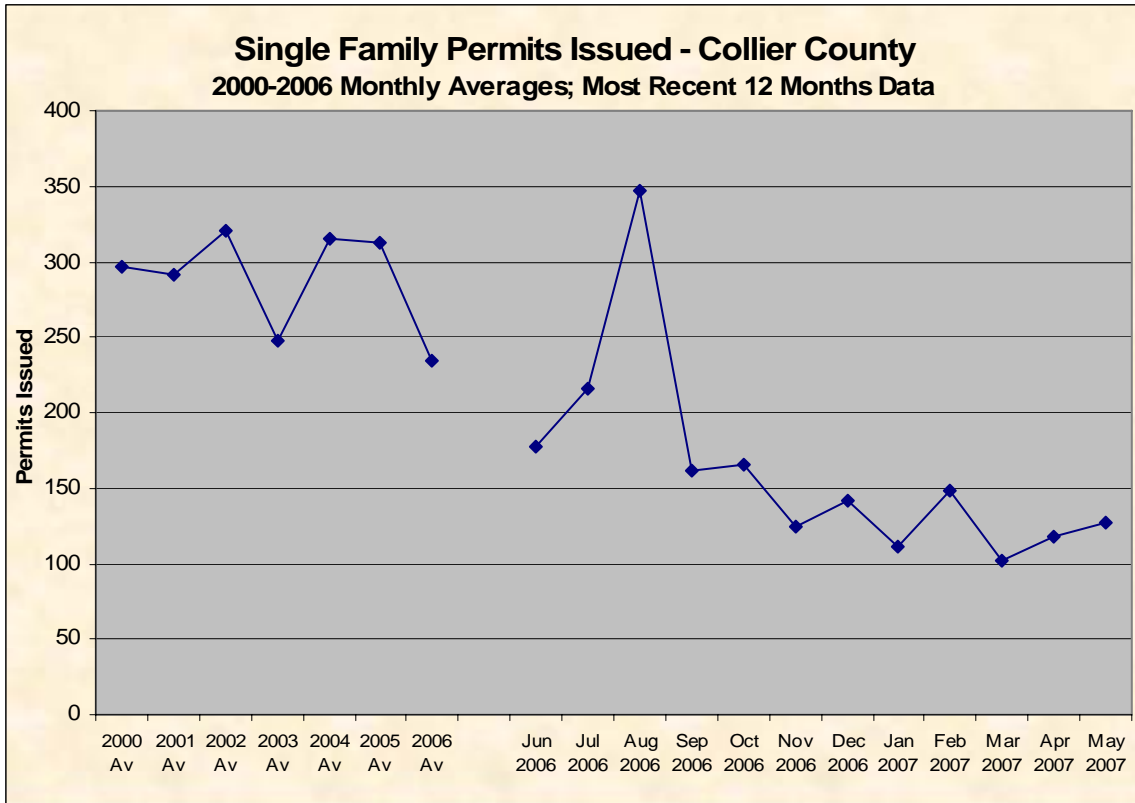
Building permits issued remain at very low levels. The number of single family building permits in Unincorporated Lee County, as illustrated in Chart Five, increased slightly to 424 for the month of May 2007. Single family permits in Collier County, which are illustrated in Chart Six showed a slight increase over the previous month to 127 in May 2007. This monthly figure is still about one half of the permits that were issued on a monthly basis between 2000 and 2006. Charlotte County also saw a slight increase in the number of permits during the month of May 2007 – see Chart Seven. This figure is just over one half of the monthly average between 2001 and 2006. Please note that several months of additional permitting data will be necessary prior to confirmation of a trend in any of these counties.

Chart Five



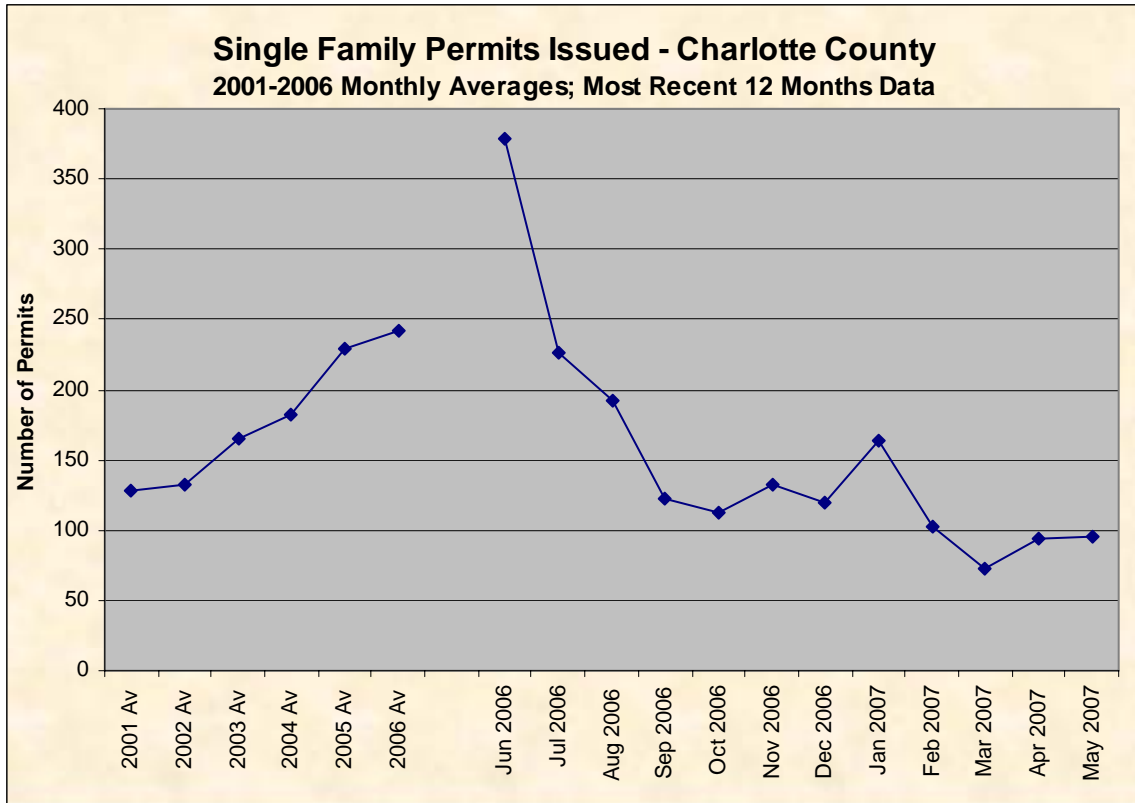
Source: Local Building and Zoning Departments, including Fort Myers, Cape Coral, and unincorporated Lee County Bonita Springs and Fort Myers Beach permits

Chart Six



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

Chart Seven

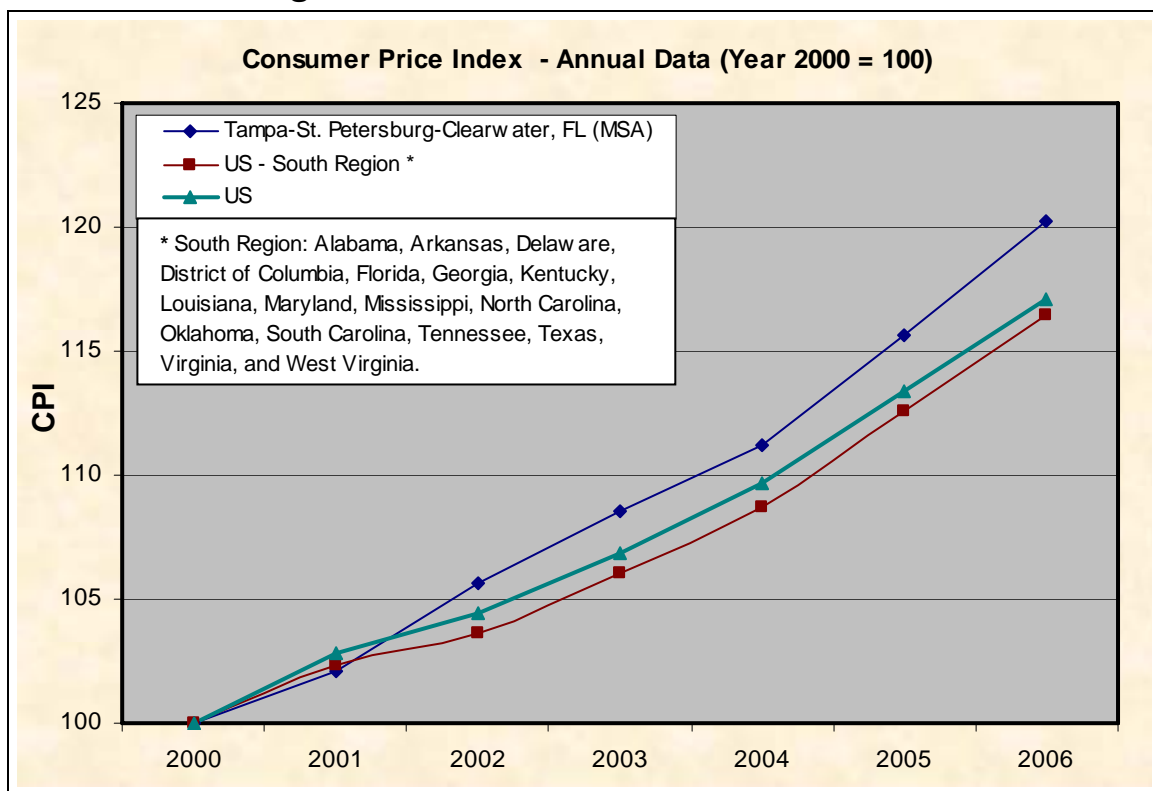


Source: Local Building and Zoning Departments; includes unincorporated Charlotte County permits only.

Consumer Price Index

The Bureau of Labor Statistics (BLS) collects data monthly on the cost of a fixed basket of consumer goods at the national, regional and local level. The closest current data available is for the Tampa/St. Petersburg area. 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 are less than the national price level for the period from 2000 to 2006. Secondly, the Tampa/St. Petersburg consumer prices have increased at a faster rate than the nation.

Chart Eight –



Source: BLS

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.

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 population growth from 1990 to 2006. Charlotte County has seen significant population growth between 1990 and 2006. Collier County has grown at an even faster rate from 1990 to 2006 and Lee County has doubled its population from 1990 to 2006. As indicated in Chart Ten 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.

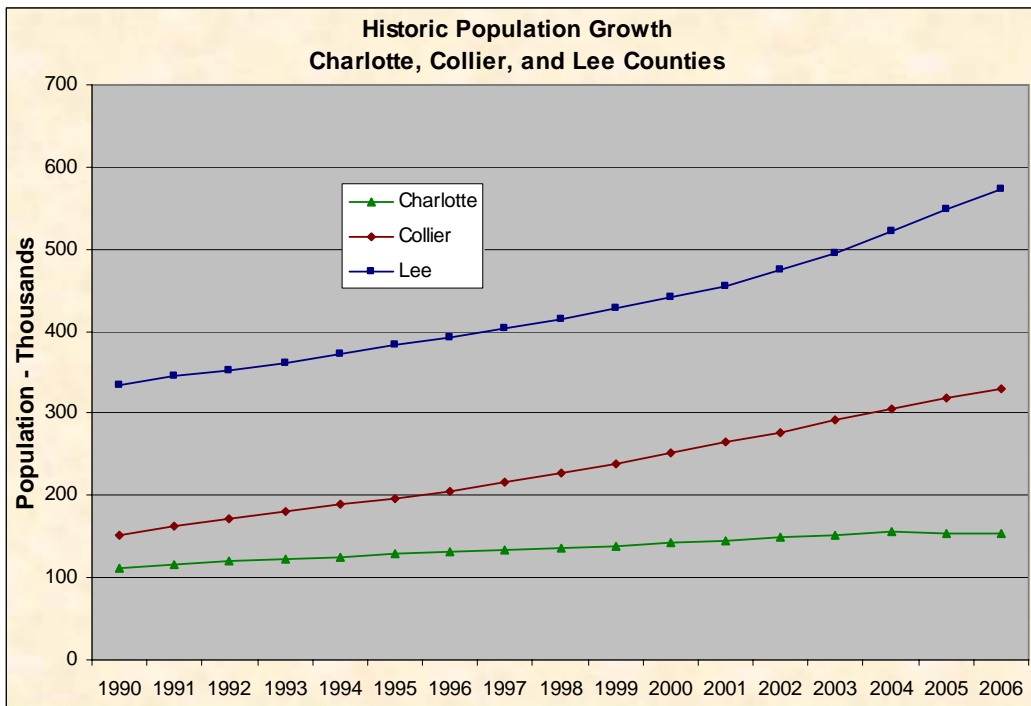
The new U.S. Census population estimate for 2006 for Collier County is 314,649 which is 15,806 lower than last year's conference estimate reported by EDR. The new U.S. Census estimate for 2006 for Lee County is 571,344 which is 2,541 lower than last year's conference estimate. Hendry and Glades County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

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:

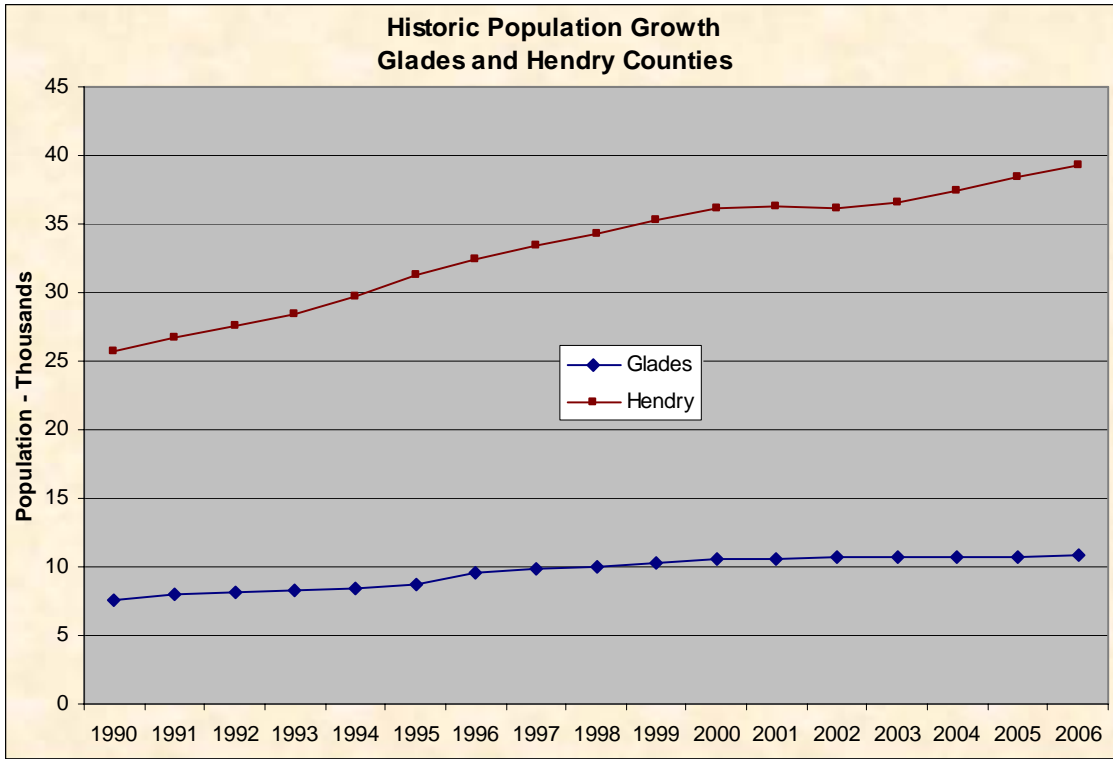
- **Build out** – suitable land for construction has become scarce
- **Restrictions** – building codes and hurricane restrictions may limit the expansion of some areas
- **Costs** – both the conversion of land and construction costs continue to escalate as well as insurance costs upon completion
- **Climate** – 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.

Chart Nine



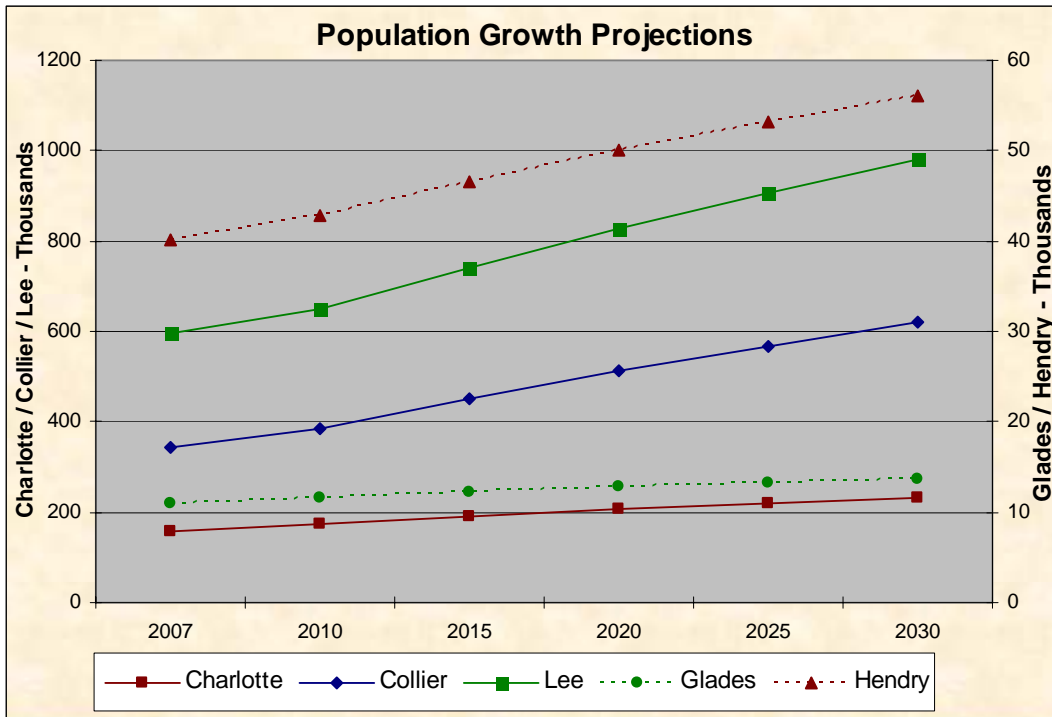
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Ten



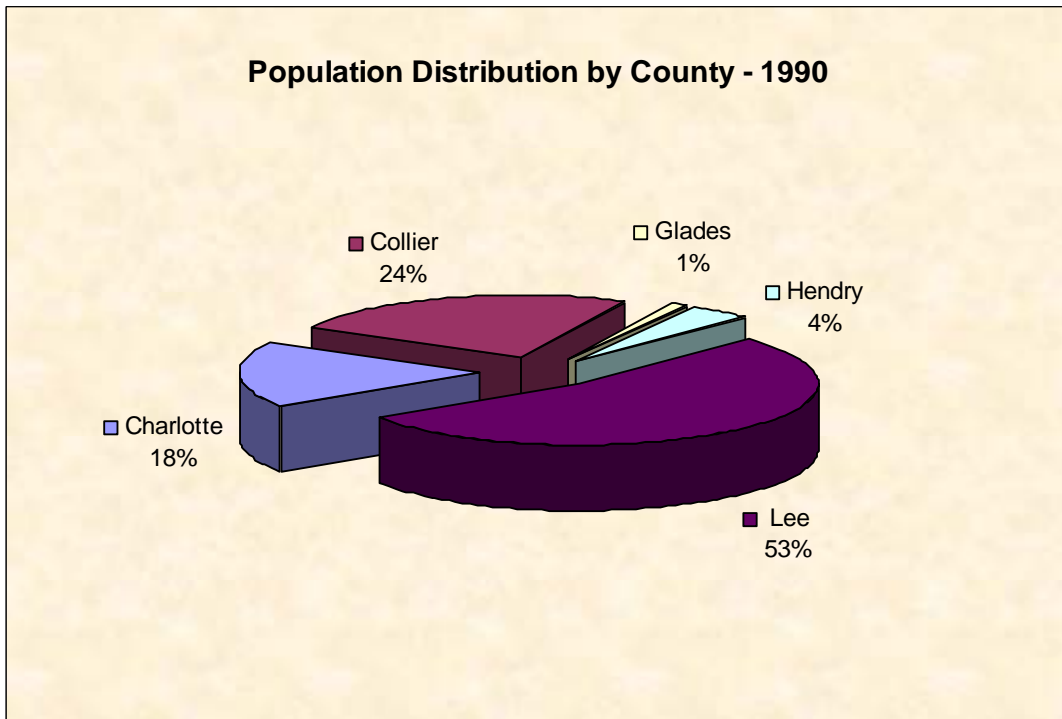
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Eleven



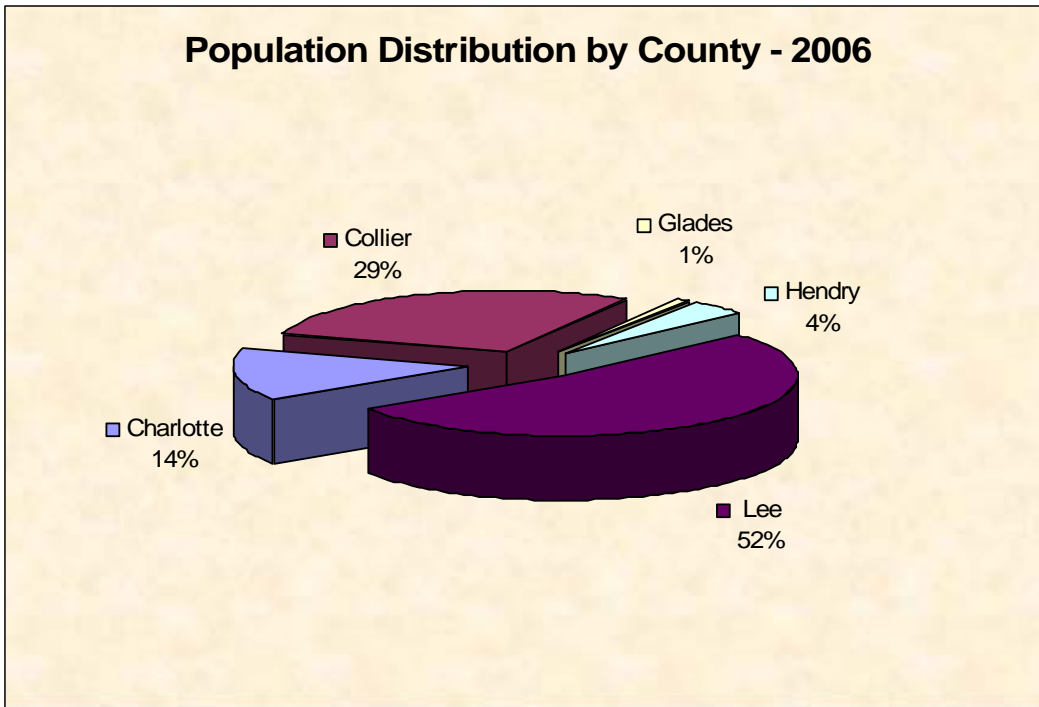
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Twelve



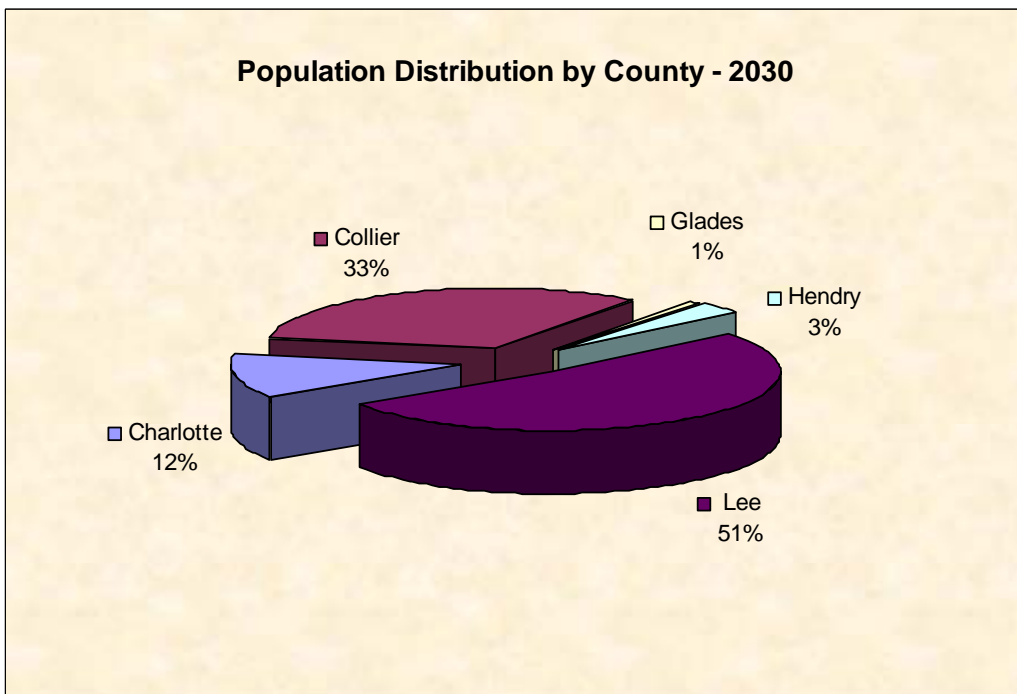
Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Chart Thirteen



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

Chart Fourteen

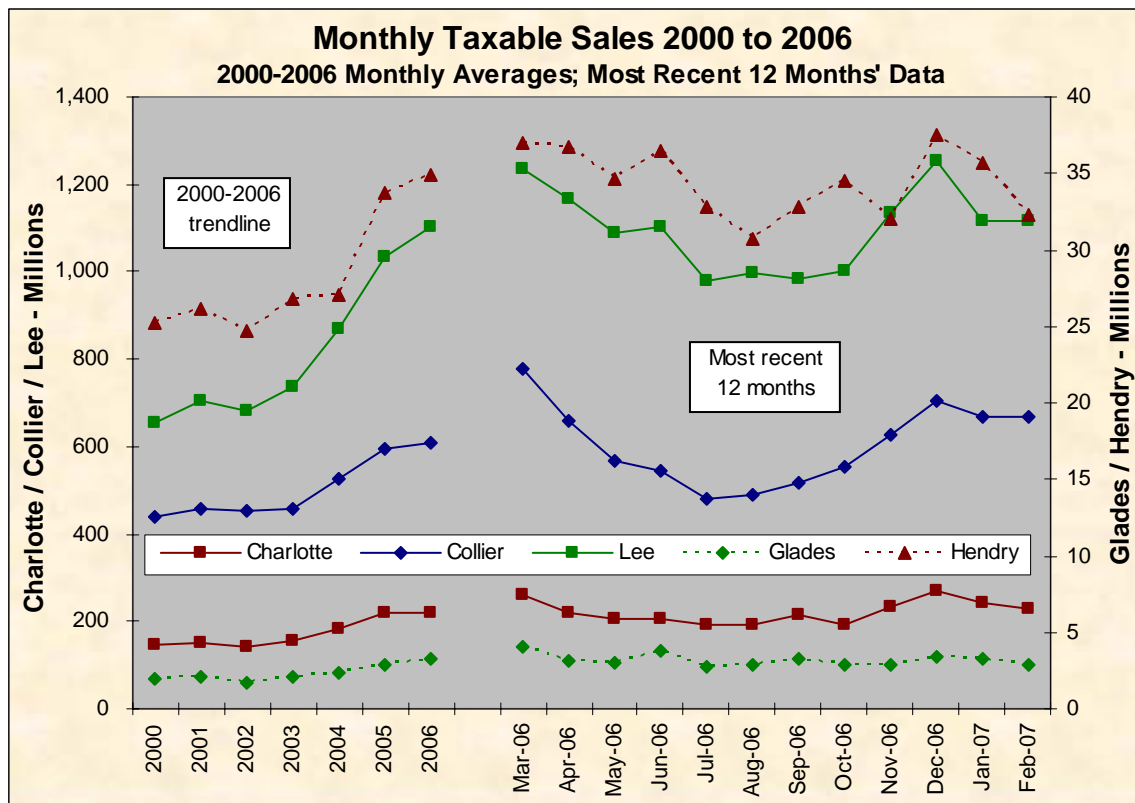


Source: Florida EDR: Demographic Estimating conference Database, Updated July 2006.

Taxable Sales

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 February 2007 the latest collection month plotted on Chart Fifteen. These figures are used to track consumer spending, and therefore are an important contributor to economic growth in the region. While Lee and Collier counties appear to show a leveling off in taxable sales, Hendry, Glades and Charlotte all saw a decline in taxable sales over January 2007 figures.

Chart Fifteen –



Source: Florida Department of Tax Research

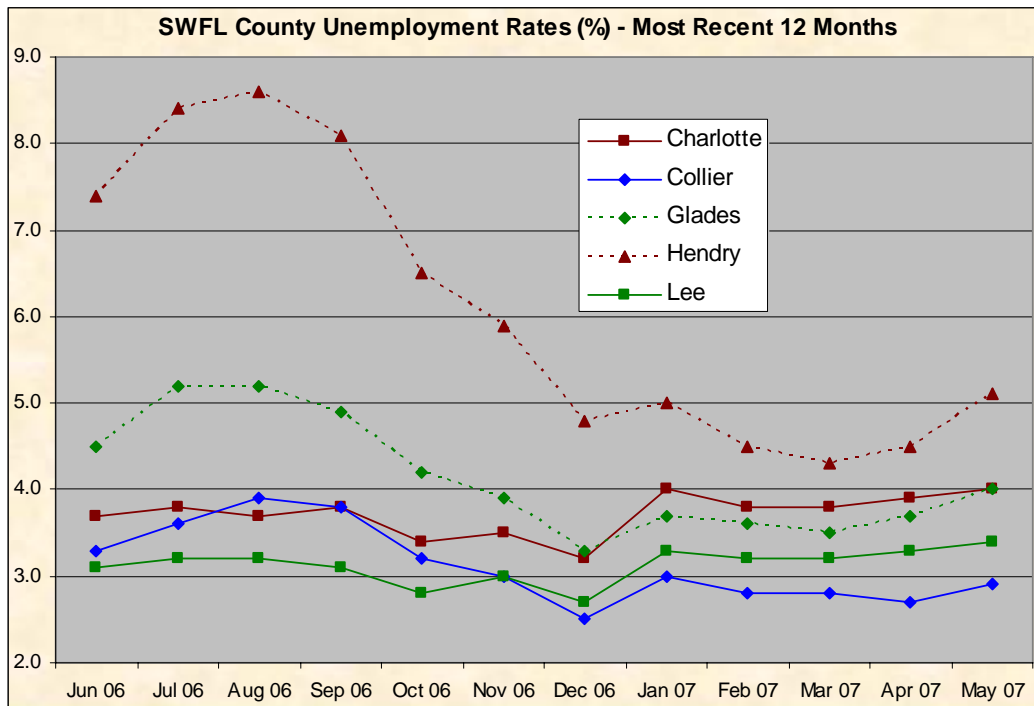
Workforce – Unemployment

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. With the exception of Hendry County the remaining Southwest Florida counties are all experiencing unemployment levels below the current national rate of 4.5 percent. Average annual unemployment and monthly average unemployment for the region over the latest year are shown in Chart Sixteen. The May unemployment levels are:

- Charlotte County 4.0 percent
- Collier County 2.9 percent
- Glades County 4.0 percent
- Hendry County 5.1 percent
- Lee County 3.4 percent

Much of this unemployment may be coming from the housing and Construction sectors. Within the region there is a strong element of seasonal employment, however we may be seeing the realignment to more normal unemployment figures as the economy has slowed somewhat during the first part of 2007. As can be seen in Chart Sixteen the widest fluctuations in unemployment rates continue to occur in the inland counties of Glades and Hendry.

Chart Sixteen

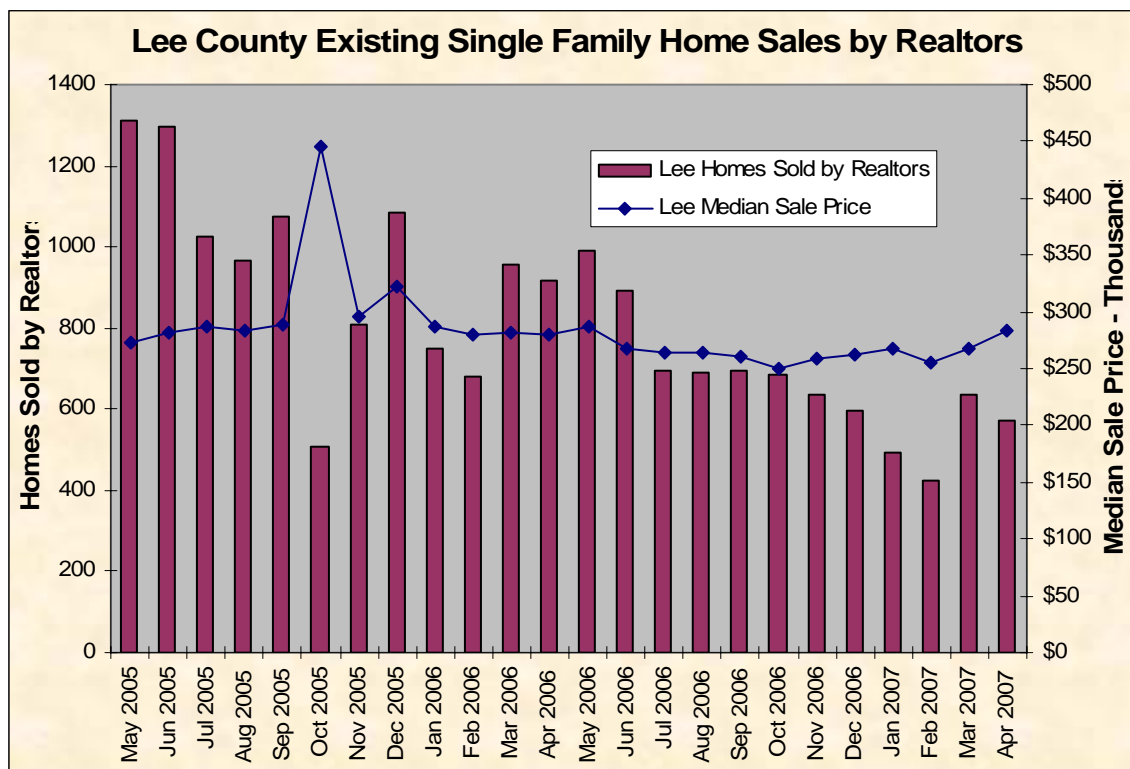


Source: AWI

Sales of Single-Family Existing Homes and Median Sales Price

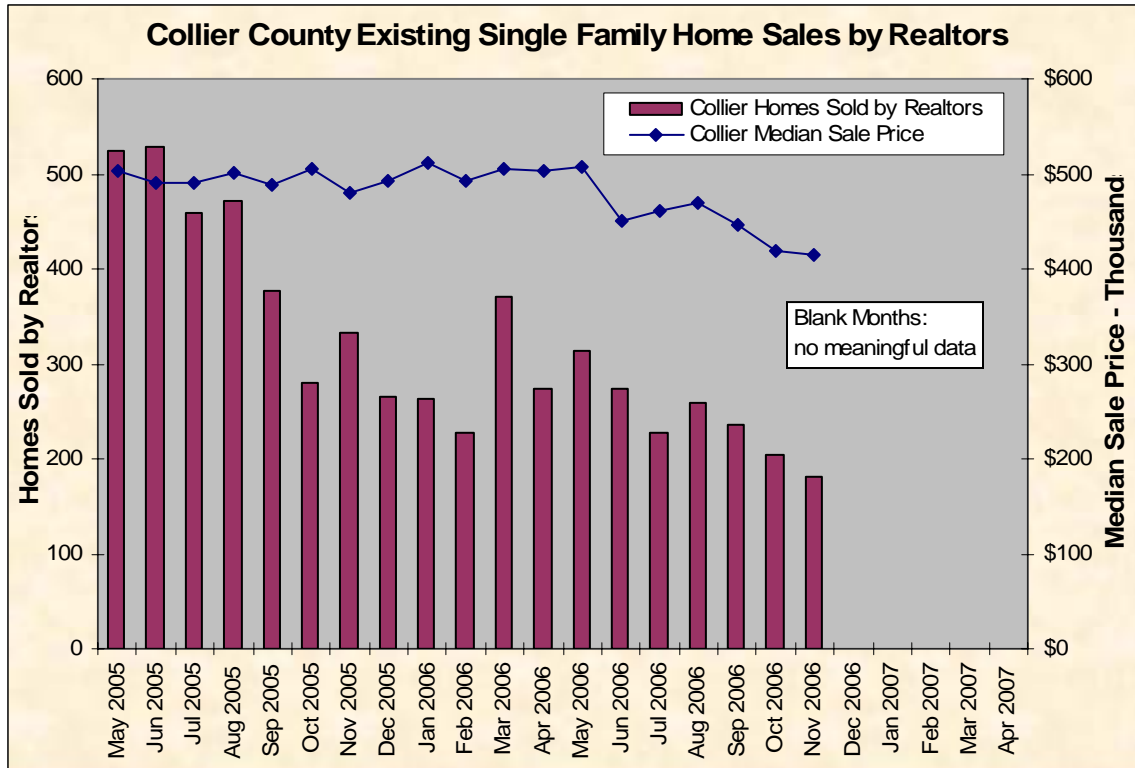
The Florida Association of REALTORS® provides a summary of the number of existing home sales and the median price per month. Charts Seventeen through Nineteen provide the latest trends for Lee, Collier and Charlotte Counties. Lee County (Chart Seventeen) saw a decrease in existing home sales in April of 2007 to 573 units while the median sales price increased to \$283,200. Due to data collection issues Collier County Chart Eighteen has not been updated in recent months – we will update this chart as data becomes available. Charlotte County (Chart Nineteen) has seen home sales increase again in April 2007 to 254 with median sale price increasing to \$197,100. Again additional monthly data will be required prior to determining if this is indeed a trend.

Chart Seventeen



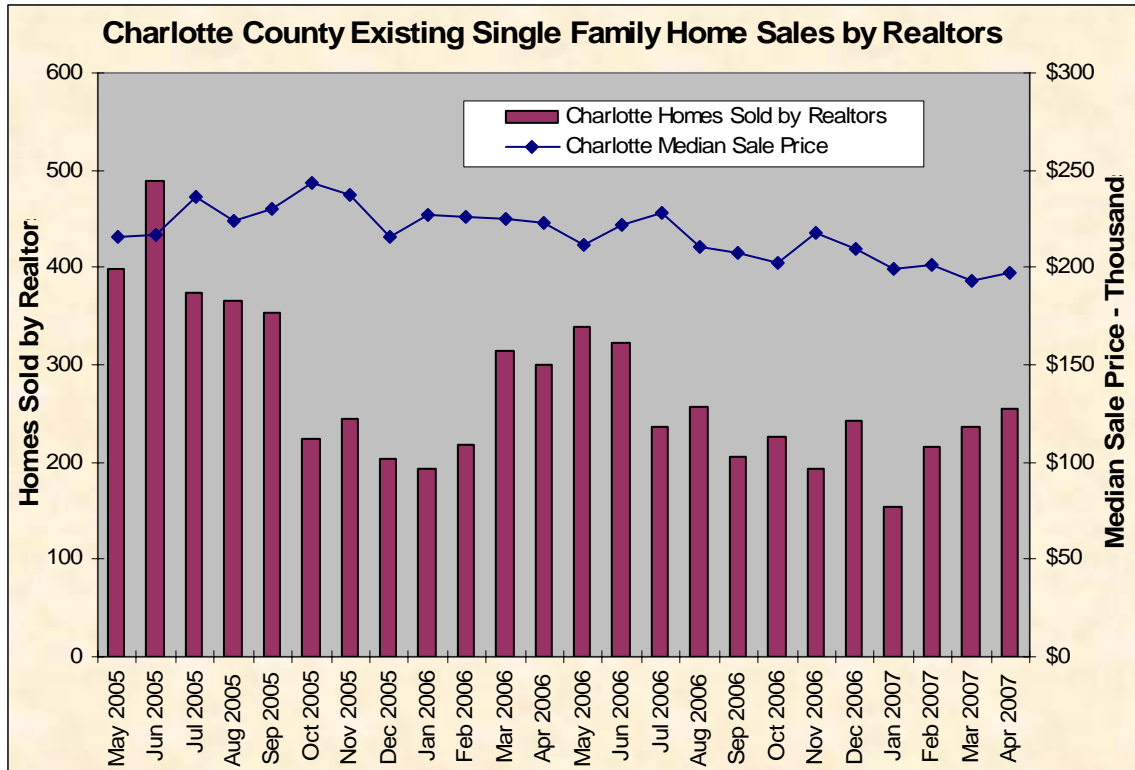
Source: Florida Association of REALTORS, August 2005 price estimated, Fort Myers – Cape Coral MSA,

Chart Eighteen



Source: Florida Association of REALTORS, August 2005 price estimated, Naples – Marco Island MSA,

Chart Nineteen



Source: Florida Association of REALTORS, August 2005 price estimated, Punta Gorda, Florida MSA,