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Introduction: Regional and National Background

The latest economic indicators continued to show mixed results for the Southwest Florida economy, as some indicators improved while others declined. While Covid-19 vaccine distributions continued to be distributed throughout the state and country, uncertainty continues to impact the economy in the short and medium term. Starting in this report, most indicators now have reached the one year mark from April 2020, which represented the peak of the Covid-19 economic impact. Thus, although we point this out throughout the text we caution the reader on the year-to-year analysis.

The seasonally-adjusted unemployment rate for the region in April 2021 increased 0.2 points from the previous month to 4.9 percent, but was 11.1 percentage points below the Covid-impacted April 2020 figure. The region had month-to-month increases in both total employed and unemployed workers in April 2021 (up 8,820 and 1,474, respectively), as increased access to Covid-19 vaccines continues to improve confidence in workers re-entering the labor force.

Real estate indicators continued to be a bright spot for the region. Single-family building permits for the coastal counties improved 110 percent from April 2020 to April 2021. Single-family home sales improved 74 percent in April 2021 over April 2020. Median prices for all three counties also increased by 24 to 46 percent during the same 12-month period. Realtor® Active listings for the coastal counties were down in April 2021, falling 75 percent from April 2020. Steady increase in discretionary spending associated with supply-chain disruptions have create some inflationary pressure across the country and the region.

Other indicators provided some mixed results for the hospitality and tourism economy:

- **Airport passenger activity** for April 2021 decreased by 6 percent from March 2021, following the traditional seasonal pattern. Activity was 1,931-percent above the Covid-impacted April 2020;

- March 2021 seasonally-adjusted tourist tax revenues were up 46 percent compared to March 2020;

- **Seasonally-adjusted taxable sales** rose 4 percent in February 2021 compared to February 2020.

The RERI staff extends its sincere thanks and appreciation to the dedicated individuals and organizations which make this report possible. They include FGCU student workers affiliated with the RERI, the Southwest Florida Regional Planning Council, the individual economic development organizations in Charlotte, Collier, and Lee counties, the convention and visitors’ bureaus in Charlotte, Collier and Lee counties, the regional airport authorities, the Realtors® of Collier, Lee, and Charlotte counties, the University of Florida Survey Research Center, and the county and city permit offices.
Reader comments or suggestions to enhance the usefulness of this report are always welcome. Please email them to RERI Senior Economist John Shannon at rerifgcu.edu. Stay well, and please observe masking and distancing guidelines in order to save lives.
Airport Passenger Activity

Airport passenger activity is the sum of arrivals and departures for Southwest Florida International (RSW), Sarasota Bradenton International (SRQ), and Punta Gorda (PGD) airports. Peak seasonal activity usually occurs in February, March, and April, with significantly lower activity in the summer months. Charts 1, 2, and 3 illustrate the historic seasonality as well as the changes from year to year. Note that data from April 2020 was affected by the initial impact of Covid-19 and the following stay-at-home orders issued throughout the nation, so year-to-year estimates may be much larger than normal.

Total passenger traffic for the three airports amounted to 1,526,473 in April 2021, down 6 percent from March 2021 following the seasonal pattern and up 1,931 percent over April 2020. All three airports continue to improve from the dip in passenger activity experienced in April 2020.

In 2021 the charts better reflect the historic seasonal pattern, albeit at a reduced level for RSW and PGD. Passenger traffic at RSW was 1,107,004 in April 2021, down 5 percent from March 2021, and 1,974 percent greater than April 2020 (see Chart 1). RSW activity level was comparable to that of 2019. PGD’s passenger activity amounted to 125,304 in April 2021, a decrease of 31 percent from March 2021, and 942 percent above April 2020 (see Chart 2). Sarasota Bradenton (SQR) served 294,165 passengers in April 2021, a 6-percent increase from March 2021, and 2,920 percent above April 2020. For SQR, this represents activities above the level observed in April 2019 and contrary to the trends in previous years, while RSW and PGD’s activity are still below their respective April 2019 levels.

![Chart 1: SW Florida International Passenger Activity](image-url)

Source: Local Airport Authorities
Chart 2: Punta Gorda Airport Passenger Activity

Chart 3: Sarasota Airport Passenger Activity

Source: Local Airport Authorities
Tourist Tax Revenues

Charts 4 and 5 show seasonally-adjusted tourist tax revenues by month of occupancy. Revenues for the coastal counties totaled $6.5 million in March 2021, virtually unchanged from the prior month. However, revenues experienced an increase of $2 million (46 percent) compared to March 2020.

Lee County’s seasonally-adjusted tourist tax revenues totaled $3.3 million in March 2021, down 11 percent from February 2021, but up 34 percent from March 2020. Collier County’s tourist tax revenues amounted to $2.9 million in March 2021, up substantially by 65 percent compared to March 2020, as well as a 20-percent increase compared to the February 2021 figure. Seasonally-adjusted tourist tax revenues in Charlotte County declined to $352.5 thousand in March 2021, down 13 percent from the prior month, but 36 percent above the March 2020 measure.

Chart 4: Tourist Tax Revenues for the Coastal Counties

Source: Local County Tourism, Tax, and Economic Development Reports
Taxable Sales

Taxable sales data track consumer spending based on the latest month of merchant collections. Data lag one month behind the Florida Department of Revenue’s reporting month and are now available through February 2021. Seasonally-adjusted taxable sales for Southwest Florida totaled $2.634 billion in February 2021, an increase of 4 percent from February 2020 and 1 percent higher than January 2021 (see Chart 6).

Results for the coastal and inland counties are shown in Charts 7 and 8, respectively. Lee County’s seasonally-adjusted taxable sales were $1.421 billion in February 2021, an increase of 5 percent over February 2020 and a 1-percent increase from January 2021. Collier County taxable sales were $882.2 million in February 2021, up 2 percent from January 2021, and 2 percent over the February 2020 total. Taxable sales in Charlotte County increased to $289.4 million in February 2021, compared to $270.0 million in February 2020 and to $288.4 million in January 2021.

Taxable sales in Hendry County totaled $35.9 million in February 2021, up 9 percent from February 2020 and 1 percent over the January 2021 total. Glades County taxable sales were $5.8 million in February 2021, up 4 percent from January 2021 and 5 percent above the February 2020 total. All cited data are seasonally adjusted.

Based on the data, the year-to-year taxable sales for both the coastal and inland counties increased in February 2021. Additionally, all the five counties in the region saw their taxable sales
increase from their respective January 2021 totals, corresponding to the influx of tourists from northern states and other places.

**Chart 6: Taxable Sales for 5 County Region**

**Chart 7: Taxable Sales for Coastal Counties**
Workforce – Labor Force, Employment and Unemployment

Charts 9-13 show total persons employed and unemployed, and the resulting unemployment rates seasonally adjusted by the RERI, for each county from January 2007 through April 2021. While the number of employed persons in the Southwest Florida region increased by 8,820 between March 2021 and April 2021, the number of unemployed also rose, increasing by 1,474 over the same period. As a result, the region’s seasonally-adjusted unemployment rate rose to 4.9 percent in April 2021, up 0.2 percentage points from the prior month. It is expected that increased access to Covid-19 vaccines will continue to improve Southwest Florida’s labor force situation over the upcoming months, as more people begin to feel comfortable and available to re-enter the workforce. Compared to a year ago, the seasonally-adjusted number of employed workers is up by over 100,000, while the number of unemployed were down by over 60,000. The total labor force increased by 45,983 from April 2020 to April 2021, mainly in the coastal counties.

Lee County’s seasonally-adjusted unemployment rate was 5.0 percent in April 2021, down 11 percentage points from April 2020, but up 0.2 percentage points from March 2021 (Chart 9). The unemployment rate in Collier County was 4.4 percent in April 2021, up 0.1 percentage points from the prior month, but below the 16.1 percent measured in April 2020 (Chart 10). Charlotte County’s unemployment rate was 5.2 percent in April 2021, up 0.1 points from the previous month, and 11.1 points lower than April 2020 (Chart 11).
Hendry’s unemployment rate was 7.3 percent in April 2021, up from the previous month by 0.8 points, and down 5.8 points from the April 2020 measure, as depicted in Chart 12. The corresponding figures for Glades County are 4.5 percent in April 2021, 4.6 percent in March 2021, and 7.9 percent in April 2020 (Chart 13).

The State of Florida’s seasonally adjusted unemployment rate was 4.8 percent in April 2021, up 0.1 percent from the March 2021 rate, and down 9.2 percentage points from April 2020. The United States unemployment rate was 6.1 percent in April 2021, up 0.1 points from 6.0 percent in March 2021, and down 8.7 percentage points from the 14.8 percent for April 2020.

Chart 9: Lee County Labor Force and Unemployment

Source: Florida Department of Economic Opportunity and seasonal adjustment by RERI
Chart 10: Collier County Labor Force and Unemployment

Source: Florida Department of Economic Opportunity and seasonal adjustment by RERI

Chart 11: Charlotte County Labor Force and Unemployment

Source: Florida Department of Economic Opportunity and seasonal adjustment by RERI
Chart 12: Hendry County Labor Force and Unemployment

Source: Florida Department of Economic Opportunity and seasonal adjustment by RERI

Chart 13: Glades County Labor Force and Unemployment

Source: Florida Department of Economic Opportunity and seasonal adjustment by RERI
Single-Family Building Permits

The Southwest Florida coastal counties issued 1,464 single-family building permits in April 2021, an increase of 766 permits (110 percent) over April 2020 and up 96 permits (7 percent) from March 2021. Lee County issued 845 permits in April 2021, up from the 389 permits issued in April 2020 and the 777 permits issued in March 2021 (see Chart 14). In Collier County, 412 permits were issued in April 2021, an increase of 220 permits (115 percent) from April 2020 and 26 more than March 2021 (see Chart 15). Charlotte County recorded 207 permits issued in April 2021, an increase from the 117 permits issued in April 2020 and two more permits than in March 2021 (see Chart 16).

Hendry County issued 70 single-family building permits in April 2021, compared to 22 issued during April 2020, a 218-percent increase. In the month of April 2021, single-family building permits trended upwards for all coastal counties and Hendry County from month-to-month and year-to-year. The year-to-year trend showed significant changes in all counties for single-family building permits, possibility reflecting the influx of people moving to Florida from other states.

Chart 14: Single-Family Building Permits for Lee County

Source: Local Building and Zoning Departments, including Fort Myers, Cape Coral, and Unincorporated Lee County, Bonita Springs, Estero, and Fort Myers Beach permits
Chart 15: Single-Family Building Permits for Collier County

Source: Collier County Growth Management Department, includes unincorporated Collier County permits only

Chart 16: Single-Family Building Permits for Charlotte County

Source: Charlotte County Economic Development Organization, includes unincorporated Charlotte County permits only
Existing Single-Family Home Sales and Median Prices

Charts 17-19 show existing single-family home sales by Realtors® for Lee, Collier, and Charlotte Counties. Each solid line represents median prices plotted against the scale on the right side, and the bars show the number of homes sold with the scale on the left side. The broken lines show the linear trends in numbers of homes sold and median prices.

Realtor® sales of existing single-family homes in the three coastal counties, again showed exceptional growth compared to the same month of the prior year. Totals for April 2021 were 3,456, an increase of 74 percent over April 2020, but only 1 percent above March 2021. All three counties experienced meaningful increases in median prices from one year ago, ranging from 24 to 46 percent. The sales and median price trend lines for all three counties continue to be positive.

Single-family home sales in Lee County rose to 1,911 units in April 2021, an increase of 741 units (63 percent) from April 2020, while Lee’s median price rose from $274,995 to $355,000 over the same period (see Chart 17). Collier County single-family home sales registered 897 units in April 2021, an increase of 459 (105 percent) compared to April 2020. The median price in Collier County rose substantially by $215 thousand from $465,000 in April 2020 to $680,000 in April 2021 (see Chart 18). Charlotte County reported 648 existing single-family home sales for April 2021, up 70 percent from the 381 units sold in April 2020. The median price in Charlotte County was $300,000 in April 2021, up $57,500 (24 percent) over the same month last year (Chart 19).

Chart 17: Existing Single-Family Home Sales for Lee County

Source: Florida Realtors® Cape Coral-Fort Myers MSA
Chart 18: Existing Single-Family Home Sales for Collier County

Source: Florida Realtors® Naples-Immokalee-Marco Island, Florida MSA

Chart 19: Existing Single-Family Home Sales for Charlotte County

Source: Florida Realtors® Punta Gorda, Florida MSA
Realtor® Active Listings

Active listings are provided by the Realtors® residential listings database and provides a look into the number of properties for sale on the market. These figures include single-family residential homes, condominiums and townhomes, and exclude pending listings where a pending status is available.

Active listings in the three coastal counties continued to fall in April 2021. The coastal counties had 4,128 residential properties listed for sale, down 10 percent from March 2021, as well as a 75-percent decline from April 2020.

Active listings in Lee County dipped to 1,990 units in April 2021, a 5-percent decrease from March 2021, and a 76-percent fall from April 2020 (Chart 20). Collier County reported 1,619 units listed for sale in April 2021, down from both the previous month (14 percent) and same month last year (75 percent) (Chart 21). Charlotte County active listings fell to 519 units in April 2021, a decrease of 14 percent from March 2021, and a 76-percent slip from April 2020 (Chart 22).

![Chart 20: Active Listings for Lee County](image-url)
Chart 21: Active Listings for Collier County

Source: Realtor.com residential listings database

Chart 22: Active Listings for Charlotte County

Source: Realtor.com residential listings database
**Consumer Sentiment Index**

Charts 23 and 24 shows monthly data and linear trend lines over the last six years for both the Florida Consumer Sentiment Index (“CSI”) reported by the University of Florida Bureau of Economic and Business Research (BEBR) and for the United States Index of Consumer Sentiment (“ICS”) reported by Thomson Reuters/University of Michigan.

The U.S. Index of Consumer Sentiment slowed down in May 2021, decreasing 5.4 points from the previous month to 82.9. Richard Curtin, chief economist for the Surveys of Consumers, noted that the decrease was largely due increasing inflation that consumers anticipate will persist during the year. “While the growth of an inflationary psychology is unlikely, it cannot be entirely dismissed,” Curtin said. “While stable prices have had too much emphasis over full employment in the past, it is an unrealistic goal of monetary policy to achieve macro growth as well as micro distributional targets. Fiscal policies must share in the burden not just the glory.”

Florida’s Consumer Sentiment Index also dipped in May 2021, falling 1.4 points from the previous month to 81.6. “Overall, Floridians are more pessimistic in May, stemming from their perceptions about future economic conditions, particularly the long-run national economic situation,” Hector H Sandoval, director of the Economic Analysis Program at the University of Florida’s Bureau of Economic and Business Research, said in the June 1, 2021 edition of Florida Consumer Sentiment Index. “Although the economy is bouncing back, future expectations can be explained by the recent jump in inflation which will decrease purchasing power over time if it is not temporary as anticipated by economists.”
Chart 23: U.S. Index of Consumer Sentiment

U.S. Index of Consumer Sentiment
Past 13 Months

Past 6 Years

Source: Thomson Reuters/University of Michigan

Chart 24: Florida Consumer Sentiment Index

Florida Consumer Sentiment Index
Past 13 Months

Past 6 Years

Source: Bureau of Economic and Business Research, University of Florida
Consumer Price Index

Chart 25 shows that year-to-year changes in consumer price indices ("CPI") through April 2021 increased compared to a year ago. The Miami/Ft. Lauderdale CPI increased by 4.1 percent from April 2020 to April 2021, while the US South Region had a 4.4 percent increase over the same period. CPI for the nation increased by 4.2 percent in April 2021 compared to April 2020.

Chart 25: CPI Annual Percentage Change

Components of the Miami-Fort Lauderdale Consumer Price Index for the 12 months ending February 2021 are shown in Chart 26. Increases in transportation outpaced the rest of the components, increasing by 15.3 percent in April 2021 over April 2020. The increase in transportation costs is largely due to the stay-at-home orders enacted in April 2020, which resulted in a lot less travel and, as a result, demand for transportation goods. The region also saw a moderate increases in prices for both apparel (7.4 percent increase in April 2021 over April 2020) and recreation (4.6 percent increase over the same period). None of the components had a decline in price compared to last year.
Appendix

The data presented in this appendix are not released on a monthly basis. The first two charts, Charts A1 and A2, show historic population growth through 2019, as well as projections updated annually by the state of Florida’s Office of Economic and Demographic Research, working in conjunction with the University of Florida’s Bureau of Economic and Business Research. These data have been revised since our last report. The second two charts, Charts A3 and A4, depict historic measures of U.S. GDP growth rates and unemployment as well as projections by the Federal Reserve’s Federal Open Market Committee and are updated quarterly. Charts A5 through A8 show regional GDP for the coastal counties (published annually), while Chart A9 depicts the FGCU Industry Diversification Index for Southwest Florida and the state, which is updated quarterly.

Regional Population
Last Updated: August 2020

From 1990 to 2019, regional population grew at a compound average rate of 2.6 percent per year. The compound average annual rates of growth were 2.8 percent in Lee County, 3.2 percent in Collier County, 1.7 percent in Charlotte County, 1.9 percent in Glades County, and 1.5 percent in Hendry County.
The right-hand sections of Charts A1 and A2 show projected population increases from 2020 to 2045, at substantially lower rates than those experienced between 1990 and 2019. Projected growth for the five-county region averages 1.3 percent per year, resulting in a population increase of 38.6 percent from 2019 to 2045. This would add over 520,000 residents to the region, and bring the total to 1,867,600. Lee County’s population is projected to grow an average of 1.4 percent per year, Collier County at 1.2 percent, and Charlotte County at 1.0 percent. Projected growth rates for the inland counties are substantially lower; Hendry County’s population is projected to grow at an average of 0.6 percent per year and Glades County at 0.3 percent per year.

**Chart A1: Coastal Counties Population, 1990 to 2045**

![Chart A1: Coastal Counties Population, 1990 to 2045](chart_image)

Source: Office of Economic and Demographic Research
National GDP and Unemployment

Last Updated: April 2021

Charts A3 and A4 depict both historical trends and the Federal Open Market Committee’s projections for national Gross Domestic Product (“GDP”) and Unemployment. The FOMC’s projections are released quarterly and reflect the assessments of the Federal Reserve Board of Governors and of Federal Reserve District Bank presidents, with the March 2021 figures shown in the following charts. The dotted lines depict the highest and lowest projections—or the range of all projections—while the darker blue area within the dotted lines depict the central tendency forecast within those projections.

Chart A3 illustrates the uncertainty in GDP projections from the COVID-19 pandemic, with both ranges and central tendencies fluctuating erratically from 2020 to long-run trend (“LR”). Real GDP growth rates are based on the change from the fourth quarter of one year to the fourth quarter of the next year.

GDP growth for 2020 was -3.5 percent, compared to the 2.2 percent GDP reported in 2019. The overall high and low projections (shown as ranges below and denoted by the dotted lines) for 2021 show that all members of the FOMC expecting GDP to improve this year, with a range of 5.0 to 7.3 percent and a central tendency of 5.8 to 6.6 percent. The substantial increase in expectations for GDP are likely largely influenced by the down year in 2020. The board members believe that GDP growth will range from 2.5 to 4.4 percent in 2022 and range between 1.7 and
2.6 percent in 2023. In the long-run, GDP growth is expected to range somewhere between 1.6 percent and 2.2 percent.

**Chart A3: Historic and Projected GDP Growth, 2009 to Long Run**

Chart A4 depicts unemployment trends since 2009. The unemployment rate in 2020 was 8.1 percent, up 4.4 percentage points from 2019. FOMC members believe unemployment will improve in 2021, with predictions ranging from 4.0 percent to 5.5 percent. Unemployment in 2022 is projected to range somewhere between 3.2 percent and 4.2 percent, and range between 3.0 and 4.0 percent in 2023. In the long run, the unemployment rate is expected to range between 3.5 percent and 4.5 percent. Compared to these national numbers, unemployment rates in Florida and Southwest Florida tend to be more volatile, falling lower when national unemployment is falling and rising higher when national unemployment is rising.
The next quarterly release of projections for GDP and Unemployment will be released following the FOMC meeting scheduled in June 2021. These projections will be updated in the July 2021 edition of *Regional Economic Indicators*. 
Regional GDP
Last Updated: January 2021

Charts A5 shows GDP growth by industry for the Southwest Florida coastal counties. Most industries in the coastal counties continued to grow in 2019, with the transportation and warehousing industry (7.3 percent increase from 2018 to 2019), finance, insurance, real estate, rental and leasing industry (5.6 percent increase), educational services, health care, and social assistance industry (5.1 percent increase), and professional and business services industry (4.9 percent increase) making the largest gains. Mining, quarrying, and oil and gas extraction (4.3 percent decline), and utilities (4.3 percent decline) were the only industries to retract from 2018 to 2019.

Chart A5: Regional Gross Domestic Product for Coastal Counties

Source: U.S. Bureau of Economic Analysis
Charts A6 shows GDP by industry for Lee County. The transportation and warehousing industry (6.3 percent increase from 2018 to 2019), educational services, health care, and social assistance industry (5.9 percent increase), professional and business services industry (5.2 percent increase), and information industry (4.5 percent increase) made the largest gains over the 12-month period. Meanwhile, utilities (4.7 percent decline), agriculture, forestry, fishing and hunting (3 percent decline), and construction (0.8 percent decline) all retracted over the same period.

**Chart A6: Regional Gross Domestic Product for Lee County**

![Chart A6: Regional Gross Domestic Product for Lee County](image)

Source: U.S. Bureau of Economic Analysis
Charts A7 shows GDP by industry for Collier County. The transportation and warehousing industry (7.3 percent increase from 2018 to 2019), information industry (6.5 percent increase), agriculture, forestry, fishing and hunting industry (5.9 percent increase), and manufacturing industry (5.7 percent increase) made the largest gains over the 12-month period. Meanwhile, mining, quarrying, and oil and gas extraction (45.4 percent decline) and utilities (2.3 percent decline) were the only industries to retract over the same period.

**Chart A7: Regional Gross Domestic Product for Collier County**

![Chart A7: Regional Gross Domestic Product for Collier County](Image)

Source: U.S. Bureau of Economic Analysis
Charts A8 shows GDP by industry for Charlotte County. The transportation and warehousing industry (19.5 percent increase from 2018 to 2019), finance, insurance, real estate, rental and leasing industry (13.7 percent increase), construction industry (12.3 percent increase), and mining, quarrying, and oil and gas extraction industry (10.8 percent increase) made the largest gains over the 12-month period. Meanwhile, manufacturing (2.3 percent decline), wholesale trade (1.8 percent decline), and arts, entertainment, recreation, accommodation, and food services (1.2 percent decline) all declined over the same period.

**Chart A8: Regional Gross Domestic Product for Charlotte County**

Industry Diversification Index

**Last Updated:** April 2021

The FGCU *Industry Diversification Index (IDI)* measures the degree to which a region’s workforce is concentrated in few industries or dispersed into many. The IDI is computed quarterly by the Regional Economic Research Institute’s Industry Diversification Project, which tracks industry diversification by Metropolitan Statistical Area, workforce region, and state. (For more details, please go to fgcu.edu/cob/reri/idp).
The IDI can be between 0 and 10, with a higher index denoting a more diverse workforce and a lower one denoting a less diverse workforce. Industry diversification is an important factor explaining our state and region’s tendency to overheat during expansions in the business cycle and overcorrect during contractions in the business cycle.

Chart A9 shows the industry diversification index for the Southwest Florida workforce region and the state of Florida. During the third quarter of 2020, the IDI for Southwest Florida measured at 5.28, ranking it as the 10th most industrially diverse workforce region in the state of Florida (out of 24). Meanwhile, the state of Florida had an IDI of 5.22, ranking Florida as the 26th highest state in the nation in industry diversification, although below the national average of 5.35.

**Chart A9: Industry Diversification Index, 2005 to 2020**

Source: FGCU Industry Diversification Project, Calculated by the RERI, using data from the Quarterly Census of Employment and Wages