

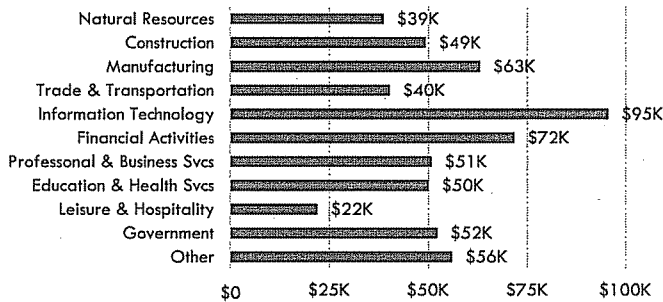
Industry Wages

Average salaries vary widely by industry, and Northeast Florida is no exception. Information workers (including data centers) enjoy high wages, with employees annually earning approximately \$95,000 on average. At approximately \$22,000, Leisure & Hospitality workers have the lowest average annual salaries. Beyond these extremes, average salaries in most industries in Northeast Florida range from \$50,000 to \$60,000. On an inflation adjusted basis, average annual wages in Northeast Florida experienced relatively slow growth (3.1%). Among benchmark communities, only Tampa, Indianapolis, and Virginia Beach workers saw weaker wage growth.

WHY IS THIS IMPORTANT?

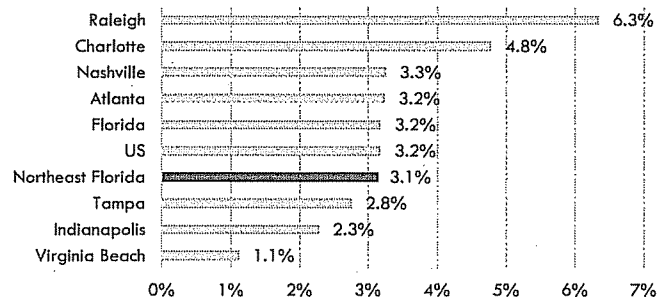
Examining salaries by industry helps reveal which local industries are more competitive for workers or where workers show higher productivity. Above-average wages may also indicate high demand for workers with that specific skillset.

NORTHEAST FLORIDA AVERAGE WAGE 2017



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS

CHANGE IN AVERAGE WAGE (INFLATION ADJUSTED) 2012 - 2017



SOURCE: AVALANCHE CONSULTING / BUREAU OF LABOR STATISTICS



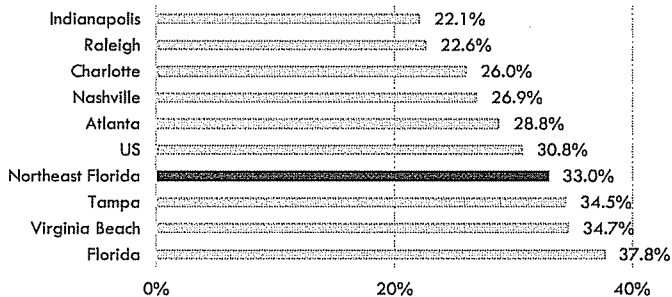
Housing Affordability

House prices may be lower than some benchmarks, but affording a home that fits within budget is a concern for some residents. Of homeowners in the region with a mortgage, 33% are considered cost-burdened (defined as spending 30% or more of household income on housing costs). Renters in Northeast Florida are more likely to be cost-burdened, a dynamic that characterizes most communities in the US. More than half of Northeast Florida renters spend 30% or more of their household income on rental expenses.

WHY IS THIS IMPORTANT?

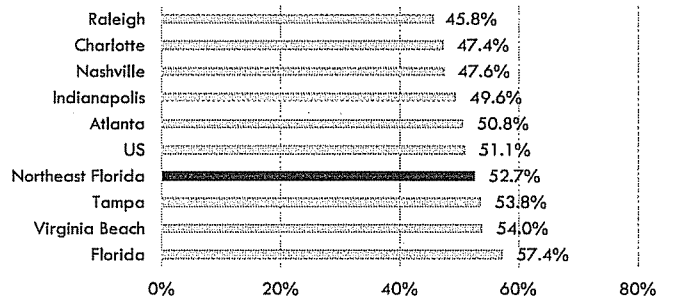
Housing affordability is a significant aspect of a region's overall cost of living. Regions that offer a variety of housing options at a variety of prices find it easier to attract talent and retain all levels of workers – from entry level to executive. People spending less money on housing also have more disposable income to spend elsewhere in the community, generating a positive economic impact.

HOMEOWNERS W/ A MORTGAGE SPENDING MORE THAN 30% OF INCOME ON HOUSING COSTS, 2016



SOURCE: AVALANCHE CONSULTING / US CENSUS BUREAU

RENTERS SPENDING MORE THAN 30% OF INCOME ON HOUSING COSTS, 2016



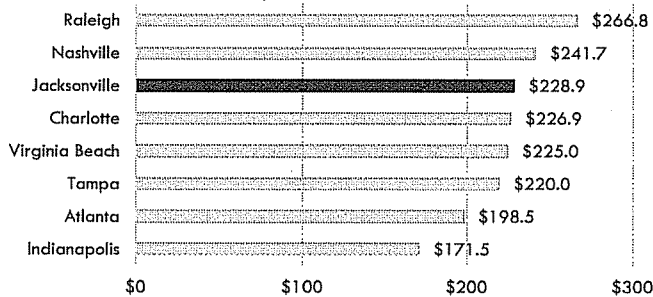
SOURCE: AVALANCHE CONSULTING / US CENSUS BUREAU



Housing Affordability, continued

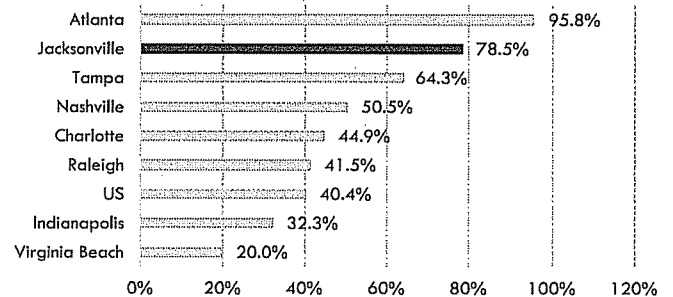
In recent years, housing costs in the five-county Jacksonville metro have become significantly more expensive. Between 2012 and 2017, the median sales price of existing single-family homes increased by nearly 80% on a non adjusted basis. At \$228,900, the median sales price of an existing single-family home is now greater in the metro than in all other benchmark regions except Nashville and Raleigh. (Note, home price data is only available for the five-county MSA – labeled “Jacksonville” in the charts below – not the seven-county Northeast Florida study area.)

MEDIAN SALES PRICE OF EXISTING SINGLE-FAMILY HOMES
(THOUSANDS OF DOLLARS), 2017



SOURCE: AVALANCHE CONSULTING / NATIONAL ASSOCIATION OF REALTORS

CHANGE IN MEDIAN SALES PRICE OF
EXISTING SINGLE-FAMILY HOMES, 2012 - 2017



SOURCE: AVALANCHE CONSULTING / NATIONAL ASSOCIATION OF REALTORS



Key Takeaways

01

In recent years, housing costs in Northeast Florida have become increasingly burdensome.

Since 2012, the median sales price of an existing home in the Jacksonville metro has risen nearly 80%. The median sales price of a single-family home in the Jacksonville metro is now higher than in Atlanta, Indianapolis, Tampa, and Virginia Beach. Both homeowners with a mortgage and renters in Northeast Florida are more likely to be cost-burdened relative to the US average. Fifty percent of renters in the metro spend more than 30% of their income on rent.

02

Northeast Florida's poverty rate continues to fall.

Strong economic growth in Northeast Florida has contributed to a sustained decline in the region's poverty rate. In 2014, Northeast Florida's poverty rate approached 16%. Since then, poverty rate has steadily declined. Today, it is less than 15% region wide. Additionally, wage gains among the region's lowest earning workers rival the gains enjoyed by the region's highest earning workers. In recent years, wage inequality has increased far more significantly in other peer regions.

03

The region is well connected, despite longer drive times and a shortage of regional transit options.

While traffic congestion is a common complaint of Northeast Florida residents, average delay times for drivers are lower than almost all benchmark regions. That said, more than 80% of workers in the region drive alone to work and only 5% of workers telecommute. As population climbs, without regional transit investments, the region can expect traffic to worsen. Virtual connectivity is a regional strength. 97% of residents have access to high-speed Internet.

Key Infrastructure Recommendations to Support Industry Growth

Ongoing, longer-term infrastructure investment in the region must continue to support all Elevate Northeast Florida goals. This is especially important given the region's population and economic growth trends. Prepare for continued growth and enhance existing infrastructure to further improve the region's competitiveness for its target industries and talent. **There are a number of critical infrastructure investments that should be taking place during the next five years of Elevate implementation.** This is not designed to be a comprehensive list, but top projects include:

REGIONAL INFRASTRUCTURE PROJECTS

- Increase coordinated efforts to **improve transit options, connect transit services,** and provide residents with efficient transit services connecting them from one county to another county.
- Support policies and initiatives that will help the region implement **smart infrastructure** such as autonomous and connected vehicles, and dedicated smart technology corridors connecting communities across the region.
- Increase infrastructure investments that improve access to the region's **waterways** for recreation and commerce. Also, complete beach restoration in counties impacted by Hurricanes Matthew and Irma.
- Complete the **First Coast Expressway** from I-10 to I-95 and proceed with construction of the new Shands Bridge.
- Extend **broadband service** to all homes and businesses in the region.
- Continue to rally resources and complete **JAXPORT's harbor deepening** and preparations to accommodate Neopanamax vessels.
- Continue adding **new non-stop flights** from the region, particularly to West Coast and international destinations.
- Ramp up efforts to address the region's **growing demand for housing, particularly workforce housing.** Develop a set of public policy standards for the region, based on national best practices, to guide city and county governments in updating policies to encourage a variety of quality housing within their communities and allow for mixed-use density and job centers along major transportation corridors and future transit hubs.

