

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY - ECONOMIC TRENDS

Cost of Living Index

About the ACCRA Cost of Living Index

The Council for Community and Economic Research (C2ER) produces the Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. Items on which the Index is based have been carefully chosen to reflect the different categories of consumer expenditures. Weights assigned to relative costs are based on government survey data on expenditure patterns for mid-management households. All items are priced in each place at a specified time and according to standardized specifications.

The *ACCRA Cost of Living Index* measures regional differences in the cost of consumer goods and services, excluding taxes and non-consumer expenditures, for professional and managerial households in the top income quintile. It is based on more than 50,000 prices covering almost 60 different items for which prices are collected quarterly by chambers of commerce, economic development organizations or university applied economic centers in each participating urban area. Small differences should not be interpreted as showing a measurable difference.

The composite index is based on six components – housing, utilities, grocery items, transportation, health care and miscellaneous goods and services.

Among the 274 urban areas participating in the fourth quarter 2006 *American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index*, the after-tax cost for a professional/managerial standard of living ranged from more than twice the national average in New York (Manhattan) NY to 18 percent below the national average in Joplin MO.

The Ten Most and Least Expensive Urban Areas in the ACCRA Cost of Living Index (COLI) Fourth Quarter 2006 National Average for 274 Urban Areas = 100

Most Expensive			Least Expensive		
Ranking	Urban Area	COL Index	Ranking	Urban Area	COL Index
1	New York (Manhattan) NY	214.7	1	Joplin MO	82.0
2	San Francisco CA	172.9	2	Pryor Creek OK	84.3
3	Honolulu HI	163.5	3	McAllen TX	84.4
4	Nassau County NY	154.3	4	Hot Springs AR	84.9
5	San Jose CA	151.0	5	Jonesboro AR	85.4
6	Los Angeles-Long Beach CA	147.0	6	Douglas GA	85.8
7	Oakland CA	146.5	7	Donthan AL	85.9
8	New York (Queens) NY	146.0	8	Salina KS	86.2
9	Washington-Arlington-Alexandria DC-VA	138.8	9	Dyersburg TN	86.4
10	Boston MA	134.5	10	Lubbock TX	86.4

Source: The Council for Community and Economic Research (<http://www.coli.org>)