

# Inflation still easing – but gradually

## US: Prices in January up 3.1% from year earlier

Christopher Rugaber  
 ASSOCIATED PRESS

WASHINGTON – Consumer inflation in the United States cooled last month yet remained elevated in the latest sign that the pandemic-fueled price surge is only gradually and fitfully coming under control.

Tuesday’s report from the Labor Department showed that the consumer price index rose 0.3% from December to January, up from a 0.2% increase the previous month.

Compared with a year ago, prices are up 3.1%.

That is less than the 3.4% figure in December and far below the 9.1% inflation peak in mid-2022. But the latest reading is still well above the Federal Reserve’s 2% target level at a time when public frustration with inflation has become a pivotal issue in President Joe Biden’s bid for reelection.

Excluding volatile food and energy costs, so-called core prices climbed 0.4% last month, up from 0.3% in December. On a year-over-year basis, core prices were up 3.9% in January, the same as in December.

Core inflation is watched especially closely because it typically provides a better read of where inflation is likely headed.

Tuesday’s report showed that the drivers of inflation have decisively shifted from goods, like used cars, gasoline and groceries, which are now falling in price or rising much more slowly, to services, including hotel rooms, restaurant meals and medical care. That shift could raise concerns for the Fed, because services inflation typically takes longer to cool.

At his most recent news conference, Fed Chair Jerome Powell singled out persistently high services prices as a concern and said the central bank’s policymakers want services inflation to ease further before starting to cut their key interest rate.

“There’s still some inflation in the system that’s going to take some time to work through,” said Omair Sharif, founder of Inflation Insights, a research firm. “This justifies the Fed wanting to wait and see how things are going to go.”

Biden administration officials frequently note that inflation has plummeted since pandemic-related supply disruptions and significant government aid sent it soaring three years ago. And a raft of forward-looking data suggests that inflation will continue to cool.

The pace of wage growth has slowed, which reduces the pressure on companies to raise prices to offset higher labor costs. And consumers and business owners collectively expect lower inflation in the coming months and years, a trend that can itself hold down price increases.

Still, even as it nears the Fed’s target level, many Americans remain exasperated that average prices are still about 19% higher than they were when Biden took office.

From December to January, average national gas prices tumbled 3.3%, the government said. Yet so far this month, the average price has climbed higher, rising 15 cents to \$3.23 a gallon as of Tuesday, according to AAA.

Grocery prices rose 0.4% from December to January, the biggest such rise in a year, though compared with 12 months earlier, food prices are up just 1.2%.

But the costs of services – including auto insurance, apartment rents and concert tickets – are still rising faster than they did before the pandemic and keeping overall inflation persistently high. The cost of car insurance has soared more than 20%, on average, compared with a year ago.

The mixed data released Tuesday will likely reinforce the caution of Fed officials, who have said they’re pleased with the progress in sharply reducing inflation but want to see further evidence before feeling confident that it’s sustainably headed back to their 2% target.

Before the report, Wall Street traders had priced in a 61% probability for a rate cut in May. But after Tuesday’s inflation data, that probability had sunk to roughly 39%. Most economists still think the Fed will start cutting its rate in June from its 22-year-high of roughly 5.4%.

Another driver of high prices has been housing costs, particularly the price of homeownership. It rose 0.6% from December to January, the biggest one-month jump since April. That measure is 6.2% higher than it was a year earlier.

The cost of apartment rents increased 0.4% last



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DAVID ZALUBOWSKI/AP

month. Along with a 1.8% jump in hotel costs just in January, overall housing costs rose 0.6% last month and accounted for two-thirds of the total rise in month-to-month inflation.

But housing costs should slow in the coming months. The price of new apartment leases has been declining steadily as new apartment buildings have been completed. It can take months for the drop in new lease prices to feed through into the government’s data.

At the same time, economists say that inflation in health care services is likely to stay high. The cost of hospital services jumped 1.6% just from December to January. Doctors’ services rose 0.6%.


Sharif said those increases likely reflected, in part, sharp pay gains in recent years for nurses and other in-demand medical workers, such as anesthesiologists and radiologists.

The Fed raised its key rate 11 times, from March 2022 to July of last year, in a concerted drive to defeat high inflation. The result has been much higher borrowing rates for businesses and consumers, including for mortgages and auto loans. Rate cuts, whenever they happen, would eventually lead to lower borrowing costs for many categories of loans.

Lower borrowing costs could boost economic growth. But a strong economy may also pose a challenge for the Fed because faster growth can accelerate wages and consumer spending. If businesses aren’t able to keep up with greater customer demand, they typically respond by raising prices, which would worsen inflation.

In the final three months of last year, the economy grew at an unexpectedly rapid 3.3% annual rate. There are signs that growth remains healthy so far in 2024. Businesses engaged in a burst of hiring last month. Surveys of manufacturing companies found that new orders rose in January. And services companies reported an uptick in sales.

NOTICE OF PUBLIC HEARING



The Alachua County Board of County Commissioners will hold a public hearing on Tuesday, February 27, 2024, at 11:30 am or as soon thereafter as it may be heard. The meeting will be held in the John R. “Jack” Durrance Auditorium, Room 209, 12 SE 1<sup>st</sup> Street, Gainesville, Florida to consider an ordinance for the following legislative items:

**Z24-000001 Spring Hills CDD Dissolution** - AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF ALACHUA COUNTY, FLORIDA, REPEALING ALACHUA COUNTY ORDINANCE NO. 22-12 IN ORDER TO DISSOLVE THE SPRINGHILLS SOUTH COMMUNITY DEVELOPMENT DISTRICT; ADDRESSING CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

AN ORDINANCE AMENDING ALACHUA COUNTY UNIFIED LAND DEVELOPMENT CODE CHAPTER 407 ARTICLE XII, CONCURRENCY MANAGEMENT AND CHAPTER 364, TRANSPORTATION IMPACT FEE; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALING CLAUSE; PROVIDING FOR INCLUSION IN THE CODE; PROVIDING AN EFFECTIVE DATE.

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF ALACHUA COUNTY FLORIDA AMENDING THE ALACHUA COUNTY CODE OF ORDINANCES, TITLE 40, RELATING TO THE REGULATION OF THE USE AND DEVELOPMENT OF LAND IN THE UNINCORPORATED AREA OF ALACHUA COUNTY, FLORIDA; INCLUDING AMENDMENTS TO CHAPTER 401 DEVELOPMENT REVIEW BODIES; CHAPTER 402 DEVELOPMENT APPLICATION REVIEW PROCEDURES CONTENTS; AND CHAPTER 407 GENERAL DEVELOPMENT STANDARDS; PROVIDING FOR MODIFICATIONS; A REPEALING CLAUSE; SEVERABILITY; INCLUSION IN THE CODE AND CORRECTION OF SCRIVENER'S ERRORS; LIBERAL CONSTRUCTION; AND PROVIDING AN EFFECTIVE DATE.

This meeting will allow for in person participation only. The public may attend in person at 12 SE 1<sup>st</sup> Street, Gainesville, FL, Second Floor, Jack Durrance Board Room.

**COMMENTS/EVIDENCE**

The public is encouraged to submit any written or photographic documents prior to the meeting to <https://growth-management.alachuacounty.us/PublicComment>


If an individual or entity intends to provide evidence, beyond testimony, at the public hearing, the individual or entity must provide electronic copies of all evidence to the appropriate County staff no later than 5 (five) calendar days prior to the hearing. Any evidence provided electronically will be entered into the record.

If any accommodations are needed for persons with disabilities, please contact the Alachua County Equal Opportunity Office at least two business days in advance at (352) 374-5275 (voice) or (352) 374-5284 TDD users, please call 711 (Florida Relay Service). Printed materials are available in alternate format upon request.

All persons are advised that, if they decide to appeal any decision made at this public hearing or meeting, they may need a record of the proceedings and, for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

**General Information:** Staff Reports on the above items will be available on Friday of the week preceding the meeting. For further information call (352) 374-5249. Visit [www.alachuacounty.us](http://www.alachuacounty.us) and click on the meetings tab on the homepage for the most up to date information.

NOTICE OF PUBLIC HEARING



The Alachua County Board of County Commissioners will hold public hearings Tuesday, February 27, 2024. The meeting will be held in the John R. “Jack” Durrance Auditorium, Room 209, 12 SE 1<sup>st</sup> Street, Gainesville, Florida to consider the following quasi-judicial items:

**At 11:30 am or as soon thereafter as may be heard:**

**Z22-000008 (First Assembly Faith Fellowship Special Exception for a Childcare Center as an Accessory Use for Place of Worship)**  
 A request by Willie L. Jones, Sr. and Sharon Jones, agents, for First Assembly Faith Fellowship, Inc., owner, for a special exception to allow a child care center as an accessory use for a place of worship on approx. 4.7 acres in the 'R-1c' (single-family residential, 1-4 dwelling units/acre) zoning district with a Low Density Residential (1 to 4 dwelling units/acre) land use designation on parcel 16134-053-000 located at 2303 SE 27th St.

**Z23-000008 (Minor PD Amendment-Pine Glade)**  
 A request by eda, inc., agent, for Nidal Boughannam, owner, for a minor amendment to the Pine Glade Planned Development (PD). The amendment seeks to renew the PD approval timeline and revise certain development standards. No additional residential units are proposed. The site is approximately 5.04 acres and has a future land use designation of Medium Density Residential (greater than 4, up to 8 dwelling units/acre). The zoning is Planned Development (PD). The site is comprised of tax parcel numbers 06678-010-038 and 06678-010-039 to the north of SW 24th Ave. along SW 19th Ct. and SW 70th Terr.

**At 5:00 pm or as soon thereafter as may be heard:**

**Project DR23-000055 Preliminary Development Plan Over Threshold for South Pointe PD Ph II, Unit IIC** for a single-family residential subdivision with up to 105 residential lots on approximately 32.1 acres. Located on a portion of Tax Parcel Number 04321-050-008 and 04321-050-010 along the 1700 block of NW 118<sup>th</sup> Drive and along the 11900 through 12100 blocks north of NW 17<sup>th</sup> Avenue with eda inc. as agents. Low Density (1 to 4 dwelling units per acre) Future Land Use Designation; Planned Development (PD) Zoning District. ZOM-06-19.

This meeting will allow for in person participation only. The public may attend in person at 12 SE 1<sup>st</sup> Street, Gainesville, FL, Second Floor, Jack Durrance Board Room.

**COMMENTS / EVIDENCE**

The public is encouraged to submit any written or photographic documents prior to the meeting to <https://growth-management.alachuacounty.us/PublicComment>

No later than 7 calendar days prior to the hearing, an individual or entity wishing to participate as a party in a quasi-judicial public hearing must provide the County with a written request to be considered as a party. The request must include a factual basis for why the requestor believes that he or she should be allowed to participate as a party. Please send your requests to be considered a party to <https://growth-management.alachuacounty.us/PublicComment>

The Board of County Commissioners shall consider written requests for party status at the outset of the hearing and make a determination of which requesting individuals or entities qualify for party status in the hearing.

If an individual or entity intends to participate as a party and provide evidence, beyond testimony at the public hearing, the individual or entity must provide electronic copies of all evidence to the appropriate County staff no later than 5 calendar days prior to the hearing. Any evidence provided electronically will be entered into the record and provided to all identified parties. In addition to any other comments, interested persons are invited to submit comments on whether the proposal will have a significant impact on the cost of housing.

All persons are advised that, if they decide to appeal any decision made at this public hearing or meeting, they will need a record of the proceedings and, for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

**General Information:** Staff Reports on the above items will be available upon request on Friday of the week preceding the meeting at [planning@alachuacounty.us](mailto:planning@alachuacounty.us). Visit [www.alachuacounty.us](http://www.alachuacounty.us) and click on the meetings tab on the homepage for the most up to date information.

If any accommodations are needed for persons with disabilities, please contact the Alachua County Equal Opportunity Office at least two business days in advance at (352) 374-5275 (voice) or (352) 374-5284 TDD users, please call 711 (Florida Relay Service). Printed materials are available in alternate format upon request.

### PUBLIC NOTICE

A Neighborhood Meeting will be held to discuss a Special Exception application to allow Agricultural Services on ±5.07-acres in Alachua County. The site is located at 6115 SW 137th Avenue, Archer, FL 32618 (Alachua County Tax Parcel 07411-003-001). Existing Future Land Use is Rural/Agriculture. Existing Zoning is Agriculture (AG).

This is not a public hearing. The purpose of this meeting is to inform the public about the nature of the proposal and seek their comments.

**Time/Date/Location:** 6:00 PM on February 29<sup>th</sup> at 6115 SW 137th Avenue, Archer, FL 32618  
**Contact:** Craig Brashier, AICP  
**Phone Number:** (352) 331-1976

