



ECONOMIC & BUSINESS DEVELOPMENT OFFICE QUARTERLY REPORT Q3 - FY '24

REPORT OVERVIEW

- I. Key Economic Indicators
- II. Industry Updates
- III. Business Retention, Attraction & Expansion
- IV. Marketing & Advertising
- V. Activity & Updates
- VI. Building Activity

Key Economic Indicators

Key Economic Indicators

Unemployment Rates

	April 2024	May 2024	June 2024	June 2023
Cape Coral	3.3%	3.0%	3.6%	3.2%
Fort Myers	3.7%	3.3%	3.9%	3.8%
Lee County	3.3%	3.0%	3.6%	3.3%
Florida	3.1%	2.9%	3.5%	3.1%

Source: Florida Commerce

Key Economic Indicators

Vacancy Rates – SW Florida

	Retail	Office	Industrial	Multi-Family
Cape Coral	1.8%	1.7%	3.7%	24.1%
Sarasota	3.7%	5.4%	2.3%	13.0%
Fort Myers	1.5%	1.8%	5.2%	14.7%
Punta Gorda	2.3%	3.1%	7.9%	29.5%
Naples	1.4%	6.7%	0%	12.0%
Bonita Springs	3.1%	7.5%	3.4%	-----

Source: CoStar Group

Key Economic Indicators

Vacancy Rates – Most Populated Florida Cities

	Retail	Office	Industrial
Orlando	3.6%	9.4%	6.5%
Miami	2.8%	8.7%	4.6%
Tampa	3.1%	9.4%	5.6%
Jacksonville	4.3%	10.3%	4.6%
Port St Lucie	3.6%	4.3%	16.3%
Tallahassee	2.8%	4.8%	3.1%
Fort Lauderdale	3.7%	10.0%	4.6%
Cape Coral	1.8%	1.7%	3.7%

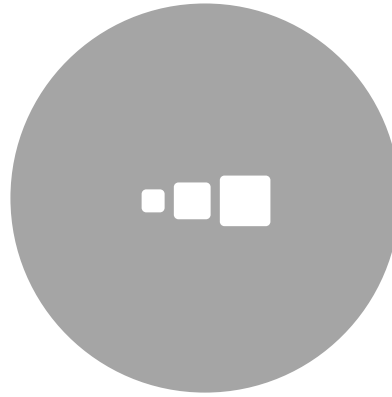
Source: CoStar Group

Industry Updates

Office Market Take-Aways



THERE IS APPROXIMATELY 2.9 MILLION SQ FT OF OFFICE SPACE. THE MARKET HAS GAINED APPROXIMATELY 70,000 SF OVER THE LAST THREE YEARS.



RENTS HAVE INCREASED BY 5.7% IN THE PAST 12 MONTHS AND ARE AVERAGING \$25/SF



THE VACANCY RATE OF 1.7% IS 0.1% LOWER THAN THIS TIME LAST YEAR.

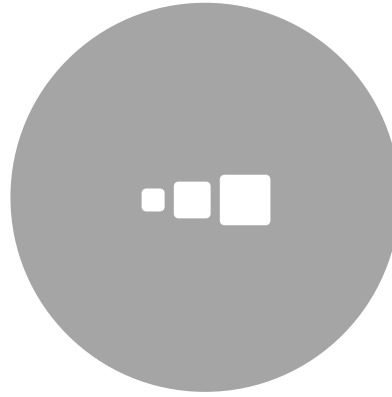
VACANCY RATES VARY ACROSS OFFICE SPACE CLASSES, RANGING FROM 4.5% IN 4&5 STAR AND 0.3% IN 3 STAR PROPERTIES

Source: CoStar Group

Retail Market Take-Aways



THE CITY HAS JUST UNDER 10 MILLION SQ FT OF RETAIL SPACE. ABOUT 82,000 SF IS UNDER CONSTRUCTION



RENTS ARE AROUND \$21/SF, WHICH IS A 3.9% INCREASE FROM WHERE THEY WERE A YEAR AGO.



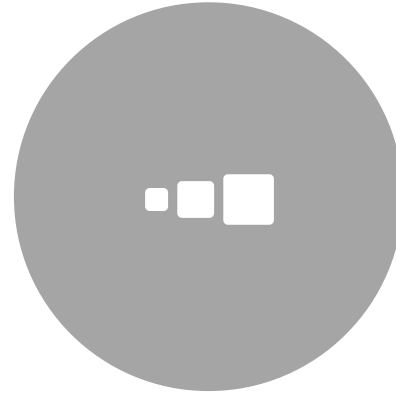
THE MARKET HAS A VACANCY RATE OF 1.8%. THERE IS NEGATIVE ABSORPTION IN GENERAL RETAIL AND NEIGHBORHOOD CENTERS. THERE ARE NO VACANCIES REPORTED IN POWER CENTERS.

Source: CoStar Group

Industrial Market Take-Aways



THE CURRENT 3.7% VACANCY RATE HAS INCREASED 2.3% OVER THE LAST 12 MONTHS COMPARED TO A 4.7% RATE OF INCREASE IN THE BROADER FORT MYERS MARKET.



RENTS ARE AROUND \$13.72/SF COMPARED TO \$13/SF IN THE FORT MYERS MARKET. MARKET ASKING RENT HAS GROWN BY 5.6% OVER THE LAST 12 MONTHS.



ABOUT 61,000 SF IS UNDER CONSTRUCTION, REPRESENTING A 1.5% EXPANSION OF INVENTORY.

Source: CoStar Group

Business Retention, Attraction & Expansion

Commercial Projects – In Construction

Walk-Ons 1127 SW Pine Island Rd.	Commercial Space that will offer Retail and Tiki Lounge	<ul style="list-style-type: none">• Cajun-inspired sports bistreaux• Ground-breaking ceremony was held June 20, 2024• 8,900-square-foot restaurant• Expected to open in the spring of 2025.
Huey Magoo's 1511 NE Pine Island Rd.	Restaurant - family friendly, rustic-style pub	<ul style="list-style-type: none">• Occupying space in the expansion of Cape Coral Commons• Anticipate starting their build-out in August 2024• Expected to open mid-October 2024

Overview of Incentive Projects – YTD 2024

Building Infrastructure Grants	# Applications	Project Investment	Grant Award Request
CM Approved	2	\$9,658,416	\$261,764
In Review	6	\$18,857,887	\$1,500,000
In Progress	20		
Enhanced Value Recapture Grants	# Applications	Project Investment	Grant Award Request
CM Approved	1	\$700,463,466	\$122,993,856
In Review	2	\$217,120,789	\$79,626,105
Cape Collaborates	# Applications	Project Investment	Grant Award Request
In Review	2	\$2,519,554	\$150,000
In Progress	19		

Note:

“In Review” are applications submitted to EDO and being reviewed.

“In Progress” refers to applications that the software system identifies as being worked on by interested applicants. The application is in a draft state and has not yet been submitted to EDO.

Staff is currently reviewing the start dates of in progress applications to identify those that are inactive and working with software company to place into an inactive status.

Overview of Incentive Projects – YTD 2024

Creative Cape	# Applications	Project Investment	Grant Award Request
In Review	2	\$145,000	\$150,000
In Progress	6		

CRA Breaking Barriers to Business	# Applications	Project Investment	Gant Award Request
In Review	1	\$1,242,000	\$50,000
CRA Approved	2	\$964,388	\$68,000
In Progress	9		



610 Burnt Store Rd. S.

Project Update

- Commercial Retail and Dining
- Site Development Permit and Building permit have been approved.
- Demo permit applications have been submitted for the 5 structures that are on the back half of the Island Pearl development.



Cape Coral Grove Project Update

2301 SW Pine Island Rd

- I. \$700 Million Project
 - a. 385,000 SQ FT Commercial Retail and Dining
 - b. 165,000 SQ FT Leasable Office Space
 - c. 138 Hotel Rooms
 - d. 1,312 Multifamily Units
- II. Priority Permitting Track
 - a. Progress Drawings, Site Plan & FDOT Plans in review
- III. Development Agreement
 - a. Approved 8/7/2024
- IV. Incentive Agreement
 - a. Scheduled for 8/21/2024 Agenda

Q4 2024: Phase 1 & 2 Infrastructure Start

Q2 2025: Town Center Start followed by
Multifamily

7 Islands – Gulf Gateway Resort

Location: Old Burnt Store Road

I. Proposed Program

- a. Multi-Family Condo, Townhomes, Fish Houses
- b. Hotel Resort with meeting space
- c. 37,000 SF Commercial Space
- d. Community Center
- e. Park
- f. Boat slips/Marina

II. Army Corp of Engineer application submitted in January and Project Manager assigned– anticipates 18-24 months application review period

III. Traffic Impact Study in review

IV. SFWMD application in progress- anticipate timeline for October - December 2025 issuance

V. Site Plan Finalized

VI. Development Agreement being finalized

- a. Draft Term Sheet Established



Victory Park - 1700 Home of the Brave Boulevard

- a. 140 acre Master Planned Development
- b. Proposed Uses: Medical, Retail, Multi-family Residential, Veteran Services, and Hotel
- c. Designed to promote, walkability, biking and public transit options



Updates:

1. Phase 1 Infrastructure design 25% complete – hotel & medical
2. Site Plan for hotel approved
3. Building plans submitted for Multifamily, Medical Office, & Hotel – 2nd review
4. Plat in review



Bimini Square

338 Palmetto Dr and 414
Cape Coral Parkway E

- I. **\$55 Million Investment**
- II. **Mixed-Use Project**
 - a. Waterfront Restaurant
 - b. 48,000 sf retail and professional space
 - c. 218 Premium apartments
 - d. 25 - slip boat dock
 - e. 500 space parking garage – 125 public spaces
- III. **5.6 - acre site**
- IV. **Project Updates**
 - a. Residential and 4-story commercial building under construction
 - b. All commercial leases finalized

Marketing & Advertising

FY 2023/24 Lee County Visitor & Convention Bureau Cooperative Advertising

Luxury Link (Email Publisher):

May 1-31, 2024

Luxury Link is a unique online destination for inspiration and information about the world's best destinations, luxury accommodations, and curated travel experiences. It reaches an older (56% are adults 45+) and affluent (average household income of \$275K+) audience.

VCB to match funds 1:1

Monthly emails sent: 250,000

Monthly opens clicks: 135,379

Click rate: 54.15%

Industry average monthly clicks: 37

Example Advertisement



The advertisement features a scenic image of a wooden boardwalk leading to a small gazebo over water, with a sunset in the background. To the right of the image, the text reads: **EXPLORE FLORIDA NATURE AND SOUTH CAPE HOSPITALITY!** Below this, it says: **City of Cape Coral** – Stroll down the boardwalk at Rotary Park to enjoy 97 acres of Southwest Florida nature, water views and a butterfly house. Find shopping, dining and entertainment nearby on 47th Ter. At the bottom right is a teal button with the text **LEARN MORE**.

YTD Marketing



EBD Business Spotlights/Social Media Campaign	44
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Billboard Advertising (Punta Gorda Airport)	2
Featured 6-month "Here We Grow" & "Forbes: 4th Best Place to live in Florida."	

Facebook Ads via VCB Co-Op	2
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Florida Trend Magazine	2
"Discover Cape Coral" and "Here We Grow Florida Trend ad"	

Local Paper: Cape Coral Sun	1
Highlighted available EDO Incentives to businesses / East of Chicago Awardee	

EDO Award Applications	1
International Economic Development Council (IEDC) 2024 Excellence Awards	

EDO Newsletters (January, April, July)	3
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SWFL Business Today Ads (Feb, April, May, July)	4
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Activity & Updates

A blue ballpoint pen with a silver tip and clip is positioned diagonally across the left side of the slide. The background is a light blue document featuring a bar chart with several vertical bars of varying heights. The overall aesthetic is professional and business-oriented.

Economic Development Strategic Plan

Consultant Updates

1. Infrastructure Analysis – use of fiber ring for future development
2. Land Use and Workforce Housing

Lead Consultant: DCG Corplan Consulting

Progress to Date

Task Completion – 72%

Projected Completion – October

Consultant requested 2-month extension for completion of Task 11.



CITY OF CAPE CORAL BUSINESS & INDUSTRY ROUNDTABLE

Q3 Completed

April	Tourism, recreation, and sports industry
May	CRA
June	Retail



Upcoming

July	No Meeting
August	Lender/Finance
September	Restaurants
October	Construction/Building & Trades
November	Marine
December	No Meeting

Q3 Business Retention Activity

Leads Outreach Activates	35
Networking Events	23
New Biz Navigator outreach	40
Business Tax Receipt Navigation	42
Fire/Permit Navigation	30
Speaking Engagements & Interviews	3
BRE Visits Business retention and expansion visit aims to retain or keep existing businesses in a community and provide assistance for businesses to expand.	7

Activity Updates

1. Priority Track Permitting - Standing project meetings with DSD Staff and Developer Debrief/Review of Commercial Construction Processes
2. Regional promotion and engagement – continuous engagement with Lee VCB, Horizon Council, Chamber of Commerce, Lee VCB Co-Op
3. Subscribed To Placer AI Data Services for data driven strategies – access to visitor metrics to national chains and points of interest; demographics for residents and visitors, property information, sales information
4. Business & Industry Outreach – Monthly Roundtables and Construction/Developers Industry Listening Workshop

Building Activity

Building Activity Report – As of June 2024

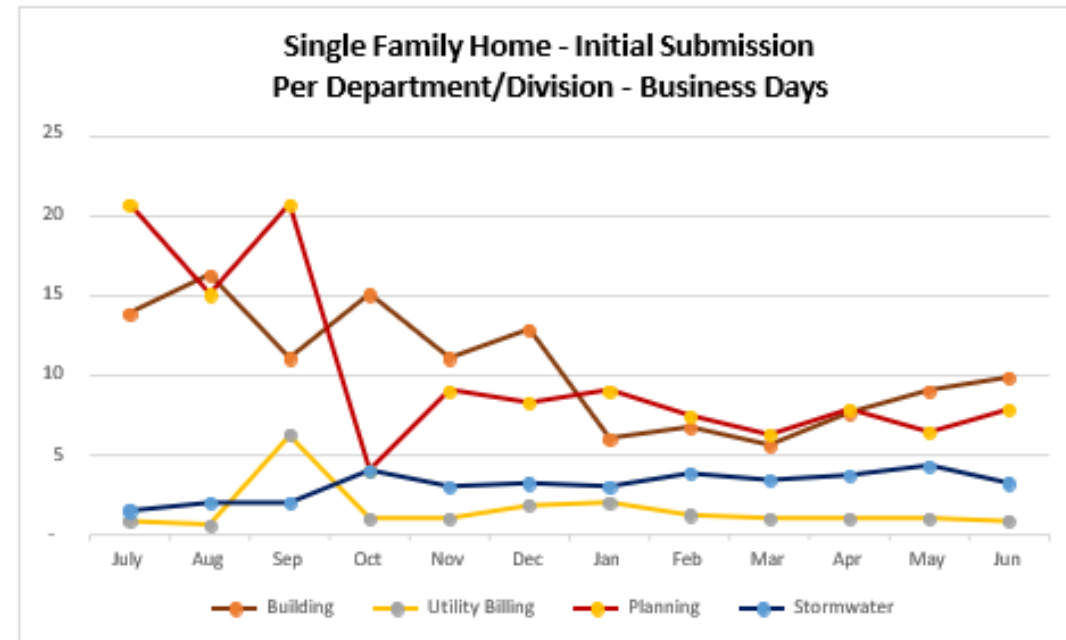
COMMERCIAL CONSTRUCTION

Month	2019	2020	2021	2022	2023	2024	2024 vs 2023 Difference	2023 vs 2022 Difference	2022 vs 2021 Difference
October	24	18	17	29	7	40	33	(22)	12
November	19	13	9	15	25	60	35	10	6
December	20	16	13	22	10	37	27	(12)	9
January	22	21	13	11	27	70	43	16	(2)
February	23	12	12	11	23	45	22	12	(1)
March	25	28	36	18	38	29	(9)	20	(18)
April	33	8	16	21	28	17	(11)	7	5
May	25	17	16	39	51	21	(30)	12	23
June	31	21	28	13	34	28	(6)	21	(15)
July	21	16	33	17	42			25	(16)
August	31	21	32	28	33			5	(4)
September	29	32	32	12	52			40	(20)
Total	303	223	257	236	370	347	104	134	(21)
Average/Mo	25	19	21	20	31	39	8	11	(2)
Percentage change over Prior Year	N/A	-26.4%	15.2%	-8.2%	56.8%	N/A	36.1%	56.8%	-8.2%

Building Activity Report – As of June 2024

Building Permit Reviews (Business days)

Review Type	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July - Jun Average
Building	14	16	11	15	11	13	6	7	6	8	9	10	10
Utility Billing	1	1	6	1	1	2	2	1	1	1	1	1	2
Planning	21	15	21	4	9	8	9	7	6	8	6	8	10
Stormwater	2	2	2	4	3	3	3	4	3	4	4	3	3



Building Activity Report – As of June 2024

Commercial Construction - Average Days To Review Building Plans - By Review Type

Building Permit Reviews (Calendar days)

Review Type	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July - Jun Average
Building & Zoning	14	24	16	18	16	22	12	12	7	9	11	17	15
Electrical	14	16	9	13	12	12	7	8	4	6	6	6	9
Mechanical	4	6	7	5	4	5	5	5	4	3	3	4	5
Plumbing	5	5	7	4	4	5	5	5	3	3	3	4	4
Utility Billing	4	7	10	2	7	13	12	9	14	8	9	11	9
Fire	12	14	18	15	13	16	8	10	8	7	8	9	11
Environmental	7	5	5	-	13	7	31	10	7	9	8	21	10
Planning	22	28	30	15	15	20	16	18	13	25	13	24	20

Thank you

