

**Mayor**

Marni L. Sawicki

**Council Members**

District 1: James D. Burch

District 2: John M. Carioscia Sr.

District 3: Marilyn Stout

District 4: Richard Leon

District 5: Rana M. Erbrick

District 6: Richard Williams

District 7: Jessica Cosden



1015 Cultural Park Blvd.  
Cape Coral, FL

**City Manager**

John Szerlag

**City Attorney**

Dolores Menendez

**City Auditor**

Margaret Krym

**City Clerk**

Rebecca van Deutekom

**AGENDA**  
**COMMITTEE OF THE WHOLE**

January 30, 2017

4:30 PM

Council Chambers

**PLEDGE OF CIVILITY**

We will be respectful of each other even when we disagree.  
We will direct all comments to the issues. We will avoid personal attacks.

**1. MEETING CALLED TO ORDER**

A. MAYOR SAWICKI

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

A. MAYOR SAWICKI, COUNCIL MEMBERS BURCH, CARIOSCIA, COSDEN, ERBRICK, LEON, STOUT, WILLIAMS

**4. BUSINESS:**

A. CITIZENS INPUT TIME

A maximum of 45 minutes is set for input of citizens on matters concerning the City Government; 3 minutes per individual.

B. DISCUSSION

- (1) Charter School Update (45 minutes)
- (2) Economic Development Master Plan (EDMP) - Elements 1 & 2 (45 Minutes)

**5. ROUND TABLE DISCUSSION**

**6. TIME AND PLACE OF FUTURE MEETINGS**

A. A Regular Meeting of the Cape Coral City Council is Scheduled for Monday, February 6, 2017 at 4:30 p.m. in Council Chambers

## 7. MOTION TO ADJOURN

### **GENERAL RULES AND PROCEDURES REGARDING THE CAPE CORAL CITY COUNCIL AGENDA**

In accordance with the Americans with Disabilities Act and Section of 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this meeting should contact the Office of the City Clerk at least forty-eight (48) hours prior to the meeting. If hearing impaired, telephone the Florida Relay Service Numbers, 1-800-955-8771 (TDD) or 1-800-955-8770 (v) for assistance.

Persons wishing to address Council under Citizens Input or the Consent Agenda may do so during the designated times at each meeting. No prior scheduling is necessary. All speakers must have their presentations approved by the City Clerk's office no later than 3:00 PM the day of the meeting.

Any citizen may appear before the City Council at the scheduled PUBLIC HEARING/INPUT to comment on the specific agenda item being considered. No prior scheduling is necessary.

When recognized by the presiding officer, a speaker shall address the City Council from the designated speaker's lectern, and shall state his or her name and whom, if anyone, he or she represents. An address shall only be required if necessary to comply with a federal, state or local law.

Copies of the agenda are available in the main lobby of Cape Coral City Hall and in the City Council Office, 1015 Cultural Park Boulevard. Copies of all back-up documentation are also available for review in the lobby of Council Chambers. You are asked to refrain from removing any documentation. If you desire copies, please request they be made for you. Copies are 15 cents per page. Agendas and back-up documentation are also available on-line on the City website (capecoral.net) after 4:00 PM on the Thursday prior to the Council Meeting.

### **\*PUBLIC HEARINGS DEPARTMENT OF COMMUNITY DEVELOPMENT CASES**

In all public hearings for which an applicant or applicants exist and which would affect a relatively limited land area, including but not limited to PDPs, appeals concerning variances or special exceptions, and small-scale rezonings, the following procedures shall be utilized in order to afford all parties or their representatives a full opportunity to be heard on matters relevant to the application:

1. The applicant, as well as witnesses offering testimony or presenting evidence, will be required to swear or affirm that the testimony they provide is the truth.
2. The order of presentation will begin with the City staff report, the presentation by the applicant and/or the applicant's representative; witnesses called by the applicant, and then members of the public.

3. Members of the City Council may question any witness on relevant issues, by the applicant and/or the applicant's representative, City staff, or by any member of the public.
4. The Mayor may impose reasonable limitations on the offer of testimony or evidence and refuse to hear testimony or evidence that is not relevant to the issue being heard. The Mayor may also impose reasonable limitations on the number of witnesses heard when such witnesses become repetitive or are introducing duplicate testimony or evidence. The Mayor may also call witnesses and introduce evidence on behalf of the City Council if it is felt that such witnesses and/or evidence are necessary for a thorough consideration of the subject.
5. After the introduction of all-relevant testimony and evidence, the applicant shall have the opportunity to present a closing statement.
6. If a person decides to appeal any decision made by the City Council with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she 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.

<b>Item Number:</b>	<b>B.(1)</b>
<b>Meeting Date:</b>	<b>1/30/2017</b>
<b>Item Type:</b>	<b>DISCUSSION</b>

**AGENDA REQUEST FORM**  
CITY OF CAPE CORAL



**TITLE:**

Charter School Update (45 minutes)

**REQUESTED ACTION:**

Informational

**STRATEGIC PLAN INFO:**

1. Will this action result in a Budget Amendment? No
2. Is this a Strategic Decision? No  
If Yes, Priority Goals Supported are listed below.  
If No, will it harm the intent or success of the Strategic Plan? No

**Planning & Zoning/Staff Recommendations:**

**SUMMARY EXPLANATION AND BACKGROUND:**

**LEGAL REVIEW:**

**EXHIBITS:**

Memo from Margaret Krym, City Auditor  
Memo from John Szerlag, City Manager  
Charter Detailed Attachments  
Charter - Charts only

**PREPARED BY:**

Suzanne Lopez      Division- Administration      Department- Financial Services

**SOURCE OF ADDITIONAL INFORMATION:**

Victoria Bateman, Financial Services Director  
(239)574-0491

**ATTACHMENTS:**

**Description**

- ▣ Memo from Margaret Krym, City Auditor
- ▣ Memo from John Szerlag, City Manager
- ▣ Charter Detailed Attachments
- ▣ Charter - Charts only

**Type**

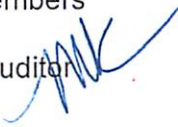
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CITY AUDITOR'S OFFICE

TO: Mayor and Council Members

FROM: Margaret Krym, City Auditor 

DATE: January 27, 2017

SUBJECT: Charter School Authority – Best Practice Review

The Council had requested that I work with the City Manager to provide the City Council with a look at best practices and to examine the administrative interactions and relationship between the City and the Charter School Authority. As the team began to explore these issues it quickly became apparent that as a first best practice, a forward looking financial sustainability model for the Charter School Authority would be necessary as some of the root causes of the breakdown in administrative functions have to do with inadequate staffing resources. Also, we were made aware of numerous capital project needs that will be facing the schools in the near future.

The City Manager asked the City's Financial Services Director to prepare a forward looking four-year baseline budget to help foresee future revenue opportunities and spending needs.

Regarding services provided to the Charter Schools, Chapter 26 of the Code of Ordinances states, "The city shall charge a fee or fees for those services; the fee or fees shall be equal to the cost of providing those services." Therefore, the Financial Services Director was also asked to gather data from all City departments providing services to the Charter School Authority and calculate the actual costs associated with those services.

This was all considered preliminary work to begin the process of defining corrective actions and best practices as requested by the City Council.

I have participated in the meetings where this financial sustainability model has been prepared, presented, discussed, reviewed and modified. Present in those meetings have been the Budget Management staff members of both the Charter Schools and the City who are closest to the 'facts'. These staff members are far removed from the politics of our City. Their motivation is only to provide numbers that are accurate and defensible.

Additionally, although I have not audited the presented numbers, I have reviewed some of the spreadsheets which are the foundation of this analysis and been impressed with the efforts to ground the numbers to factual known information where possible (adopted Charter School Budgets) and when not, document all assumptions used.

I have also been present in meetings where the assumptions used were discussed with the Charter School Superintendent and school staff. No directions were given to direct or skew the assumptions. Most are grounded in assumptions used to drive the City's budgeting practices which have been adopted by the Charter School system in the past.

A conscientious effort was made to gain consensus on this model and to bring a unified presentation to the City Council at the Council meeting on January 30, 2017.

To be sure, the financial picture that this model provides is not positive. This is exactly why leadership should require forward looking budget planning. With a model like this in hand, leadership (the Charter School Authority Board, the City Council and the School Superintendent) have an opportunity to make intelligent and informed decisions regarding the future financial success of the Charter Schools.

I believe these Charter Schools represent one of the best attributes of the City of Cape Coral and I certainly want to see them successful and thriving. I am happy to serve as an independent observer of this process and to offer my expertise where appropriate. I fear that some of the urgency to bring this model forward may be because of my short remaining time with the City and the knowledge that following my departure no one on my staff is currently prepared to serve in this capacity.

I am happy to respond to any questions or concerns that may be raised regarding the work done on this project to date.

C: John Szerlag, City Manager  
Michael Ilczyszyn, Assistant City Manager  
Dolores Menendez, City Attorney  
Rebecca van Deutekom, City Clerk  
Nelson Stephenson, Superintendent

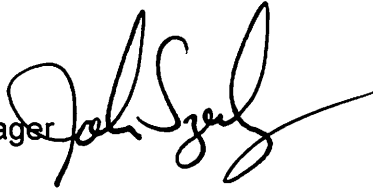
**MEMORANDUM**

CITY OF CAPE CORAL  
CITY MANAGER'S OFFICE

**TO:** Mayor and Council

**FROM:** John Szerlag, City Manager

**DATE:** January 27, 2017



**SUBJECT:** Charter School Review Update

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In mid-December, City Council tasked staff and me with reviewing the operations of the Cape Coral Municipal Charter School System. Financial and operational questions had surfaced, and City Council requested a thorough review to determine where deficiencies might exist and how the organization could be strengthened.

The City of Cape Coral Municipal Charter School System was established in 2005. The schools were funded primarily via the "per student" share of state revenues received by all public schools, and there would be no additional taxpayer dollars provided. (See attached article "On The Move" newsletter)

After more than 10 years of operations, it is not unexpected that Council and City staff would want to review the current finances, policies and procedures of our municipal school system. We are focusing on financial management, human resources, information technology, recordkeeping, risk management, capital expenditures, and operation and maintenance. We also will be looking at the structure of the charter school system vis-à-vis the City of Cape Coral.

While the process may seem somewhat intrusive from the charter school administration's perspective, our actions should not be viewed as anything other than good governance and responsible oversight. We want the same outcome – a municipal charter school system that is financially and operationally sound.

It has been my expressed desire to conduct this review solely in the empirical arena, not in the political arena or through the media. Let's gather the facts and go from there.

There are three fundamental steps to accomplish a thorough review:

Step 1: Evaluate the system. This begins by establishing a baseline from which to operate. With a baseline established, the City can conduct a complete review and identify areas of concern.



Charter School Review Update Memo  
Page 2

Step 2: Identify problem areas and develop potential solutions to fix the problems.

Step 3: Fix the problem areas and develop an operational model that will serve the Charter School System into the future.

Please know we intend to keep moving forward and accomplish the goal of building a financially sustainable municipal charter school system that is the envy of Florida.

## The Cape Coral Charter School System

The City of Cape Coral is exploring the possibility of creating a municipal charter school system – an educational system that will serve the residents of Cape Coral. The City has submitted the official charter application to the Lee County School Board and plans to build two elementary schools in time for the 2005-06 school year. A middle school is scheduled for the following year, with a high school planned for the 2007-08 school year.

The City of Cape Coral is one of the fastest growing cities in the nation, with more than 6,000 new residents moving to Cape Coral each year. Because of this growth, Cape Coral has an immediate need for more classroom space for our children. The Lee County School Board has a huge challenge trying to meet the needs of a growing county. Municipal charter schools can be built more quickly than district schools, so the Lee County School Board has expressed their support for Cape Coral Charter Schools.

The Cape Coral Charter Schools will be public schools run by an independent board instead of the Lee County School Board. Schools receive funds from the School District. The District receives a "per student" amount of state funding for every child enrolled in the school system, and these funds will be distributed to the charter schools. The City uses its bonding capacity to finance the cost of building the schools, and the schools then lease the buildings from the City. The lease payments will pay the debt service for construction. There is no additional cost to Cape Coral taxpayers.

All students in Cape Coral are eligible for admission, and students will be selected using random selection methods. There is no tuition to the student to attend the charter school, although there will be costs for school supplies and activity fees. The City will provide numerous opportunities for parents to sign up to receive the application package (see sidebar). The City will have sign-up sheets available at public meetings, and parents can register to receive an application at the Cape charter schools: [www.capecharterschools.org](http://www.capecharterschools.org).

The current projected timeline calls for the Cape Coral City Council to decide sometime in May or June 2004 whether or not to award construction contracts and issue bonds to build the elementary schools.

If you have additional questions about the Cape Coral Charter School System, you can email us at [capecharterschools@capecoral.net](mailto:capecharterschools@capecoral.net) or call the City Manager's Office at 574-0447. Citizen input and opinion is very important in the decision-making process. Please let us know your thoughts and ideas about the Cape Coral Charter School System.



## City Sets Dates for Public Information Meetings on Charter Schools

The City of Cape Coral has set the public information meeting dates for parents and residents to learn more about Cape Coral Charter Schools. The City will hold evening meetings in each City Council district at the local schools in the respective district.

"This is a chance for the public to gather information and ask questions about the Cape Coral Charter Schools plan," said City Manager Terry Stewart. "Before City Council proceeds, they want the community to have an opportunity to hear the plan and provide feedback about whether municipal charter schools are right for Cape Coral."

The City is very appreciative of the support provided by the local schools in providing a venue for the information meetings. Residents can attend any of the meetings, and if someone is unable to attend the district meetings, the City will hold a final public meeting in Council Chambers. This meeting will be broadcast live on Cape TV, Channel 14 on Time-Warner cable.

The City also has speakers available to come to meetings held by local civic organizations and associations to discuss the charter schools initiative. Please contact the City Manager's Office at 574-0447 if you would like to schedule a presentation for your group.

District #1: Cape Coral Elementary, Wednesday, January 14, 6:30 p.m.

District #2: Gulf Elementary, Wednesday, January 28, 6:30 p.m.

District #3: Skyline Elementary, Wednesday, February 11, 6:30 p.m.

District #4: Pelican Elementary, Wednesday, February 25, 6:30 p.m.

District #5: Trafalgar Middle (library), Wednesday, March 10, 6:30 p.m.

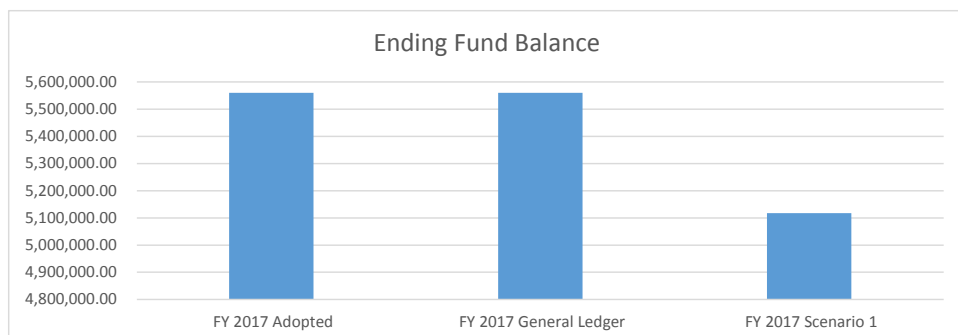
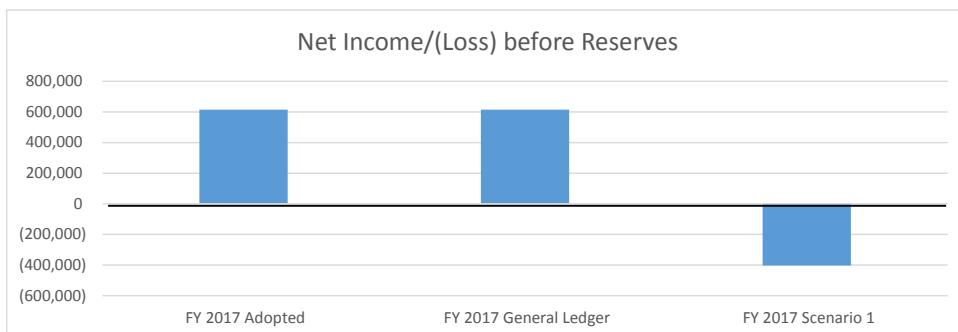
District #6: Diplomat Elementary, Tuesday, March 23, 6:30 p.m.

District #7: Caloosa Elementary, Wednesday, April 14, 6:30 p.m.

Final Public Meeting: Council Chambers, Tuesday, April 27, 6:30 p.m.

Charter School	CS Budget Book FY 2017 Adopted	Current State JDE FY 2017 Forecast	Scenario 1 FY 2017 Forecast	Variance JDE - Scenario 1	Comments
Revenue					
Balances Forward-Op Res	729,976	729,976	402,672	(327,304)	Adjust to CAFR
Balances Forward-Unassigned	4,214,688	4,214,688	4,887,384	672,696	Adjust to CAFR
Charge for Service	585,400	585,400	585,400	-	
Intergov-	24,347,840	24,414,847	23,896,572	(518,275)	Reduce to Student Count
Misc	304,142	237,135	237,135	-	
<b>Revenue Total</b>	<b>30,182,046</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>(172,883)</b>	
Expense					
1 Payroll	16,573,599	16,573,599	16,573,599	-	
2 Operating	7,502,015	7,517,350	7,517,350	-	
3 Capital	546,165	530,830	-	(530,830)	Breakout between Capital Category
3 Capital Equipment			485,765	485,765	
3 Capital Vehicles			17,740	17,740	
3 Capital Library Books			2,900	2,900	
3 Capital Scholastic Book Fair			22,500	22,500	
3 Capital Improvements			500,000	500,000	Moved from Reserves to Capital
3 Capital Maintenance			1,925	1,925	
7 Reserves - Assigned	1,000,000	1,000,000	500,000	(500,000)	Moved from Reserves to Capital
7 Reserves - Unassigned	4,560,267	4,560,267	4,387,384	(172,883)	Balance
<b>Expense Total</b>	<b>30,182,046</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>(172,883)</b>	
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>FY 2017 Adopted</b>	<b>FY 2017 Forecast</b>	<b>FY 2017 Forecast</b>	<b>Variance</b>	
Revenue	25,237,382	25,237,382	24,719,107	(518,275)	
Expense	24,621,779	24,621,779	25,121,779	500,000	
<b>Net Income/(Loss) before Reserves</b>	<b>615,603</b>	<b>615,603</b>	<b>(402,672)</b>	<b>(1,018,275)</b>	
<b>Fund Balance</b>					
Beginning Fund Balance	4,944,664	4,944,664	5,290,056	345,392	
Change in Fund Balance	615,603	615,603	(402,672)	(1,018,275)	
<b>Ending Fund Balance</b>	<b>5,560,267</b>	<b>5,560,267</b>	<b>4,887,384</b>	<b>(672,883)</b>	

	FY 2017 Adopted	FY 2017 General Ledger	FY 2017 Scenario 1	Variance
<b>Net Income/(Loss) before Reserves</b>	615,603	615,603	(402,672)	(1,018,275)
<b>Ending Fund Balance</b>	5,560,267	5,560,267	5,117,079	(443,188)

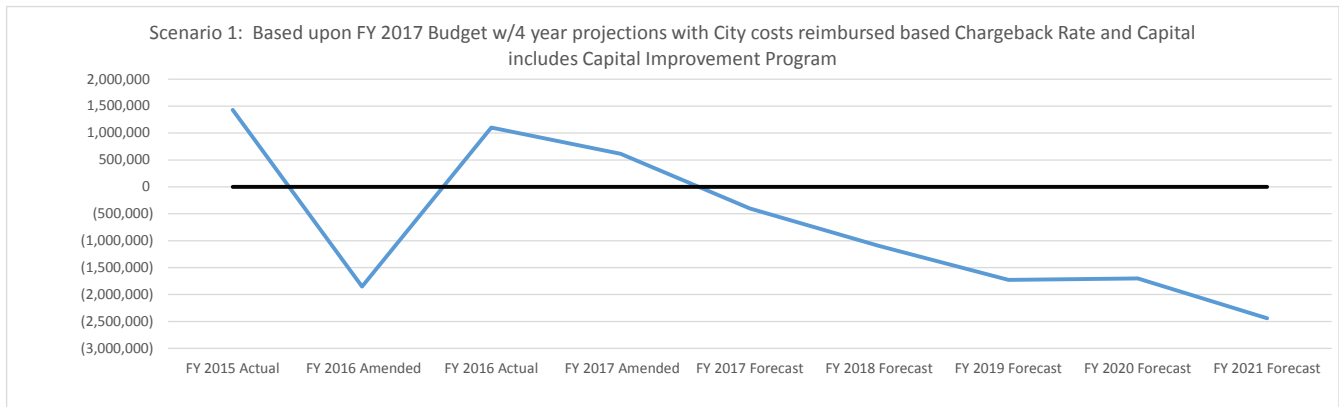


Scenario 1: Based upon FY 2017 Budget w/4 year projections with City costs reimbursed based Chargeback Rate and Capital includes Capital Improvement Program

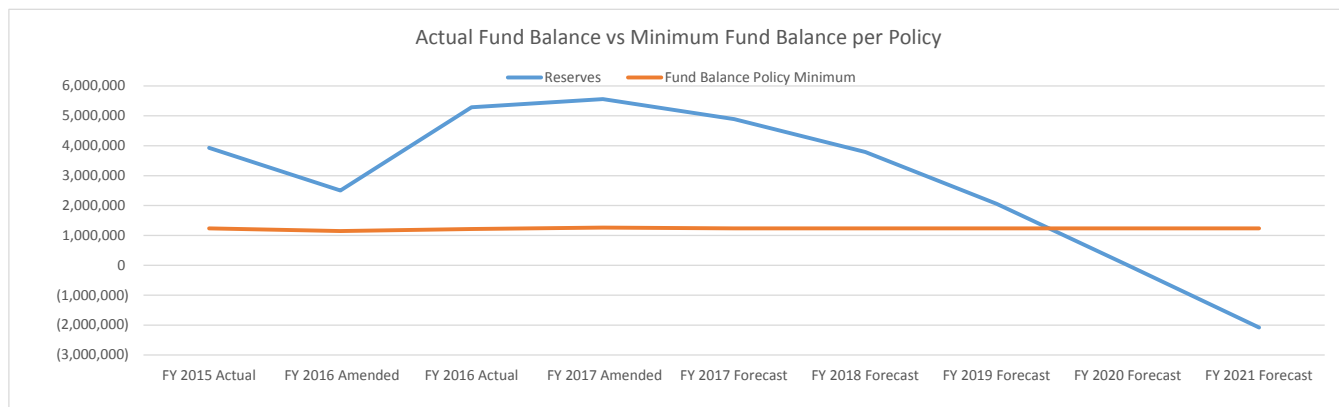
Charter School  
Scenario 1

Forecast	FY 2015 Actual	FY 2016 Amended	FY 2016 Actual	FY 2017 Amended	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast
Revenue									
Balances Forward-Op Res	-	1,127,404	-	729,976	402,672	1,097,748	1,729,482	1,700,202	359,952
Balances Forward-Unassigned	-	2,711,163	3,931,311	4,214,688	4,887,384	3,789,636	2,060,154	359,952	-
Charge for Service	1,078,648	587,300	987,717	585,400	585,400	585,400	585,400	585,400	585,400
Intergov-	22,868,888	22,590,603	22,548,583	24,414,847	23,896,572	23,896,572	23,896,572	23,896,572	23,896,572
Misc	707,293	(257,787)	722,479	237,135	237,135	237,135	237,135	237,135	237,135
<b>Revenue Total</b>	<b>24,654,829</b>	<b>26,758,683</b>	<b>28,190,090</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>29,606,491</b>	<b>28,508,743</b>	<b>26,779,261</b>	<b>25,079,059</b>
Expense									
1 Payroll	15,525,581	16,457,331	15,686,425	16,573,599	16,573,599	17,117,369	17,631,084	18,209,904	18,756,383
2 Operating	7,667,622	7,829,985	7,441,381	7,517,350	7,517,350	7,728,686	7,946,705	8,171,605	8,403,638
3 Capital	-	-	-	-	-	-	-	-	-
3 Capital Equipment	-	455,700	-	485,765	485,765	120,800	20,800	37,800	-
3 Capital Vehicles	-	-	-	17,740	17,740	-	-	-	-
3 Capital Library Books	4,339	5,200	7,126	2,900	2,900	-	-	-	-
3 Capital Scholastic Book Fair	27,598	23,952	23,612	22,500	22,500	-	-	-	-
3 Capital Improvements	-	-	-	-	500,000	850,000	850,000	-	-
3 Capital Maintenance	-	-	-	1,925	1,925	-	-	-	-
6 Transfer Out	22,357	-	11,356	-	-	-	-	-	-
7 Reserves	3,931,311	2,502,089	5,290,056	5,560,267	4,887,384	3,789,636	2,060,154	359,952	-
<b>Expense Total</b>	<b>27,178,809</b>	<b>27,274,257</b>	<b>28,459,957</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>29,606,491</b>	<b>28,508,743</b>	<b>26,779,261</b>	<b>27,160,021</b>
<b>Net</b>	<b>(2,523,980)</b>	<b>(515,574)</b>	<b>(269,867)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,080,962)</b>
<b>Cumulative Fund Balance</b>									<b>(2,080,962)</b>

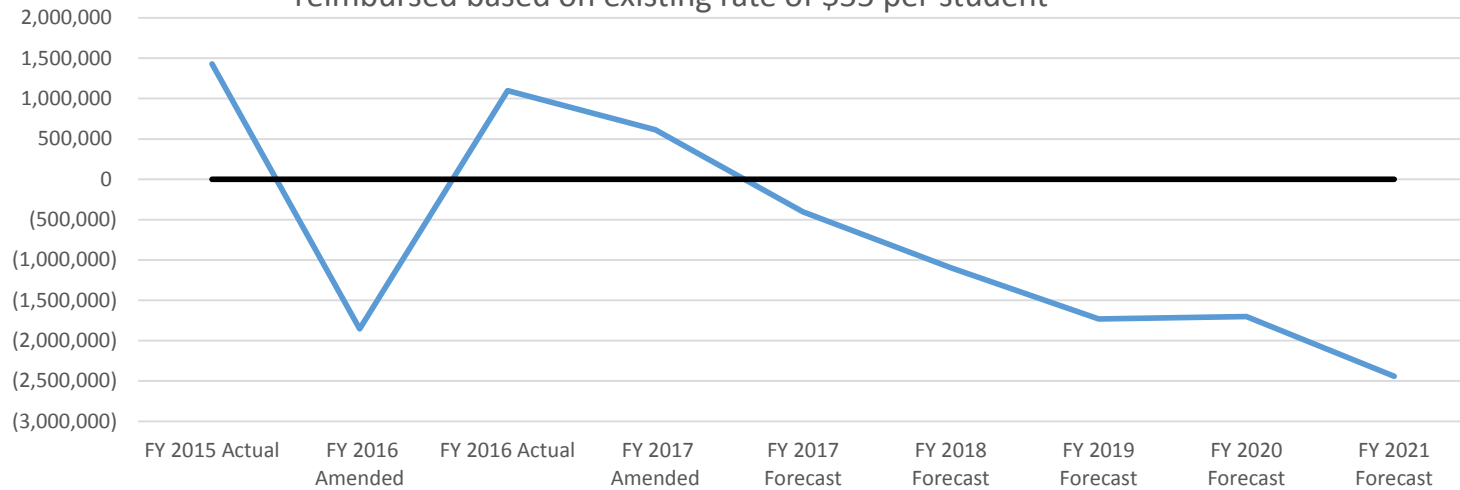
	FY 2015 Actual	FY 2016 Amended	23,158,545	FY 2017 Amended	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast
<b>Net Income/(Loss) before Reserves</b>	1,429,688	(1,852,052)	1,100,234	615,603	(402,672)	(1,097,748)	(1,729,482)	(1,700,202)	(2,440,914)
without Fund Balance									
Revenue	24,654,829	22,920,116	24,258,779	25,237,382	24,719,107	24,719,107	24,719,107	24,719,107	24,719,107
Expense	23,225,141	24,772,168	23,158,545	24,621,779	25,121,779	25,816,855	26,448,589	26,419,309	27,160,021
<b>Net Income/(Loss) before Reserves</b>	1,429,688	(1,852,052)	1,100,234	615,603	(402,672)	(1,097,748)	(1,729,482)	(1,700,202)	(2,440,914)



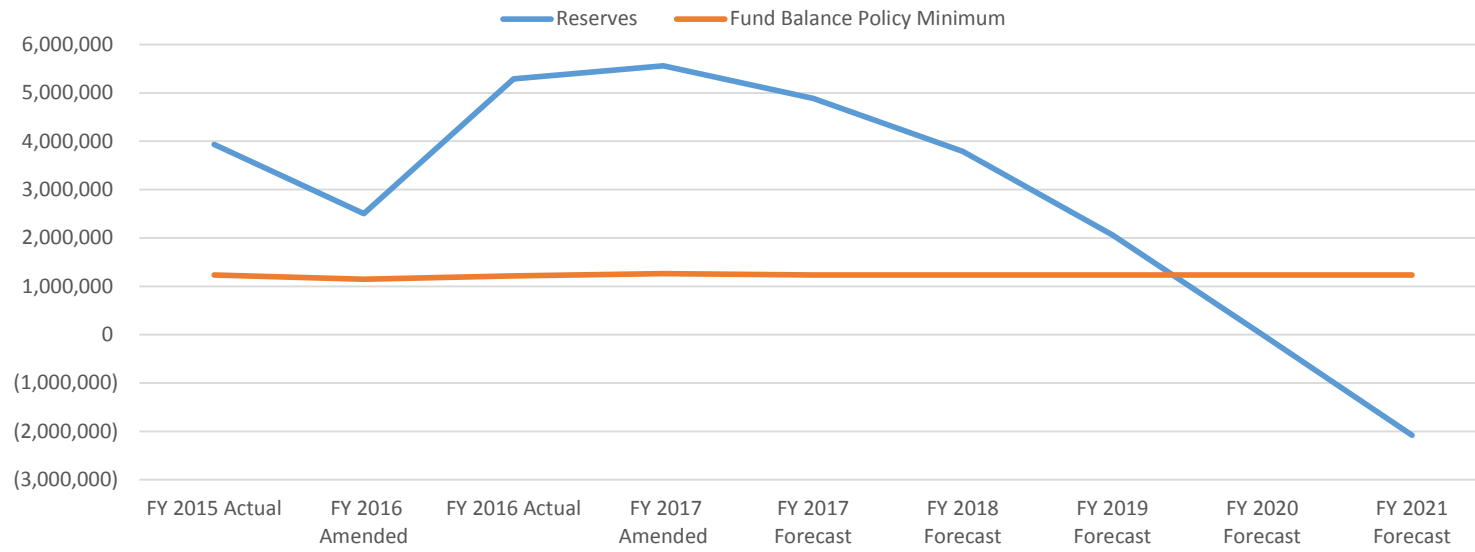
	FY 2015 Actual	FY 2016 Amended	FY 2016 Actual	FY 2017 Amended	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast
Reserves	3,931,311	2,502,089	5,290,056	5,560,267	4,887,384	3,789,636	2,060,154	-	(2,080,962)
Fund Balance Policy Minimum	1,232,741	1,146,006	1,212,939	1,261,869	1,235,955	1,235,955	1,235,955	1,235,955	1,235,955



Scenario 1: Based upon FY 2017 Budget w/4 year projections with City costs reimbursed based on existing rate of \$55 per student



Actual Fund Balance vs Minimum Fund Balance per Policy





Charter School  
Current State - Scenario 1  
Assumptions

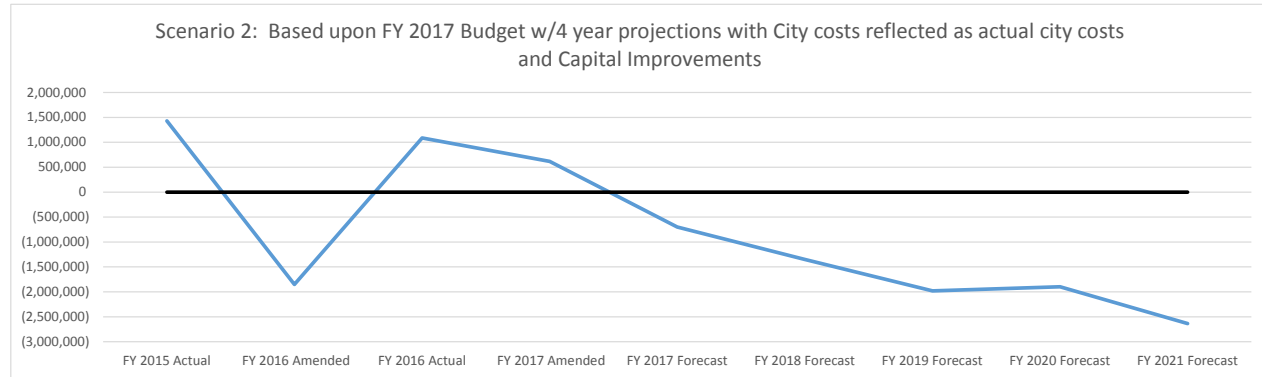
	FY 2017	FY 2017 CS Adj	FY 2018	FY 2018 CS Adj	FY 2019	FY 2019 CS Adj	FY 2020	FY 2020 CS Adj	FY 2021	FY 2021 CS Adj
<b>Revenue</b>										
FEFP: Reduction due to Student Count	\$ (518,275)		\$ (518,275)		\$ (518,275)		\$ (518,275)		\$ (518,275)	
AICE: Included in FY 2018 - FY 2021 \$627,085 annually remaining constant										
<b>Expenditures</b>										
Cost Escalation Factors										
Payroll			3.00%	4.00%	3.00%		3.00%	4.00%	3.00%	
Operating										
General			2.50%		2.50%		2.50%		2.50%	
Specific variation										
Legal Services			3.00%		3.00%		3.00%		3.00%	
Other Professional			3.00%		3.00%		3.00%		3.00%	
Outside Service			4.00%		4.00%		4.00%		4.00%	
Electric			6.00%		6.00%		6.00%		6.00%	
Diesel Fuel			6.00%		6.00%		6.00%		6.00%	
Unleaded Fuel			6.00%		6.00%		6.00%		6.00%	
Dyed Diesel Fuel			6.00%		6.00%		6.00%		6.00%	
Fiscal Services										
JDE										
Chargeback	250,505		250,505		250,505		250,505		250,505	
Sr Accountant	61,222		61,222		61,222		61,222		61,222	
	311,727		311,727		311,727		311,727		311,727	
<b>Capital</b>										
<b>Capital Expense Category</b>	\$ (518,275)									
FY 2017 Adopted Budget	-									
FY 2017 Amended Budget - JDE	530,830									
FY 2017 Adopted Asset Management Program	1,381,413									
Capital Improvement	500,000									
Capital Equipment	520,765									
Capital Maintenance	360,648									
<b>Entered from FY 17 Adopted AMP</b>	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
<b>Capital Equipment</b>			120,800		2,800		37,800		-	
<b>Capital Improvement</b>	500,000		850,000		850,000					
<b>Reserves</b>										
<b>FY 2017 Adopted Budget</b>	4,944,664									
<b>FY 2016 Actual Fund Balance</b>	5,290,056									

Student Count Not used in calculations

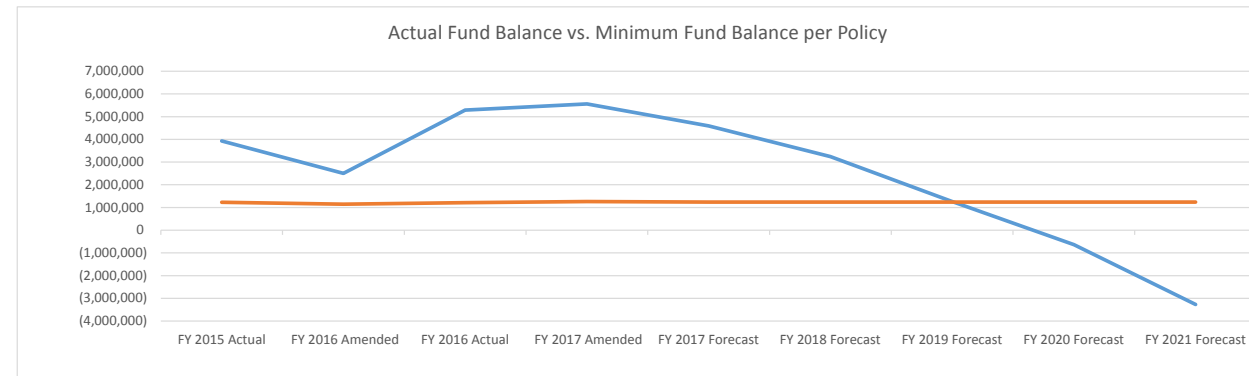
FY 2016-2017 Adopted Budget	FY 2016	FY 2017	FY 2017Amend	FY 2017 CS Adj	FY 2018	FY 2018 CS Adj	FY 2019	FY 2019 CS Adj	FY 2020	FY 2020 CS Adj	FY 2021	FY 2021 CS Adj
Christa McAuliffe	743.65	751.00	751.00		751.00		751.00		751.00		751.00	
Oasis Elementary	850.02	855.00	855.00		855.00		855.00		855.00		855.00	
Oasis Middle	830.89	853.00	853.00		853.00		853.00		853.00		853.00	
Oasis High	746.61	765.00	765.00		765.00		765.00		765.00		765.00	
<b>Total</b>	<b>3,171.17</b>	<b>3,224.00</b>	<b>3,224.00</b>		<b>3,224.00</b>		<b>3,224.00</b>		<b>3,224.00</b>		<b>3,224.00</b>	<b>0.00</b>
VPK	40.00	40.00	40.00		40.00		40.00		40.00		40.00	
<b>Total with VPK</b>	<b>3,211.17</b>	<b>3,264.00</b>	<b>3,264.00</b>		<b>3,264.00</b>		<b>3,264.00</b>		<b>3,264.00</b>		<b>3,264.00</b>	<b>0.00</b>
<b>Updated</b>	FY 2016	FY 2017	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
Christa McAuliffe	743.65	751.00	747.00		734.00		734.00		734.00		734.00	
Oasis Elementary	850.02	855.00	855.00		855.00		855.00		855.00		855.00	
Oasis Middle	830.89	853.00	832.00		835.00		835.00		835.00		835.00	
Oasis High	746.61	765.00	716.00		720.00		720.00		720.00		720.00	
<b>Total</b>	<b>3,171.17</b>	<b>3,224.00</b>	<b>3,150.00</b>		<b>3,144.00</b>		<b>3,144.00</b>		<b>3,144.00</b>		<b>3,144.00</b>	<b>0.00</b>
VPK	40.00	40.00	40.00		40.00		40.00		40.00		40.00	
<b>Total with VPK</b>	<b>3,211.17</b>	<b>3,264.00</b>	<b>3,190.00</b>	<b>3,157.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,184.00</b>	<b>3,169.00</b>
<b>Change</b>	FY 2015	FY 2016	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
Christa McAuliffe	0.00	0.00	4.00		17.00		17.00		17.00		17.00	
Oasis Elementary	0.00	0.00	0.00		0.00		0.00		0.00		0.00	
Oasis Middle	0.00	0.00	21.00		18.00		18.00		18.00		18.00	
Oasis High	0.00	0.00	49.00		45.00		45.00		45.00		45.00	
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>74.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>	<b>0.00</b>
VPK	0.00	0.00	0.00		0.00		0.00		0.00		0.00	
<b>Total with VPK</b>	<b>0.00</b>	<b>0.00</b>	<b>74.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>	<b>0.00</b>

**Charter School  
Scenario 2**

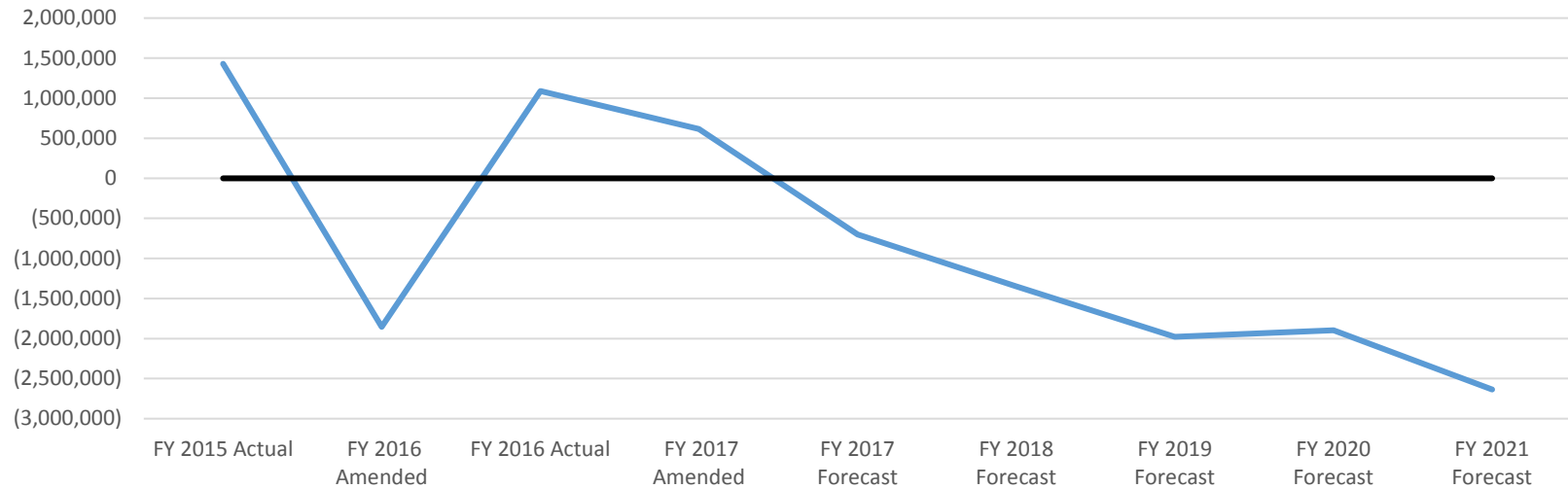
Forecast	FY 2015 Actual	FY 2016 Amended	FY 2016 Actual	FY 2017 Amended	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast
<b>Revenue</b>									
Balances Forward-Op Res	-	1,127,404	-	729,976	699,454	1,348,159	1,978,495	1,263,948	-
Balances Forward-Unassigned	-	2,711,163	3,931,311	4,214,688	4,590,602	3,242,443	1,263,948	-	-
Charge for Service	1,078,648	587,300	987,717	585,400	585,400	585,400	585,400	585,400	585,400
Intergov-	22,868,888	22,590,603	22,548,583	24,414,847	23,896,572	23,896,572	23,896,572	23,896,572	23,896,572
Misc	707,293	(257,787)	722,479	237,135	237,135	237,135	237,135	237,135	237,135
<b>Revenue Total</b>	<b>24,654,829</b>	<b>26,758,683</b>	<b>28,190,090</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>29,309,709</b>	<b>27,961,550</b>	<b>25,983,055</b>	<b>24,719,107</b>
<b>Expense</b>									
1 Payroll	15,525,581	16,457,331	15,686,425	16,573,599	16,573,599	17,070,998	17,583,315	18,111,029	18,654,539
2 Operating	7,667,622	7,829,985	7,441,381	7,517,350	7,814,132	8,025,468	8,243,487	8,468,387	8,700,420
3 Capital Maintenance	-	-	-	1,925	1,925	-	-	-	-
3 Capital Equipment	-	455,700	-	485,765	485,765	120,800	20,800	37,800	-
3 Capital Vehicles	-	-	-	17,740	17,740	-	-	-	-
3 Capital Library Books	4,339	5,200	7,126	2,900	2,900	-	-	-	-
3 Capital Scholastic Book Fair	27,598	23,952	23,612	22,500	22,500	-	-	-	-
3 Capital Improvements	-	-	-	500,000	500,000	850,000	850,000	-	-
6 Transfer Out	-	-	11,356	-	-	-	-	-	-
7 Reserves	3,931,311	2,502,089	5,290,056	5,560,267	4,590,602	3,242,443	1,263,948	-	-
<b>Expense Total</b>	<b>27,156,452</b>	<b>27,274,257</b>	<b>28,459,957</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>29,309,709</b>	<b>27,961,550</b>	<b>26,617,216</b>	<b>27,354,959</b>
<b>Net</b>	<b>(2,501,623)</b>	<b>(515,574)</b>	<b>(269,867)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(634,161)</b>	<b>(2,635,852)</b>
<b>Cumulative Fund Balance</b>								<b>(634,161)</b>	<b>(3,270,013)</b>
<b>Net Income/(Loss) before Reserves</b>	<b>1,429,688</b>	<b>(1,852,052)</b>	<b>1,088,878</b>	<b>615,603</b>	<b>(699,454)</b>	<b>(1,348,159)</b>	<b>(1,978,495)</b>	<b>(1,898,109)</b>	<b>(2,635,852)</b>
without Fund Balance									
Revenue	24,654,829	22,920,116	24,258,779	25,237,382	24,719,107	24,719,107	24,719,107	24,719,107	24,719,107
Expense	23,225,141	24,772,168	23,169,901	24,621,779	25,418,561	26,067,266	26,697,602	26,617,216	27,354,959
	1,429,688	(1,852,052)	1,088,878	615,603	(699,454)	(1,348,159)	(1,978,495)	(1,898,109)	(2,635,852)



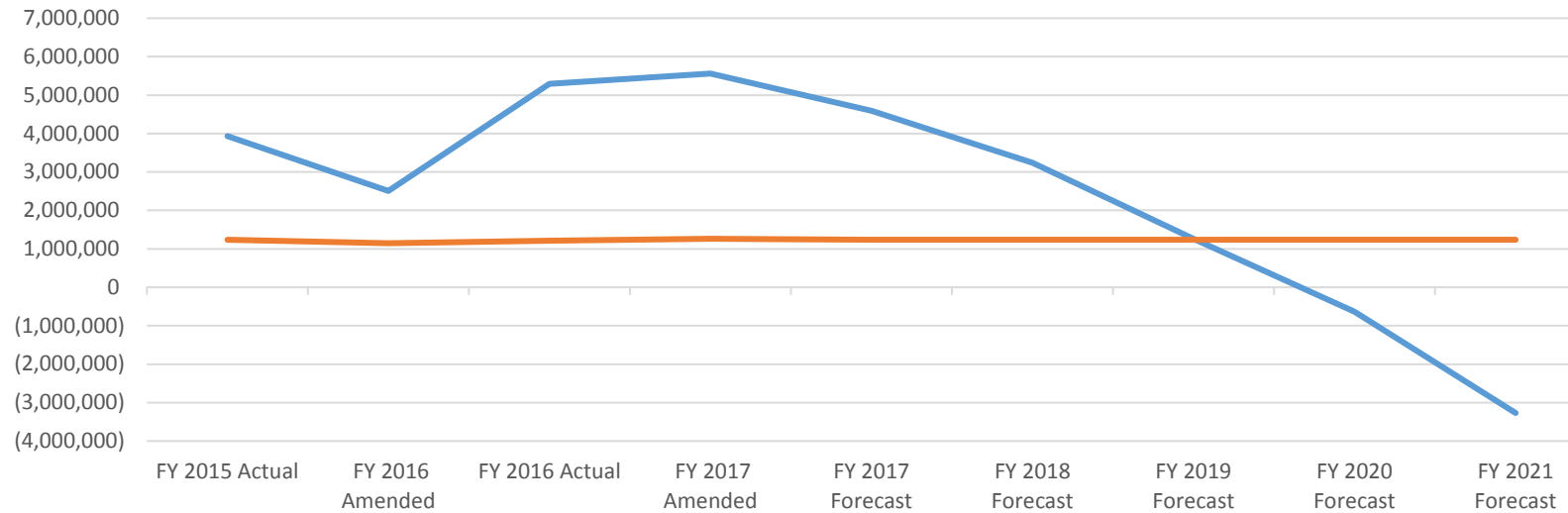
	FY 2015 Actual	FY 2016 Amended	FY 2016 Actual	FY 2017 Amended	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast
<b>Reserves</b>	<b>3,931,311</b>	<b>2,502,089</b>	<b>5,290,056</b>	<b>5,560,267</b>	<b>4,590,602</b>	<b>3,242,443</b>	<b>1,263,948</b>	<b>(634,161)</b>	<b>(3,270,013)</b>
Committed - Blacktop					350,000	350,000	-	-	-
Committed - Teachers Laptop					200,000	200,000	-	-	-
Undesignated					4,040,602	2,692,443	1,263,948	(634,161)	(3,270,013)
<b>Fund Balance Policy Minimum</b>	<b>1,232,741</b>	<b>1,146,006</b>	<b>1,212,939</b>	<b>1,261,869</b>	<b>1,235,955</b>	<b>1,235,955</b>	<b>1,235,955</b>	<b>1,235,955</b>	<b>1,235,955</b>



Scenario 2: Based upon FY 2017 Budget w/4 year projections with City costs reflected as actual city costs.



Actual Fund Balance vs. Minimum Fund Balance per Policy





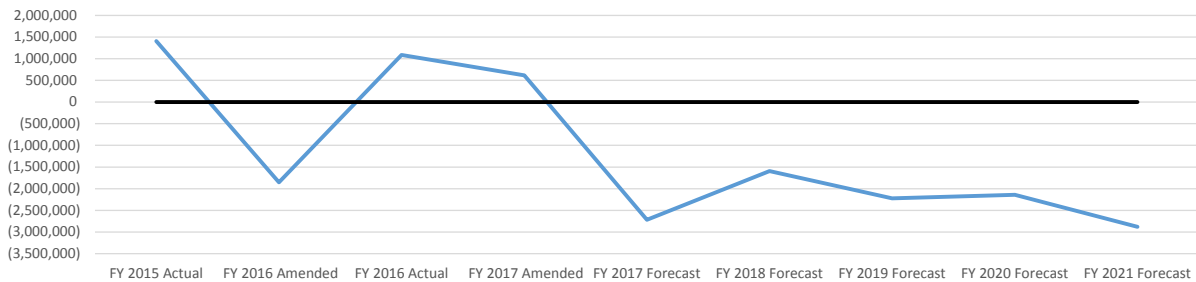
Charter School  
Scenario 2  
Assumptions

		FY 2017	FY 2017 CS Adj	FY 2018	FY 2018 CS Adj	FY 2019	FY 2019 CS Adj	FY 2020	FY 2020 CS Adj	FY 2021	FY 2021 CS Adj
<b>Revenue</b>											
FEFP: Reduction due to Student Count		\$ (518,275)		\$ (518,275)		\$ (518,275)		\$ (518,275)		\$ (518,275)	
AICE: Included in FY 2018 - FY 2021 \$627,085 annually remaining constant											
<b>Expenditures</b>											
Cost Escalation Factors											
<b>Payroll</b>				3.00%	4.00%	3.00%		3.00%	4.00%	3.00%	
<b>Operating</b>											
General				2.50%		2.50%		2.50%		2.50%	
Specific variation											
Legal Services				3.00%		3.00%		3.00%		3.00%	
Other Professional				3.00%		3.00%		3.00%		3.00%	
Outside Service				4.00%		4.00%		4.00%		4.00%	
Electric				6.00%		6.00%		6.00%		6.00%	
Diesel Fuel				6.00%		6.00%		6.00%		6.00%	
Unleaded Fuel				6.00%		6.00%		6.00%		6.00%	
Dyed Diesel Fuel				6.00%		6.00%		6.00%		6.00%	
Fiscal Services											
Chargeback		\$ (311,727)		\$ (311,727)		\$ (311,727)		\$ (311,727)		\$ (311,727)	
Functional		\$ 608,509		\$ 608,509		\$ 608,509		\$ 608,509		\$ 608,509	
Difference		\$ 296,782		\$ 296,782		\$ 296,782		\$ 296,782		\$ 296,782	
<b>Capital</b>											
<b>Capital Expense Category</b>											
FY 2017 Adopted Budget		546,165									
FY 2017 Amended Budget - JDE		530,830									
FY 2017 Adopted Asset Management Program		1,381,413									
Capital Improvement		500,000									
Capital Equipment		520,765									
Capital Maintenance		360,648									
<b>Entered</b>		FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
<b>Capital Equipment</b>				120,800		2,800		37,800		-	
<b>Capital Improvement</b>		500,000		850,000		850,000					
<b>Reserves</b>											
FY 2017 Adopted Budget		4,944,664									
FY 2016 Actual Fund Balance		5,290,056									
<b>Student Count</b>											
<b>Not used in calculations</b>											
FY 2016-2017 Adopted Budget											
	FY 2016	FY 2017	FY 2017 Amen	FY 2017 CS Adj	FY 2018	FY 2018 CS Adj	FY 2019	FY 2019 CS Adj	FY 2020	FY 2020 CS Adj	FY 2021 CS Adj
Christa McAuliffe	743.65	751.00	751.00		751.00		751.00		751.00		751.00
Oasis Elementary	850.02	855.00	855.00		855.00		855.00		855.00		855.00
Oasis Middle	830.89	853.00	853.00		853.00		853.00		853.00		853.00
Oasis High	746.61	765.00	765.00		765.00		765.00		765.00		765.00
<b>Total</b>	<b>3,171.17</b>	<b>3,224.00</b>	<b>3,224.00</b>		<b>3,224.00</b>		<b>3,224.00</b>		<b>3,224.00</b>		<b>0.00</b>
VPK	40.00	40.00	40.00		40.00		40.00		40.00		40.00
<b>Total with VPK</b>	<b>3,211.17</b>	<b>3,264.00</b>	<b>3,264.00</b>		<b>3,264.00</b>		<b>3,264.00</b>		<b>3,264.00</b>		<b>0.00</b>
<b>Updated</b>											
	FY 2016	FY 2017	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021
Christa McAuliffe	743.65	751.00	747.00		734.00		734.00		734.00		734.00
Oasis Elementary	850.02	855.00	855.00		855.00		855.00		855.00		855.00
Oasis Middle	830.89	853.00	832.00		835.00		835.00		835.00		835.00
Oasis High	746.61	765.00	716.00		720.00		720.00		720.00		720.00
<b>Total</b>	<b>3,171.17</b>	<b>3,224.00</b>	<b>3,150.00</b>		<b>3,144.00</b>		<b>3,144.00</b>		<b>3,144.00</b>		<b>0.00</b>
VPK	40.00	40.00	40.00		40.00		40.00		40.00		40.00
<b>Total with VPK</b>	<b>3,211.17</b>	<b>3,264.00</b>	<b>3,190.00</b>	<b>3,157.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,169.00</b>
<b>Change</b>											
	FY 2015	FY 2016	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021
Christa McAuliffe	0.00	0.00	4.00		17.00		17.00		17.00		17.00
Oasis Elementary	0.00	0.00	0.00		0.00		0.00		0.00		0.00
Oasis Middle	0.00	0.00	21.00		18.00		18.00		18.00		18.00
Oasis High	0.00	0.00	49.00		45.00		45.00		45.00		45.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>74.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>		<b>0.00</b>
VPK	0.00	0.00	0.00		0.00		0.00		0.00		0.00
<b>Total with VPK</b>	<b>0.00</b>	<b>0.00</b>	<b>74.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>		<b>0.00</b>

**Charter School  
Scenario 3**

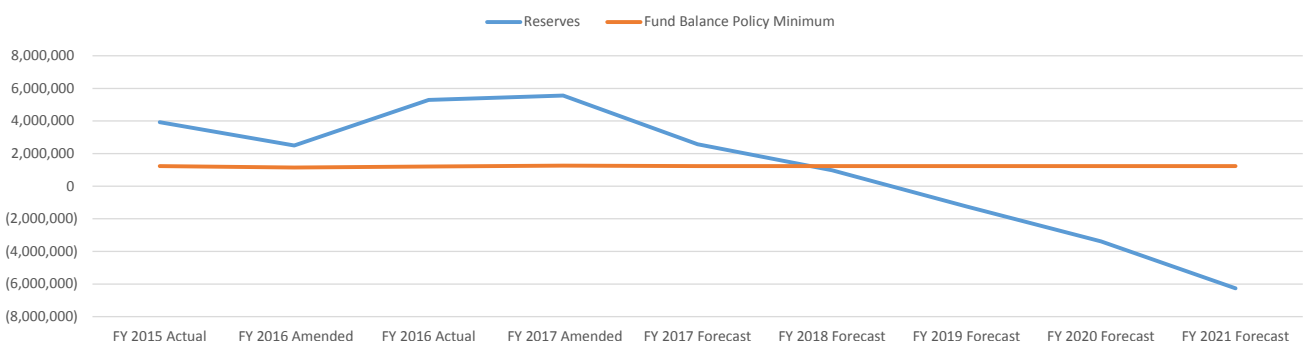
Forecast	FY 2015 Actual	FY 2016 Amended	FY 2016 Actual	FY 2017 Amended	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast
<b>Revenue</b>									
Balances Forward-Op Res	-	1,127,404	-	729,976	2,715,652	1,592,516	981,888	-	-
Balances Forward-Unassigned	-	2,711,163	3,931,311	4,214,688	2,574,404	981,888	-	-	-
Charge for Service	1,078,648	587,300	987,717	585,400	585,400	585,400	585,400	585,400	585,400
Intergov-	22,868,888	22,590,603	22,548,583	24,414,847	23,896,572	23,896,572	23,896,572	23,896,572	23,896,572
Misc	707,293	(257,787)	722,479	237,135	237,135	237,135	237,135	237,135	237,135
<b>Revenue Total</b>	<b>24,654,829</b>	<b>26,758,683</b>	<b>28,190,090</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>27,293,511</b>	<b>25,700,995</b>	<b>24,719,107</b>	<b>24,719,107</b>
<b>Expense</b>									
1 Payroll	15,525,581	16,457,331	15,686,425	16,573,599	16,573,599	17,070,998	17,583,315	18,111,029	18,654,539
2 Operating	7,667,622	7,829,985	7,441,381	7,517,350	7,814,132	8,025,468	8,243,487	8,468,387	8,700,420
3 Capital					2,016,198	244,357	244,357	244,357	244,357
3 Capital Maintenance	-	-	-	1,925	1,925	-	-	-	-
3 Capital Equipment	-	455,700	-	485,765	485,765	120,800	20,800	37,800	-
3 Capital Vehicles	-	-	-	17,740	17,740	-	-	-	-
3 Capital Library Books	4,339	5,200	7,126	2,900	2,900	-	-	-	-
3 Capital Scholastic Book Fair	27,598	23,952	23,612	22,500	22,500	-	-	-	-
3 Capital Improvements					500,000	850,000	850,000		
6 Transfer Out	22,357	-	11,356	-	-	-	-	-	-
7 Reserves	3,931,311	2,502,089	5,290,056	5,560,267	2,574,404	981,888	-	-	-
<b>Expense Total</b>	<b>27,178,809</b>	<b>27,274,257</b>	<b>28,459,957</b>	<b>30,182,046</b>	<b>30,009,163</b>	<b>27,293,511</b>	<b>26,941,959</b>	<b>26,861,573</b>	<b>27,599,316</b>
<b>Net</b>	<b>(2,523,980)</b>	<b>(515,574)</b>	<b>(269,867)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,240,964)</b>	<b>(2,142,466)</b>	<b>(2,880,209)</b>
<b>Cumulative Fund Balance</b>							<b>(1,240,964)</b>	<b>(3,383,430)</b>	<b>(6,263,639)</b>
	<b>FY 2015 Actual</b>	<b>FY 2016 Amended</b>	<b>FY 2016 Actual</b>	<b>FY 2017 Amended</b>	<b>FY 2017 Forecast</b>	<b>FY 2018 Forecast</b>	<b>FY 2019 Forecast</b>	<b>FY 2020 Forecast</b>	<b>FY 2021 Forecast</b>
<b>Net Income/(Loss) before Reserves</b>	1,407,331	(1,852,052)	1,088,878	615,603	(2,715,652)	(1,592,516)	(2,222,852)	(2,142,466)	(2,880,209)
without Fund Balance	-	-	-	-	-	-	-	-	-
Revenue	24,654,829	22,920,116	24,258,779	25,237,382	24,719,107	24,719,107	24,719,107	24,719,107	24,719,107
Expense	23,247,498	24,772,168	23,169,901	24,621,779	27,434,759	26,311,623	26,941,959	26,861,573	27,599,316
Net Income(Loss) before Fund Balance	1,407,331	(1,852,052)	1,088,878	615,603	(2,715,652)	(1,592,516)	(2,222,852)	(2,142,466)	(2,880,209)

Scenarios 3: Based upon FY 2017 Budget w/4 year projections, City costs reflected as actual City costs AND budgeted depreciation on capital assets.

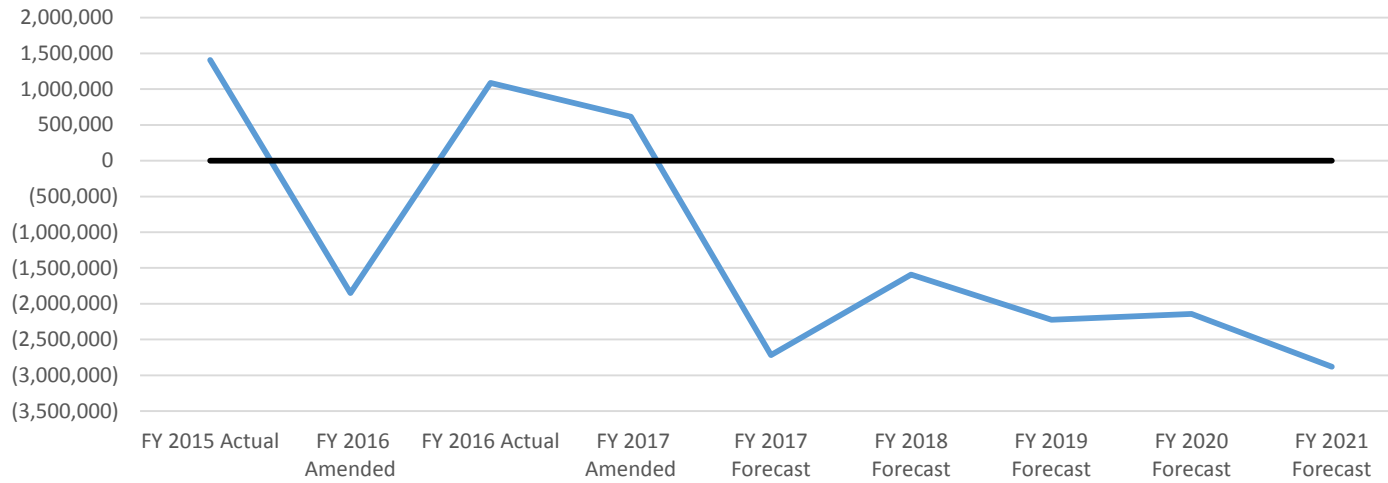


	FY 2015 Actual	FY 2016 Amended	FY 2016 Actual	FY 2017 Amended	FY 2017 Forecast	FY 2018 Forecast	FY 2019 Forecast	FY 2020 Forecast	FY 2021 Forecast
<b>Reserves</b>	3,931,311	2,502,089	5,290,056	5,560,267	2,574,404	981,888	(1,240,964)	(3,383,430)	(6,263,639)
Committed - Blacktop					350,000	350,000	-	-	-
Committed - Teachers Laptop					200,000	200,000	-	-	-
Undesignated					2,024,404	431,888	(1,240,964)	(3,383,430)	(6,263,639)
<b>Fund Balance Policy Minimum</b>	<b>1,232,741</b>	<b>1,146,006</b>	<b>1,212,939</b>	<b>1,261,869</b>	<b>1,235,955</b>	<b>1,235,955</b>	<b>1,235,955</b>	<b>1,235,955</b>	<b>1,235,955</b>

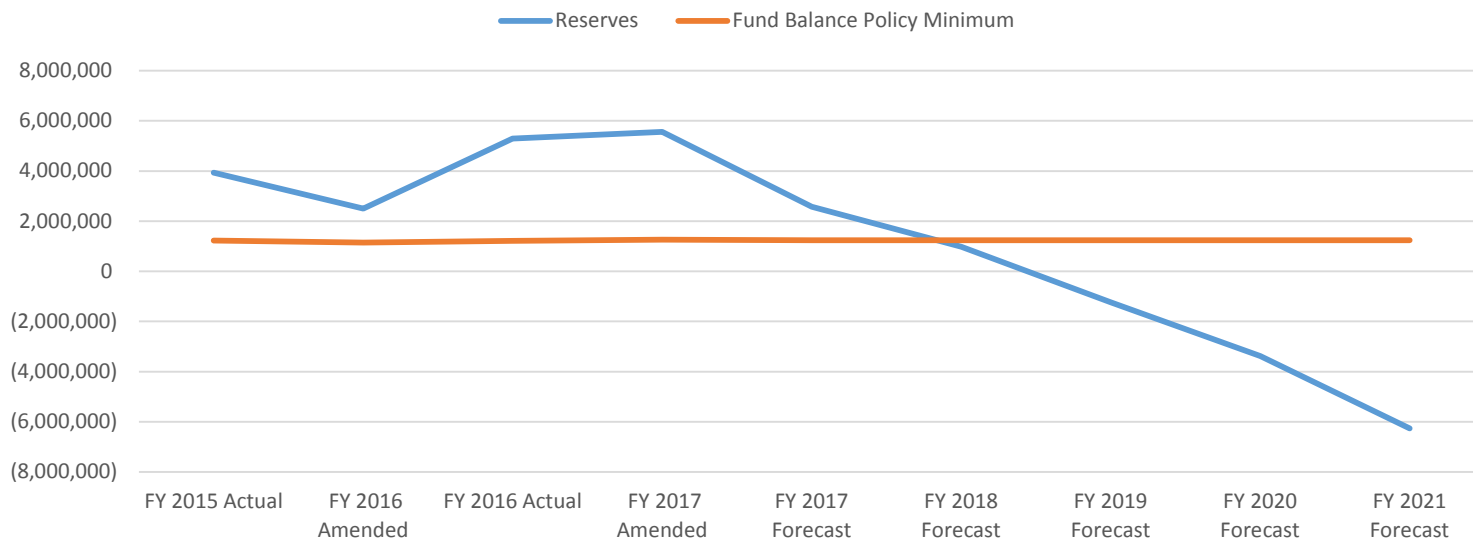
Actual Fund Balance vs Minimum Fund Balance per Policy



Scenarios 3: Based upon FY 2017 Budget w/4 year projections, City costs reflected as actual City costs AND budgeted depreciation on capital assets.



Actual Fund Balance vs Minimum Fund Balance per Policy



**Charter School  
Scenario 3  
Assumptions**

		FY 2017	FY 2017 CS Adj	FY 2018	FY 2018 CS Adj	FY 2019	FY 2019 CS Adj	FY 2020	FY 2020 CS Adj	FY 2021	FY 2021 CS Adj
<b>Revenue</b>											
FEFP: Reduction due to Student Count		\$ (518,275)		\$ (518,275)		\$ (518,275)		\$ (518,275)		\$ (518,275)	
AICE: Included in FY 2018 - FY 2021 \$627,085 annually remaining constant											
<b>Expenditures</b>											
Cost Escalation Factors				3.00%	4.00%	3.00%		3.00%	4.00%	3.00%	
<b>Payroll</b>											
<b>Operating</b>											
General				2.50%		2.50%		2.50%		2.50%	
Specific variation											
Legal Services				3.00%		3.00%		3.00%		3.00%	
Other Professional				3.00%		3.00%		3.00%		3.00%	
Outside Service				4.00%		4.00%		4.00%		4.00%	
Electric				6.00%		6.00%		6.00%		6.00%	
Diesel Fuel				6.00%		6.00%		6.00%		6.00%	
Unleaded Fuel				6.00%		6.00%		6.00%		6.00%	
Dyed Diesel Fuel				6.00%		6.00%		6.00%		6.00%	
Fiscal Services	Chargeback	\$ (311,727)		\$ (311,727)		\$ (311,727)		\$ (311,727)		\$ (311,727)	
	Functional	\$ 608,509		\$ 608,509		\$ 608,509		\$ 608,509		\$ 608,509	
	Increase	\$ 296,782		\$ 296,782		\$ 593,564		\$ 890,346		\$ 1,187,128	
<b>Capital</b>											
<b>Capital Expense Category</b>											
FY 2017 Adopted Budget		546,165									
FY 2017 Amended Budget - JDE		530,830									
FY 2017 Adopted Asset Management Program		1,381,413									
Capital Improvement	500,000										
Capital Equipment	520,765										
Capital Maintenance	360,648										
<b>Entered</b>											
Capital Equipment		FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
				120,800		2,800		37,800		-	
Capital Improvement		500,000		850,000		850,000					
Capital Expense in Orange fill is from FY 2016-2017 Adopted Capital Asset Improvement Program											
Additional Replacement f Equipment		1,013,307		39,226		39,226		39,226		39,226	
Buildings		224,489		4,400		4,400		4,400		4,400	
Vehicles		626,653		173,933		173,933		173,933		173,933	
Computer Software		25,852		-		-		-		-	
Leashold Improvements		125,897		26,798		26,798		26,798		26,798	
		2,016,198		244,357		244,357		244,357		244,357	
<b>Reserves</b>											
FY 2017 Adopted Budget		4,944,664									
FY 2016 Actual Fund Balance		5,290,056									
<b>Student Count Not used in calculations</b>											
FY 2016-2017 Adopted Budget											
	FY 2016	FY 2017	FY 2017 Amen	FY 2017 CS Adj	FY 2018	FY 2018 CS Adj	FY 2019	FY 2019 CS Adj	FY 2020	FY 2020 CS Adj	FY 2021 CS Adj
Christa McAuliffe	743.65	751.00	751.00		751.00		751.00		751.00		751.00
Oasis Elementary	850.02	855.00	855.00		855.00		855.00		855.00		855.00
Oasis Middle	830.89	853.00	853.00		853.00		853.00		853.00		853.00
Oasis High	746.61	765.00	765.00		765.00		765.00		765.00		765.00
<b>Total</b>	<b>3,171.17</b>	<b>3,224.00</b>	<b>3,224.00</b>		<b>3,224.00</b>		<b>3,224.00</b>		<b>3,224.00</b>		<b>0.00</b>
VPK	40.00	40.00	40.00		40.00		40.00		40.00		40.00
<b>Total with VPK</b>	<b>3,211.17</b>	<b>3,264.00</b>	<b>3,264.00</b>		<b>3,264.00</b>		<b>3,264.00</b>		<b>3,264.00</b>		<b>0.00</b>
<b>Updated</b>											
	FY 2016	FY 2017	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021
Christa McAuliffe	743.65	751.00	747.00		734.00		734.00		734.00		734.00
Oasis Elementary	850.02	855.00	855.00		855.00		855.00		855.00		855.00
Oasis Middle	830.89	853.00	832.00		835.00		835.00		835.00		835.00
Oasis High	746.61	765.00	716.00		720.00		720.00		720.00		720.00
<b>Total</b>	<b>3,171.17</b>	<b>3,224.00</b>	<b>3,150.00</b>		<b>3,144.00</b>		<b>3,144.00</b>		<b>3,144.00</b>		<b>0.00</b>
VPK	40.00	40.00	40.00		40.00		40.00		40.00		40.00
<b>Total with VPK</b>	<b>3,211.17</b>	<b>3,264.00</b>	<b>3,190.00</b>	<b>3,157.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>3,184.00</b>	<b>3,169.00</b>	<b>0.00</b>
<b>Change</b>											
	FY 2015	FY 2016	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021
Christa McAuliffe	0.00	0.00	4.00		17.00		17.00		17.00		17.00
Oasis Elementary	0.00	0.00	0.00		0.00		0.00		0.00		0.00
Oasis Middle	0.00	0.00	21.00		18.00		18.00		18.00		18.00
Oasis High	0.00	0.00	49.00		45.00		45.00		45.00		45.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>74.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>		<b>0.00</b>
VPK	0.00	0.00	0.00		0.00		0.00		0.00		0.00
<b>Total with VPK</b>	<b>0.00</b>	<b>0.00</b>	<b>74.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>		<b>0.00</b>
<b>Total with VPK</b>	<b>0.00</b>	<b>0.00</b>	<b>74.00</b>		<b>80.00</b>		<b>80.00</b>		<b>80.00</b>		<b>0.00</b>

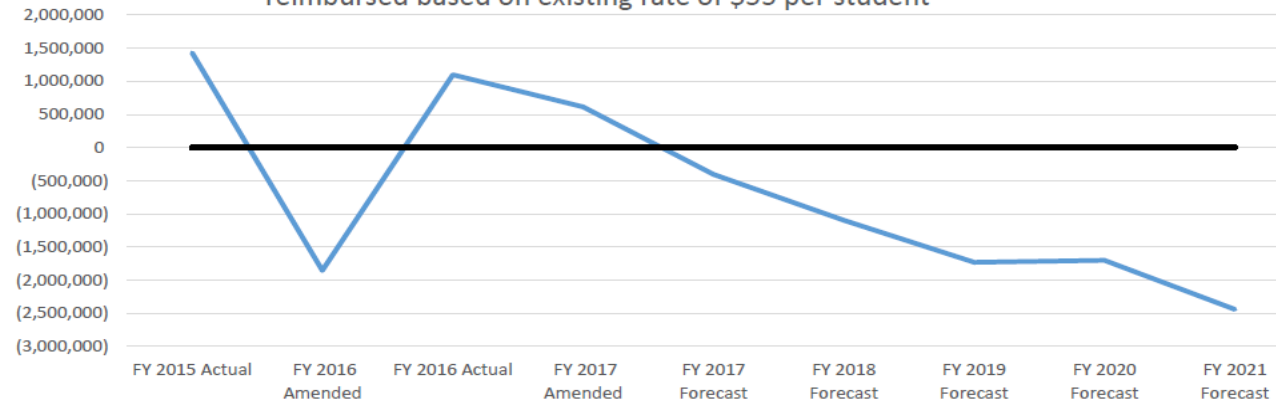
CITY OF CAPE CORAL

COMMITTEE OF THE WHOLE

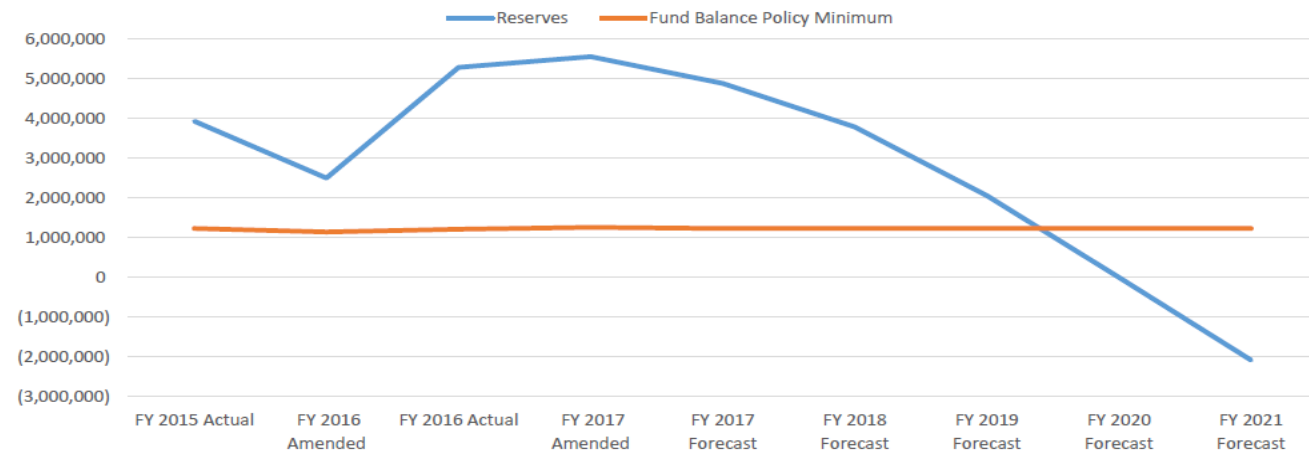
January 30, 2017

Charter School	CS Budget Book FY 2017 Adopted	Scenario 1 FY 2017 Forecast	Scenario 2 FY 2017 Forecast	Scenario 3 FY 2017 Forecast
Revenue				
Balances Forward-Op Res	729,976	402,672	699,454	2,715,652
Balances Forward-Unassigned	4,214,688	4,887,384	4,590,602	2,574,404
Charge for Service	585,400	585,400	585,400	585,400
Intergov-	24,347,840	23,896,572	23,896,572	23,896,572
Misc	304,142	237,135	237,135	237,135
Revenue Total	30,182,046	30,009,163	30,009,163	30,009,163
Revenue adjustments:				
Balance Forward FY 2016 CAFR	345,392			
FEFP	(518,275)			
	30,009,163	30,009,163	30,009,163	30,009,163
Notes to Revenue adjustments:				
Balance Forward FY 2016 CAFR		345,392	345,392	345,392
FEFP - Reduced Enrollment per CS		(518,275)	(518,275)	(518,275)
Expense				
1 Payroll	16,573,599	16,573,599	16,573,599	16,573,599
2 Operating	7,502,015	7,517,350	7,814,132	7,814,132
3 Capital	546,165	1,030,830	1,030,830	3,047,028
7 Reserves - Assigned	1,000,000	500,000	500,000	500,000
7 Reserves - Unassigned	4,560,267	4,387,384	4,090,602	2,074,404
Expense Total	30,182,046	30,009,163	30,009,163	30,009,163
Adjustments				
Reduce Reserves to Balance Budget	(172,883)			
Net	30,009,163	30,009,163	30,009,163	30,009,163
Notes to Expenditure adjustments:				
Fiscal Service - Full Cost			296,782	296,782
Capital Asset Management Plan (AIP)		500,000	500,000	500,000
Depreciation for Replacement Capital				2,016,198

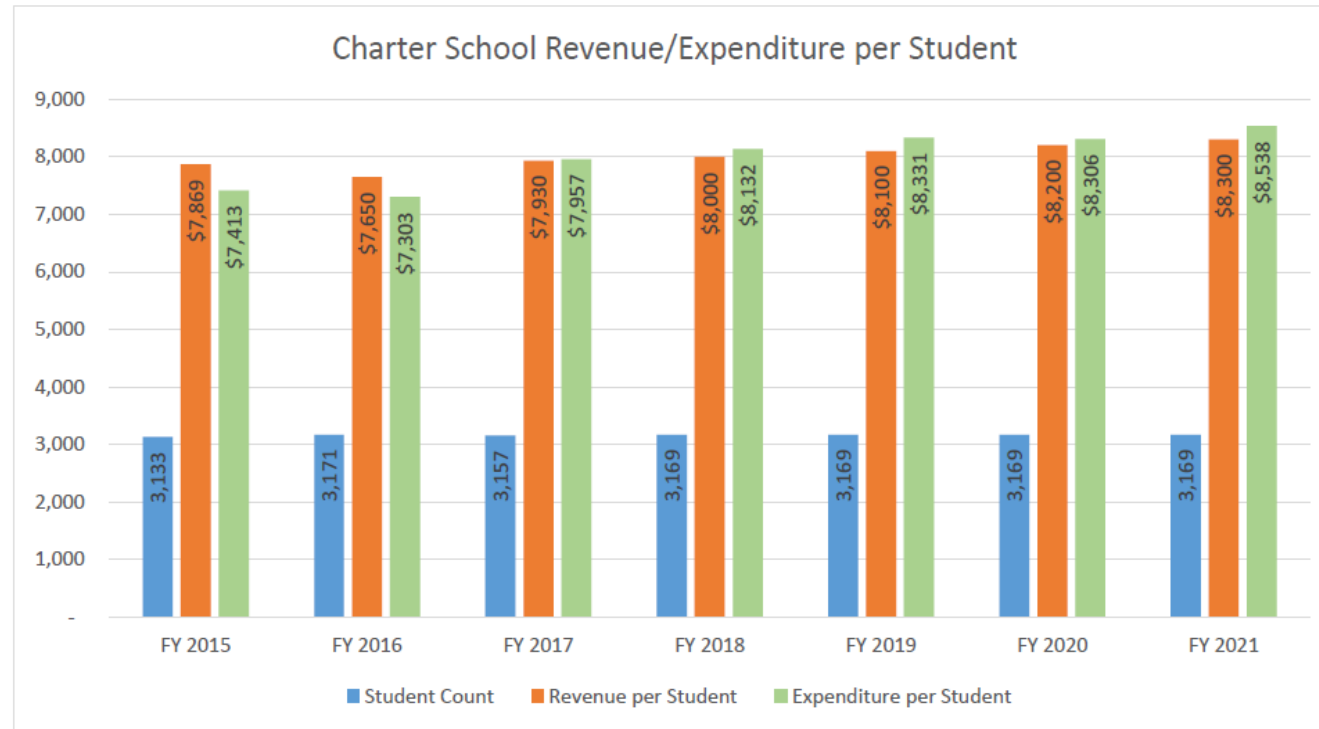
Scenario 1: Based upon FY 2017 Budget w/4 year projections with City costs reimbursed based on existing rate of \$55 per student



Actual Fund Balance vs Minimum Fund Balance per Policy

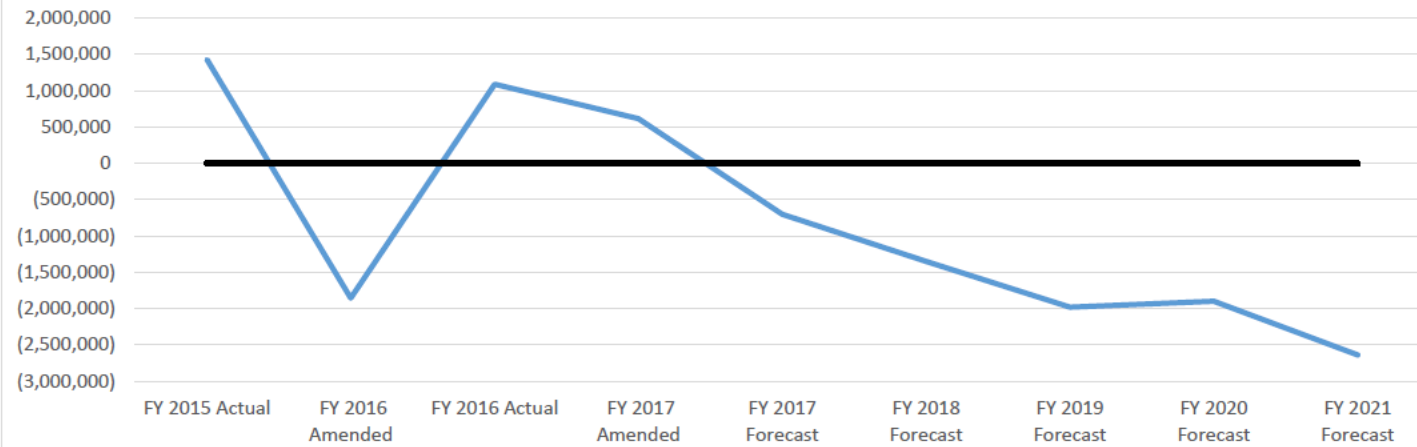


	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
<b>Student Count</b>	3,133	3,171	3,157	3,169	3,169	3,169	3,169
<b>Revenue per Student</b>	\$ 7,869	\$ 7,650	\$ 7,930	\$ 8,000	\$ 8,100	\$ 8,200	\$ 8,300
<b>Expenditure per Student</b>	\$ 7,413	\$ 7,303	\$ 7,957	\$ 8,132	\$ 8,331	\$ 8,306	\$ 8,538

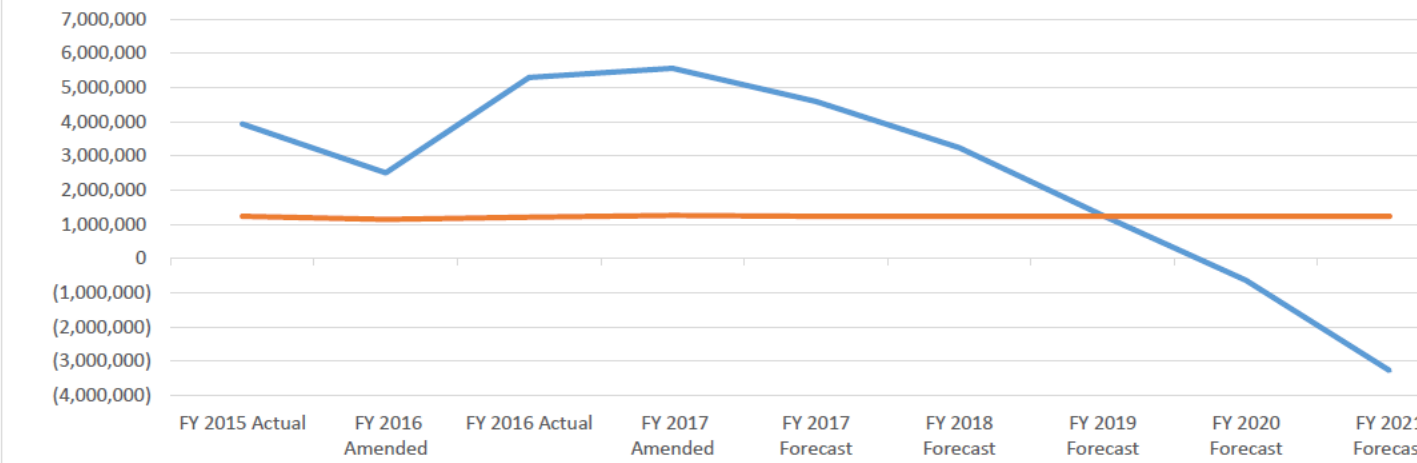




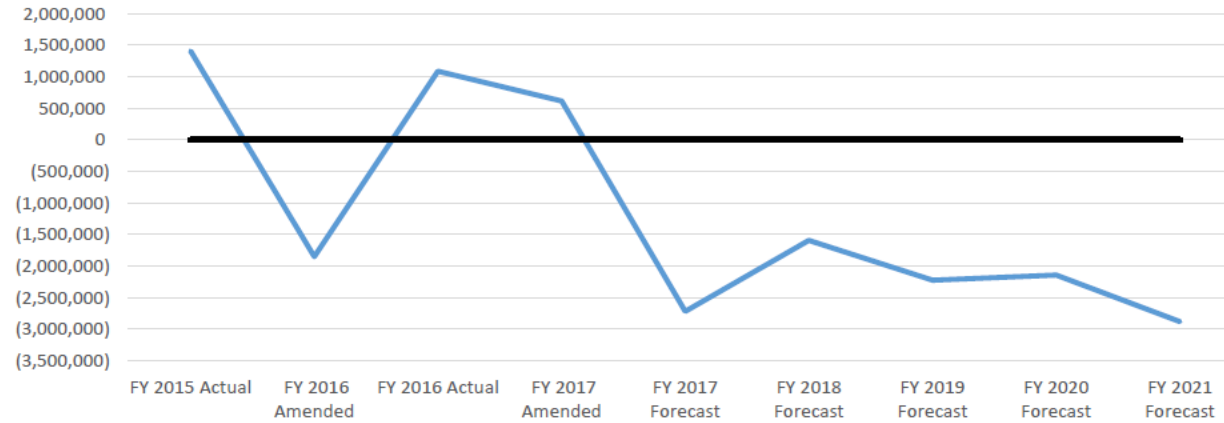
Scenario 2: Based upon FY 2017 Budget w/4 year projections with City costs reflected as actual city costs.



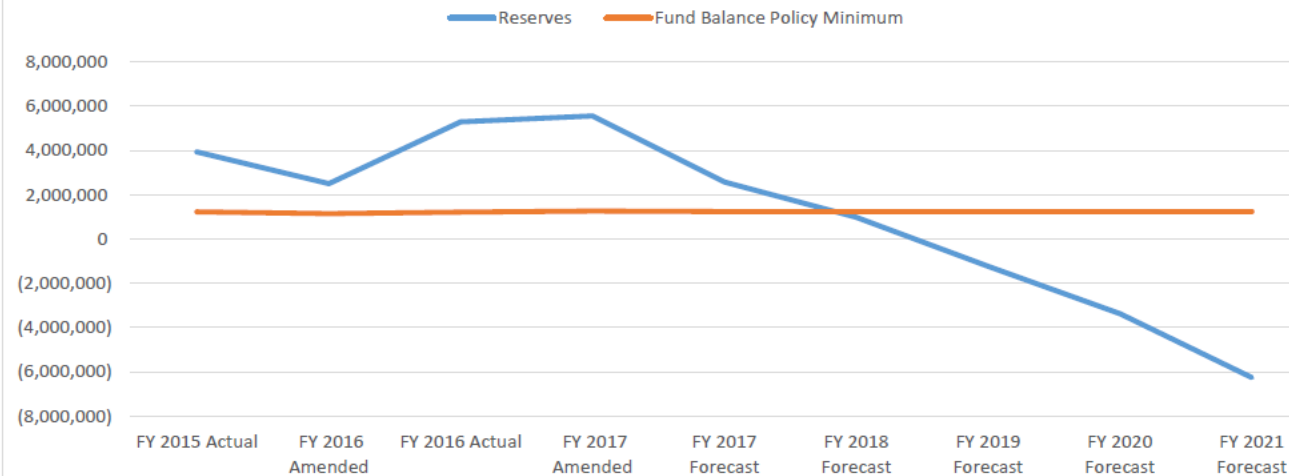
Actual Fund Balance vs. Minimum Fund Balance per Policy



Scenarios 3: Based upon FY 2017 Budget w/4 year projections, City costs reflected as actual City costs AND budgeted depreciation on capital assets.



Actual Fund Balance vs Minimum Fund Balance per Policy



**Item Number:** B.(2)  
**Meeting Date:** 1/30/2017  
**Item Type:** DISCUSSION

**AGENDA REQUEST FORM**  
CITY OF CAPE CORAL



**TITLE:**

Economic Development Master Plan (EDMP) - Elements 1 & 2 (45 Minutes)

**REQUESTED ACTION:**

Informational

**STRATEGIC PLAN INFO:**

1. Will this action result in a Budget Amendment? No
2. Is this a Strategic Decision? Yes  
If Yes, Priority Goals Supported are listed below.  
If No, will it harm the intent or success of the Strategic Plan? No

**ELEMENT A: INCREASE ECONOMIC DEVELOPMENT AND REDEVELOPMENT IN THE CITY**

**Planning & Zoning/Staff Recommendations:**

**SUMMARY EXPLANATION AND BACKGROUND:**

Council discussion regarding Economic Development Master Plan.

**LEGAL REVIEW:**

**EXHIBITS:**

1. PowerPoint presentation
2. Economic Development Plan - Draft Final Document Sections 1 and 2
3. Revised Staff Presentation

**PREPARED BY:**

Chad Boyko      Division- Planning Division      Department- Community Development

**SOURCE OF ADDITIONAL INFORMATION:**

Chad Boyko

**ATTACHMENTS:**

Description	Type
▣ Staff Presentation	Backup Material
▣ Economic Development Plan - Draft Final Document Sections 1 and 2	Backup Material
▣ Revised Staff Presentation	Backup Material

# Economic Development Master Plan

Ideas for today and tomorrow

# Presentation Outline

1. Overview
2. Demographics
3. Master Plan Framework
4. Six Initiatives for Economic Growth
5. Timeframe for Implementation
6. Potential Cost of Implementation



# Overview



Aerial view of Central Business District of Cape Coral, Feb. 21, 1964

# Purpose of EDMP

1. Achieve balance between residential and commercial in City
2. Provide jobs and places of employment
3. Lay groundwork for future economic growth
4. Identify programs and plans that can achieve economic sustainability
5. Create timeline for implementation
6. Determine goals for growth and set benchmarks



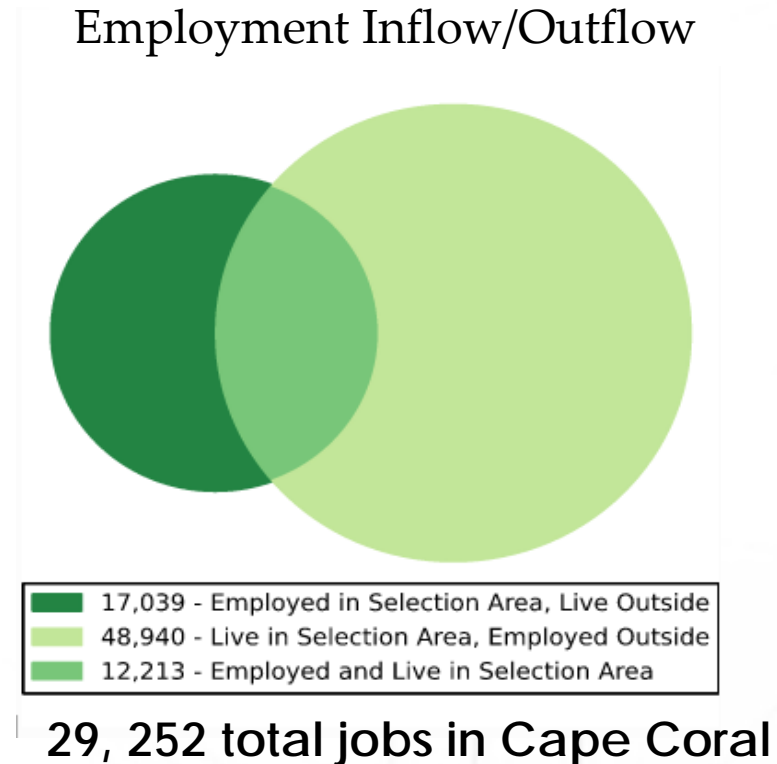
# Demographics - Population

- Current Population – 175,229 residents
  - 25% of total Lee County population
- Highest percent of workforce population is between 45-54 years of age
- 2<sup>nd</sup> highest percent of workforce population is 35-44 years of age

Age Range	Percent of Population
0-19	24.6
20-24	4.6
25-34	10.2
35-44	12.3
45-54	15.1
55-59	7.3
60-64	6.8
65+	19

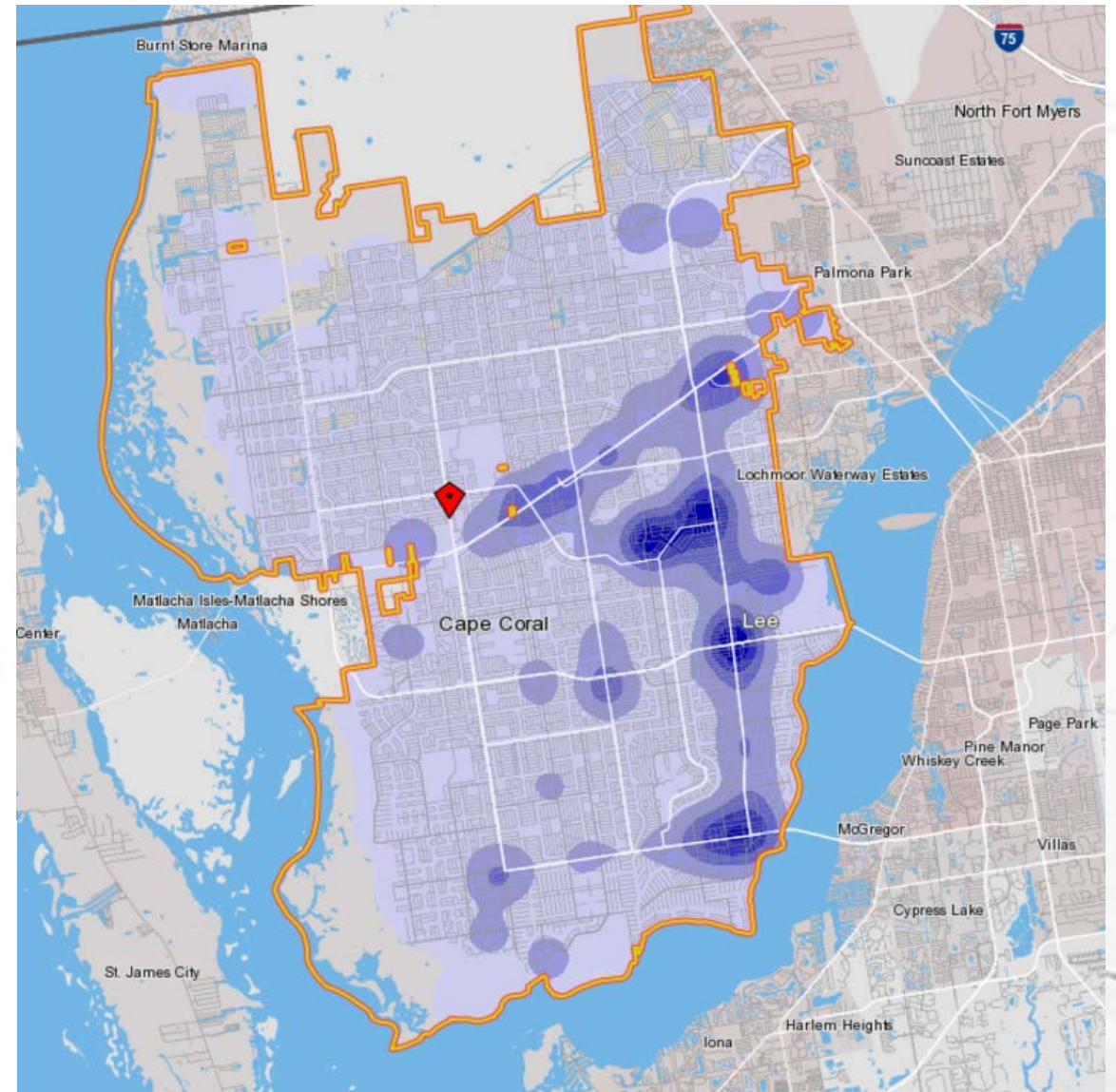
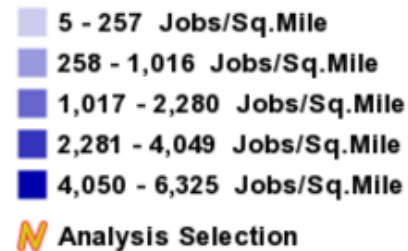
# Demographics - Population

- Primary employment industries
  - Education – 21%
  - Retail Trade – 15 %
  - Professional Services – 11%
  - Hospitality – 11%
  - Construction – 9%



- 90% of population has high school diploma vs 86% for rest of US
- 21% of population has Bachelor's degree or higher vs 29% for rest of US

- Cape Coral is 10<sup>th</sup> largest City in Florida
  - 12<sup>th</sup> in terms of total employment of residents
- Median household income of \$50,931
- Unemployment rate is approximately 4.7%

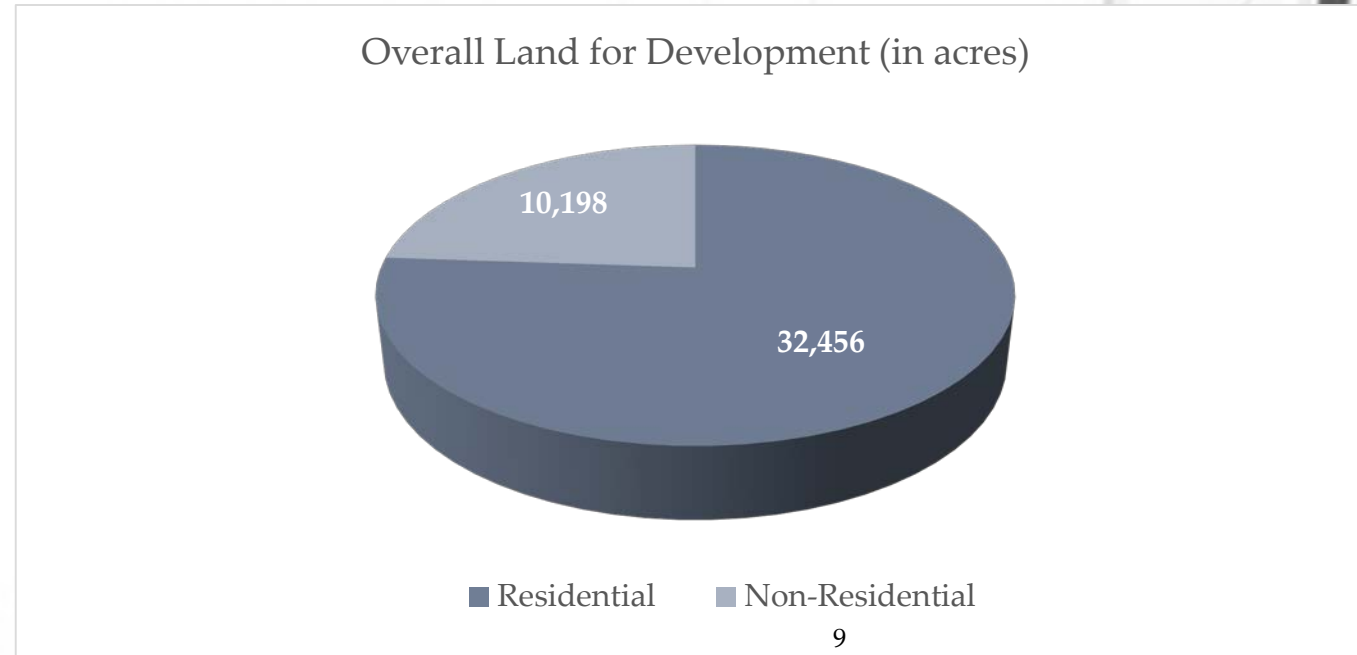




- Cape Coral has greater concentration of 10 industries compared to US
  - 1)Food Preparation
  - 2)Healthcare Support
  - 3)Personal Care and Service
  - 4)Healthcare Practitioner
  - 4)Protective Service
  - 6)Installation, Maintenance and Repair
  - 7)Construction and Extraction
  - 8)Office/Administrative Support
  - 9)Building Maintenance
  - 10)Sales
- Only 2 of these industries have higher pay than US average
  - Healthcare Support
  - Personal Care and Service



- Cape Coral has approximately 10,198 acres used or available for non-residential (excludes parks and preservation areas)
- Currently, 21.6 million sq. ft. is developed with non-residential uses
- Projections of 71.4 million to 372.4 million sq. ft. of non-residential at build-out
- Current split of residential to non-residential is 88% to 12%
- Reasonable goal is 80% to 20%



# Framework





# Initiatives – Objectives – Strategies – Actions

- **Initiative**
  - Long-Term Goal with Broad Scope
- **Objective**
  - Initial Step in achieving Initiative
- **Strategy**
  - Course of Action to achieve Objective
- **Action**
  - Specific step to achieve Strategy / Could be a Project or Program for implementation

# Six Initiatives





# Initiative 1 – Focus on Key Economic Areas

- Objective 1 – Identify Areas of Economic Opportunity
  - Strategy 1.1 – Create Economic Opportunity Map
  - Strategy 1.2 – Expand Scope of Economic Opportunity Map
- Objective 2 – Make Areas of Economic Opportunity Viable for Development
  - Strategy 2.1 – Entitle commercial properties for targeted areas
  - Strategy 2.2 – Create a Plan for City of Cape Coral “Parking Lots”
  - Strategy 2.3 – Create a land bank for commercial opportunities
  - Strategy 2.4 – Encourage Commercial Intensity

# Initiative 2 – Business Retention and Expansion

- Objective 1 – Provide Assistance to Local Businesses
  - Strategy 1.1 – Create environment of investment
  - Strategy 1.2 – Promote and Utilize Small Business Development Center
- Objective 2 – Ease Cost of Doing Business
  - Strategy 2.1 – Create/expand incentives for small, local businesses
  - Strategy 2.2 – Encourage Business Expansion

# Initiative 3 – Attract Key and Emerging Sectors

- Objective 1 – Refine Focus on attracting targeted sectors
  - Strategy 1.1 – Identify sectors that fit Cape Coral
  - Strategy 1.2 – Promote incentive program
  - Strategy 1.3 – Streamline business incentive award
- Objective 2 – Focus on Clustering
  - Strategy 2.1 – Identify high-potential clusters
- Objective 3 – Increase Regional Participation and Cooperation
  - Strategy 3.1 – Become more involved in regional projects

# Initiative 4 – Develop a Competitive Workforce

- Objective 1 – Increase education of Cape Coral workers

- Strategy 1.1 – Attract secondary institutions to Cape Coral
- Strategy 1.2 – Increase communication between schools and businesses
- Strategy 1.3 – Support local scholarship/apprentice/internship programs and funds
- Strategy 1.4 – Encourage businesses' employee education

- Objective 2 – Increase skill level of City's workforce

- Strategy 2.1 – Create student immersion program
- Strategy 2.2 – Expand influence of vocational school
- Strategy 2.3 – Explore creation of additional trade or vocational school
- Strategy 2.4 – Encourage businesses' training programs<sub>16</sub>

# Initiative 5 – Enhance and Revitalize Infrastructure

- Objective 1 – Establish utility program that facilitates business growth
  - Strategy 1.1 – Provide water/sewer to Economic Opportunity Areas
  - Strategy 1.2 – Provide developers with options and flexibility if utilities are not available
  - Strategy 1.3 – Determine capacity for various levels of build-out
- Objective 2 – Provide transportation facilities that encourages business growth
  - Strategy 2.1 – Determine transportation capacity for commercial corridors
  - Strategy 2.2 – Enhance access to I-75

# Initiative 5 – Enhance and Revitalize Infrastructure

- Objective 3 – Establish Cape Coral as a hub for high speed broadband
  - Strategy 3.1 – Secure high-speed broadband throughout Cape Coral
- Objective 4 – Increase non-traditional transportation capabilities
  - Strategy 4.1 – Enhance multi-modal capabilities of street network



# Initiative 6 – Encourage Entrepreneurs and Small Business Development

- Objective 1 – Attract entrepreneurs and skilled workers
  - Strategy 1.1 – Promote Cape Coral to aspiring entrepreneurs
  - Strategy 1.2 – Enhance “sense of place” for Cape Coral
  - Strategy 1.3 – Encourage development of business incubators/shareable office spaces
- Objective 2 – Promote and encourage diversity in Cape Coral
  - Strategy 2.1 – Increase the amount of multi-family residential
  - Strategy 2.2 – Expand live/work options

# Timeframes for Implementation

- 80 total actions spread amongst the Six Initiatives
- Ranges
  - Ongoing
  - < 1 year (adopted budget)
  - 1 year – 3 years (forecasted budget)
  - 3 years – 6 years (Asset Improvement Program)
  - > 6 years (Long Range Efforts)
- Recommendation to complete majority of actions within 1 to 2 years
- Some projects may be ongoing for several years (infrastructure initiatives)
- Performance metrics should be established to chart progress
  - Number of jobs created/Number of business start ups/Demographics etc.



# Potential Cost for Implementation

- 80 total actions spread amongst the Six Initiatives
- Ranges
  - Ongoing
  - 0 - \$50,000 (Administrative)
  - \$50,000 - \$250,000 (Small Scale Initiatives)
  - > \$250,000 (Large Scale Initiatives)
- Not meant to be exact, but rather an educated estimation
- Performance metrics should be established to chart progress
  - Number of jobs created/Number of business start ups/Demographics etc.

# Next Steps

- Take recommendations from council
- Finalize report
- Share report (website, among relative staff)
- Implementation

## 4 SIX INITIATIVES FOR ECONOMIC GROWTH

### 4.1 INITIATIVE 1 - FOCUS ON KEY AREAS

A long-time concern for policy makers, government officials and business people within Cape Coral has been the large discrepancy between land designated for residential development and the land available for commercial development<sup>10</sup>. The adoption of the City's Comprehensive Plan in 1989 identified increasing commercial lands as a key component in the City's growth. The Comprehensive Plan established what is known as a Future Land Use Map in order to establish a framework for identifying the type of development that is allowed on properties within the City. However, this Future Land Use Map was not designed to be static and therefore, over the past 26 years, numerous amendments have been made to this map with the goal of increasing the amount of commercial land in Cape Coral.

Below is a breakdown of the acreage in Cape Coral and what the land is designated for (residential, commercial, public use/preservation)

Designation	Acres	Overall Percentage
Residential <sup>11</sup>	32,982	57%
Commercial <sup>12</sup>	10,198	18%
Public use/Preservation <sup>13</sup>	13,119	23%
Un-designated	1,322	2%
Total Acres	56,299	100%

Below is a breakdown of the difference between residential and commercial if Public Use/Preservation and Undesignated categories are removed

Designation	Acres	Overall Percentage
Residential	32,982	77%
Commercial	10,198	23%
Total Acres	43,180	100%

The Comprehensive Plan has identified two key ways whereby the City can add commercial lands in order to reduce the deficit created by the original master-planning of the City. The first method is expanding existing commercial areas to create larger and higher-quality developments. The second

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<sup>10</sup> For purposes of this report, commercial shall include Industrial, Professional and Mixed-Use unless otherwise noted.

<sup>11</sup> Single-Family and Multi-Family.

<sup>12</sup> Includes commercial, office, industrial, and mixed-use.

<sup>13</sup> Parks, Preservation, Open Space, Public Facilities.

technique is to create new commercial lands in areas that are suitable for non-residential development. Expanding or creating new commercial areas is occasionally challenging as creating commercial lands in the wrong area of the City can lead to many issues such as dissension amongst residents, traffic congestion and loss of residential property value.

The Comprehensive Plan seeks to aid in the identification of properties suitable for commercial development by describing several criteria known as “Commercial Siting Guidelines”. These guidelines are useful as they address such factors as vehicular access, neighborhood disruption, scale of development, etc. Two of the most important factors for determining suitable commercial locations are; 1) amount of existing residential on the desired location or in the surrounding area, and 2) transportation network that the property has access to.

While the City is not even half-way built out, residential development is spread out throughout Cape Coral, resulting in a patchwork of homes in many areas where commercial development would seem appropriate. The pre-platting of the City into 10,000 square foot lots also creates a need for developers to assemble properties in order to achieve a commercial product that meets all requirements for development. Assemblage of property becomes more difficult as the density of homes in an area increases.

Another crucial component for commercial development is road/street access and visibility to customers<sup>14</sup>. The majority of the City of Cape Coral is designed on a grid system resulting in 7-8 major roadways. A unique feature of these major roadways is their length. Several streets extend the entire length and width of the City. The grid system street design of Cape Coral has resulted in the creation of large pockets of residential development, typically single-family homes or duplexes, on either side of the main road corridors. Further complicating the access and visibility for commercial developments is the Cape Coral canal system. Hundreds of miles of canals bifurcate the city, creating many blocks that are 250-300 feet wide.

The residential development, road network and canal system has led to an abundance of “strip commercial centers.” These are developments that are long, narrow projects that generally consist of a row of parking along the street and a one-story building(s) behind the parking. Uses within these strip commercial centers are usually retail, office or service oriented. While these strip commercial centers have their place in Cape Coral, they may not represent the best form of commercial development.

Ideal developments consist of areas greater than five acres and have a minimum depth of 250 feet, although a greater depth is preferred. The goal of the Economic Opportunity Map is to identify areas that may be able to support commercial areas that are attractive, have quality street access, and provide a benefit to the community.

#### **Objective 1 – Identify Areas of Economic Opportunity.**

##### **Strategy 1.1 – Create Economic Opportunity Map**

An important initiative to creating a City of Cape Coral Economic Development Master Plan is identifying lands within the City that have an opportunity to create new commercial developments or expand on existing commercial areas. To achieve what will be called an Economic Opportunity Map, the City was

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<sup>14</sup> Much less so for industrial or office development.

analyzed in four quadrants; Southeast, Southwest, Northeast, and Northwest. Each area is evaluated based on a multitude of factors such as existing commercial entitlements<sup>15</sup>, existing and surrounding development, available transportation and utility infrastructure, size of land, and level of property assemblage.

#### SOUTHEAST QUADRANT

Geographic Region - Starting from the eastern border along the Caloosahatchee River, running westward towards Santa Barbara Boulevard and northward towards Pine Island Road.

Highlights - Historically speaking, the southeastern quadrant of the City was one of the first areas in the City to develop in the 1960's. More densely developed than other quadrants of Cape Coral. Includes the CRA/South Cape area. The majority of commercial lands are located along four major roadways; Cape Coral Parkway and Pine Island Road and, which run east/west, and Santa Barbara Boulevard/Del Prado Boulevard, which run north/south. Aside from a few isolated areas, the remainder of the commercial land in the southeast quadrant is within the South Cape redevelopment area and the Viscaya Industrial Park/Cape Coral City Hall area.

Notable Commercial Developments –Five developments that exceed 45,000 sq. ft. including a Super Target, Super Walmart, and two grocery stores, and Cape Coral Hospital. Gulf Coast Village Assisted Living Facility.

Total commercial acreage – 2,251 acres

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<sup>15</sup> Commercial land use or zoning.

#### Southeast #1



Location - East of Del Prado Boulevard, South of Pine Island Road, North of NE 6<sup>th</sup> Street and West of NE 19<sup>th</sup> Place.

Total area – 64 acres

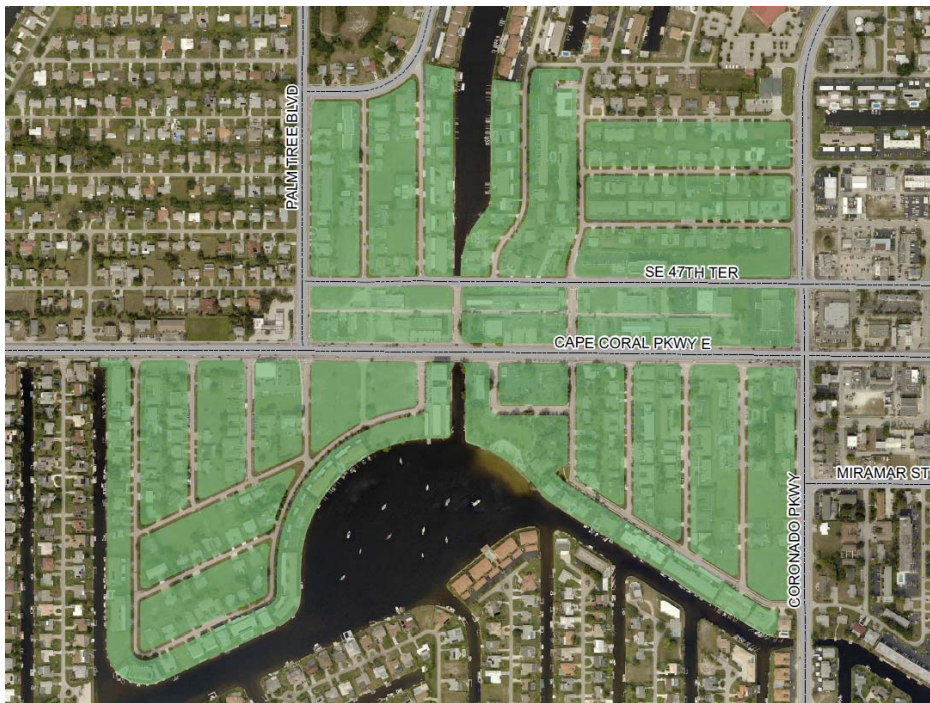
Strengths – Located east, west and south of commercial areas. Would expand the commercial area located at the intersection of two major roadways – Del Prado Boulevard and Pine Island Road. Housing stock is aging (>20 years old) and includes some lands that have been annexed into Cape Coral over time. Could result in additional clustering of industrial or manufacturing uses. Utilities available.

Challenges – Densely developed with residential. Lacks internal street connectivity. Would require large-scale assemblage. No commercial entitlements.

Current Zoning – Combination of Pedestrian Commercial, Corridor, and Single-Family Residential

Potential Zoning - Corridor

## Southeast #2



Location - Cape Coral Parkway, West of Coronado Parkway and East of Santa Barbara Boulevard

Total Area – 177 acres

Strengths – Currently part of the South Cape Community Redevelopment Area (CRA).. Has been identified as a priority by Bimini Basin Visioning Project. Potential for a pedestrian friendly, walkable urban center. Opportunities for waterfront commercial or mixed-use. Portion of property is City-owned park. Utilities are available. Large amounts of land are under unified ownership. Area has commercial entitlements.

Challenges – Some areas are densely developed with multi-family residential units. Would require land assemblage. Street vacations may be required.

Current Zoning – Combination of South Cape and Multi-Family Residential

Potential Zoning – South Cape or a specific district addressing the Bimini Basin Vision

Southeast #3





Location – Jaycee Park. Eastern end of Beach Parkway, West of Caloosahatchee River.

Size – 10 acres

Strengths – Waterfrontage. Surrounding area is fairly dense with multi-family. Owned by City of Cape Coral. Utilities available. Could be a destination-style development.

Challenges – Currently a City of Cape Coral park. Lacks ideal access. No commercial entitlements.

Current Zoning – Single-Family Residential

Potential Zoning – Pedestrian Commercial

#### Southeast #4



Location – Cape Coral Yacht Club, Southern end of Driftwood Parkway.

Size – 14 acres

Strengths – Owned by City of Cape Coral. River-front access. Existing marina. Could transform into destination-style development. Some commercial uses are already on-site. Has commercial entitlements. Utilities available.

Challenges – Surrounding residential neighborhood. Potential loss of some park features. Property's shape is not ideal. Lacks ideal access.

Current Zoning – Thoroughfare Commercial

Potential Zoning – Pedestrian Commercial

#### Southwest Quadrant

Geographic Region – North of Caloosahatchee River, West of Santa Barbara Boulevard, East of Spreader Canal, and South of Pine Island Road.

Highlights - Well-established residential areas that include residential subdivisions such as Sandoval and Heatherwood Lakes and mixed-use. Master-planned, mixed-use waterfront developments in Cape Harbour and Tarpon Point. Commercial corridors are located along Chiquita Boulevard, Skyline Boulevard, Santa Barbara Boulevard (which run north/south), Cape Coral Parkway, Veterans Parkway, and Pine Island Road (which run east/west). Large areas of wetlands and preservation areas within the Caloosahatchee River and the Spreader Waterway.

Notable Commercial Development – Ten commercial developments that exceed 40,000 sq. ft. including a Super Target, a Neighborhood Wal-Mart, Surfside Plaza and three grocery stores; Sunsplash Family Waterpark; two home improvement stores; Cape Harbour and Tarpon Point Mixed-Use developments.

Total commercial acreage - 2,497 acres

#### Southwest #1



Location - North of Veterans Parkway, East of Armstrong Canal/SW 20<sup>th</sup> Avenue, South of Boris Canal, West of Surfside Boulevard.

Total Area – 43 acres

Strengths – Located at intersection of principal arterial and minor arterial. Three large tracts, two under common ownership, another owned by City of Cape Coral. Large percentage of area has commercial entitlements. Existing commercial nearby. Over half of waterfront properties are undeveloped. Separated from surrounding residential development by canal. Utilities available.

Challenges – No existing access from Veterans Parkway. Waterfront properties are on closed-system canal. Loss of land designated as Parks and Recreation.

Current Zoning – Combination of Pedestrian Commercial, Marketplace Residential, Single-Family Residential and Agricultural

Potential Zoning – Pedestrian Commercial or Marketplace Residential

Southwest # 4



Location - North of SW 44<sup>th</sup> Street, East of SW 9<sup>th</sup> Avenue, South of SW 42<sup>nd</sup> Terrace, West of Skyline Boulevard

Total Area – 27.04 acres



Strengths – Located west of Skyline Boulevard/minor arterial. One large tract owned by City of Cape Coral – designated as “City Parking Lot”. Existing commercial entitlements. Some assemblage of properties. Utilities are available.

Site Considerations – Not located at major intersection. Large number of small properties still require assemblage. Some existing commercial located near southern edge of area boundary.

Current Zoning – Pedestrian Commercial

Potential Zoning – N/A

#### Southwest #5



Location - North/South/East/West intersection of Beach Parkway and Agualinda Boulevard.

Total Area – 21 acres

Strengths – Located at intersection of two collector roads. Properties are under single ownership and have commercial entitlements through land use and zoning.

Site Considerations – Lack of frontage/access on arterial road. Location at four intersections may provide some site design challenges/development may be broken up. Single-family homes in close proximity.

Current Zoning – Marketplace Residential

Potential Zoning – Marketplace Residential or Pedestrian Commercial

#### Northeast

Geographic Region – Starting from the eastern boundary of Cape Coral, running westward to eastern side of Santa Barbara Boulevard, north from Pine Island Road to northern edge of the Cape Coral.

Highlights – Lack of well-established residential neighborhoods except for 2-3 residential subdivisions. Contains 3 former Developments of Regional Impact (DRI) that have various levels of existing development. North Cape Industrial Park. City-owned site formerly known as Academic Village. Partially serviced by centralized utilities. Lack of major commercial corridors found within southeast and southwest quadrants. Commercial is more focused on nodes/commercial intersections. Contains conceptual Veteran's Investment Zone (VIZ). Includes North Zemel annexation area.

Notable Commercial Development – 2-3 commercial developments exceeding 40,000 sq. ft. including a Publix Shopping Center. Also includes North Cape Industrial Park and the Veterans Clinic.

Total commercial acreage – 3,979 acres

Remaining commercial acreage -

#### Northeast #1



Location - North of Diplomat Parkway, East of NE 19<sup>th</sup> Avenue, South of NE 17<sup>th</sup> Terrace, West of NE 21<sup>st</sup> Avenue.

Total Area – 83 acres

Strengths – Located along major arterial/Diplomat Parkway, east of Del Prado Boulevard and Diplomat Parkway intersection. One large tract is owned by City of Cape Coral – designated as “City Parking Lot.” Existing commercial designation. Some assemblage of properties has already occurred. Centralized utilities are available.

Challenges – Large number of small properties that still require assemblage.

Site Considerations - May require vacation of existing platted alley rights-of-way.

Current Zoning – Combination of Pedestrian Commercial, Professional Office and Multi-Family Residential

Potential Zoning – Pedestrian Commercial



## Northeast #2



Location - North of NE 27<sup>th</sup> Terrace, East of Santa Barbara Boulevard, South of NE 29<sup>th</sup> Street, West of NE 1<sup>st</sup> Place.

Total Area – 26 acres

Strengths – Located along major arterial/Santa Barbara Boulevard, east of Del Prado Boulevard and Diplomat Parkway intersection. One large tract owned by City of Cape Coral – designated as “City Parking Lot”. Existing commercial designation. Entirety of area is undeveloped. Some assemblage of properties has already occurred. Centralized utilities are not available.

Challenges – Large number of small properties that still require assemblage.

Site Considerations - May require vacation of existing platted alley rights-of-way.

Current Zoning – Residential Development

Potential Zoning – Pedestrian Commercial

Northeast #3



Location - North of Diplomat Parkway, East of Santa Barbara Boulevard North, South of Frontier Canal, West of Tacoma Canal.

Total Area – 35 acres

**Strengths** – Located at intersection of two arterial roadways - Santa Barbara Boulevard/Diplomat Parkway. Some existing commercial land along with some signs of assemblage. Provides opportunity for some commercial waterfront development. Fairly low density of residential development.

**Challenges** – Large number of small properties that still require assemblage. May require vacation of existing platted alley rights-of-way. Utilities not available.

**Current Zoning** – Combination of Professional Office, Single-Family Residential and Residential Development

#### Northeast #4



**Location** - North of NE 14<sup>th</sup> Street, East of NE 15<sup>th</sup> Avenue, South of NE 15<sup>th</sup> Terrace, West of Del Prado Boulevard North.

Total Area – 9.9 acres

Strengths – Located along major roadway. Solely owned by Lee County School District. Undeveloped. Utilities available.

Challenges – No existing direct access from Del Prado Boulevard. Nearby residential properties. Lee County School District may not be willing to sell. No commercial entitlements.

Current Zoning – Combination of Multi-Family Residential, Single-Family Residential and Professional Office

Potential Zoning – Pedestrian Commercial

Northeast #5



North of Pine Island Road, East of Diplomat Parkway, South of Littleton Road.

Area – 510 acres



Strengths – Large size could produce quality development(s). Access from Pine Island Road and several other streets (Diplomat Parkway, Littleton Road, NE 24<sup>th</sup> Avenue). Existing commercial development such as Veterans Clinic, and Hope Hospice could provide for clustering of related uses. Some manufacturing uses are also present within the area. Utilities are available.

Site Considerations – Some environmental issues such as wetlands are present on the properties. Assemblage of other properties may be necessary for varying scales of development.

Current Zoning – Combination of Corridor, Marketplace Residential and Industrial

Potential Zoning – No change

#### Northeast #6



Intersection of Kismet Parkway and Del Prado Boulevard.

Size – 182 acres

Strengths – Nearly all properties owned by City of Cape Coral. Undeveloped. Located at intersection of two arterials. Commercial entitlements. Utilities available.

Site Considerations – Environmental issues may require mitigation.

Current Zoning – Pedestrian Commercial

Potential Zoning – No change

Northeast #7





Location – West of U.S. 41, North of Durden Parkway.

Size – 1,134 acres

Strengths – Assembled land. Frontage on U.S. 41. In relatively close proximity to Interstate 75. Undeveloped. Partial commercial entitlements.

Challenges – Large portion of property is protected due to wetlands. Lacks full commercial entitlements. Access to large portion of property (western half) is undetermined and may be challenging. No utilities available.

Current Zoning – No existing zoning

Potential Zoning – High Intensity Commercial Industrial

## Northeast #8



Location – North of Pine Island Road, East of Andalusia Boulevard, South of Tropicana Parkway

Size – 73 acres

Strengths – Large portion of area is City-owned “Parking Lot”. Utilities available. Commercial entitlements. Frontage on principal arterial and at intersection of minor arterial. Surrounding commercial development.

Site Considerations- Large number of small parcels that need assemblage. May require vacation of internal roads/walkways.

Current Zoning – Corridor

Potential Zoning – No change

Northwest Quadrant

Geographic Region – Starting from western side of Santa Barbara Boulevard and northern side of Pine Island Road, running North to Lee County line and West to the western boundary of Cape Coral.

Highlights – Lack of well-established residential neighborhoods except for 2-3 residential subdivisions. Most sparsely developed quadrant of City. Majority of area lacks centralized utilities. Spreader Canal runs along western boundary for the majority of the quadrant. Burnt Store Road is currently undergoing expansion from 2 lanes to 4 lanes.

Notable Commercial Development – 1 major commercial development over 40,000 sq. ft. that includes a grocery store.

Total commercial acreage – 3,299 acres

Remaining commercial acreage -

#### Northwest #1



Generally known as “Seven Islands.” Located West of Burnt Store Road and South of Tropicana Parkway.

Total Area – 60.95 acres

Strengths – Solely owned by City of Cape Coral. Large amount of waterfront. May be desirable for mixed-use or waterfront commercial. Currently undergoing a visioning process to determine best uses/design.

Site Considerations – Surrounding infrastructure will need to be improved. May require soil stabilization depending on scale of development. No commercial entitlements. Some portion of canal may require filling. No utilities available.

Current Zoning – Residential Development

Potential Zoning – Pedestrian Commercial or Marketplace Residential

#### Northwest #2



Located West of Burnt Store Road and Van Buren Parkway intersection.

Total Area – 18.7 acres

Strengths – Largely undeveloped. Presents opportunity for waterfront commercial. Located along major arterial.

Challenges – Fragmented ownership pattern. Full development would require vacation of streets. No commercial entitlements. Lacks utilities.



### Northwest #3



Located West of Burnt Store Road and North of Kismet Parkway.

Total Area – 272 acres

Strengths – Approximately 175 acres owned by City of Cape Coral. Remaining area owned by one corporation. Located along arterial roadway. Has size, depth and width to support wide range of commercial uses. Has some commercial entitlements. No nearby established residential communities. Existing lake on site that could be used for stormwater purposes.



Site Considerations – No utilities available. Full utilization of area would require consolidation of properties. May face some pressure to develop residentially.

#### Northwest #4



Located West of Burnt Store Road and North of Kismet Parkway.

Total Area – 24.5 acres

Strengths – Comprised of several large un-platted parcels at intersection of two, four-lane roadways. Has sufficient size and depth.

Site Considerations – Lack of centralized utilities. Full utilization of area would require consolidation of properties. Would require road widening for Kismet Parkway and Old Burnt Store Road. No commercial entitlements.

#### Northwest #5



Located East of Burnt Store Road and North of Van Buren Parkway.

Total Area – 170 acres

Strengths – Comprised of four large un-platted parcels near intersection of two arterials. Has sufficient size and depth. Would be ideal for clustering of marine-type uses. Has commercial entitlements.

Site Considerations – No utilities available. Full utilization of area would require consolidation of properties. May be some environmental concerns with property. Bisected by Gator Slough.

#### Northwest #6



West of Burnt Store Road and Diplomat Parkway intersection and North/South of Yucatan Parkway and Burnt Store Road intersection.

Size – 33 acres

Strengths – Low levels of residential development. Frontage along major arterial and located along node intersections. Some commercial entitlements. Some assemblage has occurred.

Site Considerations – Lacks large-scale assemblage. No utilities available. Some vacation of roads/alleys may be required.

#### Northwest #7



West of Burnt Store Road/Southeast of Caloosa Parkway.

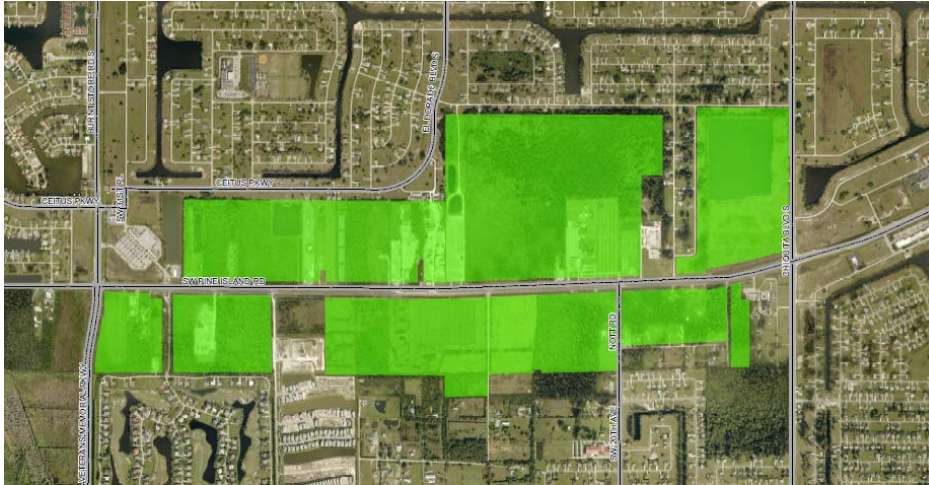
Size – 493 acres

Strengths – Located along principal arterial. Undeveloped and un-platted. Assembled acreage. Sporadic surrounding residential. Has some commercial entitlements.

Site Considerations – No utilities available. Environmental issues may require mitigation. May face pressure to develop residentially.

#### Northwest #8





Corridor along Pine Island Road that is East of Chiquita Boulevard and West of Burnt Store Road

Size – 624 acres

Strengths – Area has commercial zoning. Several properties of significant size (>20 acres). Located along a principal arterial. Lack of existing residential development.

Site Considerations – Lack of centralized utilities. Fragmented ownership. Installation of utilities could spur development.

Current Zoning – Corridor

Potential Zoning – No change

#### Strategy 1.2 – Expand Scope of Economic Opportunity Map.

The Economic Opportunity Map presented in this report identifies key sites for economic growth; however, the overall scope of the Economic Opportunity Map can be further expanded. The map could also delineate economical, geographical and demographical details for the areas surrounding the identified sites such as population, age, wage, education level, home ownership/rental, number of daily vehicle trips, soil types, etc. Expanding the map to include this level of data could provide the City of Cape Coral staff and elected officials with a comprehensive base of knowledge when making decisions regarding the identified sites. An expanded Economic Opportunity Map could also be useful for marketing and for providing developers or site selectors with information and data regarding Cape Coral.

Action 1.2.1 – Dedicate City resources (staff or budget) to create an expanded Economic Opportunity Map or partner with an outside agency firm to create an expanded Economic Opportunity Map.

#### **Objective 2 – Make Areas of Economic Opportunity Viable for Development.**

#### Strategy 2.1 – Entitle commercial properties for targeted areas

Having partial commercial entitlements, such as Future Land Use and Zoning, allow for developers to legally construct commercial development on a property. Forty percent (40%) of the properties identified in the Economic Opportunity Map did not have commercial entitlements. While many areas of the City are ideal locations for commercial development due to street access, location, many of these areas have been developed with residential properties, making them less attractive to developers. By placing the appropriate commercial entitlements on the property, the City is able to ensure that selected properties will not be developed with residential uses. Placing commercial entitlements on selected properties is also beneficial for developers by reducing the risk and cost of applications, consultant fees, public hearings etc.

Action 2.1.1 – Create a priority list of Economic Opportunity Map areas that do not have commercial entitlements.

Action 2.1.2 – Create desired timeline for placement of commercial entitlements.

Action 2.1.3 – In accordance with timeline, place commercial entitlements on selected areas.

#### Strategy 2.2 – Create a plan for utilization of City of Cape Coral “Parking Lots”

During the initial platting stages of the City, several “parking lots” were platted throughout all four quadrants of the City. These parking lots were designed to provide a public-owned parking area with development surrounding the parking area. A few of these parking lots have been developed in the CRA and along Del Prado Boulevard, however, several of these parking lots are currently undeveloped and are located in areas with commercial entitlements and available utilities. The remaining undeveloped parking lot areas range in size from 10 acres to 25. The parking lots are also surrounded by parcels creating a substantial development site. The City of Cape Coral should create a strategy that allows for the best utilization of these parking lots in the future.

Action 2.2.1 – Determine a strategy that best utilizes the parking lots area for future development.

Action 2.2.2 – Determine a timeline to effectuate plan for parking lots.

#### Strategy 2.3 – Create a land bank for commercial opportunities

Many local governments own multiple properties within their jurisdictions to use for various public works or recreational projects. One of the great challenges facing Cape Coral is the lack of large parcels that can be used for commercial development. The City of Cape Coral should consider making a concerted effort to create a bank of land that can be utilized as a means of assemblage for certain areas of economic opportunity. For various political and legal reasons, the land bank would need to be created outside of the eminent domain process. The City could also utilize existing properties owned by the City as a means of swapping land with private owners who own parcels within areas of economic opportunity.

Action 2.3.1 – Determine strategy and budget for creation of land bank for areas of economic opportunity.



Action 2.3.2 – Prioritize areas for land banking and land swapping within areas of economic opportunity.

Strategy 2.4 – Encourage commercial intensity

Traditionally Cape Coral has experienced a consistent style of commercial development. The majority of commercial sites are developed with one-story buildings that have an average floor area ratio (FAR) of 0.25. Very few buildings in Cape Coral exceed three stories. Several reasons exist for this standard style of development, such as land affordability and the relatively low level of existing development. While low intensity development is prevalent throughout the City, a decreasing supply of commercial will require the City to encourage developments that are more intense in terms of square footage and height. More intense developments are also beneficial to the City financially. As building height and square footage increase, so do the value of the property and the taxable revenue generated. Encouraging more intense developments can assist the City in the goal of achieving a more sustainable balance between residential and commercial ad valorem tax revenue.

Action 2.4.1 – Refine Land Use Regulations to allow and encourage more intense developments in appropriate areas.

Action 2.4.2 – Embrace quality projects that provide an FAR of 0.30 or greater.

## Areas of Economic Opportunity Matrix

The following is an Economic Opportunity Matrix that breaks down each area of opportunity by analyzing several factors such as utility access, road access, existing entitlements, etc. The matrix is useful to determine the actions necessary in order to make the site “shovel-ready”. The matrix should be used as a guiding tool in determining what areas should be focused on first.

Area	Access to Arterial Road	Existing Utilities	Existing Entitlements over 50%	Under 30% Developed	Over 50% Assembled	City-Owned Property over 25%	Size
SE 1	Yes	Yes	No	No	No	No	64 acres
SE 2	Yes	Yes	Yes	No	No	No	177 acres
SE 3	No	Yes	No	Yes	Yes	Yes	10 acres
SE 4							
SW 1	NO	Yes	No	Yes	Yes	Yes	20 acres
SW 2	No	Yes	No	No	No	Yes	21 acres
SW 3	Yes	Yes	Yes	Yes	No	No	43 acres
SW 4	Yes	Yes	Yes	Yes	Yes	Yes	27 acres
SW 5	No	Yes	Yes	Yes	Yes	No	21 acres
NE 1	Yes	No	yes	Yes	Yes	No	83 acres
NE 2	Yes	No	No	Yes	No	Yes	26 acres
NE 3	Yes	No	Yes	Yes	No	No	35 acres
NE 4	Yes	No	No	Yes	Yes	No	10 acres
NE 5	Yes	Yes	Yes	Yes	Yes	No	510 acres
NE 6	Yes	Yes	Yes	Yes	Yes	Yes	182 acres
NE 7	Yes	No	Yes	Yes	Yes	No	1,134 acres
NW 1	No	No	No	Yes	Yes	Yes	61 acres
NW 2	Yes	No	No	Yes	No	No	19 acres
NW 3	Yes	No	Yes	No	Yes	Yes	272 acres
NW 4	No	No	No	Yes	No	No	25 acres
NW 5	Yes	No	Yes	Yes	Yes	No	170 acres
NW 6	Yes	No	Yes	Yes	No	No	33 acres
NW 7	Yes	No	Yes	Yes	Yes	No	493 acres
Total Acres							3426 acres

## 4.2 INITIATIVE 2 - BUSINESS RETENTION AND EXPANSION

A vibrant and successful business and retention program should be the cornerstone of any economic program. When existing businesses thrive, so too does the community. The economic core of many cities exists within small and medium-sized businesses. In fact, national statistics show that the vast majority of business growth comes from existing companies rather than company relocations. Prosperous, competitive businesses are more likely to remain and grow in the City which provides the best opportunity for increasing the tax base and providing jobs for residents. Business Retention and Expansion (BRE) programs are being utilized across the nation to identify barriers for business survival and to determine the best ways to support business growth. While a new company relocating to Cape Coral may grab headlines and make for a splashy new story, focusing on the small to medium-sized companies that make up the foundation of Cape Coral is crucial to long-term economic sustainability.

### **Objective 1 –Create an environment of investment**

#### Strategy 1.1 - Establish a comprehensive Business Retention and Expansion (BRE) Program

BRE programs are being utilized by numerous Economic Development departments in order to track and analyze small, medium and large businesses. These programs are useful for gaining insight into the challenges and opportunities local companies are facing. Strategies such as the business visitation program and company surveys are crucial for obtaining feedback. The program can provide helpful information that will assist the City in providing support for businesses. The program may also help the City provide local businesses with assistance or insight that would contribute to future growth. The City should also focus on increasing business visitation efforts. These visits are beneficial not only for the business, but also for the City's Economic Development department in gathering research and data regarding the City's various commercial markets. These findings can be utilized in determining where to focus additional efforts of the department.

Action 1.1.1 – Maintain comprehensive businesses inventory.

Action 1.1.2 – Install and utilize a customer relationship management (CRM) software system.

Action 1.1.2 – Increase efforts of business visitation program.

#### Strategy 1.2 –Promote and Utilize Small Business Development Center (SBDC)

Currently, Cape Coral has an SBDC that is operated in conjunction with Florida Gulf Coast University. Cape Coral funds approximately 30-40% of the SBDC's budget. The SBDC provides one-on-one technical assistance, advice and guidance, as well as mentorship and networking capabilities. SBDCs are funded by a combination of federal, state and local funds. Currently, the SBDC has one office located within Cape Coral, near City Hall; however, a second office could be added that would help serve more businesses, particularly in an area of high business concentration such as the CRA/South Cape area.

Action 1.2.1 – Increase marketing and promotional materials focused on the Cape Coral branch of the SBDC.

Action 1.2.2 – Provide additional funding to the Cape Coral SBDC to allow for an additional branch location elsewhere in the City.

## **Objective 2 – Ease cost of doing business**

### Strategy 2.1 – Create/expand incentives for small, local businesses

Small businesses are often the backbone of a local economy, yet small businesses are often the most volatile. The U.S. Bureau of Labor states that 66% of new businesses survive the first two years and approximately 50% survive past 5 years. There are a multitude of reasons a business can fail; however, the City should make sure that business failure is not due to City-created conditions. The City of Cape Coral can implement a few strategies that can give existing small businesses a boost in their efforts for survival. These incentives should not be a hand-out but rather a helping hand to small businesses who need a little extra boost.

Action 2.1.1 – Refine Impact Fee Deferral/Loan Program.

Action 2.1.2 – Create Property Tax Rebate Program.

Action 2.1.3 - Consider creation of a Revolving Loan Fund.

Action 2.1.4 – Refine Cash Incentive for Jobs Program.

### Strategy 2.2 – Encourage business expansion

While many businesses are eager to grow, many companies are often met with roadblocks and difficulties when trying to expand. Common complaints are often that city codes and regulations provide a hindrance that can be difficult or impossible to navigate around. Regulations such as landscaping and parking seem to be a common complaint for businesses seeking expansion. In 2015, the City hired a consultant that is re-writing the LUDRs. The new regulations will allow the flexibility desired by the City and from local business owners.

Action 2.2.1 – Modify Land Use Regulations to simplify business expansion

Action 2.2.2 – Create a program that would allow expanding businesses a time frame to complete changes such as providing extra landscaping or parking.

### 4.3 INITIATIVE 3 – ATTRACT KEY AND EMERGING SECTORS

The world of business is constantly evolving. Businesses that were successful 50 years ago are no longer in place today. Likewise, businesses that are thriving in today's climate will be obsolete 50 years in the future. Cape Coral needs to identify existing and emerging markets that will be key to the City's future economic growth. The City needs to attract and support these sectors in order to provide them with a business climate that will allow them to grow and prosper.

#### Key Sectors

Both the state of Florida and the City of Cape Coral have identified key sectors that are desirable for future growth. To attract the development or relocation of businesses in those sectors, incentives are available for companies looking to move their business to Florida or Cape Coral.

Currently, the City of Cape Coral has focused on five specific industries as the type of businesses that are viewed as key sectors. The following industries are available for incentives:

- 1) Health Care
- 2) Light Manufacturing
- 3) Corporate Headquarters
- 4) Back Office
- 5) Wholesale Distribution

The State of Florida also identifies the following 6 industries that are available for state incentives:

- 1) Cleantech
- 2) Life Sciences
- 3) Infotech
- 4) Aviation/Aerospace
- 5) Homeland Security/Defense
- 6) Financial/Professional Services

The State of Florida has also identified the following industries as "Emerging Markets" which are available for state incentives:

- 1) Cloud IT
- 2) Marine Sciences
- 3) Materials Science
- 4) Nanotechnology

The State of Florida also offers incentives for the following types of "Manufacturing" industries:

- 1) Food and Beverage
- 2) Automotive and Marine

- 3) Plastics and Rubber
- 4) Machine Tooling

#### Objective 1 –Refine focus on attracting targeted sectors

##### Strategy 1.1 – Identify sectors that fit Cape Coral

Cape Coral is a unique city in terms of location, population demographics, land patterns, etc. Like most cities and counties, not all businesses are well-suited to thrive in Cape Coral. Understanding what industries have strong foundations in the City and Lee County can lead to adding more industries to an incentive list currently or in the future as conditions change. Targeted and core industries should exhibit several traits such as

- 1) Stable Location Quotient (LQ) in Lee County
- 2) Takes advantages that Cape Coral and Lee County has to offer
- 3) Shows potential of regional growth
- 4) Presents an opportunity where the City can provide assistance or incentives.

Location Quotient (LQ) quantifies the concentration of a cluster in a given area as compared with the US average. For example, an LQ of 1.0 denotes a concentration matching the US average, while an LQ of 2.0 denotes a specialization of double the US average.

Table A is the Location Quotient of Lee County based on the Bureau of Labor Statistics Super Sectors. The table shows that Lee County is above average (as compared to rest of the U.S.) in traditionally strong categories such as **Construction** and **Leisure/Hospitality**. Lee County hovers around average in other categories such as **Natural Resources/Mining, Trade/Transportation/Utilities, Financial Activities, Professional/Business Services, and Other Services**.

**Table A.**

Industry	Lee County, Florida
Base Industry: Total, all industries	1.00
Natural resources and mining	0.99
Construction	1.95
Manufacturing	0.25
Trade, transportation, and utilities	1.12
Information	0.69
Financial activities	0.89
Professional and business services	0.91
Education and health services	0.77
Leisure and hospitality	1.56
Other services	1.05
Unclassified	0.31
Location Quotient: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area.	



(US Bureau of Labor Statistics, 2015)

The next table, Table B, is the Location Quotient of Lee County based on the Bureau of Labor Statistics Sectors. Industries that are substantially above average include **Agriculture/Forestry/Fishing/Hunting, Construction, Retail Trade, Real Estate/Rental/Leasing, Arts/Entertainment/Recreation, Accommodation/Food Services**. Industries near the national average include **Utilities, Professional/Technical Services, Management of Companies, Health Care/Social Assistance, Other Services**.

**Table B.**

Industry	Lee County, Florida
Base Industry: Total, all industries	1.00
Agriculture, forestry, fishing and hunting	1.57
Mining, quarrying, and oil and gas extraction	0.15
Utilities	0.93
Construction	1.95
Manufacturing	0.25
Wholesale trade	0.65
Retail trade	1.49
Professional and technical services	0.82
Management of companies and enterprises	0.83
Administrative and waste services	1.01
Educational services	0.61
Health care and social assistance	0.80
Transportation and warehousing	0.50
Information	0.69
Finance and insurance	0.62
Real estate and rental and leasing	1.63
Arts, entertainment, and recreation	2.00
Accommodation and food services	1.48
Other services, except public administration	1.05
Unclassified	0.31
Location Quotient: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area.	

(US Bureau of Labor Statistics, 2015)

While typically strong industries such as construction, real estate, retail and hospitality are important to Cape Coral, incentivizing these industries may not be necessary or rewarding as these industries are primarily driven on customer demand. Other industries such as agriculture or forestry may be strong in Lee County due to large areas of undeveloped land, but are not ideal target industries for Cape Coral which is primarily comprised of cleared lands. Other than manufacturing, Industries that are less than half of Lee County's LQ should also be eliminated due to a lack of overall concentration. The following table, Table C, also, industries that Cape Coral already offers incentives for include (Health Care, Light Manufacturing, Corporate Headquarters, Back Office, and Wholesale Distribution).

**Table C.**

Industry	Lee County, Florida
Base Industry: Total, all industries	1.00
<del>Agriculture, forestry, fishing and hunting</del>	<del>1.57</del>
<del>Mining, quarrying, and oil and gas extraction</del>	<del>0.15</del>
Utilities	0.93
<del>Construction</del>	<del>1.95</del>
Manufacturing	0.25
Wholesale trade	0.65
<del>Retail trade</del>	<del>1.49</del>
Professional and technical services	0.82
Management of companies and enterprises	0.83
Administrative and waste services	1.01
Educational services	0.61
Health care and social assistance	0.80
Transportation and warehousing	0.50
Information	0.69
Finance and insurance	0.62
<del>Real estate and rental and leasing</del>	<del>1.63</del>
<del>Arts, entertainment, and recreation</del>	<del>2.00</del>
<del>Accommodation and food services</del>	<del>1.48</del>
Other services, except public administration	1.05
<del>Unclassified</del>	<del>0.31</del>

Location Quotient: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area.

(US Bureau of Labor Statistics, 2015)

Remaining industries include the following:

- 1) Utilities
- 2) Manufacturing
- 3) Wholesale Trade
- 4) Professional and Technical Services
- 5) Management of Companies and Enterprises
- 6) Administrative and Waste Services
- 7) Educational Services
- 8) Health Care and Social Assistance
- 9) Transportation and Warehousing
- 10) Information
- 11) Finance and Insurance
- 12) Other Services

Several of the above industries such as **Educational Services, Utilities, and Waste Services** operate as quasi-governmental agencies and may not qualify as target industries that add to the tax base. Also, Cape Coral lacks direct access to I-75, therefore, the **Transportation and Warehousing** industry may not be prime for growth in Cape Coral. The remaining industries include:

- 1) Manufacturing
- 2) Professional and Technical Services
- 3) Management of Companies and Enterprises
- 4) Health Care and Social Assistance
- 5) Information
- 6) Finance and Insurance

The **Manufacturing Sector** includes a broad range of businesses such as food manufacturers, textile and fabric manufacturers, metal manufacturing/refining, furniture manufacturing etc.

The **Professional and Technical Services Sector** includes businesses such as law firms, research and development companies, specialized design services, computer systems companies, etc.

The **Management of Companies and Enterprises Sector** includes businesses such as holding companies, management of bank offices, and

The **Health Care and Social Assistance Sector** includes businesses such as medical practices, hospitals, diagnostic services, and elderly and children's care.

The **Information Sector** includes businesses such as newspaper and book publishers, movie production companies, wireless communication carriers, sound production companies, etc.

The **Finance and Insurance Sector** includes businesses such as commercial banks, consumer credit companies, insurance companies, investment brokerages etc.

With the exception of the Manufacturing sector, the above industry sectors fit Cape Coral as they do not require port or highway access, they typically occupy office space (which is abundant in Cape Coral), they generally produce wages at or above the area's median wage (Bureau of Labor and Statistics). The Manufacturing sector has historically not had a large presence in Cape Coral due to factors such as travel times to airports or shipping ports and a lack of industrial. However, Some challenges that Cape Coral will face in attracting these industries is the lack of educated or skilled workers as compared to other

regions, the lack of high-class office space, and competition from surrounding areas such as Estero, Bonita Springs, and Naples.

Action 1.1.1 – Add the **Professional and Technical Services Sector, Information Sector, and Finance and Insurance Sector** to the list of industries available for incentives in Cape Coral.

Action 1.1.2 – Consider study or additional targeted research such as a market analysis to determine specific businesses within industries or sectors that would qualify for incentives.

Action 1.1.3 – Annually review new economic data regarding industries to determine if sectors should be added or removed from incentives list.

#### Strategy 1.2 – Promote incentive program

As discussed earlier, providing incentives is a tool that many governments utilize in order to attract high-quality companies that will provide jobs and revenue to a city, county or state. Many of these incentives are usually tied to job creation with average wages that pay at least 115 percent of the state, metropolitan statistical area (MSA), or local average wage. Incentives are almost entirely monetary but can take for the form of cash payouts, property tax reduction/elimination, or fee (Impact, Building) reduction/elimination. While many incentives are available, understanding the incentive process can be daunting for a business that is looking to re-locate. For instance, Cape Coral offers four incentives, Lee County three separate incentives, the state of Florida offers nine incentives, and Enterprise Florida offers numerous incentives and programs aimed at company relocation and small business expansion. The sheer number of incentives can be dizzying, especially for smaller businesses that are looking to relocate who may not be accustomed to the process.

Cape Coral should consider creating a tutorial or a guide that can break down the incentive process into a procedure that is easier to follow for prospective businesses. This tutorial could be utilized in print and digital form and could also be used as marketing materials for City staff to give to prospective companies. The guide should provide information regarding incentives from all three branches of government (City, County, and State).

Action 1.2.1 – Create an incentive guide for prospective businesses looking to relocate to Florida.

Action 1.2.2 – Make guide available on City website and as part of promotional materials.

#### Strategy 1.3 – Streamline business incentive award

The current process for the awarding of incentives involves a several month process that includes a meeting or hearing in front of the Cape Coral City Council for approval. While this time-frame is appropriate for incentives that can exceed several thousands of dollars, there could be a process for the awarding of smaller incentives<sup>16</sup> that could speed up the process and in turn assist businesses in getting a head start. The small incentives could also help small businesses in core industries or areas that are expanding, relocating or adding additional locations. Allowing City staff to award incentives would allow for flexibility and a responsive city government for worthy businesses and projects.

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<sup>16</sup> Maximum amount determined by City Council.

Action 1.3.1 – Determine a maximum incentive amount that would City staff would be allowed to award.

Action 1.3.2 – Create a program that would allow City staff to award incentives up to amount approved by City Council.

## Objective 2 – Focus on Clustering

### Strategy 2.1 – Identify high-potential clusters.

Clustering is a geographic concentration of related companies, organizations, and institutions in a specific field or industry. For example, a machinery manufacturer might act as a magnet to attract parts suppliers, transport and logistics companies, and IT firms with expertise in manufacturing and supply-chain management. The proximity of these related industries helps to drive productivity, collaboration, competition, and business development.

Many areas around the country are incorporating a cluster-based strategy into economic development practices as a way to build on existing assets and opportunities. By focusing resources on specific clusters, the City can spur economic development more effectively and help to create a competitive advantage in emerging industries. Concentrations in high-potential clusters can create a circle where successful companies can act as a magnet for talent, related businesses and innovation. Investing in the foundational components of a dynamic economy – a robust infrastructure, well-trained workforce, favorable regulatory environment, and coordinated plan – not only supports cluster growth but encourages growth throughout the City.

Not all commercial areas in Cape Coral will work for clustering due to space, road access, utilities etc. Focus should be placed on areas exceeding 10 acres and areas that have qualities which will attract particular uses. For instance, the City should attempt to cluster medical-related uses around the Veterans Administration Clinic or focus marine-based industrial uses within the Viscaya Industrial Park. To accommodate these clusters, special provisions or incentives could be provided to businesses such as expedited permitting, allowing flexibility with the Land Use Regulations, or some form of monetized incentive. The City should also be ready to upgrade infrastructure in potential cluster areas such as the Viscaya Industrial Park or the Veterans Investment Zone. If the proper infrastructure is in place, cluster areas will be more attractive to the businesses the City is looking to entice.

Action 2.1.1 – Create a program that seeks to create or facilitate clustering of uses at ideal locations.

Action 2.1.2 – Create an overlay that designates cluster areas which may provide benefits or incentives.

## Objective 3 – Increase Regional Cooperation and Participation

### Strategy 3.1 – Become more involved in regional projects

In today's economy of globalization and specialization, Cape Coral may find that the road to economic growth and sustainability is difficult if travelled alone. All over the country; states, counties and cities have tried to approach Economic Development on a regional level. Pooling resources, sharing data and

public cooperation has proved effective in drawing in businesses especially in emerging markets. Likewise, Cape Coral needs to reach out and participate with as many different industry groups as possible within Southwest Florida as possible in order to put the City in prime position for growth opportunities. Local governments like Lee County and the City of Naples and public agencies like the Southwest Florida Regional Planning Council are active in the realm of economic development. Consistent participation in regional affairs and projects may lead to Cape Coral attracting businesses within emerging markets that will provide both revenue and jobs. For example, the Southwest Florida Regional Planning Council is involved in a project regarding medical manufacturing throughout the South Florida corridor.

Action 3.1.1 – Engage in, at a minimum, bi-monthly meetings with Southwest Florida Regional Planning Council and any other economic development groups within Southwest Florida.

Action 3.1.2 – Continue to pursue grant opportunities that involve coordination and participation with other local governments and/or agencies.

#### **4.4 INITIATIVE 4 – DEVELOP A COMPETITIVE WORKFORCE**

The foundation of any successful business, regardless of size, is the employees that make up the business. Many companies struggle with finding the right employees with the right combination of experience, skill level, and education. Similarly, many businesses are very selective in where they locate their headquarters to take advantage of the available workforce. Historically, Cape Coral has an economy centered on construction, medical, and service industries. In order to achieve economic sustainability, Cape Coral will need to attract a broader base of industries and sectors. However, in order to support existing companies and to attract new businesses, Cape Coral will need a workforce that is educated, skilled, and competitive with other cities.

This report acknowledges that many aspects of training and education are outside the sphere of a local government such as a college curriculum or degree programs. Therefore, Cape Coral must be cognizant



of where opportunities exist to surgically apply resources and funding. The options discussed in this initiative are meant to focus on realistic opportunities that the City can pursue for strengthening the workforce within the City.

**Objective 1 – Increase education level of Cape Coral workers**

Strategy 1.1 – Attract secondary education institutions to Cape Coral.

The importance of residents with a college degree is important from an economic standpoint. Studies have shown that cities and states with higher levels of education are generally correlated with higher wages. Cape Coral is a city that has a population exceeding 160,000 residents, yet the city lacks secondary education institutions. Similarly, according to the most recent U.S. Census, Cape Coral lags behind the nation in the percentage of population that has a college education. While the lack of a secondary institution in Cape Coral may not be directly responsible for the below average educational attainment of City residents, most municipalities the size of Cape Coral have a college or university within its limits. For instance, the City of Fort Myers, which has a population that is 2/3 smaller than Cape Coral, has five secondary institutions within its boundaries and two state-run schools within a 20-minute drive.

Cape Coral does not necessarily need to attract the next state university in order to achieve this strategy. The opening of a small satellite campus or a private, for-profit institution would provide an option for Cape Coral residents of all ages to attend a secondary educational institution within their City.

Action 1.1.1 – Consistently engage private and public universities and colleges about expansion into Cape Coral.

Action 1.1.2 – Identify sites that would fit the needs of secondary education institutions.

Action 1.1.3 – Offer assistance/incentives to bring secondary education institutions into Cape Coral.



# Economic Development Master Plan

**Ideas for today and tomorrow**

# Presentation Outline

1. Master Plan Framework
2. Six Initiatives for Economic Growth
  - Initiative 1 – Focus on Key Area
  - Initiative 2 – Business Retention and Expansion



# Framework



# Initiatives – Objectives – Strategies – Actions

- **Initiative**
  - Long-Term Goal with Broad Scope
- **Objective**
  - Initial Step in achieving Initiative
- **Strategy**
  - Course of Action to achieve Objective
- **Action**
  - Specific step to achieve Strategy / Could be a Project or Program for implementation

# Six Initiatives



# Initiative 1 – Focus on Key Economic Areas

- Objective 1 – Identify Areas of Economic Opportunity
  - **Strategy 1.1 – Create Economic Opportunity Map**
  - **Strategy 1.2 – Expand Scope of Economic Opportunity Map**
    - Action 1.2.1 - Dedicate City resources (staff or budget) to create an expanded Economic Opportunity Map or partner with an outside agency firm to create an expanded Economic Opportunity Map.



## • Objective 2 – Make Areas of Economic Opportunity Viable for Development

### • **Strategy 2.1 – Entitle Areas of Economic Opportunity**

- Action 2.1.1 – Create a priority list of Economic Opportunity Map areas that do not have commercial entitlements.
- Action 2.1.2 – Create desired timeline for placement of commercial entitlements.
- Action 2.1.3 – In accordance with timeline, place commercial entitlements on selected areas.

### • **Strategy 2.2 – Create Plan for City Parking Lots**

- Action 2.2.1 – Determine a strategy that best utilizes the parking lots area for future development.
- Action 2.2.2 – Determine a timeline to effectuate plan for parking lots.

- **Objective 1 – Make Areas of Economic Opportunity Viable for Development**

- **Strategy 2.3 – Create a Land Bank**

- Action 2.3.1 – Determine strategy and budget for creation of land bank for areas of economic opportunity.
- Action 2.3.2 – Prioritize areas for land banking and land swapping within areas of economic opportunity.

- **Strategy 2.4 – Encourage Commercial Intensity**

- Action 2.4.1 – Refine Land Use Regulations to allow and encourage more intense developments in appropriate areas.
- Action 2.4.2 – Embrace quality projects that provide an FAR of 0.30 or greater.

# Initiative 2 – Business Retention and Expansion

## • Objective 1 – Provide Assistance to Local Businesses

- **Strategy 1.1 – Create environment of investment**
  - Action 1.1.1 – Maintain comprehensive businesses inventory.
  - Action 1.1.2 – Install and utilize a customer relationship management (CRM) software system.
  - Action 1.1.3 – Increase efforts of business visitation program.
- **Strategy 1.2 – Promote and Utilize Small Business Development Center**
  - Action 1.2.1 – Increase marketing and promotional materials focused on the Cape Coral branch of the SBDC.
  - Action 1.2.2 – Provide additional funding to the Cape Coral SBDC to allow for an additional branch location elsewhere in the City.

# Initiative 2 – Business Retention and Expansion

- **Objective 2 – Ease Cost of Doing Business**

- **Strategy 2.1 – Create/expand incentives for small, local businesses**

- Action 2.1.1 – Refine Impact Fee Deferral/Loan Program.
- Action 2.1.2 – Create Property Tax Rebate Program.
- Action 2.1.3 - Consider creation of a Revolving Loan Fund.
- Action 2.1.4 – Refine Cash Incentive for Jobs Program.

- **Strategy 2.2 – Encourage Business Expansion**

- Action 2.2.1 – Modify Land Use Regulations to simplify business expansion
- Action 2.2.2 – Create a program that would allow expanding businesses a time frame to complete changes such as providing extra landscaping or parking.

# Discussion

# Initiative 3 – Attract Key and Emerging Sectors

- Objective 1 – Refine Focus on attracting targeted sectors
  - Strategy 1.1 – Identify sectors that fit Cape Coral
  - Strategy 1.2 – Promote incentive program
  - Strategy 1.3 – Streamline business incentive award
- Objective 2 – Focus on Clustering
  - Strategy 2.1 – Identify high-potential clusters
- Objective 3 – Increase Regional Participation and Cooperation
  - Strategy 3.1 – Become more involved in regional projects



# Initiative 4 – Develop a Competitive Workforce

- Objective 1 – Increase education of Cape Coral workers

- Strategy 1.1 – Attract secondary institutions to Cape Coral
- Strategy 1.2 – Increase communication between schools and businesses
- Strategy 1.3 – Support local scholarship/apprentice/internship programs and funds
- Strategy 1.4 – Encourage businesses' employee education

- Objective 2 – Increase skill level of City's workforce

- Strategy 2.1 – Create student immersion program
- Strategy 2.2 – Expand influence of vocational school
- Strategy 2.3 – Explore creation of additional trade or vocational school
- Strategy 2.4 – Encourage businesses' training programs<sub>13</sub>



# Initiative 5 – Enhance and Revitalize Infrastructure

- Objective 1 – Establish utility program that facilitates business growth
  - Strategy 1.1 – Provide water/sewer to Economic Opportunity Areas
  - Strategy 1.2 – Provide developers with options and flexibility if utilities are not available
  - Strategy 1.3 – Determine capacity for various levels of build-out
- Objective 2 – Provide transportation facilities that encourages business growth
  - Strategy 2.1 – Determine transportation capacity for commercial corridors
  - Strategy 2.2 – Enhance access to I-75

# Initiative 5 – Enhance and Revitalize Infrastructure

- Objective 3 – Establish Cape Coral as a hub for high speed broadband
  - Strategy 3.1 – Secure high-speed broadband throughout Cape Coral
- Objective 4 – Increase non-traditional transportation capabilities
  - Strategy 4.1 – Enhance multi-modal capabilities of street network

# Initiative 6 – Encourage Entrepreneurs and Small Business Development

- Objective 1 – Attract entrepreneurs and skilled workers
  - Strategy 1.1 – Promote Cape Coral to aspiring entrepreneurs
  - Strategy 1.2 – Enhance “sense of place” for Cape Coral
  - Strategy 1.3 – Encourage development of business incubators/shareable office spaces
- Objective 2 – Promote and encourage diversity in Cape Coral
  - Strategy 2.1 – Increase the amount of multi-family residential
  - Strategy 2.2 – Expand live/work options

# Timeframes for Implementation

- 80 total actions spread amongst the Six Initiatives
- Ranges
  - Ongoing
  - < 1 year (adopted budget)
  - 1 year – 3 years (forecasted budget)
  - 3 years – 6 years (Asset Improvement Program)
  - > 6 years (Long Range Efforts)
- Recommendation to complete majority of actions within 1 to 2 years
- Some projects may be ongoing for several years (infrastructure initiatives)
- Performance metrics should be established to chart progress
  - Number of jobs created/Number of business start ups/Demographics etc.

# Potential Cost for Implementation

- 80 total actions spread amongst the Six Initiatives
- Ranges
  - Ongoing
  - 0 - \$50,000 (Administrative)
  - \$50,000 - \$250,000 (Small Scale Initiatives)
  - > \$250,000 (Large Scale Initiatives)
- Not meant to be exact, but rather an educated estimation
- Performance metrics should be established to chart progress
  - Number of jobs created/Number of business start ups/Demographics etc.

# Next Steps

- Take recommendations from council
- Finalize report
- Share report (website, among relative staff)
- Implementation