



# | ECONOMIC & BUSINESS DEVELOPMENT OFFICE QUARTERLY REPORT Q1 - FY '24

February 28, 2024 Committee of the Whole Meeting

# REPORT OVERVIEW

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- I. Key Economic Indicators
- II. Industry Updates
- III. Business Retention, Attraction & Expansion
- IV. Marketing & Activities
- V. Strategic Plan Update
- VI. Activity Updates



# Key Economic Indicators

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## Unemployment Rates

	October 2023	November 2023	December 2023	December 2022
Cape Coral	3.2%	3.2%	3.0%	2.9%
Fort Myers	3.6%	3.5%	3.3%	3.4%
Lee County	-----	3.1%	3.0%	3.0%
Florida	3.0%	2.9%	2.9%	2.3%

Source: Florida Department of Economic Opportunity

# Key Economic Indicators

## Vacancy Rates - SW Florida

	Retail	Office	Industrial	Multi-Family
Cape Coral	2.0%	1.8%	2.2%	11.7%
Sarasota	3.9%	4.5%	4.4%	9.7%
Fort Myers	2.9%	5.5%	4.5%	12.9%
Punta Gorda	1.6%	3.0%	6.1%	28%
Naples	4.0%	4.5%	1.4%	8.2%
Bonita Springs	---%	---%	---	-----

Source: CoStar Group

# Key Economic Indicators

## Vacancy Rates - Most Populated Florida Cities

	Retail	Office	Industrial
Orlando	3.3%	8.9%	5.1%
Miami	2.9%	8.6%	3.6%
Tampa	3.4%	9.2%	5.0%
Jacksonville	4.5%	10.4%	4.0%
Port St Lucie	4.1%	4.2%	11.3%
Tallahassee	2.8%	5.1%	1.9%
Fort Lauderdale	3.5%	9.9%	4.6%
Cape Coral	2.0%	1.8%	2.2%

Source: CoStar Group

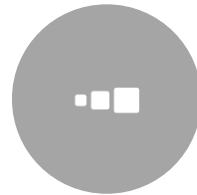


# Industry Updates

# Office Market Take-Aways



THERE IS APPROXIMATELY 2.8 MILLION SQ FT OF OFFICE SPACE. SPACE RATED 4 & 5 STAR MAKE UP 4% OF THIS INVENTORY.



INVESTORS HAVE SHOWN A SIGNIFICANT APPETITE FOR OFFICE ASSETS IN CAPE CORAL. THE CAPE CORAL OFFICE SUBMARKET IS ONE OF THE MOST HEAVILY TRADED IN THE REGION OVER THE PAST SEVERAL YEARS.



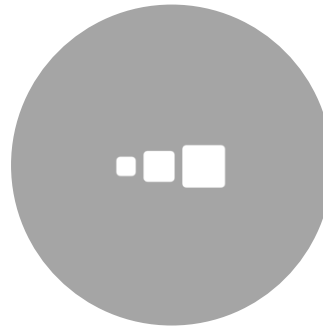
RENTS ARE AVERAGING \$24.00/SF, WHICH IS A 7.2% INCREASE FROM A YEAR AGO. THIS MARKET IS SLIGHTLY MORE AFFORDABLE THAN FORT MYERS WHERE AVERAGE RENTS ARE \$25.00/SF.



# Retail Market Take-Aways



44,000 SF HAS DELIVERED, AND 22,000 HAS BEEN ABSORBED OVER THE PAST 12 MONTHS.



THE CITY HAS JUST UNDER 10 MILLION SQ FT OF RETAIL SPACE. ABOUT 110,00 SF IS UNDER CONSTRUCTION.

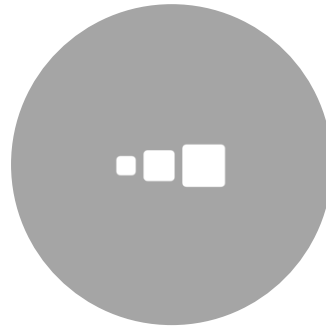


RENTS ARE AROUND \$20/SF, WHICH IS A 4.3% INCREASE FROM WHERE THEY WERE A YEAR AGO. IN THE PAST 3 YEARS, RENTS HAVE INCREASED A CUMULATIVE 15.6%.

# Industrial Market Take-Aways



THE VACANCY RATE HAS INCREASED 1.5% OVER THE LAST 12 MONTHS COMPARED TO 3.3% IN THE BROADER FORT MYERS MARKET.



RENTS ARE AROUND \$13.40/SF, WHICH IS A 7.5% INCREASE FROM WHERE THEY WERE A YEAR AGO. THIS IS MODERATELY EXPENSIVE RELATIVE TO THE FORT MYERS MARKET WHERE AVERAGE RENTS ARE \$12.60/SF.



ABOUT 70,000 SF IS UNDER CONSTRUCTION, REPRESENTING A 1.8% EXPANSION OF INVENTORY.



# Business Retention, Attraction & Expansion

# Projects – In Permitting

Shops at Del Sol 1203 NE Pine Island Rd	Restaurant with Outdoor Seating, Retail, Office, Medical, Services	Projected Groundbreaking: TBD
Twin Peaks 410 Andalusia Blvd.	Restaurant	4 – 5 months construction  Projected Opening: Summer/Fall 2024
Victory Park	Mixed-Use – Medical Office, Specialty Education, Retail, Multi-Family	<ul style="list-style-type: none"> <li>i. Phase 1 Infrastructure Approved</li> <li>ii. Phase 2 Infrastructure In Review</li> <li>iii. Building Permits submitted for Hotel and 2 Medical Office Buildings</li> </ul>

# Projects – In Permitting

Dr. Omar's Chiropractic Office 2307 Sandoval Blvd	<ul style="list-style-type: none"> <li>• 8,620 SF-3 Unit building</li> <li>• Medial office</li> <li>• 2 additional units will be available</li> </ul>	<p>Demo of existing structure has begun</p> <p>Construction to begin Spring 2024</p>
Medical/Retail 122 Chiquita Blvd S	<ul style="list-style-type: none"> <li>• Total 10,400 SF</li> <li>• 10 units at 1026 SF</li> </ul>	<p>Site Development has begun</p> <p>Projected completion expected Summer 2024</p>
Goodwill Retail Store 1499 SW Pine Island Rd	<ul style="list-style-type: none"> <li>• 19,954 SF building</li> </ul>	<p>Site Development has begun</p>

# Projects – Under Construction

Shops at Del Mar On Pine Island 327 SW 10 <sup>th</sup> PI	Retail, Restaurant and Shops (3) 3,575 SQ FT Buildings (1) 18,871 SQ FT Building	Expected Completion: December 2024

# Overview of Incentive Projects

Applications In Review				Approved Applications		
	# of Applications	Project Investment	Grant Award	# of Applications	Project Investment	Grant Award
Building Infrastructure Grant (BIG)	3	\$ 9,342,118	\$ 370,706	1	\$ 1,160,000	\$ 41,781
Breaking Barriers To Business (B2B)	1	\$429,194	\$ 50,000	1	\$535,194	\$ 18,000
Enhanced Value Recapture Grant	2	\$564,851,913	\$79,626,105			
<b>Total</b>	<b>6</b>	<b>\$570,840,121</b>	<b>\$ 79,937,400</b>	<b>2</b>	<b>\$ 1,695,194</b>	<b>\$ 59,781</b>
Resubmission Required	2					



# Cape Coral Grove Project Update

- I. \$920 Million Project
- II. 70 Buildings
- III. 350,000 SQ FT Commercial Retail and Dining
- IV. 125,000 SQ FT Leasable Office Space
- V. 125 Hotel Rooms
- VI. 1,500 Multifamily Units

Q1 2024: Infrastructure Start  
Q2 2024: Multifamily 1 Start  
Q1 2025: Town Center Start



# 7 Islands – Gulf Gateway Resort

- I. Architects under contract for all island structures.
- II. Army Corp of Engineer application submitted in January and Project Manager assigned– anticipate 18-24 months application review period
- III. Development Agreement being finalized





# Marketing & Activities



## CITY OF CAPE CORAL BUSINESS & INDUSTRY ROUNDTABLE



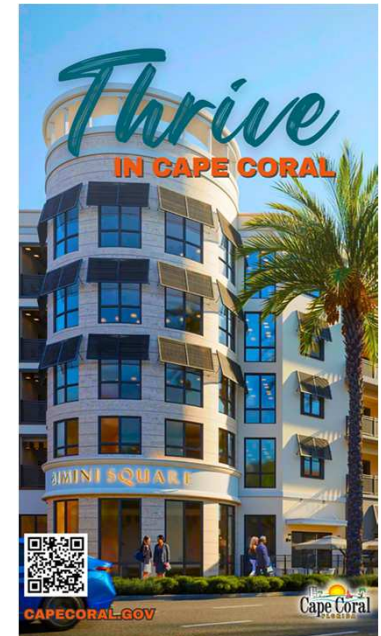
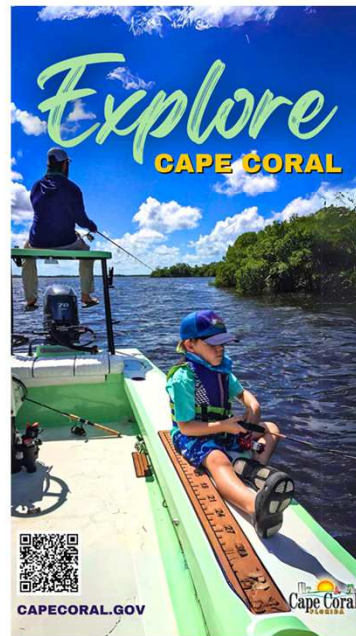
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- November – Healthcare
- December – Commercial Real Estate
- January – Cancelled due to Budget meetings
- February- Manufacturing
- March – Home Services
- April – Tourism – Recreation & Sports
- May – CRA Businesses
- June - Retail



# Punta Gorda Airport Advertising Campaign

- Started 12/29, running six months
- Seven monitors throughout terminal
- Promoting CC events, outdoor activities, family friendly and business friendly community
- 2 million airport passengers reported 2023





# Strategic Plan Update

## Underway:

- a. Evaluating Competing Communities
- b. Identifying Target Industries
- c. Formulating the project's fundamental Strategic Goals
- d. Business Stakeholder Meetings

## Next Stages:

- a. Evaluating municipal resources
- b. Examine tourism opportunities
- c. Infrastructure and land use
- d. Labor Force Preparedness

Lead Consultant: DCG Corplan Consulting

### Progress to Date

Task Completion – 38%

Project Completion – August 2024

# Activity Updates

1. Finalized Contract with DCG Corplan for Economic Development Strategic Plan
  - a. Task 1 - Project Kick Off/Facilitation of the Vision
  - b. Task 2 - Community Assessment, Labor, and Educational Analysis
  - c. Task 3 – Cluster, Location Quotient, Target Industry and Operational Analysis
  - d. Task 4 – Assessment of City Economic Development Structure
2. Weekly Permit Meetings with Developers to Review Progress on High Impact E.D. projects
3. Continued regional promotion and engagement with Lee County Visitors and Convention Bureau, Horizon Council, and Cape Coral Chamber of Commerce
  - a. EBDO and Communications are collaborating with the Tourist Development Council for co-operative marketing program.
  - b. EBDO co-hosted the Guests First Customer Service Program with the Lee County Visitors and Convention Bureau
  - c. Monthly Cape Coral updates presented at Tourist Development Council
4. Continued Business Outreach through New Biz Navigator Program and collaboration with Development Services and Communications to develop a Business Tax Receipt Flow Chart and Guide to Opening a Business in Cape Coral
5. Established Partner Membership with Site Selectors Guild for Networking and Business Attraction Opportunities



## EDO Activity

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NETWORKING EVENTS	24
LEADS OUTREACH ACTIVITIES	13
BRE VISITS	35
NEW BIZ NAVIGATOR OUTREACH	67
Business Tax Receipt Navigation	66
Fire/Permit Navigation	81
Marketing & Advertising Placements	9
Speaking Engagements & Interviews	9

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Thank you

