



# | ECONOMIC & BUSINESS DEVELOPMENT OFFICE QUARTERLY REPORT Q2 - FY '24

May 22, 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

	January 2024	February 2024	March 2024	March 2023
Cape Coral	3.4%	3.3%	3.5%	3.0%
Fort Myers	3.7%	3.6%	3.8%	3.3%
Lee County	3.4%	3.3%	3.4%	3.0%
Florida	3.1%	3.1%	3.3%	2.6%

Source: Florida Department of  
Economic Opportunity

# Key Economic Indicators

## Vacancy Rates – SW Florida

	Retail	Office	Industrial	Multi-Family
Cape Coral	1.9%	1.9%	2.2%	13%
Sarasota	3.5%	5.4%	1.5%	11.3%
Fort Myers	1.6%	2.5%	4.7%	12.7%
Punta Gorda	2.1%	2.8%	6.0%	21.1%
Naples	1.3%	5.0%	0%	11.2%
Bonita Springs	3.8%	6.9%	2.7%	-----

Source: CoStar Group

# Key Economic Indicators

## Vacancy Rates – Most Populated Florida Cities

	Retail	Office	Industrial
Orlando	3.4%	9.2%	5.6%
Miami	2.8%	8.8%	3.7%
Tampa	3.1%	9.4%	5.1%
Jacksonville	4.2%	10.9%	4.0%
Port St Lucie	3.7%	3.7%	16.1%
Tallahassee	2.7%	4.4%	3.3%
Fort Lauderdale	3.6%	9.8%	4.2%
Cape Coral	1.9%	1.9%	2.2%

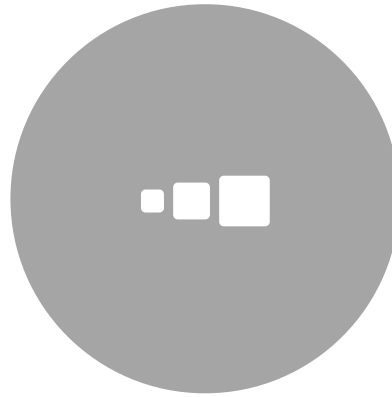
Source: CoStar Group

# Industry Updates

# Office Market Take-Aways



THERE IS APPROXIMATELY 2.9 MILLION SQ FT OF OFFICE SPACE.



RENTS ARE AVERAGING \$25.00/SF, WHICH IS A 6.1% INCREASE FROM A YEAR AGO.



THE VACANCY RATE OF 1.9% IS 0.3% LOWER THAN THIS TIME LAST YEAR.

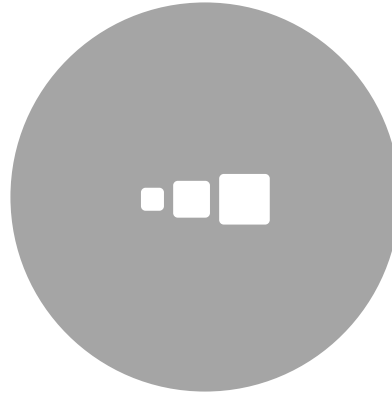
VACANCY RATES VARY ACROSS OFFICE SPACE CLASSES, RANGING FROM 5.3% IN 4&5 STAR AND 0.3% IN 3 STAR PROPERTIES



# Retail Market Take-Aways



THE CITY HAS JUST UNDER 10 MILLION SQ FT OF RETAIL SPACE. ABOUT 87,000 SF IS UNDER CONSTRUCTION



RENTS ARE AROUND \$21/SF, WHICH IS A 4.0% INCREASE FROM WHERE THEY WERE A YEAR AGO. IN THE PAST 3 YEARS, RENTS HAVE INCREASED A CUMULATIVE 15.6% COMPARED TO 16% IN THE WIDER FORT MYERS MARKET.

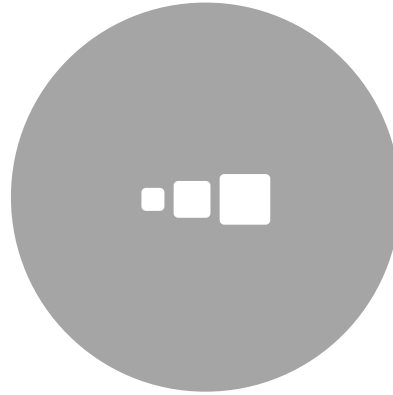


CURRENT VACANCY RATE OF 1.9% IS THE SAME AS THE TRAILING 3 YR AVERAGE IN COMPARISON TO THE FORT MYERS MARKET WITH A TRAILING 3 YR AVERAGE OF 3.4%.

# Industrial Market Take-Aways



THE CURRENT 2.2% VACANCY RATE HAS INCREASED 1.2% OVER THE LAST 12 MONTHS COMPARED TO 5.0% IN THE BROADER FORT MYERS MARKET.



RENTS ARE AROUND \$13.60/SF, WHICH IS A 7% INCREASE FROM 1 YEAR AGO AND A 30.6% INCREASE OVER 3 YEARS. AVERAGE RENT FOR THE FORT MYERS MARKET AVERAGES \$12.90/SF.



ABOUT 110,000 SF IS UNDER CONSTRUCTION, REPRESENTING A 2.9% EXPANSION OF INVENTORY.

# Business Retention, Attraction & Expansion

# Commercial Projects – In Permitting

Terrace Village Market 1482 SW 6 <sup>th</sup> Ter.	Commercial Space that will offer Retail and Tiki Lounge	<ul style="list-style-type: none"> <li>Projected Groundbreaking: TBD</li> </ul>
Island Pearl 723 SW 32ND PL	Restaurant, Retail and office	<ul style="list-style-type: none"> <li>Projected Groundbreaking: TBD</li> </ul>
Lucky's 13 Restaurant 3902 DEL PRADO BLVD S	Restaurant - family friendly, rustic-style pub	<ul style="list-style-type: none"> <li>Adding a 3,500-foot addition that will include indoor-outdoor seating, a second bar area, bocce ball courts, plus a stage for live performances. Upon completion, the pub will have seating for up to 300 guests.</li> <li>Expected completion Fall 2024</li> </ul>

# Commercial Projects – Under Construction

Slip Away Food Truck Park 1811 Cape Coral Pkwy E	Food trucks and Marina shop, boat slips (3) 3,575 SQ FT Buildings (1) 18,871 SQ FT Building	Expected Completion: Spring 2025
Tiki Tails Dog Resort 4420 SE 16TH PL	Constructing a new building to accommodate the growth of their business. Pet boarding and Grooming facility.	<ul style="list-style-type: none"> <li>• Project Groundbreaking: February 28<sup>th</sup>, 2024</li> <li>• 8400 Sq Ft Indoor space</li> <li>• 4850 Sq Ft Covered outdoor space</li> <li>• Expected Completion: 1<sup>st</sup> Quarter 2025</li> </ul>

# Overview of Incentive Projects – YTD 2024

Building Infrastructure Grants	# Applications	Project Investment	Grant Award
CM Approved	3	6,719,014	303,076
In Review	2	10,716,134	174,411
In Progress	7		
Enhanced Value Recapture Grants	# Applications	Project Investment	Grant Award
In Review	2	564,851,913	79,626,105
In Progress	0		
Cape Collaborates	# Applications	Project Investment	Grant Award
In Review	1	1,786,624	50,000
In Progress	3		
CRA Incentives	# Applications	Project Investment	Grant Award
Approved	2	964,388	68,000
In Review	1	2,500,000	50,000
In Progress	6		





# 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
- VII. Development Agreement
- VIII. Progress Drawings Under Review

Q2 2024: Infrastructure Start

Q3 2024: Multifamily 1 Start

Q2 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. Traffic Impact Study being procured
- IV. SFWMD application in progress- anticipate timeline for June 2025 issuance
- V. Development Agreement being finalized







# Bimini Square

338 Palmetto Dr and 414 Cape Coral  
Parkway E

- I. \$55 Million Investment
- II. Mixed-Use Project
  - a. Waterfront Restaurant
  - b. 48,000 sf retail and professional space
  - c. 218 Premium apartments
  - d. 25-slip boat dock
  - e. 500 space parking garage
- III. 5.6 - acre site
- IV. Project Updates
  - a. Building Permits for Medical Office and Outpatient Submitted and In Review
  - b. Mixed-Use Multifamily Building Permit Issued – Construction 16% Complete

# Marketing & Activities





# CITY OF CAPE CORAL BUSINESS & INDUSTRY ROUNDTABLE



- May – CRA Businesses
- June – Retail
- July – Lender/Finance
- August – Marine
- September – Restaurants
- October – Workforce/Education
- November – Healthcare
- December – Commercial Real Estate

# Florida Trend Advertising Campaign

FLORIDA TREND's monthly print readership is more than 270,000 strong.

FloridaTrend.com, garners over a million pageviews and more than 170,000 unique visitors each month

The graphic features a scenic background of a marina at sunset with palm trees and sailboats. The headline 'Here we Grow' is written in a large, white, cursive font at the top. Below the headline, there are three main accolades: '#2 METRO AREAS WITH TECH TALENT INCREASE' (cited from LinkedIn's Economic Graph Team, 2022), 'TOP RISING LUXURY CITIES IN AMERICA' (cited from ESPN, January 2024), and '#3 BEST PLACES TO LIVE IN FLORIDA' (cited from Gulfshore Business, January 2024). The Cape Coral Florida logo is centered below these accolades. At the bottom, a paragraph describes Cape Coral's location and growth, followed by a QR code and the text 'Scan to learn more'.

*Here we Grow*

**#2**  
METRO AREAS WITH  
TECH TALENT INCREASE  
LinkedIn's Economic  
Graph Team, 2022

**TOP RISING  
LUXURY CITIES  
IN AMERICA**  
ESPN, January 2024

**#3**  
BEST PLACES TO  
LIVE IN FLORIDA  
Gulfshore Business  
January 2024

**Cape Coral**  
FLORIDA

Cape Coral is ideally situated on the sunny Southwest Florida coast between Miami and Tampa and is frequently ranked as a favorite place to live, vacation and start a business. With a population of over 200,000 and growing, Cape Coral is home to the largest workforce between Tampa and Miami and features ideal development, expansion, and relocation opportunities. Cape Coral has over 400 miles of canals, more than any other city in the world, and is ranked a top destination by Travel & Leisure.

Scan to learn more



# FY 2023/24 VCB Cooperative Advertising

## Facebook and Instagram Slideshow: January 5<sup>th</sup> to 31<sup>st</sup> 2024

Facebook and Instagram slideshow ads are video-like ads that use motion via multiple images and text to tell your story across Facebook and Instagram channels. This placement utilizes custom targeting of those who have previously engaged with Lee County's social media content. Ads are displayed within the Facebook and Instagram newsfeed.

VCB to match funds 1:1

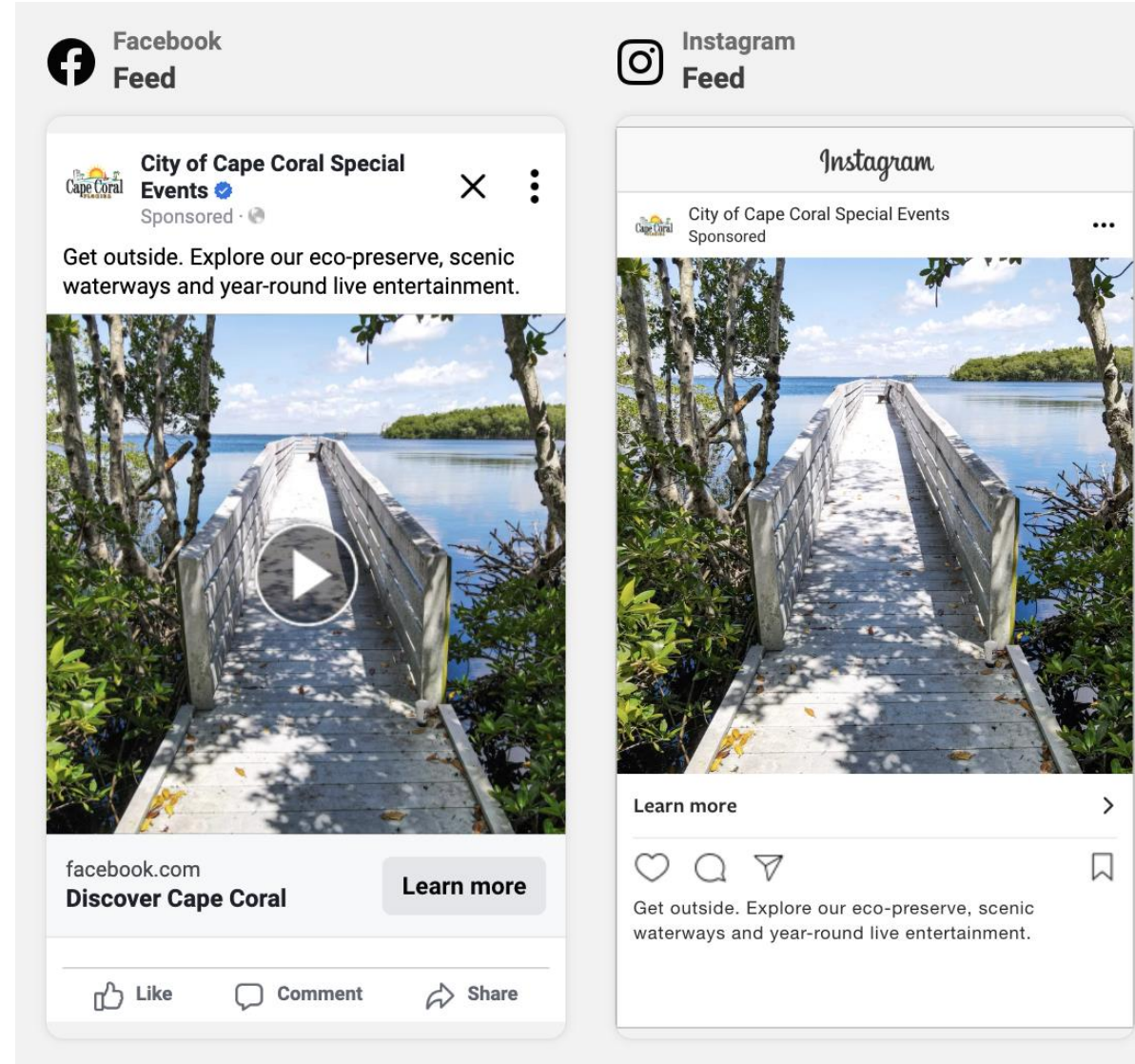
Impressions: 106637

Ad clicks: 4148

Click Rate: 3.89%

Engagements: 41228

Partner Website clicks 1530



A blue and silver ballpoint pen is positioned diagonally across the left side of the slide. The pen's tip is pointing towards the bottom right. The background of the slide features a light blue bar chart with several bars of varying heights, overlaid on a white grid. The title 'Economic Development Strategic Plan' is written in a large, black, sans-serif font in the upper right area.

# Economic Development Strategic Plan

- Examine Tourism Opportunities
- Infrastructure and land use analysis
- Employer Surveys

Lead Consultant: DCG Corplan Consulting

**Progress to Date**

Task Completion – 50%

Project Completion – August 2024

## EDO Activity

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NETWORKING EVENTS	17
LEADS OUTREACH ACTIVITIES	13
BRE VISITS	7
NEW BIZ NAVIGATOR OUTREACH	47
Business Tax Receipt Navigation	53
Fire/Permit Navigation	78
Marketing & Advertising Placements	5
Speaking Engagements & Interviews	4

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# Activity Updates

1. Priority Track Permitting
2. Regional promotion and engagement
3. New Biz Navigator Program
4. Urban Land Institute and Florida Economic Development Council (FEDC) Conferences
5. Interactive Growth Model Phase II



Incentives Project Summary			
FY 2024			
YTD (As of 5/10/2024)			
	# of Applications	Total Investment	Grant Amount
<b>Pending - Business Infrastructure Grant (BIG)</b>			
Cape Coral Animal Shelter	1	\$ 6,933,000	\$ 65,000
Palo Alto Development	1	\$ 3,783,134	\$ 109,411
<b>BIG Totals</b>	<b>2</b>	<b>\$ 10,716,134</b>	<b>\$ 174,411</b>
<b>Pending - Enhanced Value Recapture (EVR) Grants</b>			
Pine Island West	1	\$ 188,005,189	\$ 8,500,000
CCTC Fee Owner	1	\$ 376,846,724	\$ 71,126,105
<b>EVR Totals</b>	<b>2</b>	<b>\$ 564,851,913</b>	<b>\$ 79,626,105</b>
<b>Pending - Cape Collaborates Forgivable Loans</b>			
Dental Medicine Center of Cape Coral	1	\$ 1,786,624	\$ 50,000
<b>Cape Collaborates Totals</b>	<b>1</b>	<b>\$ 1,786,624</b>	<b>\$ 50,000</b>
<b>Approved</b>			
Eco Labs	1	\$ 1,160,000	\$ 41,781
Nor Tech	1	\$ 3,258,416	\$ 77,295
Built Rite (pending Council)	1	\$ 2,300,598	\$ 184,000
<b>Total Approved</b>	<b>3</b>	<b>\$ 6,719,014</b>	<b>\$ 303,076</b>
<b>General Fund Subtotal</b>	<b>8</b>	<b>\$ 584,073,685</b>	<b>\$ 80,153,592</b>
<b>Breaking Barriers to Business (B2B) - CRA</b>			
East of Chicago	1	\$ 429,194	\$ 50,000
Merrick Seafood	1	\$ 535,194	\$ 18,000
Tiki Tails	1	\$ 2,500,000	\$ 50,000
<b>Total</b>		<b>\$ 3,464,388</b>	<b>\$ 118,000</b>
<b>Creative Cape Art</b>			
<b>CRA Subtotal</b>	<b>3</b>	<b>\$ 6,928,776</b>	<b>\$ 236,000</b>
<b>Combined Total</b>	<b>11</b>	<b>\$ 591,002,461</b>	<b>\$ 80,389,592</b>

Thank you

