



ECONOMIC & BUSINESS DEVELOPMENT OFFICE
QUARTERLY REPORT
Q2 (JAN - MARCH) FY '26

REPORT OVERVIEW

- I. Key Economic Indicators
- II. Industry Updates
- III. Business Retention, Attraction & Expansion
- IV. Stakeholder Engagement, Marketing and Outreach
- V. Project Updates
- VI. Permitting and Construction Activity

Key Economic Indicators

Key Economic Indicators

Unemployment Rates

	OCT 2025	NOV 2025	DEC 2025	DEC 2024
Cape Coral	Not Available	5.3%	4.8%	3.2%
Fort Myers	Not Available	5.5%	5.0%	3.3%
Lee County	Not Available	5.5 %	4.9%	3.3%
Florida	Not Available	4.9%	4.4%	3.2%

State and local labor market statistics used in this report are published by the U.S. Bureau of Labor Statistics that may lag one or more quarters compared with historical practice. Data previously available on a predictable monthly schedule are now being released later. The Economic & Business Development Office will continue to incorporate the most current official data as they are released.

Source: Florida Commerce –
January 23, 2026 Release Date

Rates are not seasonally
adjusted

Key Economic Indicators

Vacancy Rates – SW Florida

	Retail	Office	Industrial	Multi-Family
Cape Coral ₁	3.0%	2.9%	4.4%	27.4%
Sarasota	3.5% ₍₁₎	4.9% ₍₂₎	7.0% ₍₂₎	17.4% ₍₂₎
Fort Myers ₂	3.7%	6.1%	9.0%	19.6%
Punta Gorda	3.5% ₍₂₎	2.8% ₍₂₎	10.9% ₍₂₎	11.7% ₍₁₎
Naples ₂	4.2%	4.9%	4.4%	13.3%
Bonita Springs	----	----	----	---- ₍₁₎

¹ Submarket

² County or Metro Market



Source: Vacancy data sourced from CoStar Group, accessed on April 3, 2026

Key Economic Indicators

Vacancy Rates – Most Populated Florida Cities

	Retail	Office	Industrial
Orlando ₂	3.9%	10.1%	9.0%
Miami ₂	3.2%	8.7%	7.8%
Tampa ₂	3.7%	10.0%	7.6%
Jacksonville ₂	4.9%	10.7%	10.0%
Port St Lucie ₂	4.5%	4.2%	16.3%
Tallahassee ₂	3.9%	5.1%	3.8%
Fort Lauderdale ₂	4.0%	11.7%	7.0%
Cape Coral ₁	3.0%	2.9%	4.4%

1 Submarket
2 County or Metro Market

Source: Vacancy data sourced from CoStar Group, accessed on April 3, 2026

Industry Updates

Office Market Take-Aways



THE CITY HAS APPROXIMATELY 2.9 MILLION SQ FT OF OFFICE SPACE, COMPARED TO 21.9 MILLION SF METRO WIDE

THE MARKET HAS 120,000 SF OF SPACE LISTED AS AVAILABLE. 7,000 SF OF OFFICE SPACE IS UNDER CONSTRUCTION, COMPARED TO AN AVERAGE OF 16,000 UNDER CONSTRUCTION OVER THE PAST 10 YEARS



RENTS HAVE CHANGED BY 2.6% YEAR OVER YEAR, COMPARED TO 2.2% METRO-WIDE RATE

AVERAGE RENT IS \$ 27.00/SF, COMPARED TO THE METRO-WIDE AVERAGE OF \$ 28.00/SF



THE VACANCY RATE HAS CHANGED BY 1.4% OVER THE PAST YEAR

THE VACANCY RATE OF 2.9% COMPARES TO A 5-YEAR AVERAGE OF 2.2% AND 10-YER AVERAGE OF 3.6%

Source: CoStar Group

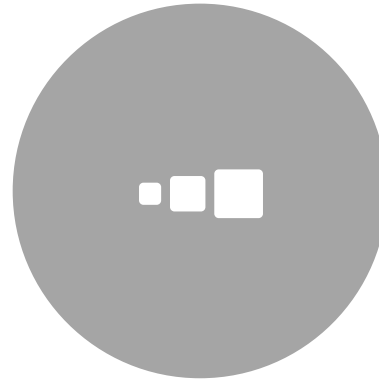
Retail Market Take-Aways



THE CITY HAS ROUGHLY 10.0 MILLION SQ FT OF RETAIL SPACE. 320,000 SQ FT IS LISTED AS AVAILABLE

OVER THE PAST YEAR, THE VACANCY RATE HAS CHANGED BY 1.0%

THERE IS 140,000 SF UNDER CONSTRUCTION. THE MARKET HAS AVERAGED 100,000 SF OVER THE PAST 10 YEARS.



RENTS ARE AROUND \$ 23.00/SF

RENTS HAVE CHANGED BY 2.1 % YEAR OVER YEAR, COMPARED TO A 1.9% CHANGE IN THE FORT MYERS MARKET

THE 5-YEAR AVERAGE RENT GROWTH IS 4.4% AND 10-YEAR AVERAGE IS 3.5%



THE MARKET HAS A VACANCY RATE OF 3.0% COMPARED TO A FIVE-YEAR AVERAGE OF 2.1% AND THE 10-YEAR AVERAGE OF 3.3%.

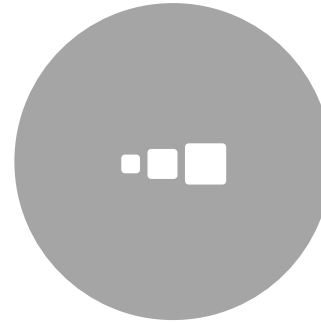
NEIGHBORHOOD CENTER VACANCY IS 3.3%, POWER CENTERS VACANCY IS 0.4%, STRIP CENTER VACANCY IS 4.1%

Industrial Market Take-Aways



THE CURRENT 4.4% VACANCY RATE HAS CHANGED BY 0.5%. THE 10-YEAR AVERAGE VACANCY IS 3.2% AND A 2.4% 5-YEAR AVERAGE.

AS OF Q2 2026, THERE IS 88,000 SF OF INDUSTRIAL SPACE UNDER CONSTRUCTION



MARKET RENTS ARE \$14.70/SF

MARKET ASKING RENT HAS CHANGED BY 1.9% YEAR OVER YEAR, IN LINE WITH THE REST OF THE MARKET
THE 5-YEAR AVERAGE ANNUAL RENT GROWTH IS 7.2%



CAPE CORAL CONTAINS ROUGHLY 4.1 MILLION SF OF INDUSTRIAL SPACE

2.9 MILLION SQ OF INDUSTRIAL SPACE IS LOGISTICS. 790,000 IS FLEX AND REMAINING IS SPECIALIZED INVENTORY

Source: CoStar Group

Business Retention, Attraction & Expansion

Overview of Incentive Applications – YTD 2026

Business Infrastructure Grants	# Applications	Project Investment	Grant Award Request
Approved	0	\$ 0	\$ 0
In Review	5	\$ 31,774,921	\$ 887,690
In Progress	0		

Enhanced Value Recapture Grants	# Applications	Project Investment	Grant Award Request
Approved	0		
In Review	0		
In Progress	1		

Cape Collaborates	# Applications	Project Investment	Grant Award Request
Approved	0		
In Review	2	\$ 241,913	\$ 100,000
In Progress	0		

Note:

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

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

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



Overview of Incentive Applications – YTD 2026

Creative Cape	# Applications	Project Investment	Grant Award Request
Approved	0		
In Review	0		
In Progress	0		

Demolition Program (CRA Only)	# Applications	Demolition Cost	Grant Award Request
Approved	0		
In Review	0		
In Progress	0		

Breaking Barriers (CRA Only)	# Applications	Project Investment	Grant Award Request
Approved	1	\$ 1,855,025	\$ 50,000
In Review	1	\$ 389,103	\$ 50,000
In Progress	0		

Q2

**Business
Retention & Expansion
Activities**

Jan - Feb - March

Networking Events	9
New Biz Navigator Outreach (Businesses Served)	10
Business Tax Receipt Navigation (Businesses Served)	5
Fire Navigation (Businesses Served)	15
Permit Navigation (Businesses Served)	33
Industry Roundtables (Businesses Engaged)	43
BRE Visits Business retention and expansion visit aims to retain or keep existing businesses in a community and provide assistance for businesses to expand.	2

Business Expansion - Key Q2 Actions & Outcomes

Business Expansion Support

Provided direct expansion support to 12 businesses pursuing growth, redevelopment, and reinvestment opportunities, offering guidance on permitting, site feasibility, and incentives.

Pre-Application Coordination

Participated in 9 City-led pre-application meetings to identify expansion opportunities and connect projects with available incentives.

Incentive Navigation & Application Support

Advised 10 businesses on available incentives, supporting eligibility review, project positioning, and application readiness, while advancing active applications through scoring, approval, and ongoing support.

Networking Events Attended

Participated in key networking events, including Catch the Vision, Market Trends, Leadership Luncheons, Everest Neighborhood Association meeting, local business meetups, and ribbon cuttings, engaging with the business community and promoting EDO services and incentives.

Business Retention - Key Q2 Actions & Outcomes

Industry Roundtables

Hosted three industry roundtables (Residential Real Estate, Technology, and Construction/Trades) engaging 43 businesses and 50+ attendees, with City officials present—capturing feedback on permitting, communication, infrastructure, workforce, and resource needs to inform improvements to City processes and business support.

Ombudsman Permit Navigation

- Provided direct navigation assistance to 38 businesses experiencing regulatory, permit, or inspection challenges and supporting BTR applications.
- Acted as a liaison between businesses, contractors, and City departments, providing step-by-step guidance, sharing checklists, and expediting issue resolution. Successfully supported two large-scale projects from initiation through Certificate of Occupancy in March.

Q2 Business Attraction Activity

Jan - Feb - March

Building Partnerships

Focuses on fostering long-term relationships with businesses, community organizations, and stakeholders to drive Cape Coral's economic growth. This includes collaborating with local leaders, networks, and organizations such as Lee County, Fort Myers EDO, VCB, and the Chamber etc. to create a sustainable environment for investment and development.

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Outreach & Learning best practices

Proactively engage stakeholders and peer cities to exchange ideas, cross-pollinate innovative solutions, and explore new approaches. This included attending industry events such as the Site Selectors Guild, REIS luncheons, and webinars to stay informed on best practices, foster collaboration, and identify opportunities for innovation in economic development.

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Marketing & Brand Awareness

This includes strategic advertising, editorial features, and engagement in networking events aimed at elevating Cape Coral's visibility and investment appeal. Recent efforts have spotlighted the city's economic momentum through published articles on the official website, creating a longer promotional video showcasing Cape Coral's growth potential, and running business spotlights across social media platforms.

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Lead Generation

Proactively identified and engaged prospective businesses considering relocation or expansion to Cape Coral. This included direct outreach to site selectors in targeted industries and speaking with business owners who are considering a move. Resources such as updated economic data were provided to support their evaluation and decision-making processes.

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Business Attraction in Action

Key Q2 Actions & Outcomes

Building Partnerships

- Collaborated with Tech & Espresso networking group to hold a Cape Coral event to enhance Tech sector in Cape Coral (January)
- Met with SanCap to discuss collaboration angles around the use of WanderMaps which will be implemented in the CRA (Feb)
- *New engagement* – Met with SWFL Tech leader to discuss ways in which EDO can collaborate to advance Tech sector and identify business leads (March)

Outreach & Learning best practices

- Published Ad as part of platinum sponsorship at the Catch the Vision event (March)
- Presented Cape Coral tourism events and related businesses to TDC (March)

Lead Generation

- Advanced executive-level discussions with a targeted healthcare provider
- Met with a large sports investment group to discuss the potential for operations in Cape Coral, set up meeting for April with leadership

Stakeholder Engagement, Marketing, and Outreach



Upcoming

April: Workforce & Education
 May: Healthcare/LifeScience
 June: Commercial Real Estate



Q2 Completed

January 9th

Residential Real Estate

Businesses Engaged: 14

1. Guidance on Rental Registration program updates, fees, and account verification.
2. Need for greater clarity on FEMA flood zone requirements and floodplain processes.
3. Requests for improved transparency in permitting activity and incentive programs.

February 20th

Technology

Businesses Engaged: 9

1. Requests for a centralized hub to support networking opportunities.
2. Challenges related to broadband and fiber limitations impacting business growth.
3. Constraints created by ISP exclusivity agreements in commercial properties.
4. Gaps in the talent pipeline between workforce skills and employer needs.

March 20th

Construction / Trade

Businesses Engaged: 20

1. Opportunities to improve consistency, communication, and timeliness in the permitting process.
2. Strong interest in education sessions (EnerGov, permits, Notices to Industry)
3. Interest in guidance on bidding opportunities and vendor registration.
4. Need for guidance and tools to identify unlicensed contractors and reduce unlicensed activity.

YTD Marketing

Jan - Feb - March

Cape Coral's Presence at External Conferences / Events

- REIS Luncheons
- Leadership Business Luncheons hosted by Cape Christian
- Tech & Espresso – Cape Coral tech sector
- Catch the Vision

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Social Media Posts:

- Business Spotlight features (Facebook & Instagram)

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EBDO News Features

- Economic Development Newsletter – Winter edition distributed
- Ad in Catch the Vision marketing materials
- Cape Coral Breeze marketing ad placed

3

Outreach for Marketing Partnerships:

- Met with WanderMaps and SanCap to discuss marketing collaboration for businesses in the CRA
- Marketing discussion with Comcast to discuss targeted marketing to promote Cape Coral through an economic development lens.
- Collaborated with the Chamber and community leaders on the **Catch the Vision** initiative, facilitating connections and engagement with key developers and securing their participation in providing project updates.

3

Key Networking Events

La Feria Latina Gala – Community Impact & Business Growth

Represented the City at the La Feria Latina Gala in March, supporting an organization that has grown from a small vendor pop-up to a marketplace hosting 70+ vendors.

The organization supports small business growth by providing vendors a platform to introduce and sell their products. With the support of La Feria Latina, several vendors transitioned into formal businesses with active LLCs and BTRs in Cape Coral. The Gala recognized these businesses for their growth and success.



Key Networking Events

Mercola Market Vendor Outreach – Community Engagement

Participated in the City of Cape Coral’s annual Vendor Outreach & Resource Opportunity at Mercola Market in early March, connecting with local businesses to promote EDO services and available incentives.

Engaged directly with small businesses, answering questions, sharing resources, and building relationships to support continued business growth and awareness of City services.



Project Updates



Bimini Square

338 Palmetto Dr and 414 Cape Coral Parkway E

- I. \$55 Million Investment
- II. Mixed-Use Project – 5.6 acre site; waterfront restaurant; 48,000 sq ft retail and professional space; 218 apartments; 25 boat slips; 500 space parking garage – 125 public spaces
- III. Estimated Project Completion
 - a. Lee Health Medical offices - Open
 - b. Residential Occupancy – Open
 - c. Residential Amenities/Roof Deck - Open
 - d. Q2 2026 – Bimini Basin Seafood & Cocktails (Waterfront Restaurant) - Open and House of Omelets – Under construction
 - e. Estimated project completion – Spring 2026

7 Islands – Gulf Gateway Resort

Location: Old Burnt Store Road

- I. Project Overview
 - a. Multi-Family Condo, Townhomes, Fish Houses
 - b. Hotel Resort with meeting space
 - c. 45,000 sq ft Commercial Space
 - d. Community Center
 - e. Park
 - f. 235 Boat slips/Marina
- II. U.S. Army Corp of Engineer (COE) Permit Application Submitted 1/8/2024. SFWMD application submitted May 2025 - anticipated timeline for issuance - Summer 2026
- III. Development Agreement approved by Council January 23, 2026. Closed on land purchase from the City on February 11, 2026.
 - i. Civil Permits in design and submission to occur by October 2026
 - ii. Phase 1 Development – December 30/31 Completion
 - a. Median Improvements to Old Burnt Store
 - b. Seawall installation; civil/horizontal Infrastructure supporting Phase 1
 - c. Development of commercial and residential along frontage of Old Burnt Store Road
 - d. Completion of Island 7 – Public Amenities
 - e. Marina – Islands 6 & 7



Cape Coral Grove Project

2301 SW Pine Island Rd

\$700 Million Project

- a. 385,000 sq ft Commercial Retail and Dining
- b. 165,000 sq ft Leasable Office Space
- c. 138-room Hotel
- d. 1,312 Multifamily Units

Revised Estimated Development Schedule

- a. Summer 2026 – Commence infrastructure construction
- b. Fall 2026 – Commence Phase 1 Building Construction.
 - Anchor tenant
 - Initial segment of the Towncenter
 - Bldg #1 Multifamily



Bimini East

RFP Available October 2, 2025
RFP Due Date October 30, 2025

Evaluation
Committee November 14, 2025

Begin Contract
Negotiations November 24, 2025

Council
Presentation April 2026 (Estimated)

Permitting and Construction Activity

Commercial Projects – In Permitting

*Floor & Decor 2800 NE Pine Island Rd	Retail	<ul style="list-style-type: none"> a. New construction b. 60,160 sq ft building
*Lee Health 2501 SW 3 rd Ave	Medical	<ul style="list-style-type: none"> a. 100,000+/- sq ft two-story building b. Medical office, ambulatory surgery functions, additional outpatient services c. Site Permit under review
*Coral Grove Town Center 2301 SW Pine Island Rd	Mixed Use	<ul style="list-style-type: none"> a. 35,500 sq ft commercial building b. 131-acre mixed use development c. Subdivision Construction Plan under review d. Site Development Plan under review

* Denotes Priority Permitting Project

Commercial Projects – In Permitting

*Marriott TownePlace Suites 1475 NE 8 th Ter	Hotel	<ul style="list-style-type: none"> a. Constructing a 13,500 sq ft lodging facility b. 4 – Story, 112 guestroom
Chiquita Blvd Commercial Offices 507 Chiquita Blvd S	Office Space	<ul style="list-style-type: none"> a. 2950 sq ft office b. 640 sq ft storage c. Site permit under review
Walmart Supercenter 2210 SW Pine Island Rd	Retail and Grocery store	<ul style="list-style-type: none"> a. Constructing a 175,360 sq ft retail building. b. Site development plan in review SDP24-000046 c. Building permit in review BLDC25-000293

* Denotes Priority Permitting Project

Commercial Projects – In Construction

House of Omelets 440 Cape Coral Pkwy E	Restaurant	<ul style="list-style-type: none"> a. Tenant buildout b. Establishing 2nd location c. Located within Bimini Square d. 2,308 sq ft restaurant space
Toyota Dealership 2025 NE Pine Island Rd	Retail	<ul style="list-style-type: none"> a. 83,189 sq ft dealership

Building Activity Report – As of March 2026

NEW COMMERCIAL CONSTRUCTION PERMITS - ISSUED

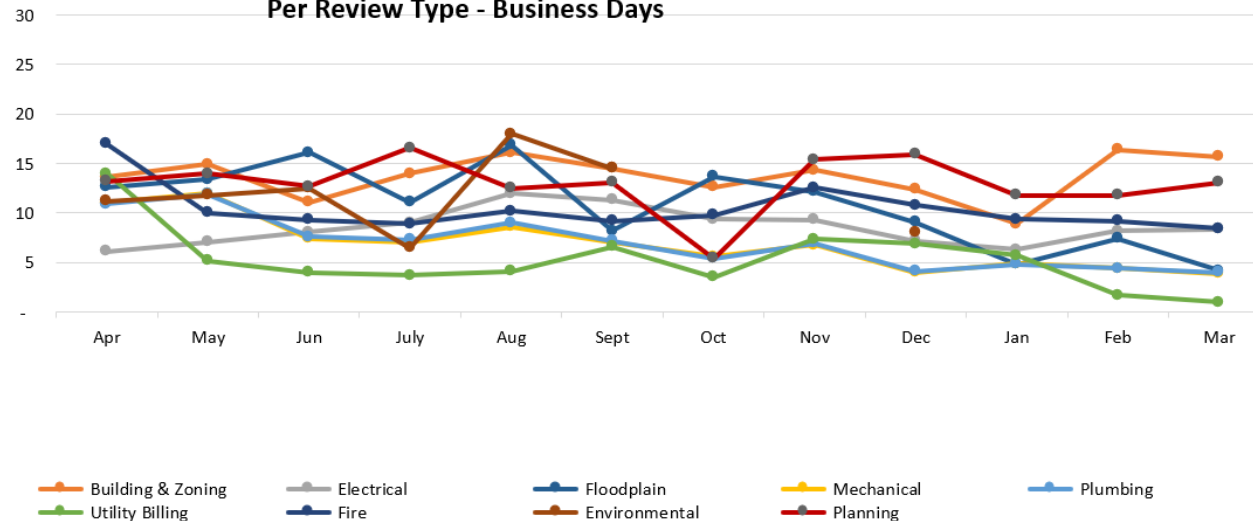
<u>Month</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	2026 vs 2025 Difference	2024 vs 2024 Difference	2024 vs 2023 Difference
October	1	15	3	12	7	2	(5)	(5)	9
November	2	6	13	12	9	1	(8)	(3)	(1)
December	1	4	2	17	7	1	(6)	(10)	15
January	3	3	7	16	5	12	7	(11)	9
February	5	1	3	12	3	5	2	(9)	9
March	5	4	9	7	6	2	(4)	(1)	(2)
April	4	5	16	2	9			7	(14)
May	4	23	9	6	10			4	(3)
June	13	5	23	28	11			(17)	5
July	6	6	13	3	2			(1)	(10)
August	16	9	12	4	4			-	(8)
September	13	2	2	9	5			(4)	7
Total	73	83	112	128	78	23	(14)	(50)	16
Average/Mo	6	7	9	11	7	4	(3)	(4)	1
Percentage change over Prior Year	N/A	13.7%	34.9%	14.3%	-39.1%	N/A	-28.6%	-39.1%	14.3%

Building Activity Report – As of March 2026

COMMERCIAL REVIEW TIMES (CALENDAR)

Review Type	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr - Mar
Building & Zoning	14	15	11	14	16	15	13	14	12	9	16	16	14
Electrical	6	7	8	9	12	11	9	9	7	6	8	8	9
Floodplain	13	13	16	11	17	8	14	12	9	5	7	4	11
Mechanical	11	12	7	7	9	7	6	7	4	5	4	4	7
Plumbing	11	12	8	7	9	7	5	7	4	5	4	4	7
Utility Billing	14	5	4	4	4	7	4	7	7	6	2	1	5
Fire	17	10	9	9	10	9	10	13	11	9	9	8	10
Environmental	11	12	13	7	18	15			8				12
Planning	13	14	13	17	13	13	5	15	16	12	12	13	13

Commercial Construction - Initial Submission
Per Review Type - Business Days



Thank you

