



ECONOMIC & BUSINESS DEVELOPMENT OFFICE QUARTERLY REPORT Q3 (APRIL – JUNE) - 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*

	MAR 2026	APR 2026	MAY** 2026	MAY 2025
Cape Coral	4.7%	4.9%	4.8%	3.7%
Fort Myers	4.9%	5.1%	5.0%	3.8%
Lee County	4.9%	5.0 %	4.9%	3.8%
Florida	4.4%	4.6%	4.4%	3.5%

Source: Florida Commerce – June 19, 2026
Release Date

*Rates are not seasonally adjusted

**May Data are preliminary estimates

Key Economic Indicators

Vacancy Rates – SW Florida

	Retail	Office	Industrial	Multi-Family
Cape Coral ₁	2.3%	2.2%	4.9%	25.8%
Sarasota	3.4% ₍₁₎	5.1% ₍₂₎	7.3% ₍₂₎	16.4% ₍₂₎
Fort Myers ₂	3.4%	6.0%	9.8%	18.9%
Punta Gorda	3.1% ₍₂₎	3.3% ₍₂₎	13.4% ₍₂₎	11.9% ₍₁₎
Naples ₂	4.1%	4.3%	4.6%	15.1%
Bonita Springs	----	----	----	---- ₍₁₎

1 Submarket

2 County or Metro Market

Source: Vacancy data sourced from CoStar Group, accessed on July 10, 2026

Key Economic Indicators

Vacancy Rates – Most Populated Florida Cities

	Retail	Office	Industrial
Orlando ₂	3.9%	9.9%	9.5%
Miami ₂	3.0%	8.3%	7.9%
Tampa ₂	3.8%	10.1%	8.2%
Jacksonville ₂	5.0%	10.6%	9.3%
Port St Lucie ₂	3.7%	4.3%	11.9%
Tallahassee ₂	4.0%	5.2%	4.0%
Fort Lauderdale ₂	4.1%	11.6%	7.2%
Cape Coral ₁	2.3%	2.2%	4.9%

1 Submarket
2 County or Metro Market



Source: Vacancy data sourced from CoStar Group, accessed on July 10, 2026

Industry Updates

Q3 2026 Market Snapshot

Industrial, retail, and office conditions show a still-tight local market, with retail leading occupancy, office holding pricing, and industrial adding the largest active pipeline.

Retail vacancy

2.4%

10.1M SF inventory

Office rents

\$27/SF

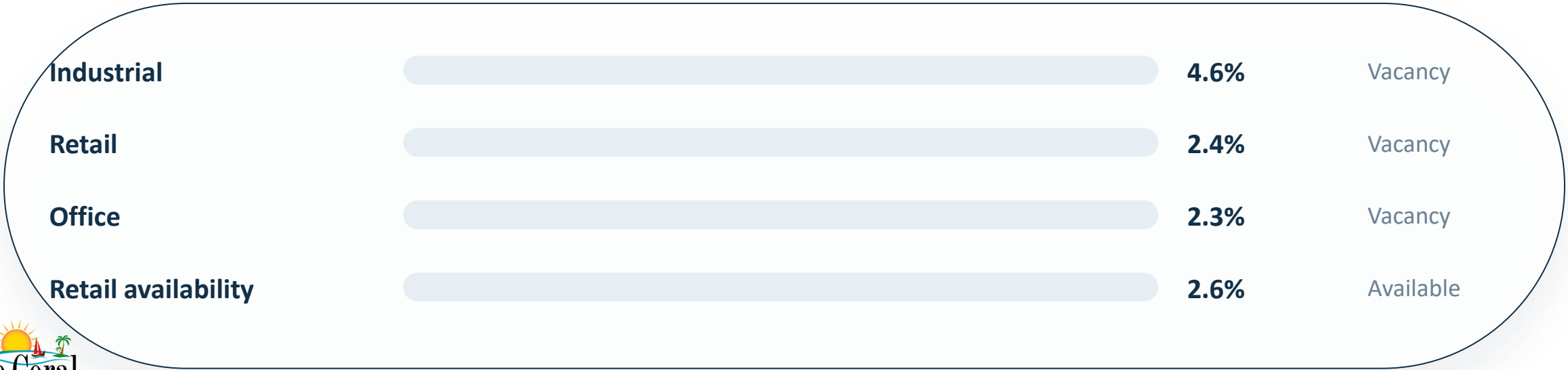
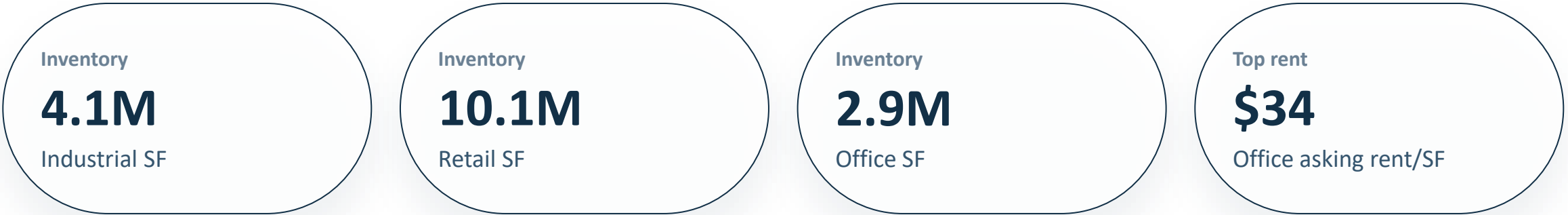
2.2% annual growth

Industrial pipeline

212K SF

largest under construction

Sector Benchmark at a Glance



Industrial Market Highlights

Vacancy

4.6%

Up 1.4 pts YOY

Absorption

-45.1K

12-month net SF

Rent

\$14.80

1.7% annual growth

Construction

211.9K

SF underway

Pipeline and development

- Largest active projects include 100K SF at 2621 SW Pine Island Rd (now 2616 Ceitus Pkwy), 50K SF at 1607 Del Prado Blvd, and 27.9K SF at Ceitus Cove.
- Past 8 quarters delivered 115.3K SF, versus 265K SF proposed over the next 8 quarters.

Investor lens

- Past-year industrial sales volume reached \$30.0M across 25 trades and about 300K SF of turnover.
- Estimated pricing is \$143/SF, below the market average of \$149/SF.
- Estimated cap rate is 8.5%, slightly above the metro average of 8.3%.

Retail Market Highlights

Vacancy

2.4%

Forecast 1.8% by year end-2026

Absorption

136K

12-month net SF

Rent

\$23.00

1.5% annual growth

Construction

43.7K

SF underway

Subtype vacancy

Power centers are at 0.4% vacancy, neighborhood centers 2.9%, strip centers 3.2%, and general retail 1.9%.

Leasing momentum

Available space is only about 260K SF across a 10.1M SF base, underscoring limited move-in-ready options for retailers.

Forward supply

Proposed projects total 309.7K SF in the next 8 quarters, including Floor & Decor at 78K SF and a 70K SF Burnt Store project.

Retail Sales and Capital Markets

Sales volume

\$92.4M

past 12 months

Transactions

37

370K SF turnover

Market Price

\$255/SF

near market average

Cap Rate

6.8%

vs. 6.7% market

Comparable Sales Profile

Average retail sale size was about \$3.14M at \$262/SF, with average vacancy at sale of 4.6% and an average cap rate of 6.4%.

Retail Takeaway

Retail remains Cape Coral's strongest occupancy story. Low vacancy, modest new supply, and steady transaction pricing support a positive narrative for neighborhood-serving commercial investment.

Office Market Highlights

Vacancy

2.3%

3.7% availability

Absorption

-20.8K

12-month net SF

Rent

\$27.00

2.2% annual growth

Sales Volume

\$38.4M

past 12 months

Construction and pipeline

- Only 7,000 SF is under construction today, with one active project at 1913 NE 10th Ter.
- Proposed pipeline includes a 60K SF office building on Diplomat Pkwy E and an 8.2K SF building at 2601 N Del Prado Blvd.
- Past 8 quarters delivered just 9,760 SF, signaling limited speculative office growth.

Capital markets

- Estimated office pricing is \$215/SF, equal to the market average, with a cap rate of 8.0% versus 8.1% metro wide.
- Over the past year, 25 office properties traded, representing about 220K SF of turnover.
- Average sale comparables registered \$1.80M per property at \$251/SF.

Business Retention, Attraction & Expansion

Q3 Business Retention Activity

Apr - May - June

Networking Events	7
New Biz Navigator Outreach (Businesses Served)	39
Business Tax Receipt Navigation (Businesses Served)	21
Fire Navigation (Businesses Served)	3
Permit Navigation (Businesses Served)	30
Change of Occupancy (Businesses Engaged)	19
BRE Visits Business retention and expansion visit aims to retain or keep existing businesses in a community and provide assistance for businesses to expand.	9
Industry Roundtables (Businesses Engaged)	35



Upcoming

July: Manufacturing/Industrial
August: Home Services
September:
Tourism/Recreation/Sports



Q3 Completed

April 17th

Workforce & Education

Businesses Engaged: 12

1. Businesses are not widely aware of workforce programs including training grants, hiring support, and workforce development services through CareerSource Southwest Florida.
2. Disconnect between employers and available talent
3. Gap between education/training and job readiness
4. Limited awareness of alternative career pathways
5. Workforce pipeline challenges in key industries

May 29th

Healthcare/LifeScience

Businesses Engaged: 10

1. Transportation barriers delay resident access to care.
2. Housing and commute costs hinder provider recruitment.
3. Limited specialists and low awareness push care outside Cape Coral.
4. Complex credentialing slows providers starting practice in Florida.
5. Negative social media and media coverage are contributing to an unfavorable perception of Cape Coral among prospective providers, complicating recruitment efforts.

June 24th

Commercial Real Estate

Businesses Engaged: 12

1. Land assembly and site readiness remain key redevelopment barriers.
2. Change of occupancy and permitting are major small-business pain points, reinforcing the need for a task force.
3. Minor corrections too often trigger full re-reviews and longer timelines.
4. Better pre-lease guidance, early inspections, and coordination are needed..

Business Retention - Key Q3 Actions & Outcomes

Industry Roundtables

Hosted three industry roundtables (Workforce & Education, Healthcare & Life Science, and Commercial Real Estate) engaging 35 businesses and 57+ attendees, with City officials present — capturing feedback on permitting, communication, infrastructure, workforce, and resource needs to inform improvements to City processes and business support. Actions derived from the roundtable include:

1. Workforce Awareness: Invite CareerSource to participate in all roundtables to present their services assisting with workforce hiring and training issues (addresses awareness, talent disconnect, education gaps, and pipeline challenges).
2. Pre-lease guidance issue: Developed A–Z Business Guide and checklist (English/Spanish) to improve pre-lease guidance, early inspections, and coordination.
3. Healthcare Transportation: Set up the “Healthcare Roundtable Follow-Up: Bridging the Distance – Healthcare + LeeTran Access Conversation” for July.
4. Commercial Real Estate Permitting: Development Services will work with City leadership to consider forming a task force that includes landlords, brokers, EDO, and fire staff focused on improving the change of occupancy process.
5. Permit Reviews: DSD will continue preparing for the implementation of House Bill 803, which reduces residential permit review time to five business days effective July 1, 2026

Ombudsman Permit Navigation

1. Provided direct navigation assistance to 73 businesses experiencing regulatory, permit, or inspection challenges and supporting BTR applications.
2. 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 April and May.

Q3 Business Attraction Activity

April – May - June



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.	15
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.	8
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.	5
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.	29

Business Attraction - Key Q3 Actions & Outcomes

Building Partnerships

1. Launched a collaborative effort among the Chamber, CRA, and EDO to support Cape Coral's Wander Maps app, increasing targeted visibility for visitor-facing businesses within the CRA.
2. Secured SWFL Inc. to bring its monthly Power Hour to Cape Coral for the first time, expanding local visibility and regional business engagement. (April)
3. Initiated outreach to SWFL Tech to identify partnership opportunities that support growth and connectivity for Cape Coral's tech industry.
4. Secured Cape Coral as a host site for Florida Redevelopment Association conference visit, featuring a boat tour that will showcase local development activity and CRA revitalization efforts during the October conference.

Outreach & Learning best practices

1. Presented Cape Coral tourism events and visitor-focused businesses at TDC monthly meetings (April–June) to strengthen county-level awareness and promotion.
2. Attended REIS luncheons to build relationships with regional real estate and investment leaders and stay current on market trends.
3. Attended training sessions with the ZoomInfo team to learn how to use their platform for identifying relocation and expansion prospects, helping build a targeted business recruitment pipeline.

Lead Generation

1. Attended the Edison Awards to introduce Cape Coral to businesses on site, networked to determine which companies have expansion plans and share our incentives. (April)
2. Hosted a FAM tour with a Sports investment group to pitch Cape Coral as their next potential location. (June)



Q3 Business Expansion Activity

Apr - May - June

Business Expansion Support	15
Pre-Application Coordination Meetings	7
Incentive Navigation & Application Support	20
EDO Incentive Application Meetings	15
Approved Application/Incentives Awarded	3
BRE Visits Business retention and expansion visit aims to retain or keep existing businesses in a community and provide assistance for businesses to expand.	2

Business Expansion - Key Q3 Actions & Outcomes

Business Expansion Support

Provided direct expansion support to 15 businesses and projects pursuing growth, redevelopment, reinvestment, relocation, and expansion opportunities. Support included guidance on permitting, site feasibility, incentive eligibility, reimbursement requirements, and connections to City departments and partner resources.

Pre-Application Coordination

Participated in 7 City-led pre-application meetings to identify potential expansion opportunities, evaluate project readiness, and connect businesses with available EDO incentive programs and next steps.

Incentive Navigation & Application Support

Provided over 20 incentive-related touchpoints with businesses and active applicants, including eligibility review, project positioning, documentation guidance, application readiness, scoring support, council approval preparation, agreement routing, and reimbursement preparation.

Incentive Applications Overview– YTD 2026

Business Infrastructure Grants	# Applications	Project Investment	Grant Award Request
Approved	3	\$6,889,821	\$552,412
In Review	1	\$22,185,100	\$143,100
In Progress	0		
Enhanced Value Recapture Grants	# Applications	Project Investment	Grant Award Request
Approved	2	\$56,403,332	\$1,874,820
In Review			
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.

Incentive Applications Overview– YTD 2026

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

Demolition Program (CRA Only)	# Applications		Grant Award Request
Approved	3	\$249,190	\$153,900
In Review	0		
In Progress	0		

Breaking Barriers (CRA Only)	# Applications	Project Investment	Grant Award Request
Approved	3	\$4,815,025	\$147,592
In Review	1	\$389,103	\$50,000
In Progress	0		

Stakeholder Engagement, Marketing, and Outreach



Community Brand & Storytelling • <i>REIS Luncheons</i> • <i>Leadership Business Luncheons hosted by Cape Christian</i> • <i>Tourist Development Council (TDC) Meetings</i>	9
Business Recruitment & Expansion • <i>SelectUSA Conference 2026</i> • <i>In-person Fam tour with large Sports Investment Group to show Cape Coral's assets</i> • <i>Dissemination of informational materials to commercial realtors, developers, and companies considering the region (ongoing)</i>	19
Marketing Partnerships • <i>Key implementation sessions to launch Wander Maps App in the CRA</i> • <i>Marketing discussions with RSW and PGD on advertising and Cape Coral retail products</i> • <i>Collaboration meeting with 'Cape Coral Reviewed' to expand small business reach</i>	5

Key Networking Event

EDO recruitment participated in the SelectUSA Summit in May, joining a 5,500-plus delegation and using meetings and networking events to engage select businesses and position Cape Coral for future expansion and relocation opportunities.





Cape Coral Featured Panel at the June Horizon Council



Strategic partnership with the Chamber of Commerce and Lee County EDO to showcase investment, development momentum and community assets.

The event elevated Cape Coral's visibility with business leaders, community stakeholders, and regional partners.

Development Projects:

1. Bimini Square
2. Pine Island Commerce Park
3. Seven Islands

Also Featured:

- Guiding Grace Family Support Network
- Parks & Recreation park projects and quality of life investments





Project Updates

7 Islands – Gulf Gateway Resort

Location: Old Burnt Store Road

- I. Project Overview
 - i. Multi-Family Condo, Townhomes, Fish Houses
 - ii. Hotel Resort with meeting space
 - iii. 45,000 sq ft Commercial Space
 - iv. Community Center
 - v. Park
 - vi. 235 Boat slips/Marina
- i. U.S. Army Corp of Engineer (COE) Permit Application Submitted 1/8/2024. SFWMD application submitted May 2025 - anticipated timeline for issuance - Summer 2026
- ii. Development Agreement approved by Council January 23, 2026. City sold the property on February 11, 2026.
 - i. Civil Permits in design and submission to occur by October 2026
 - ii. Phase 1 Development – December 3031 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

- i. 385,000 sq ft Commercial Retail and Dining
- ii. 165,000 sq ft Leasable Office Space
- iii. 138-room Hotel
- iv. 1,312 Multifamily Units

Revised Estimated Development Schedule

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



Bimini East



Permitting and Construction Activity

Commercial Projects – In Permitting

Chiquita Blvd Commercial Offices 507 Chiquita Blvd S	Office Space	a. 2950 sq ft office b. 640 sq ft storage c. Site Development Plan awaiting issuance
Walmart Supercenter 2210 SW Pine Island Rd	Retail and Grocery store	a. Constructing a 175,360 sq ft retail building. b. Site development plan Approved: SDP24-000046 c. Building permit in review BLDC25-000293
*Coral Grove Town Center 2301 SW Pine Island Rd	Mixed Use	a. 35,500 sq ft commercial building b. 131-acre mixed use development c. Site Clearing Plan Approved d. Subdivision Construction Plan under review e. Site Development Plan under review
Commercial Building 1217 SE 47th St	Mixed Use	a. Constructing a 35,487 sq ft building. b. Site development plan Approved: SDP25-000050 c. Building permit in review BLDC26-000290

* Denotes Priority Permitting Project

Commercial Projects – In Construction

*Floor & Decor 2800 NE Pine Island Rd	Retail	a. New construction b. 60,160 sq ft building
*Lee Health 2514 SW 2ND CT	Medical	a. 100,000+/- sq ft two-story building b. Medical office, ambulatory surgery functions, additional outpatient services
*Pine Island Commerce Park 2616 Ceitus Parkway	Light Manufacturing and Retail	a. New Construction b. Site Development approved and issued c. Building permit issued d. Total sq ft 100,545 (office 6,104 sq ft; warehouse 94,441 sq ft)
*Marriott TownePlace Suites 1475 NE 8 th Ter	Hotel	a. Constructing a 13,500 sq ft lodging facility b. 4 – Story, 112 guestroom c. Anticipated completion in April 2027

* Denotes Priority Permitting Project

Building Activity Report – June 2026

City of Cape Coral, Florida Building Permits Issued

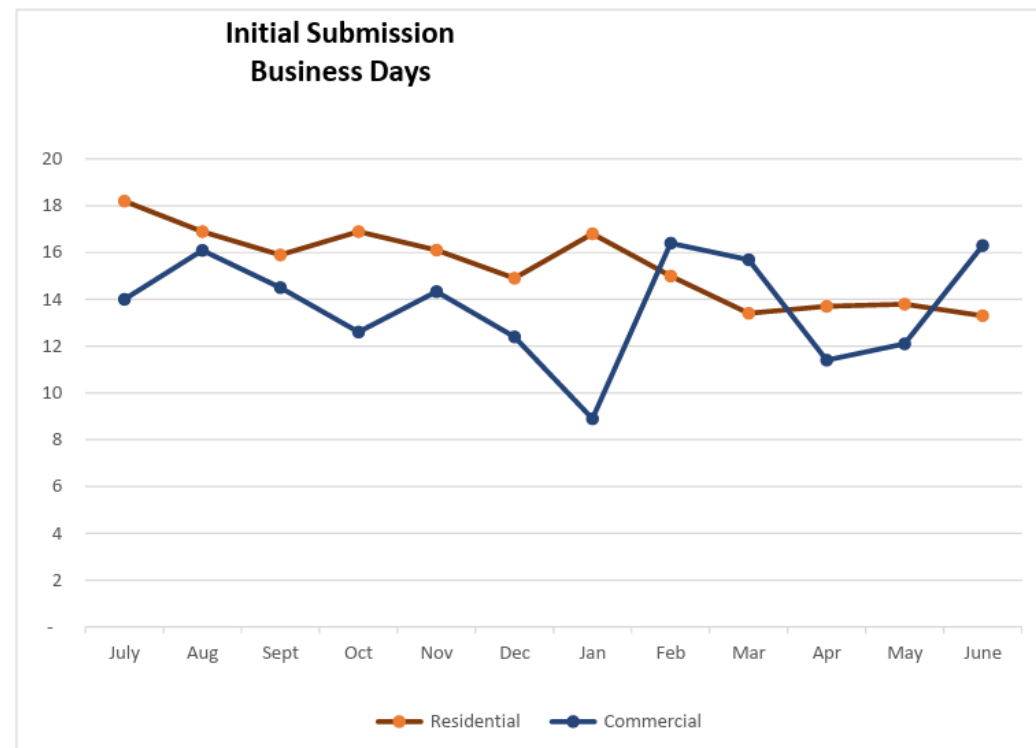
Month	2021	2022	2023	2024	2025	2026	2026 vs 2025 Difference	2025 vs 2024 Difference	2024 vs 2023 Difference
October	3,772	3,413	5,101	4,352	2,864	2,492	(372)	(1,488)	(749)
November	3,234	3,629	7,380	4,116	2,534	1,944	(590)	(1,582)	(3,264)
December	3,825	3,553	8,481	3,381	2,400	1,974	(426)	(981)	(5,100)
January	3,644	3,357	9,582	3,786	2,162	2,015	(147)	(1,624)	(5,796)
February	3,710	2,821	8,132	3,314	2,121	2,052	(69)	(1,193)	(4,818)
March	5,001	2,776	7,625	3,203	2,795	2,292	(503)	(408)	(4,422)
April	4,409	5,441	6,815	3,961	2,678	2,334	(344)	(1,283)	(2,854)
May	3,732	3,862	6,218	3,519	3,170	2,160	(1,010)	(349)	(2,699)
June	4,687	4,595	7,256	3,117	2,657	2,588	(69)	(460)	(4,139)
July	4,089	4,261	5,850	3,152	2,401			(751)	(2,698)
August	4,087	4,876	5,728	3,321	2,497			(824)	(2,407)
September	3,496	3,465	3,683	2,574	2,476			(98)	(1,109)
Total	47,686	46,049	81,851	41,796	30,755	19,851	(3,530)	(11,041)	(40,055)
Average/Mo	3,974	3,837	6,821	3,483	2,563	2,206	(357)	(920)	(3,338)
Percentage change over Prior Year	N/A	-3.4%	77.7%	-48.9%	-26.4%	N/A	-5.2%	-26.4%	-48.9%

Building Activity Report – As of June 2026

Average Days To Review Building Plans - By Review Type

Building Permit Reviews (Business days)

Review Type	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July - June Average
Residential	18	17	16	17	16	15	17	15	13	14	14	13	15
Commercial	14	16	15	13	14	12	9	16	16	11	12	16	14



Thank you

