



ECONOMIC & BUSINESS DEVELOPMENT OFFICE

QUARTERLY REPORT

Q1 (OCT - DEC) 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	NOV 2024
Cape Coral	Unavailable	5.4%	----	3.6%
Fort Myers	Unavailable	5.5%	----	3.7%
Lee County	Unavailable	5.5%	----	3.7%
Florida	Unavailable	4.9%	----	3.5%

Source: Florida Commerce

Rates are not seasonally adjusted

Key Economic Indicators

Vacancy Rates – SW Florida

	Retail	Office	Industrial	Multi-Family ₂
Cape Coral ₁	2.8%	2.1%	4.3%	30.7%
Sarasota	3.4% ₍₁₎	5.2% ₍₂₎	7.2% ₍₂₎	17.6% ₍₂₎
Fort Myers	3.4% ₍₂₎	5.7% ₍₂₎	8.8% ₍₂₎	20.5% ₍₂₎
Punta Gorda	3.7 % ₍₂₎	2.9% ₍₂₎	11.3% ₍₂₎	19.7% ₍₁₎
Naples	3.7% ₍₂₎	4.7% ₍₂₎	4.0% ₍₂₎	13.9% ₍₂₎
Bonita Springs	----	----	----	---- ₍₁₎

1 Submarket

2 County or Metro Market

Source: Vacancy data sourced from
CoStar Group, accessed on January 9,
2026

Key Economic Indicators

Vacancy Rates – Most Populated Florida Cities

	Retail	Office	Industrial
Orlando ₂	3.7%	9.9%	7.6%
Miami ₂	2.9%	8.7%	6.5%
Tampa ₂	3.4%	9.6%	7.3%
Jacksonville ₂	4.8%	10.3%	9.2%
Port St Lucie ₂	4.1%	3.8%	14.6%
Tallahassee ₂	3.6%	5.3%	3.6%
Fort Lauderdale ₂	3.8%	10.8%	6.5%
Cape Coral ₁	2.8%	2.1%	4.6%

1 Submarket
2 County or Metro Market

Source: Vacancy data sourced from CoStar Group, accessed on December 31, 2025

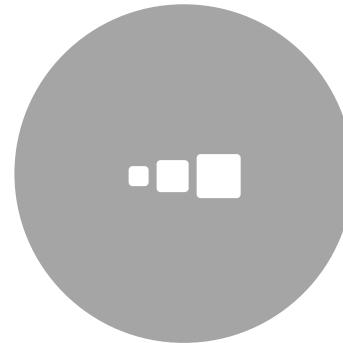
Industry Updates

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 97,000 SF OF SPACE LISTED AS AVAILABLE. 9,500 SF OF OFFICE SPACE IS UNDER CONSTRUCTION, COMPARED TO AN AVERAGE OF 17,000 UNDER CONSTRUCTION OVER THE PAST 10 YEARS



RENTS HAVE CHANGED BY 3.5% YEAR OVER YEAR, COMPARED TO 3.4% METRO-WIDE RATE

AVERAGE RENT IS \$ 27.00/SF, WHICH MATCHES THE METRO-WIDE AVERAGE RENT



THE VACANCY RATE HAS CHANGED BY 0.3% OVER THE PAST YEAR

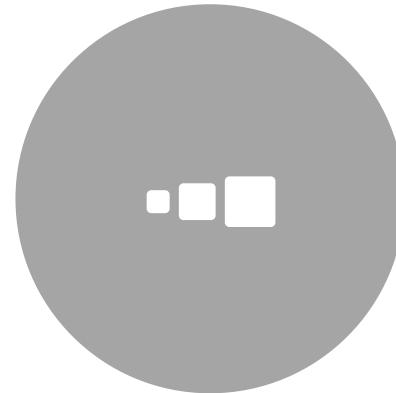
THE VACANCY RATE OF 2.1% COMPARES TO A 5-YEAR AVERAGE OF 2.3% AND 10-YER AVERAGE OF 3.9%

Source: CoStar Group

Retail Market Take-Aways



THE CITY HAS ROUGHLY 10.0 MILLION SQ FT OF RETAIL SPACE
OVER THE PAST YEAR, THE VACANCY RATE HAS CHANGED BY 0.9%
THERE IS 69,000 SF UNDER CONSTRUCTION. THE MARKET HAS AVERAGED 94,000 SF OVER THE PAST 10 YEARS



RENTS ARE AROUND \$ 23.00/SF
RENTS HAVE CHANGED BY 2.2 % YEAR OVER YEAR, COMPARED TO A 1.6% CHANGE IN THE FORT MYERS MARKET
THE 5-YEAR AVERAGE RENT GROWTH IS 4.3% AND 10-YEAR AVERAGE IS 3.5%



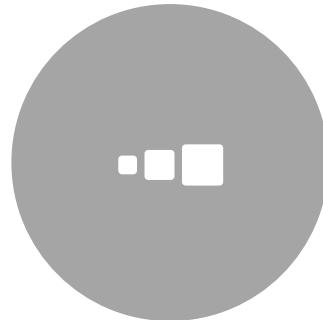
THE MARKET HAS A VACANCY RATE OF 2.8% COMPARED TO A FIVE-YEAR AVERAGE OF 2.1% AND THE 10-YEAR AVERAGE OF 3.4%. NEIGHBORHOOD CENTER VACANCY IS 3.3%, POWER CENTERS HAVE NO VACANCY, STRIP CENTER VACANCY IS 3.6%

Industrial Market Take-Aways



THE CURRENT 4.6% VACANCY RATE HAS CHANGED BY 0.9%. THE 10-YEAR AVERAGE VACANCY IS 3.3% AND A 2.5% 5-YEAR AVERAGE.

AS OF Q4 2025, THERE IS 10,000 SF OF INDUSTRIAL SPACE UNDER CONSTRUCTION



MARKET RENTS ARE \$14.50/SF
MARKET ASKING RENT HAS CHANGED BY 2.3% YEAR OVER YEAR, COMPARED TO 2.5% MARKET WIDE
THE 5-YEAR AVERAGE ANNUAL RENT GROWTH IS 7.5%



CAPE CORAL CONTAINS ROUGHLY 4.1 MILLION SF OF INDUSTRIAL SPACE
2.9 MILLION SQ OF INDUSTRIAL SPACE IS LOGISTICS. 780,000 IS FLEX AND REMAINING IS SPECIALIZED INVENTORY

Business Retention, Attraction & Expansion

Overview of Incentive Applications – YTD 2026

Building Infrastructure Grants	# Applications	Project Investment	Grant Award Request
Approved	2	\$24,114,416	\$323,294
In Review	5	\$32,507,294	\$411,911
In Progress	1		

Enhanced Value Recapture Grants	# Applications	Project Investment	Grant Award Request
Approved	2	\$726,263,466	\$123,381,406
In Review	1	\$29,931,811	\$28,985,811
In Progress	3		

Cape Collaborates	# Applications	Project Investment	Grant Award Request
Approved	1	\$1,855,025	\$50,000
In Review	0	0	0
In Progress	7		

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	1	\$27,500	\$32,500
In Review	3	\$322,440	\$186,220
In Progress	0		
Breaking Barriers (CRA Only)	# Applications	Project Investment	Grant Award Request
Approved	6	\$2,613,847	\$185,771
In Review	4	\$4,549,900	\$200,000
In Progress	2		

Q1 Business Retention Activity

October - November -
December

Networking Events	2
New Biz Navigator Outreach (Businesses Served)	103
Business Tax Receipt Navigation (Businesses Served)	45
Fire Navigation (Businesses Served)	85
Permit Navigation (Businesses Served)	72
Speaking Engagements & Interviews	0
Industry Roundtables (Businesses Engaged) <small>Additional Info Slide 21</small>	25
BRE Visits <small>Business retention and expansion visit aims to retain or keep existing businesses in a community and provide assistance for businesses to expand.</small>	0

Business Retention - Key Q4 Actions & Outcomes

Business Tax Receipt (BTR) Assistance

- i. Assisted 45 new business owners in navigating the BTR process, addressing zoning questions, and identifying change of occupancy needs.

New Business Navigation Outreach

- i. Reached out to 103 new Cape Coral businesses to congratulate them and offer support and resources.

Fire Inspection Preparation

- i. Supported 85 businesses in preparing for scheduled fire inspections, ensuring compliance and readiness.

Ombudsman Permit Navigation

- i. Provided direct navigation assistance to 72 businesses experiencing regulatory, permit, or inspection challenges.
- ii. Acted as liaison between businesses/contractors and city departments, delivering step-by-step guidance, sharing checklists, and expediting issue resolution.
- iii. Escalated unresolved matters to department leadership and coordinated follow-up meetings as needed.

Q1 Business Attraction Activity

October - November -
December

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 Q1 Actions & Outcomes

Building Partnerships

- *New engagement* – Promoted Cape Coral and connected with Hispanic-owned businesses at the SWFL Hispanic Chamber networking event (October)
- Facilitated a familiarization tour with SelectFlorida to meet our manufacturers and establish a deeper understanding of the City's opportunities (October)
- *New engagement* – Met with SWFL Inc. to begin relationship-building and promote Cape Coral as a regional meeting and event host (October)
- Urban Land Institute – Discussed opportunities to host mid-sized and small-scale events in Cape Coral (October)

Outreach & Learning best practices

- Attended the Industry Appreciation Awards to support networking and relationship-building efforts (October)
- Collaborated with 'Tech & Espresso' to launch Cape Coral's first tech meetup, advancing efforts to grow the local technology sector (November)
- Participated in a 3-day 'Kaizen' Lean Six process to improve EDO incentive program efficiency (December)

Marketing & Brand Awareness

- Published Article in Business Facilities Magazine (October); Cape Sun (December); ran Ad in SWFL Business Today (December)
- Presented to the TDC and represented Cape Coral at the Site Selectors Guild Fall Forum (October) and the Economix Annual Conference (November)
- Applied to Economic Development Awards including the Business Facilities 'Deal of the Year' award for business expansion efforts.

Lead Generation

- Advanced key discussions with a targeted healthcare provider, focusing on the acquisition of real estate near the desired site. (December)
- Supported an international manufacturer through the process of establishing operations in the city; the company officially signed a lease in Cape Coral in November and is set to begin operations in Spring 2026.
- Site Selectors Forum – Participated in a one-on-one "speed dating" format with 6 site selectors in Indianapolis to introduce Cape Coral for potential consideration in future client site searches (October).

Stakeholder Engagement, Marketing, and Outreach

YTD Marketing

October - November - December



Cape Coral's Presence at External Conferences / Events

- *Site Selectors Guild Fall Forum*
- *Economix Annual Conference*
- *Site Selectors Forum – Indianapolis*
- *Industry Appreciation Awards*
- *REIS Luncheons*
- *Leadership Business Luncheons hosted by Cape Christian*
- *Tech & Espresso – Cape Coral tech launch*
- *SWFL Hispanic Chamber networking event*

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Social Media Posts:

- Business Spotlight features (Facebook & Instagram)

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EBDO News Features

- *Cape Coral Sun Newspaper*: Lee Health opening at Bimini Square
- *SWFL Business Today* Ad 'Where Business Meets Lifestyle.'
- Economic Development Newsletter – Winter edition distributed
- *Cape Coral Breeze*: 'Bimini Basin East Redevelopment' & 'Economic Incentives'

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Outreach for Marketing Partnerships:

- Met with Livability to review marketing and talent-attraction services and assess potential future opportunities
- Submitted an application to Business Facilities Magazine's '2025 Deal of the Year Awards' to support national brand visibility.
- Marketing discussion with CRE Consultants to support accurate third-party promotion of Cape Coral.
- Submitted application to Business Facilities 'Deal of the Year' awards that recognized EDO efforts in business expansion and highlighted the Bones Coffee Project.

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Business Facilities 2025 Impact Award – Bones Coffee HQ Project



Project investment (Cape Coral – Bones Coffee):

Bones Coffee Company is consolidating its national headquarters, manufacturing, distribution, and administrative operations at 2621 SW Pine Island Road. The total capital investment has grown from \$25.8 million to \$27.3 million, supported by an increased City of Cape Coral incentive package from \$2.04 million to \$2.73 million and delivering 130 total jobs with a 40% wage premium over the city average.

Award & category:

Business Facilities named City of Cape Coral Economic Development a 2025 Impact Award winner in the “Beverage Manufacturing/Distribution” category for the Bones Coffee Company headquarters and expansion project, as part of its annual Deal of the Year & Impact Awards program.

Why this project was selected (award criteria):

The Deal of the Year and Impact Awards are judged on capital investment, job creation, innovation, and community impact. Impact Awards specifically highlight relocation/expansion projects that are having, or are expected to have, a significant positive impact on their communities. Bones Coffee’s HQ project stood out for its substantial private investment, retention and creation of high-wage jobs, and role in positioning Cape Coral as a national hub for a growing manufacturer.

Publication & coverage timeline:

Business Facilities announced the 2025 Deal of the Year and Impact Award winners in a press release on January 5, 2026. The full story on the Bones Coffee project and other winners will appear in the January/February 2026 print issue (mailing in early February), with the digital edition and online feature scheduled for the first week of February 2026.



Key Networking Events



Cape Coral's First 'Tech Meet-up'

The Economic Development Office partnered with Tech & Espresso to launch Cape Coral's first Tech networking event, designed to support innovation, entrepreneurship, and community-building to advance the local technology sector.



EconomiX Conference

Conference focused on key economic trends, innovation, and sustainability, bringing together leaders from business, policy, and academia. The event offered opportunities to explore business attraction strategies and learn about regional strengths and talent development. It provided a platform for networking, idea exchange, and gaining insights relevant to positioning the area for future investment and growth.



Site Selectors Forum 2025

Attended a gathering of site selection consultants and economic development professionals focused on corporate location strategy and investment trends.

Participated in a trial 'speed-dating' format to pitch Cape Coral to six pre-selected site selectors. The forum provided opportunities for networking, relationship-building, and increasing visibility for future business and investment prospects.



CITY OF CAPE CORAL BUSINESS & INDUSTRY ROUNDTABLE

Stakeholder Groups



Upcoming

January: Residential Real Estate
February: Technology
March: Workforce/Education



Q1 Completed	Businesses Engaged	Topics
October 17 th Lender/Financing	13	<ol style="list-style-type: none">1. Small Businesses face barriers when obtaining financing.2. Business budgeting and financial preparedness were cited as major issues.3. Insurance challenges with rising cost for flood, wind and hazard insurance.
November 21 st Restaurant	22	<ol style="list-style-type: none">1. Signage Restrictions: Outdated city ordinances.2. Strict Landscaping requirements in the LDC.3. Rising operational cost: Insurance, taxes and minimum wage increases.4. Permitting and inspection regulations noted as overly stringent.
December		No Roundtable

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. Q1 2026 - Residential Amenities/Roof Deck
 - d. Q1 2026 – Bimini Basin Seafood & Cocktails (Waterfront Restaurant) and House of Omelets
 - e. Estimated project completion – Q1 2026

7 Islands – Gulf Gateway Resort

Location: Old Burnt Store Road

- I. Proposed Program
 - 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. Master Conceptual Site Plan is Finalized
- IV. Public Hearings for the Development Agreement were held 1/7/2026 and a second hearing scheduled for 1/21/2026. The closing date is scheduled to occur by February 11, 2026.



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. Q1 2026 – Commence infrastructure construction
- b. Q3 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

BAM Bakery & Rosè Mediterranean 1507 SE 47 th St.	Restaurant	a. 4597 sq ft tenant buildout
Tacos and Tequila 903 NE 15 th Pl.	Restaurant	a. 3979 sq ft tenant buildout
Floor & Decor 2800 NE Pine Island Rd.	Retail	a. New construction b. 60,160 sq ft building
Commercial Building 924 NE Pine Island Rd.	Retail	a. New construction b. Two tenant spaces c. Cali Coffee 1,500 sq ft d. 2,400 sq ft gray shell
Lee Health 2501 SW 3 rd Ave.	Medical	a. 100,000+/- sq ft two-story building b. Medical office, ambulatory surgery functions, additional outpatient services c. Site Permit under review

Commercial Projects – In Permitting

Holliday Scoops 910 Cape Coral Pkwy. E	Retail	<ul style="list-style-type: none">a. Tenant improvementsb. Themed ice-cream parlor
Marriott TownePlace Suites 1475 NE 8 th Ter.	Hotel	<ul style="list-style-type: none">a. Constructing a 13,500 sq ft lodging facilityb. 4 – Story, 112 guestroom
Chiquita Blvd Commercial Offices 507 Chiquita Blvd. S	Office Space	<ul style="list-style-type: none">a. 2950 sq ft officeb. 640 sq ft storagec. 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 SDP24-000046c. Building permit in review BLDC25-000293

Commercial Projects – In Permitting

Coffee Rush 1189 SW Pine Island Rd.	Retail	<ul style="list-style-type: none">a. Site development plan approvedb. Coffee shopc. Building permit under reviewd. 388 sq ft

Commercial Projects – In Construction

Dutch Bro Coffee 1603 SE 26 th St.	Retail	<ul style="list-style-type: none">a. New construction 950 sq ftb. Coffee shopc. Drive-thru service window and walk-up service window
Premier Women's Care 1606 Santa Barbara Blvd.	Healthcare	<ul style="list-style-type: none">a. New construction of a 30,830 sq ft buildingb. 2-story medical office
Chase Bank 3101 SW Pine Island Rd.	Bank	<ul style="list-style-type: none">a. 3,333 sq ft bank with drive-up ATM
Nothing Bundt Cakes 2708 Santa Barbara Blvd. Unit: 149	Retail	<ul style="list-style-type: none">a. 2,394 sq ft tenant buildoutb. Retail bakery

Commercial Projects – In Construction

Aldi's Grocery 3510 Del Prado Blvd. N	Grocery store	<ul style="list-style-type: none">a. Located at Entrada West development.b. Constructing a 20,714 sq ft store
Capriotti's Sandwich Shop 327 SW 10 th Pl. Unit: 202	Restaurant	<ul style="list-style-type: none">a. Tenant buildout at Shops at Del Marb. 1,780 sq ft
Architectural Metal Flashing 2659 NE 9 th Ave.	Manufacturing	<ul style="list-style-type: none">a. Building expansionb. Adding 11,450 sq ft

Commercial Projects – In Construction

Big Nicks BBQ 4720 SE 9 th Pl. Unit: 200	Restaurant	<ul style="list-style-type: none">a. Tenant buildoutb. Located within Cove on 47thc. 1,359 sq ft restaurant space
Lake Shadroe Resort & Marina 218 Burnt Store Rd. S	Mixed Use – Vacation Rental Units, Resort/Marina, Restaurant, Retail	<ul style="list-style-type: none">a. 10,235 sq ft office/retail spaceb. 2,273 sq ft tiki building
Aqua Seafood 870 SE 47 th Ter.	Restaurant	<ul style="list-style-type: none">a. Located at the Cove at 47thb. Tenant buildout

Commercial Projects – In Construction

House of Omelets 440 Cape Coral Pkwy. E Unit: 2	Restaurant	<ul style="list-style-type: none">a. Tenant buildoutb. Establishing 2nd locationc. Located within Bimini Squared. 2,308 sq ft restaurant space
Suncoast Credit Union 901 SW Pine Island Rd.	Bank	<ul style="list-style-type: none">a. New Construction 5,470 sq ftb. Single-story masonry branch bank building with detached drive-up
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 December 2025

COMMERCIAL CONSTRUCTION

<u>Month</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2026 vs 2025 Difference</u>	<u>2024 vs 2024 Difference</u>	<u>2024 vs 2023 Difference</u>
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			(11)	9
February	5	1	3	12	3			(9)	9
March	5	4	9	7	6			(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	4	(19)	(50)	16
Average/Mo	6	7	9	11	7	1	(5)	(4)	1
Percentage change over Prior Year	N/A	13.7%	34.9%	14.3%	-39.1%	N/A	-55.4%	-39.1%	14.3%

Building Activity Report – As of December 2025

Commercial Construction - Average Days To Review Building Plans - By Review Type

Building Permit Reviews (Business days)

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

Thank you

