SETTING WAYPOINTS

CAPE CORAL ECONOMIC DEVELOPMENT STRATEGIC PLAN

Volume 1 – Competitiveness & Opportunity

DCG Corplan

PARTER International, Inc.

Forgey Planning

D-H&Assoc

December 2024

Acknowledgements

The Cape Coral Economic Development Strategic Plan is a comprehensive roadmap for achieving success in a uniquely challenging environment. Creation of the Strategy is not accomplished in a vacuum – there are many people and organizations that have provided valuable input to the process.

Our project team has been guided by the dedicated leadership of the Office of Economic and Business Development, the City Manager's Office, Development Services, Public Works, Communications, Information Technology Services, the Chamber of Commerce, the Lee County Visitor and Convention Bureau, and more.

We would like to thank Mayor Gunter, the City Council, and the especially the residents and businesses of Cape Coral, without whose unbiased and informative opinions and recommendations this work would not be possible.

Project Team

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Photo credit: The Westin Cape Coral Resort at Marina Village

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Key Findings

The intent of this study is to prepare an Economic Development Strategic Plan which contains goals, objectives, implementation plans, and metrics. It is intended to identify the strengths of the City of Cape Coral and determine a means of leveraging those advantages to spur economic growth.

The objective of Volume 1 is to present the foundational characteristics of the City of Cape Coral from a competitiveness and opportunity viewpoint. The main goal is to understand the complexities of this large community, its advantages and drawbacks, and its potential for sustainable growth into the future.

While the Vision is more clearly articulated in Volume 2 – Strategy, the Mission of this part of the study is clearly defined:

Provide the strategic recommendations necessary to ensure that economic growth keeps pace with population growth.

Cape Coral is the 8th largest city by population and the 3rd largest by land mass in Florida. With a population of more than 217,000 residents, the City is experiencing high growth. As a pre-platted community, Cape Coral could have more than 375,000 residents at buildout.

ECONOGRAPHICS

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie
  - West Palm Beach

- Cape Coral's **34.6%** growth places it **2nd** among the competing cities.

- English spoken at home is an indicator of the impact of immigration and attitudes toward education within the household. In this comparison, Cape Coral ranks **2nd**.

- Household size equates to possible worker availability, as median incomes offer strength for retail buying power. In these two groups, Cape Coral's **2.67** average household size and **$76,991** median household income ranks **3rd** in each case.

- Advanced educational attainment results in increased skills and higher salaries. In the categories of Associates Certificates, Bachelors' degrees, and Graduate degrees, Cape Coral ranks **2nd**, **5th**, and **6th**, respectively.

- Higher home ownership rate denotes economic stability, whereas lower housing prices suggests affordability. In these categories, Cape Coral's **75.9%** home ownership rate and **$379,600** median home value ranks the City at **3rd** and **4th** places, respectively.

- Reasonability on the Cost of Living index indicates stable economic performance. Cape Coral ranks **3rd** in this category.

SETTING WAYPOINTS

- To determine the quality of life, three categories are examined: crime, healthcare, and culture. The Crime index, the Number of Physicians per 1,000 population, and the Arts, Tourism and Hospitality employment per 1,000 population are compared to the State of Florida's average to generate indices. In these three groups, Cape Coral ranks **3rd**, **4th**, and **4th**, respectively.

- Stable economies have a good balance of goods-producing and service-producing industries. The four goods-producing industries in the U.S. are (1) forestry, hunting and agriculture support; (2) mining; (3) construction; and (4) manufacturing. A ratio is produced through the division of goods-producing industry employment and service-producing industry employment. In this category, Cape Coal ranks in **3rd** place.

- Increasingly sophisticated business operations require a higher percentage of technically trained skilled workers at reasonable salary levels. In goods-producing industries, Cape Coral ranks **5th**; for service-producing industries the City's rank is **1st** place.

- Comparative land prices for commercial (non-residential) and industrial sites indicate valuation fluctuations per market. Cape Coral ranks **3rd** in lower land costs.

- Operating profits are significantly affected by the variation in electric power costs. Individually negotiated rates may be possible, however, published rates are utilized for the comparison. For commercial power rates, Cape Coral ranks in **1st** place; for industrial rates, the City is in **2nd** place.

- Successful development often hinges on the potential to provide an intercept location for workers traveling long commutes. Commutation outside of place of residence or having 2 or more vehicles available are indicators of relative mobility for employees. In these two categories, Cape Coral ranks **4th** and **1st**, respectively.

- As a second measure of worker mobility, the daily travel time workers exhibit reinforces the intercept location potential. Cape Coral **leads** all others in this metric.

PUBLIC & EMPLOYER INTERVIEWS & SURVEYS

Resident input was sought through use of online surveys. A Public Survey was conducted in September 2023, and an Employer Survey in May, 2024. The response rate was varied, with **1,841** for the Public and **162** for the Employer surveys.

- Public response was generally ***unfavorable*** towards effectiveness of local government in addressing community concerns, citing lack of clear planning vision, desire to reduce costs, and improve visual appeal of the City.

- Employer responses centered on regulatory approvals improvement, government transparency, and business costs control.

Two business meeting "roundtables" were held, oriented at bringing more awareness of available governmental assistance to the business community. The meetings were organized "Goods-Producing" and "Services-Producing" sectors. The events occurred in April 2024 at the two Cape Coral libraries.

- Focus group discussions emphasized the need to adapt to demographic changes and evolving work trends with supportive infrastructures, such as enhanced business environments, improved training facilities, and streamlined governmental processes.

- There is a strong call for a community-driven approach to foster a conducive environment for both current residents and future economic prospects.

Tourism interviews were conducted in June 2024. A discussion guide was utilized for each of the interviews to provide a common basis for the conversation, though each interviewee was encouraged to expound on their areas of interest and expertise.

Some key takeaways from the interviews indicated that Cape Coral is situated to unlock its improved tourism driven economic potential. This is the opportune time for the City to take full advantage of its location, available land, resources, and human capital to advance the economic vitality of the City. To achieve this, it will need to move forward on several fronts:

- Build upon the City assets to enhance existing tourism products and attract new ones.
- Invest in smart infrastructure resources to support tourism related growth.
- Strengthen collaboration with private sector, public/private sector organizations, and other governments to advance tourism.
- Put plans into action, monitor progress, and adjust as needed.
- Attract more businesses that continue to contribute to the quality of life.

SWOT ANALYSIS

A SWOT analysis was generated as a strategic planning tool to help the City evaluate its strengths, weaknesses, opportunities, and threats.

- *Strengths* summary findings:
  - Dynamic growth
  - Civic engagement
  - Quality if place

- *Weaknesses* summary findings:
  - Environmental risk
  - Physical reality
  - Economic limitations

- *Opportunities* summary findings:
  - Environmental resiliency
  - Innovative development
  - Economic expansion

- *Threats* summary findings:
  - Market timing & economy
  - Competition
  - Image

A SWOT matrix was developed that compares internal values of Strengths (S) and Weaknesses (W) against the two external drivers of Opportunities (O) and Threats (T).

- Opportunities that capitalize on Strengths:
  - Evaluate means of balancing housing growth with expansion in jobs and non-residential tax revenue production.
  - Establish a public forum or outreach method that educates the public on environmental sustainability programs that are achievable and practical.
  - Establish a public forum or outreach method to discuss innovative approaches to land use that primarily serve the community.
  - Design and encourage dual-use environmental programs such as bioretention of stormwater that are both aesthetically pleasing but also functional.
  - Develop new land use guidelines that promote innovative ideas that capitalize on Cape Coral's unique character, such as canal use.

- Overcome Weaknesses to pursue Opportunities:
  - Evaluate and select resiliency solutions that can address short- and long-term impacts by major weather events.
  - Establish guidelines for new development projects that are sustainable to wind and flood impacts and that can provide dual-purpose functionality, such as a civic center serving as a hurricane shelter.
  - Recruit and pursue new business attraction that is not restricted to operate in high natural hazard areas, such as certain insurance companies.
  - Identify Cape Coral's realistic opportunity for new business attraction by evaluating industries' requirements for air, highway, water, and rail transportation services.

- Reduce vulnerability to external Threats:
    - Evaluate patterns of new population growth and entitle development of support retail and services to match growth.
    - Engage public support for new investments by demonstrating benefits to be derived locally.
    - Create a public outreach to determine what retail or services categories are available in competing markets but not in Cape Coral.
    - Engage the public for a series of visioning sessions to identify what type of city that Cape Coral is attempting to become.
    - Create a public outreach to determine what retail or services categories are available in competing markets but not in Cape Coral.
    - Utilize the best assets of Cape Coral, including new strategic approaches, to promote a new image for the city in marketing efforts.

- Prevent Weaknesses from being susceptible to external Threats:
    - Making informed investment decisions based on statistical probabilities of severe weather events.
    - Ascertain that media coverage of pre- and post-weather events are balanced and reinforce mitigation and recovery efforts.
    - "Best practices" review of competing areas' overcoming of physical limitations in marketing efforts.
    - Unbiased self-examination by leadership of Cape Coral's assets, drawbacks, and drivers for promotion.
    - Corrective measures to be taken to reinforce workforce performance and economic development initiatives for long-term change.
    - Awareness of the influence of competing cities for new business attraction and formulation of a plan to make substantive changes where possible to alter Cape Coral's limitations.

EMPLOYMENT TRENDS

In 2022, Cape Coral Business Employment was identified at **42,460** persons within **6,351** active businesses. Data for this conclusion was extrapolated from the US Census and ESRI. The five leading categories that accounted for **57%** of employment were:

- Retail Trade (**6,477** jobs)
- Healthcare & Social Assistance (**5,226** jobs)
- Accommodation & Food Services (**5,033** jobs)
- Construction (**3,974** jobs)
- Educational services (**3,489**)

The **5** leading major occupational categories for the 42,460 employment represent **20,489** jobs or **48%** of the total local employment:

- Sales and related (**11.5%**)
- Office and administrative support (**11.3%**)
- Food preparation and serving related (**11.1%**)
- Transportation and material moving (**7.2%**)
- Management (**7.2%**)

The 2022 Civilian Labor force estimate for the City of Cape Coral was **102,700** persons employed in **24** categories of occupations as defined by the Census. The **5** leading occupational groups accounted for nearly **half** of Cape Coral workers:

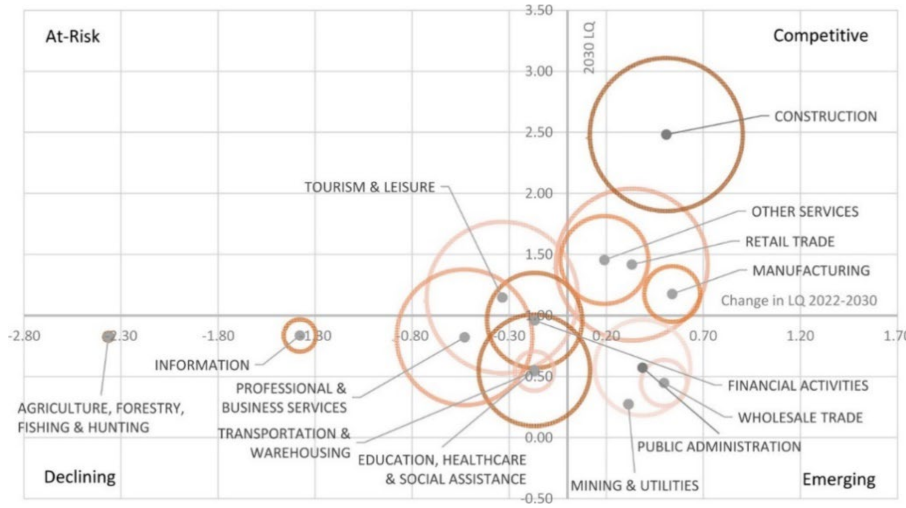
- Sales and related (**13.0%**)
- Office and administrative support (**11.8%**)
- Management (**10.2%)**
- Food preparation and serving related (**6.9%**)
- Health diagnosing, treating pract. & other technical (**6.8%)**

By weighted averaging of Census Journey to Work statistics, **56.5%** of the Resident Labor Force, or nearly **58,000** workers are leaving Cape Coral daily to work elsewhere. Capture of a significant share of those workers must become a priority for the City going forward.

TARGET INDUSTRY ANALYSIS

The potential for economic advancement for the City of Cape Coral is evaluated by examination of the targeted industries for the area. The methodology for this analysis is the Location Quotients (*LQ*) tabular and charting technique. In this method, industry employment is plotted for the projected 2022-2030 period using Lee County and the State of Florida Long-Term Industry Employment projections. Increases in employment are generally considered as the truest indicator of business growth, revenue gains and profitability. The analysis forecasts those industries that are present in Cape Coral and that demonstrate growth opportunity or are of such legacy value that continuing efforts for sustainability are paramount.

The major industrial sectors present in Cape Coral are illustrated in the LQ chart. Each quadrant is labeled as follows: *Competitive* – dominant industries in the Region; *Emerging* – emerging industries not yet achieving critical mass; *At-Risk* – formerly strong industries (legacy) that are losing power and influence; or, *Declining* – industries that may be in danger of non-sustainability in the Region. The location of the employment "bubbles" on the chart demonstrates the industries' role for the local economy. Year 2022 employment of **42,460** is expected to grow by **4,234** jobs by 2030, totaling **46,694** positions.



Through a rigorous process, preliminary targets are developed through the following criteria:

- Industries that do not require support. Recruitment and attraction of companies in this area should continue to be encouraged.
- Industries that require economic development efforts to bring employment to a rate comparable to that of the State of Florida's.
- Industries that have no reported employment and are considered "missing" and therefore the establishment of the industry by new jobs.

The outcome is the identification of **65** 4-digit NAICS industries for Cape Coral in **11** major industry sectors. These industries represent the areas where the City should focus its marketing efforts as new opportunities for economic growth and expansion. In total, these industries represent a potential employment gain of **13,640** new jobs.

By way of a "cluster mapping" technique, **8** industries "clusters" emerge as targets for Cape Coral:

- Business & Financial Services (**3,675** jobs)
- Community Services (**3,927** jobs)
- Consumer Products & Services (**1,430** jobs)
- Culinary Tourism (**123** jobs)
- Healthcare & Life Sciences (**3,087** jobs)
- Industrial Services (**256** jobs)
- IT & Media (**770** jobs)
- Sustainable Real Estate (**372** jobs)

The 13,640 forecasted total employment for the 8 targeted industry clusters will produce a total of **15,162** new jobs (direct, indirect, and induced) and an annual total economic impact of **$3.358 billion**.

REAL ESTATE, LAND USE & INFRASTRUCTURE

The City of Cape Coral's **119.4** square mile area is catalogued by **127,830** individual property records totaling **57,213** acres not including canals and roadways. Utilizing Lee County's

Property Appraiser records, there are total of **1,575** non-residential improved properties in **38** categories of building use.

The Commercial sector is segmented into Financial, Food Service, Lodging, Mixed Use, Offices, Recreation, Retail, and Service categories. In total, there are **1,032** buildings containing **10,469,780** sf, with an average age of **31.5** years. In the past ten years, **1,053,921** sf of inventory has been added, or a gain of **10.1** percent.

The Industrial sector is segmented into: Light manufacturing; Cannery, brewery, winery; Mineral processing; and, Warehousing, distribution terminals categories. In total, there are **332** buildings containing **4,970,503** sf, with an average age of **27.8** years. In the past ten years, **961,909** sf of inventory has been added, or a gain of **19.4** percent.

The Institutional sector is segmented into: Churches, Temples; Private schools & and colleges; Privately owned hospitals; Mortuary, Cemetery, Crematorium; and, Clubs, Lodges, Union Halls. In total, there are **87** buildings containing **1,227,137** sf, with an average age of **38.2** years. In the past ten years, **189,668** sf of inventory has been added, or a gain of **15.5** percent.

The Government sector is segmented into: Public County schools; Hospitals; Lee County - Other, State of Florida - Other; US Gov't – Other; and, City of Cape Coral - Other. In total, there are **108** buildings containing **4,964,644** sf, with an average age of **32.7** years. In the past ten years, **100,34**7 sf of inventory has been added, or a gain of **2.0** percent.

The Miscellaneous sector contains Utilities as the sole component. There are **16** buildings totaling **32,211** sf with an age of **28.3** yrs. In the past 10 years, no new construction has been added to the inventory, making this an inactive element. Existing construction has primarily occurred south of Pine Island Rd. on various roadways. The average building size is **2,013** sf.

In total, the 1,575 buildings account for **21,664,775** square feet of floor space. The building stock is largely older in nature, with a weighted average of **30.1** years occurring. In the past ten years, **4,367,796** sf of new space has between added to the inventory, or a gain of only

20.2 percent. Inventory growth has been witnessed in only **half** (19) of the 38 categories. Inventory gains have been led primarily by the top five categories, totaling **3,566,051** sf or **81.6%** of total new space:

- Stores, one story – **1,244,050** sf (**28.5%**)
- Community shopping centers -- **976,568** sf (**22.4%**)
- Warehousing, distribution terminals -- **899,690** sf (**20.6%**)
- Professional buildings -- **253,765** sf (**5.8%**)
- Supermarkets – **191,978** sf (**4.4%**)

Cape Coral's two Opportunity Zones (OZ) cover approximately **5,454** acres or **8.5** square miles, with a total of **17,371** parcels, **6,546** of which are vacant (**37%**). The City of Cape Coral owns **75** of the vacant parcels in OZ's, set aside for future use as well or other public assets, leaving a total of **6,471** parcels or **1,962** acres of vacant land in private ownership.

Due to the large number of vacant parcels and the usefulness of Opportunity Zones to stimulate economic development, there is a potential to satisfy the need for affordable housing though judicious land use efforts that can benefit from existing legislation.

Bisecting the OZ's is the Pine Island Road corridor. Development along this roadway is continuing at a brisk pace. The area is acknowledged as the shopping district for Cape Coral and is the primary focus of developers. Currently, there are about **85** projects in varying levels of development approval in the corridor.

The four major intersections of Pine Island Road with Del Prado Blvd., Santa Barbara Blvd. Chiquita Blvd., and Burnt Store Rd. represent traditional four-corner commercial opportunities for inter-related activities of shopping, banking, dining, mailing or shipping, and more from a centralized location. The density of existing businesses within a 10-minute walk of each intersection decreases from east to west:

- **188** businesses - Del Prado Blvd.
- **149** businesses - Santa Barbara Blvd.
- **109** businesses - Chiquita Blvd.
- **4** businesses - Burnt Store Rd.

In total, there are **450** businesses within the four 10-minute walk zones at each intersection. Using the median value of **129** businesses, both Del Prado and Santa Barbara are above the median density value, but both Chiquita and Burnt Store are below. Consequently, there should be efforts to promote at least **20** more businesses at Chquita Blvd., and **125** new businesses in the area of the Burnt Store Rd. intersection.

Infrastructure

The City of Cape Coral Information Technology Plan 2023 recommends expansion of the City's fiber ring to additional City assets. Primarily, those assets include:

- Parks
- Fire Stations
- Utilities
- Wells
- Master pumping stations

To meet the cabling goal, approximately **142** miles of fiber optic is being installed. According to the City's Information Technology Services (ITS) Dept. approximately **40%-50%** of the objective has been met. ITS suggests that a potential of **120** miles of dark fiber cable may be in excess. A potential could exist for leasing of unused cable capacity to commercial enterprises in the area.

The City of Cape Coral has also embarked on a smart city infrastructure through the innovations shown below:

- Surveillance cameras
- Public Wi-fi
- Informational kiosks
- License plate reader

An opportunity may exist for the City's Utilities and Public Works departments to implement Real-time IoT sensors that monitor street flooding and other resiliency information that can be integrated with Cape Coral's 3-1-1 network. While the City of Cape Coral is in the process of seeking alternative electric power options, a potential benefit may be gained from mass solar generation and storage. Commonly occurring power disruptions from weather events can be partially alleviated for critical use facilities simply through adequate solar generation management.

Given Cape Coral's unique location and degree of canal development, a particular emphasis is needed relative to storms and weather events. As Cape Coral continues to grow in population and impervious surface area, stormwater management will also increase in its demands on City services.

Perhaps an alternative course of action can be achieved through Low Impact Development (LID). LID is a management approach that can reduce runoff and pollutant loadings as close to its source as possible. LID includes overall site design approaches and individual small-scale stormwater management practices. These practices promote use of natural systems for infiltration, evapotranspiration, and harvesting and reuse of rainwater.

Transportation

Bus service in Cape Coral is provided by LeeTran as the City does not operate its own bus system. The bus lines serve the Southeast and Northeast Cape areas but the Southwest and Northwest neighborhoods are devoid of bus service. Future population growth is anticipated in these unserved areas and residents as well as seasonal visitors have no mass transit opportunities to utilize.

Microtransit might be able to meet coverage goals in areas that cannot support regular service in those areas not connected to fixed route systems at transit hubs. It could also serve as a tool to evaluate demand for expanded fixed route service hours or coverage.

In consideration of Cape Coral's extensive road and canal network, a serious examination of the potential of both land- and water-oriented micro transit systems should be evaluated.

WORKFORCE READINESS

Arising from Employer Survey (discussed earlier), polling indicated that **35%** of employers felt that minor job training was needed for new hires. Most business owners (**53%**) felt that government-sponsored training might be of some possible value to their business. And, **56%** felt that hiring skilled workers was the most prevalent challenge. However, only **16%** remarked that subsidized training was needed.

To identify job training requirements, a process has been developed where each 4-digit NAICS industry within the targeted clusters have the requisite occupations as provided by the Bureau of Labor Statistics (BLS) listed in descending order of occurrence in each industry. In total, the jobs shortfall for Cape Coral in the target clusters is **1,718** positions.

- The **1,718**-job shortfall for the Cape Coral target clusters covers **202** occupations with varying educational needs for entry, work experience in related occupation, and on-the-job training requirements. The top **20**-ranked fields cover **1,083** jobs or **64%** of the total shortfall.

- In the Cape Coral-Fort Myers MSA, there are **131** occupations in the shortfall list that are not accounted for, which is a total of **657** jobs. These missing figures represent **38%** of the job total and **65%** of the occupations. As educational attainment is the primary qualifier for these positions, the following summarizes the four levels of college attainment impacts:
    - The highest requirement of Doctoral or professional degree and ranked by numbers of missing jobs. For this category, **84** jobs in **17** occupations are missing from the MSA.
    - For the 2nd level requirements of Master's degrees, there are **10** occupations totaling **31** jobs that are unavailable.
    - For the 3rd level requirements of Bachelor's degrees, there are **28** occupations totaling **126** jobs that need filling.

- In the 4th level requirements of Associates' degrees, there are **10** occupations totaling **35** jobs that are not fillable.

The observable result of this evaluation is that the MSA and likely Cape Coral in particular are weak in the depth of professional and technical personnel available to be utilized by the target industries and clusters.

Through a comparison of the fastest-growing occupations against the target clusters shortfall jobs, **13** matches in occur in the following occupational groups:

- Healthcare Practitioner and Technical
- Life, Physical, and Social Sciences
- Transportation and Material Moving
- Healthcare Support
- Business and Financial
- Construction and Extraction
- Community and Social Services
- Computer and Mathematical
- Educational Instruction and Library
- Installation, Maintenance, and Repair
- Management
- Food Preparation and Serving
- Personal Care and Service

Conversely, there are **6** occupational groups that do not match the fastest-growing categories:

- Protective Service
- Office and Administrative Support
- Architecture and Engineering
- Legal
- Arts, Design, Entertainment, Sports, and Media
- Farming, Fishing and Forestry

Higher Education

From this analysis, it can be concluded that higher educational institutions are likely to be aware of the fastest-growing occupations and training is being adequately addressed in these areas. For the areas of mismatch, however, curriculum adjustments may not be that simple.

The forecasted shortfall of jobs in matched categories could be met by examination of current programs/majors and adding courses as necessary to fulfill these job growth requirements. It would be prudent to encourage the OEBD to share the shortfall list of 1,718 jobs in 202 occupations with the area's schools so that this correction be undertaken.

Colleges within fifty miles of Cape Coral granted **12,891** degrees in 2022. The **5** leading fields of study were as follows:

1. Liberal Arts and Sciences, General Studies and Humanities
2. Health Professions and Related Programs
3. Business, Management, Marketing, and Related Support Services
4. Health Professions and Related Programs
5. Education

For the areas of mismatch, it is apparent that adequate attention needs to be applied in the areas of architecture / engineering, legal, and visual/performing arts.

For Architecture and Engineering, the most sought-after degree is the Bachelor's degree. In Legal, it is the Doctoral or Professional. And, in Arts, Design, Entertainment, Sports and Media, it is again the Bachelor's degree. These 4 year-plus educational commitments might suggest the need for new university or college in Cape Coral. While this is a noble undertaking, it may not be necessary as online learning has become universally accepted over brick-and-mortar requirements.

The City should be aware of the shortfall jobs forecasted in this study can be addressed by active promotion regionally and nationally. A concerted effort should be made to seek professionals and specialists to consider Cape Coral as a new place to live, work and recreate. Attracting professional talent to a city is essential for economic growth and community vibrancy.

Introduction

Cape Coral is the 8th largest city by population and the 3rd largest by land mass in Florida. With a population of more than 217,000 residents, the City is experiencing high growth. As a pre-platted community, Cape Coral could have more than 375,000 residents at buildout.

The intent of this study is to prepare an Economic Development Strategic Plan which contains goals, objectives, implementation plans, and metrics. It is intended to identify the strengths of the City of Cape Coral and determine a means of leveraging those advantages to spur economic growth.

Cooperative Efforts

To be able to develop the frameworks for strategic goals and initiatives, a great deal of initial research was required. This entailed multiple discussions with project leaders of the various departments of the City of Cape Coral, community leaders and stakeholders, and numerous business representatives.

Project Review Committee

Members of the Review Committee who guided the plan are as follows:

- T. Sharon Woodberry, Economic Development Manager
- Matt Grambow, Special Projects Coordinator – City Manager's Office
- Laura Dodd, Principal Transportation Planner – Public Works
- Chad Boyko, Principal Planner – Development Services – Public Works
- Amy Yearsley, City Planning Manager – Development Services
- Bill Corbett, Design and Construction Manager - Capital Projects
- Melissa Mickey, Communications Manager - City Manager's Office
- Pamela Johnson, Deputy Director, Lee County Visitor & Convention Bureau
- Andreana Petersen - Business Recruitment/Retention Specialist
- Ashley Anderson - Business Recruitment/Retention Specialist

Stakeholders

Identified stakeholders who contributed invaluable input are as follows:

- James Sommers, RE/Max - Realtor, Residential
- Joseph Bonara, Catalyst Development - RE Developer
- Charles Pease, Cape Coral Technical College - Educator
- Annette Barbaccia, Miloff Aubuchon Realty Group - Realtor, Commercial
- Donna Shuman Germain, Cape Coral Chamber of Commerce - Business Leader
- Henrik Margard, Nor-Tech Boats - Manufacturer
- Larry Nygard, Crown Development - RE Developer

Business and Civic Interviewees

Business and civic leaders who provided additional information include:

- Jeremy Vincent – Jungle Bird and Front Porch Social
- Katie Locklin – Parks & Recreation, Program Supervisor
- JoAnn Elardo – Wicked Dolphin Rum Distillery
- Jeff Mielke - Lee County Sports Development
  Steve Geiger – General Manager Safe Harbor Marina
- Gary Aubachon – Local Developer building Slipaway, a Food Truck/ Marina destination
- Michael Ilcyzyszn – Cape Coral City Manager
- Bill Steinke – City Council Member & TDC Board (Ex-Officio)
- Barry Kadel – General Manager Westin Hotel

Project Objectives

The objective of Volume 1 of this study is to present the foundational characteristics of the City of Cape Coral from a competitiveness and opportunity viewpoint. The main goal is to understand the complexities of this large community, its advantages and drawbacks, and its potential for sustainable growth into the future.

While the Vision is more clearly articulated in Volume 2 – Strategy, the Mission of this part of the study is clearly defined:

Provide the strategic recommendations necessary to ensure that economic growth keeps pace with population growth.

Accompanying both volumes of this report is a third document which is the Technical Report. This volume contains the **10** project task reports that were facilitated though the RFP and the project outline. A project website was created to host the 10 sections, plus ancillary sections on project deliverables, presentations, and downloadable data and documentation.

ECONOGRAPHICS

Demographics play an important part in any economic analysis, and DCG Corplan has originated a unique methodology for organizing information into useful topics that provides demographic, economic, and social data for a broad range of categories entitled Econographics. In most instances, the 2022 US Census data projected from the one-year average of the American Community Survey (ACS) have been employed. Additionally, some non-Census business data from has been drawn from a respected commercial source, ESRI.

Competing Locations

The goal of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of 100,000 or more is shown in Exhibit 1 (next page), with Cape Coral occupying the eighth in size. As a means of equating relative size, population differential of cities were screened that were in the range of less than twice the size or more than half that of Cape Coral. The list narrowed to **20** cities, removing the two mega-populations of Jacksonville and Miami from the comparison. The 2023-2028 projected annual rate of population growth was then screened for each of the cities as compared to the **0.63%** annual rate anticipated for the State of Florida. This produced a final selection of **6** cities as true competitors to Cape Coral:

Florida City	2023 Total Population	2028 Pop. Projection	2023 Pop. Rank	Annual Growth Rate (AGR) 2023-2028	2023 Pop. Diff'l to CC	2023 Pop. Diff'l Range <2.0, >0.5 to CC	2023-2028 AGR > FL AGR	Final Selection
Orlando	323,217	349,511	4	1.58%	1.55	■	■	■
Port St. Lucie	228,377	245,745	6	1.48%	1.10	■	■	■
Cape Coral	207,883	217,479	8	0.91%	1.00	■	■	■
Fort Lauderdale	190,927	197,911	10	0.72%	0.92	■	■	■
Palm Bay	126,199	132,363	16	0.96%	0.61	■	■	■
West Palm Beach	121,007	126,246	17	0.85%	0.58	■	■	■
Pompano Beach	115,767	119,568	20	0.65%	0.56	■	■	■
Florida	**22,381,338**	**23,091,949**		**0.63%**				

Exhibit 1 – Comparison of Florida Cities over 100K in Population

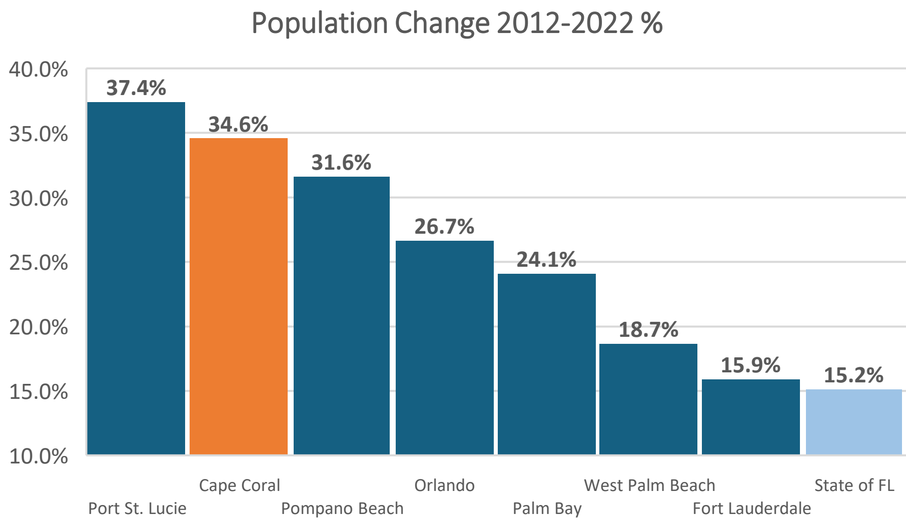
Florida City	2023 Est. Population	2028 Pop. Projection	2023 Pop. Rank	Annual Growth Rate (AGR) 2023-2028	2023 Pop. Differential to Cape Coral	2023 Pop. Differential Range <2.0, >0.5 to Cape Coral	2023-2028 AGR > FL AGR	Final Selection
Jacksonville	986,073	1,013,140	1	0.54%	4.74			
Miami	458,751	492,267	2	1.42%	2.21		■	
Tampa City	396,324	403,325	3	0.35%	1.91	■		
Orlando	323,217	349,511	4	1.58%	1.55	■	■	■
St. Petersburg	261,111	263,958	5	0.22%	1.26	■		
Port St. Lucie	228,377	245,745	6	1.48%	1.10	■	■	■
Hialeah	223,461	227,001	7	0.31%	1.07	■		
Cape Coral	**207,883**	**217,479**	**8**	0.91%	1.00	■	■	■
Tallahassee	199,256	200,895	9	0.16%	0.96	■		
Fort Lauderdale	190,927	197,911	10	0.72%	0.92	■	■	■
Pembroke Pines	172,030	171,334	11	-0.08%	0.83	■		
Hollywood	154,971	159,243	12	0.55%	0.75	■		
Gainesville	142,047	141,710	13	-0.05%	0.68	■		
Miramar	138,215	142,055	14	0.55%	0.66	■		
Coral Springs	134,764	136,291	15	0.23%	0.65	■		
Palm Bay	126,199	132,363	16	0.96%	0.61	■	■	■
West Palm Beach	121,007	126,246	17	0.85%	0.58	■	■	■
Clearwater	118,764	119,936	18	0.20%	0.57	■		
Lakeland	117,606	119,725	19	0.36%	0.57	■		
Pompano Beach	115,767	119,568	20	0.65%	0.56	■	■	■
Miami Gardens	114,252	114,001	21	-0.04%	0.55	■		
Davie	107,089	108,809	22	0.32%	0.52	■		
State of Florida	**22,381,338**	**23,091,949**		**0.63%**				

Demographics

Results for Cape Coral and each competing city are compared to the corresponding State of Florida average or figure. The criteria and methodology have been applied in the **15** categories of demographics investigation.

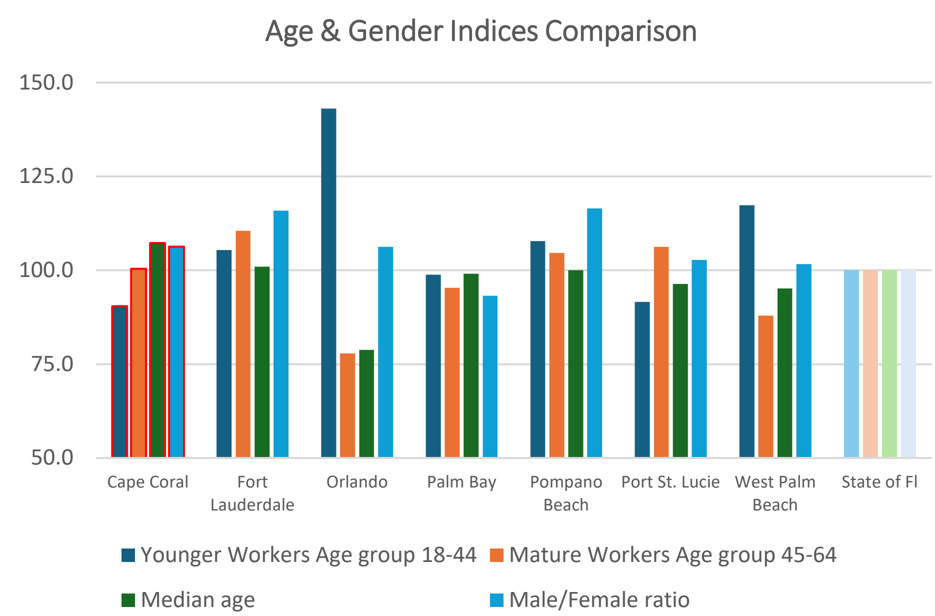
Population Growth

The size of the market area and growth trends determine the potential of an area to support proposed operations. Cape Coral's **34.6%** growth places it **2nd** among the competing cities.



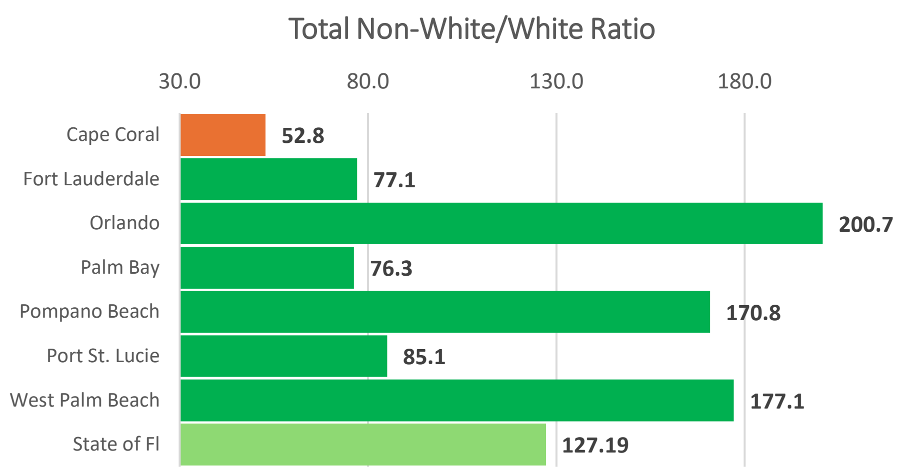
Age and Gender

The key working ages are **18-34** and **35-44**, but the overall working ages to **65** are important. By creating indices relative to the State of Florida as 100.0, a comparison of competing cities can be illustrated. In these categories, Cape Coral ranks **last** for younger workers or lower median age.



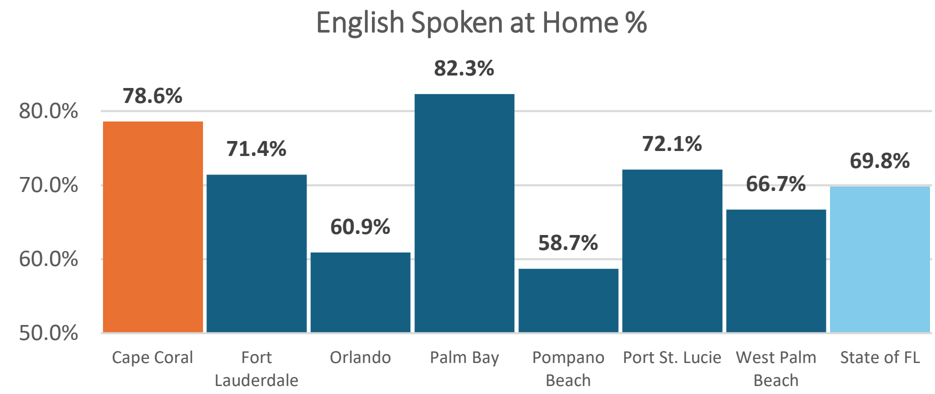
Racial Diversity

Racial diversity in the population base is a desirable attribute for most progressive employers. Cape Coral ranks **last** in this category.



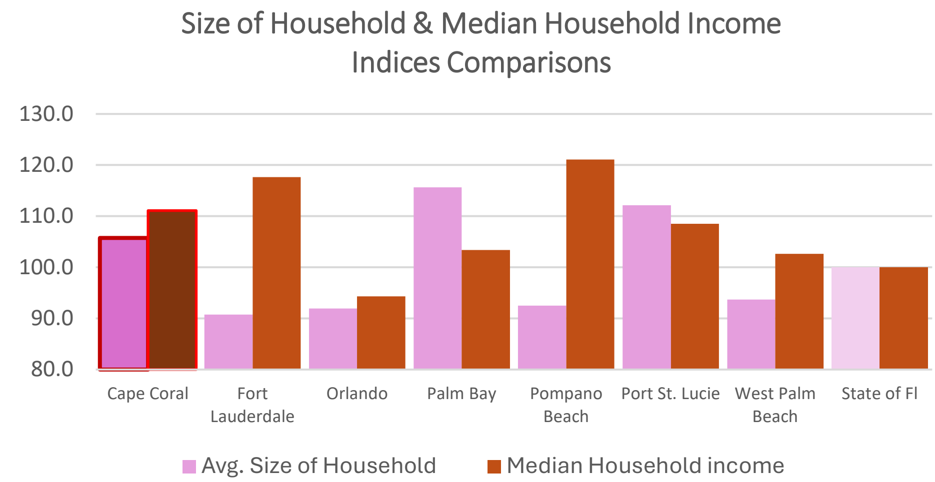
Language Competence

English spoken at home is indicator of the impact of immigration and attitudes toward education within the household. In this comparison, Cape Coral ranks **2nd**.



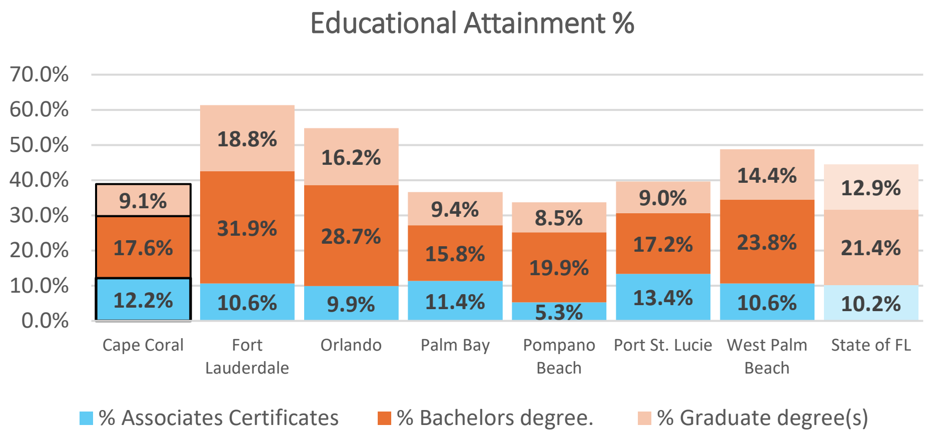
Households & Median Income

Household size equates to possible worker availability, as median incomes offer strength for retail buying power. For the chart, indices are provided that compare each location against the State of Florida. In these two groups, Cape Coral's **2.67** average household size and **$76,991** median household income ranks **3rd** in each case.



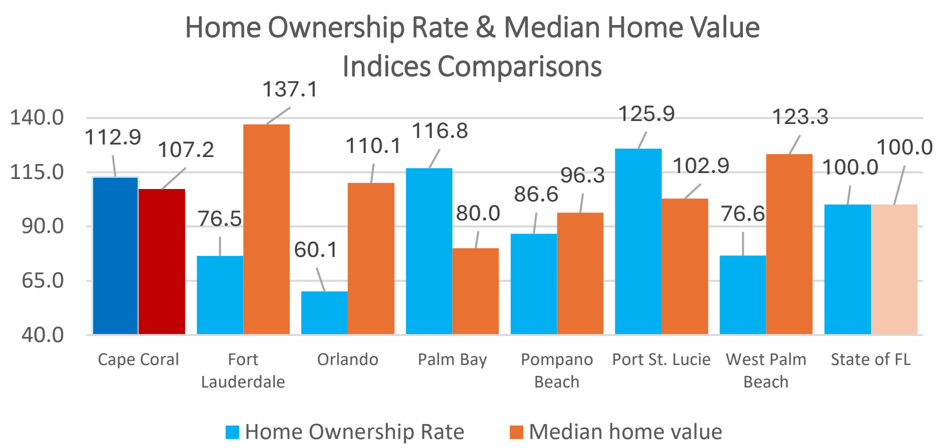
Educational Attainment

Advanced educational attainment results in increased skills and higher salaries. In the categories of Associates Certificates, Bachelors' degrees, and Graduate degrees, Cape Coral ranks **2nd**, **5th**, and **6th**, respectively.



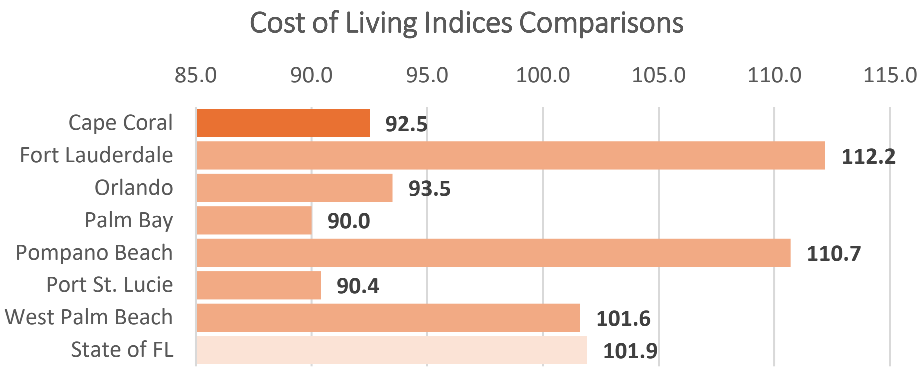
Housing

Higher home ownership rate denotes economic stability, whereas lower housing prices suggests affordability. In these categories, Cape Coral's **75.9%** home ownership rate and **$379,600** median home value ranks the City at **3rd** and **4th** places, respectively.



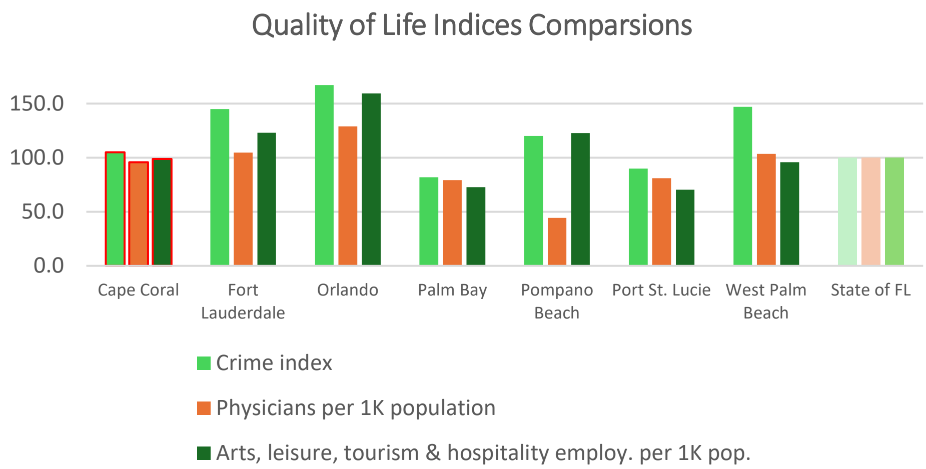
Cost of Living

Reasonability on the Cost of Living index indicates stable economic performance. Cape Coral ranks **3rd** in this category.



Quality of Life

To determine the quality of life, three categories are examined: crime, healthcare, and culture. The Crime index, the Number of Physicians per 1,000 population, and the Arts, Tourism and Hospitality employment per 1,000 population are compared to the State of Florida's average to generate indices. In these three groups, Cape Coral ranks **3rd**, **4th**, and **4th**, respectively.

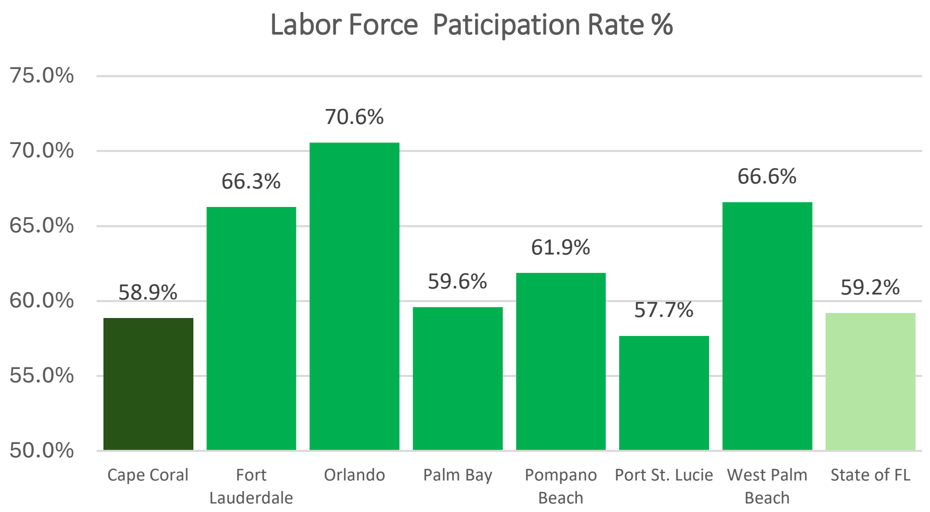


Economics

In this second Econographics section, the role of economics is examined. There are **6** areas of economic analysis.

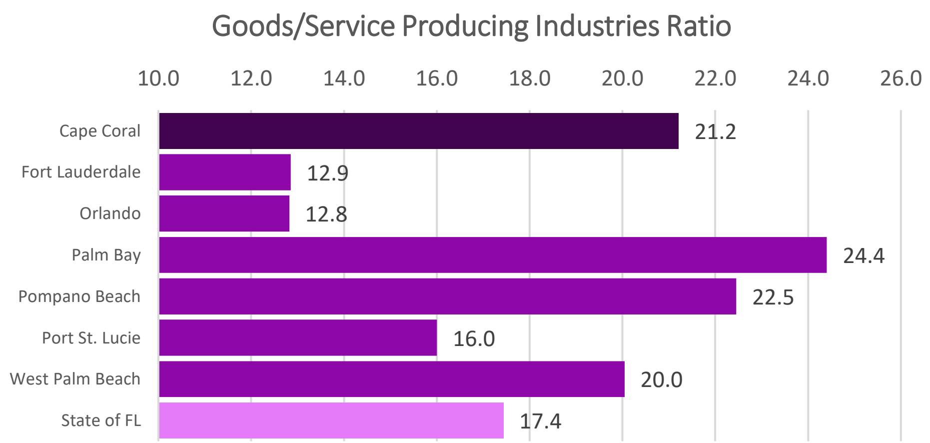
Labor Market Status

Employers around the nation complain about shortages of skilled workers, however, national labor participation rate is not at high levels. Cape Coral's labor force participation rate ranks **6th** among the competing cities.



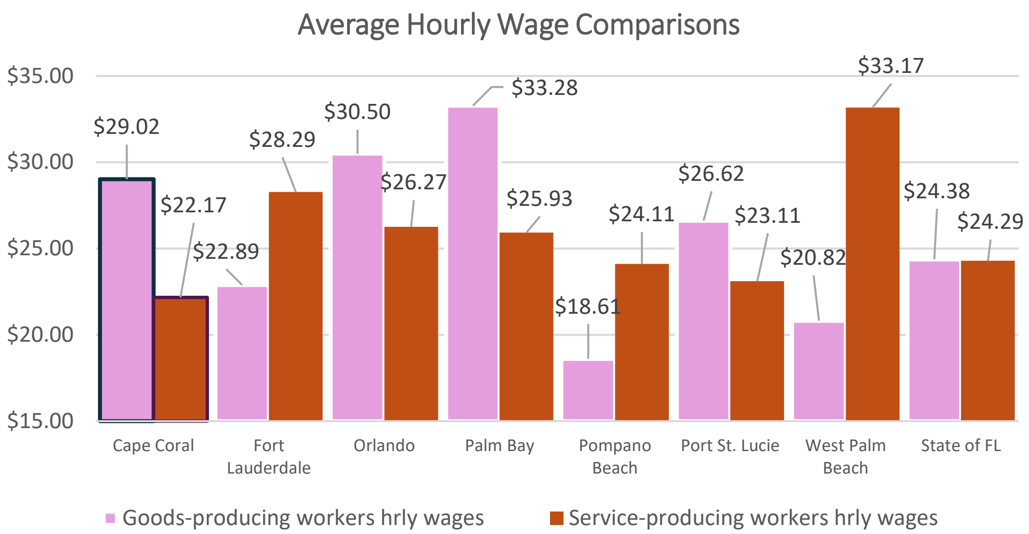
Area Business Patterns

Stable economies have a good balance of goods-producing and service-producing industries. The four goods-producing industries in the U.S. are (1) forestry, hunting and agriculture support; (2) mining; (3) construction; and (4) manufacturing. A ratio is produced through the division of goods-producing industry employment and service-producing industry employment. In this category, Cape Coral ranks in **3rd** place.



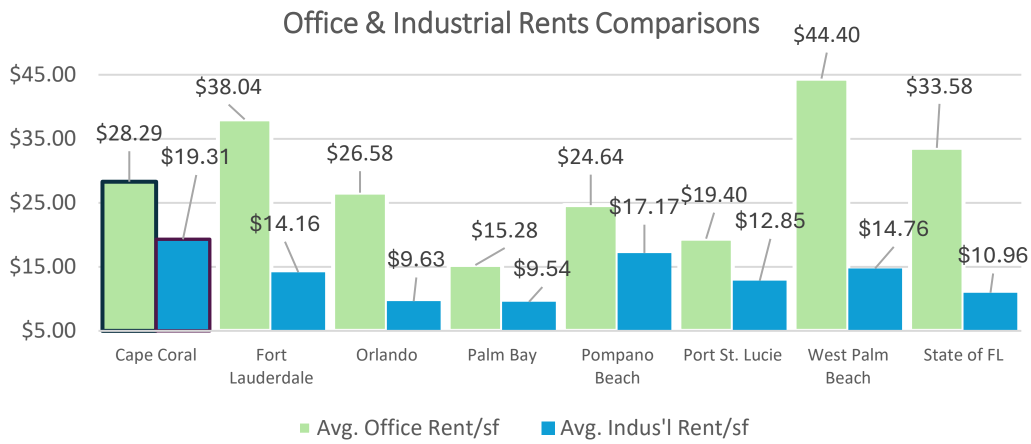
Average Hourly Wages

Increasingly sophisticated business operations require a higher percentage of technically trained skilled workers at reasonable salary levels. In goods-producing industries, Cape Coral ranks **5th**; for service-producing industries the City's rank is **1st** place.



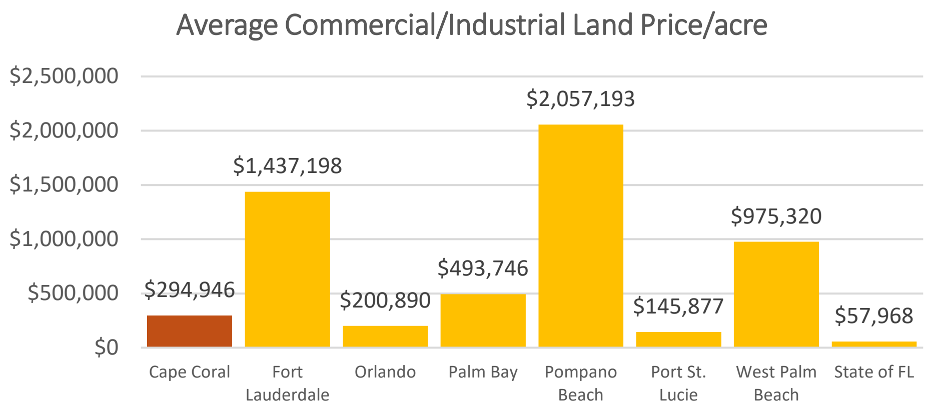
Office & Industrial Real Estate (part 1)

Most new employers opt for or suburban Class A office space or “flex” industrial space if available. In this region, there may be difficulty finding either product. Cape Coral ranks **5th** for office rents affordability and **7th** in industrial rents.



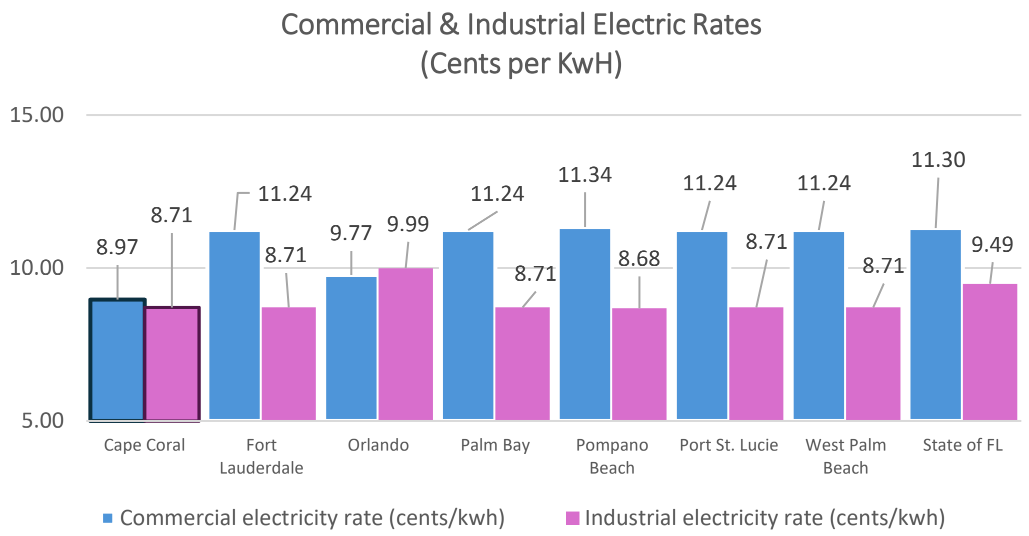
Office & Industrial Real Estate (part 2)

Comparative land prices for commercial (non-residential) and industrial sites indicate valuation fluctuations per market. Cape Coral ranks **3rd** in lower land costs.



Commercial & Indsustrial Electric Rates

Operating profits are significantly affected by the variation in electric power costs. Individually negotiated rates may be possible, however, published rates are utilized for the comparison. For commercial power rates, Cape Coral ranks in **1st** place; for industrial rates, the City is in **2nd** place.

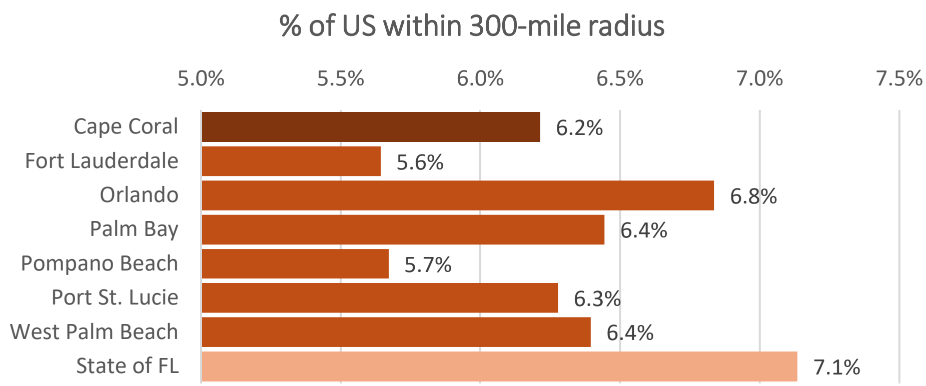


Market

Results for Cape Coral and each competing city are compared to the corresponding State of Florida average or figure. The following criteria and methodology have been applied in the **5** categories of market investigation.

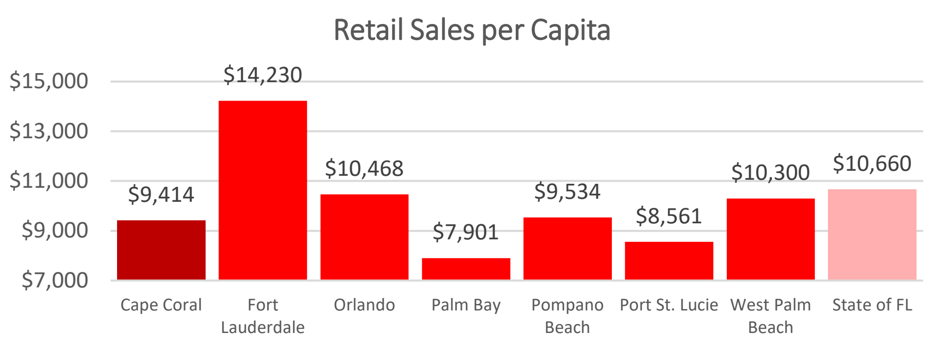
Market Access

For operations at a location, the percent of total US population within six-hour driving radius approximates its practical "just-in-time" delivery zone and aligns with the new operating regulations for the trucking industry. For market access, Cape Coral ranks in **5th** place.



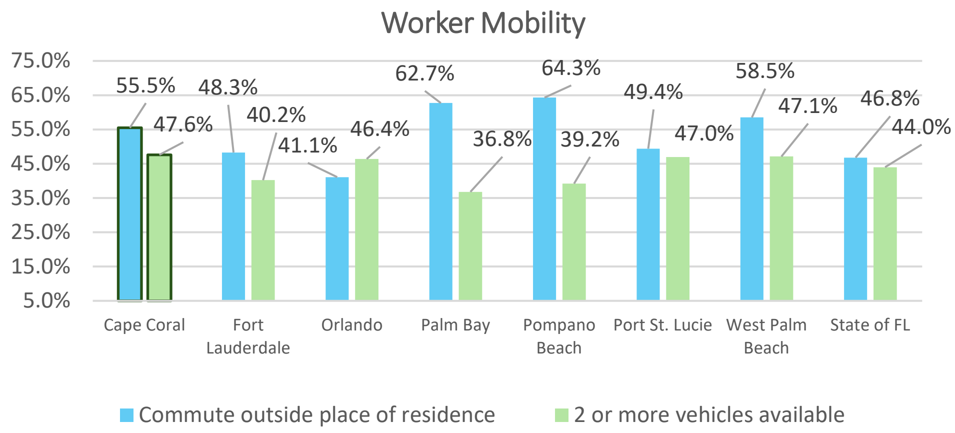
Retail Sales

Annual retail sales represents the location's relative strength. For Cape Coral, the City's ranks is **5th** place.



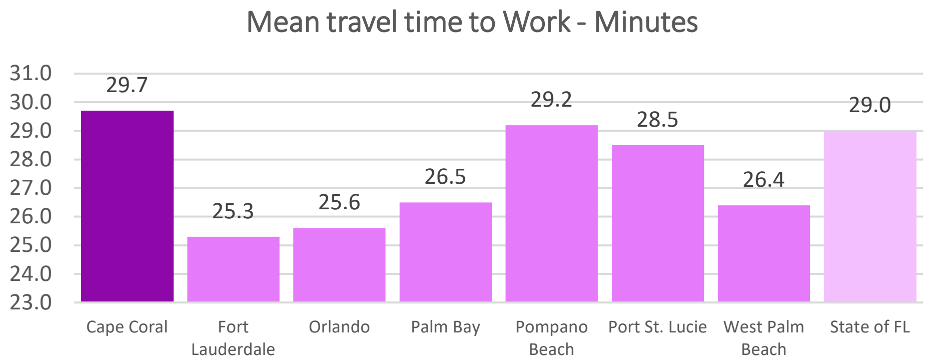
Worker Mobility

Successful development often hinges on the potential to provide an intercept location for workers traveling long commutes. Commutation outside of place of residence or having 2 or more vehicles available are indicators of relative mobility for employees. In these two categories, Cape Coral ranks **4th** and **1st**, respectively



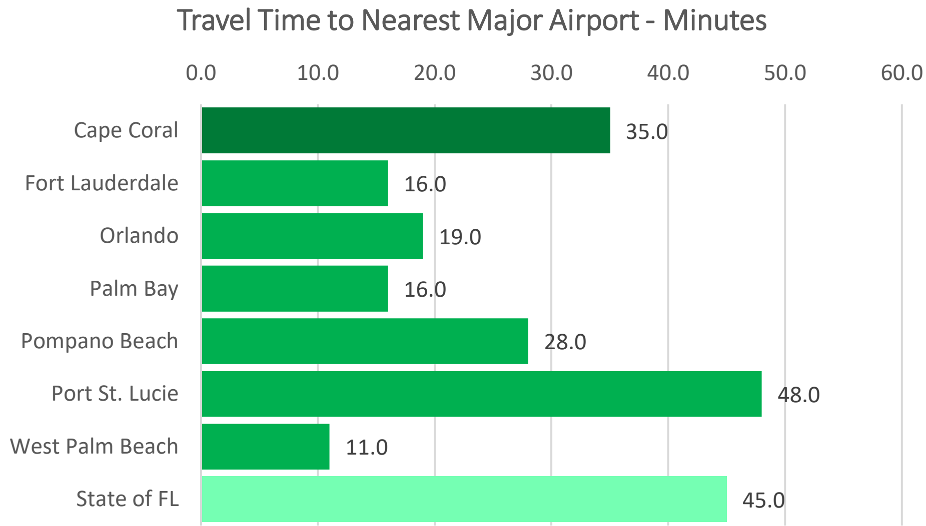
Mean Travel Time to Work

As a second measure of worker mobility, the daily travel time workers exhibit reinforces the intercept location potential. Cape Coral **leads** all others in this metric.



Airport Accessibility

For most businesses, access to a major airport offering domestic connecting or non-stop service and international flights is a key driver for location success. Although there are no published statistics on average driving times to airports offered on a state average, this study will assume a forty-five-minute commuting time as a benchmark to measure local results. In this analysis. Cape Coral ranks in **6th** place.



Ranking Summary

In the 32 total Econographics investigations, the City of Cape Coral ranks an overall **5th** place among the 6 competing cities as shown in Exhibit 2 (below). No weighting has been applied to the ranks. Yellow highlighting idicates above median performance by Cape Coral.

Exhibit 2 – Econographics Ranking

	Cape Coral	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Demographics							
Population Change 2012-2022 %	2	7	4	5	3	1	6
Younger Workers Age group 18-44	7	4	1	5	3	6	2
Median age	7	6	1	4	5	3	2
Total non-white/white ratio	7	5	1	6	3	4	2
English Only Spoken at home	2	4	6	1	7	3	5
Avg. Size of Household	3	7	6	1	5	2	4
Median Household income	3	2	7	4	1	6	5
% Associates Certificates	2	6	5	3	7	1	4
% Bachelors degree.	5	3	2	7	1	6	4
% Graduate degree(s)	6	1	2	4	5	7	3
Home Ownership Rate	3	6	7	2	4	1	5
Median home value	4	7	5	1	2	3	6
Cost of living index	3	7	4	1	6	2	5
Crime index	3	5	7	1	4	2	6
Physicians per 1K population	4	2	1	6	7	5	3
Arts, leisure, tourism & hospitality employ. per 1K pop.	4	2	1	6	3	7	5

Exhibit 2 – Econographics Ranking – cont'd.							
	Cape Coral	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Economics							
Labor Force Participation Rate %	6	3	1	5	4	7	2
Goods/Service Producing Industries Ratio	3	6	7	1	2	5	4
Goods-producing workers hrly wages	5	3	6	7	1	4	2
Service-producing workers hrly wages	1	6	5	4	3	2	7
Avg. Office Rent/sf	5	6	4	1	3	2	7
Avg. Indus'l Rent/sf	7	4	2	1	6	3	5
Avg. Commercial/Industrial Land Price/acre	3	6	2	4	7	1	5
Commercial electricity rate (cents/kwh)	1	3	2	3	4	3	3
Industrial electricity rate (cents/kwh)	2	2	3	2	1	2	2
Travel Time to Nearest Major Airport - Minutes	6	2	4	2	5	7	1
Market							
% of US within 300-mile radius	5	7	1	2	6	4	3
Retail sales per capita	5	1	2	7	4	6	3
Commute outside place of residence	4	6	7	2	1	5	3
2 or more vehicles available	1	5	4	7	6	3	2
Mean travel time to Work - minutes	1	7	6	4	2	3	5
Travel Time to Nearest Major Airport - Minutes	6	2	4	2	5	7	1
Average rank	3.94	4.47	3.75	3.47	3.94	3.84	3.81
Final Rank	**5**	**7**	**2**	**1**	**5**	**4**	**3**

PUBLIC & EMPLOYER INTERVIEWS & SURVEYS

The DCG Corplan Team conducted interviews and online surveys with the public, major employers and civic leaders on multiple occasions. Business Expansion & Retention roundtables were held in two sessions in different parts of the City. Specific tourism-related meetings were undertaken with industry specialists.

The following individuals played an important role in providing the team with invaluable insight:

- Gary Aubachon – Local Developer building Slipaway, a Food Truck/ Marina destination
- Annette Barbaccia, Miloff Aubuchon Realty Group - Realtor, Commercial
- Joseph Bonara, Catalyst Development - RE Developer
- JoAnn Elardo – Wicked Dolphin Rum Distillery
- Steve Geiger – General Manager Safe Harbor Marina
- Donna Shuman Germain, Cape Coral Chamber of Commerce - Business Leader
- Donna Germain – President, Cape Coral Chamber of Commerce
- Michael Ilcyzyszn – Cape Coral City Manager
- Pamela Johnson – Ft. Myers Visitors Bureau
- Barry Kadel – General Manager Westin Hotel
- Katie Locklin – Parks & Recreation, Program Supervisor
- Henrik Margard, Nor-Tech Boats - Manufacturer
- Jeff Mielke - Lee County Sports Development
- Larry Nygard, Crown Development - RE Developer
- Charles Pease, Cape Coral Technical College - Educator
- Tamara Pigott- Ft. Myers Visitors Bureau
- James Sommers, RE/Max - Realtor, Residential
- Bill Steinke – City Council Member & TDC Board (Ex-Officio)
- Jeremy Vincent – Jungle Bird and Front Porch Social

Public Survey

The Public Survey was conducted in September 2023, and the Employer Survey in May, 2024. The response rate was varied, with **1,841** for the Public and **162** for the Employer surveys. The survey consisted of **10** questions, **9** of which were multiple choice. The following summarizes the results:

Q1: How long have you been a resident of Cape Coral, Florida?
Leading response: **Five Years**

Q2: Which aspects of infrastructure do you think are most crucial for economic development in our area? Rank by priority of investment.
Leading responses: **Utilities, Multimodal Roadway, Stormwater Management**

Q3: Looking to the future, which areas should Cape Coral prioritize for development over the next decade? (Select up to three):
Leading responses: **Business & Commerce, Healthcare Facilities, Education & Schools**

Q4: How would you rate the effectiveness of local government in addressing community concerns? Leading response: **Not Very Effective**

Q5:. At present, the City of Cape Coral has only one college. What forms of higher education do you think the city currently lacks? (Select any that apply):
Leading responses: **Technical/Vocational Training, Community Colleges**

Q6: How would you rate the employment opportunities in Cape Coral?
Leading response: **Fair**

Q7: What is your opinion about the current state of tourism and its impact on Cape Coral?
Leading response: **It is good, but there are some negative impacts that should be managed**

Q8: Are you in favor of more downtown development projects in Cape Coral?
Leading response: **Strongly in Favor**

Q9: In the future, what would you like to see more of in Cape Coral? (Select up to three):
Leading responses: **Linear Parks & Streetscape Beautification, Outdoor Recreation Opportunities, Cultural Events**

Q10: Please provide any additional comments or concerns you may have about Cape Coral and its future direction. Feel free to explain any of your answers to the questions above.

1,248 written comments were received, and the major themes were as follows:

- Desire for more greenspace throughout the City
- Completion of parks started though GoBond funding
- Rejection of the Jaycee Park plan
- More outdoor recreation activity opportunities
- Full restoration of the Yacht Club beach
- Tourist attraction based on water use
- Installation of shade trees and planted medians
- Installation of sidewalks in residential neighborhoods
- Better policing of traffic violators
- Better controls on vehicle storage and general cleanliness of properties
- Improved traffic control, stoplights, street widening – to handle ever increasing congestion
- Better connectivity to I-75
- Clean-up of canals
- Sensitivity for eco-systems sustainability, including Redfish Point development
- Limitation on rental apartment construction
- More cohesive zoning and planning
- Improvement of building facades in downtown
- Infrastructure improvements, including burying of electrical and telecommunication cabling
- Higher-paying business attraction
- Commercial/office development in the north area
- Attraction of a second hospital/health care provider
- More efficient permitting processes
- Tax reduction
- Responsiveness from municipal government to citizens' needs

The Employer Survey also posed **10** questions, **9** of which were multiple choice. The following summarize the results:

Q1: How long has your business been operating in Cape Coral?
Leading Response: **Ten years**

Q2: What is the primary industry of your business?
Leading Responses: **Other Services, Professional/business, Construction**

Q3: How many employees do you currently have?
Leading Response: **1 to 10**

Q4: Are the majority of job applicants ready for work, or do they require training?
Leading Response: **Minor job training needed**

Q5: What are the most sought after job aspects new applicants have when seeking employment? (Please select up to three)
Leading Responses: **Steady job/employment security, Earn a lot of money, Good benefits**

Q6: Would you be interested in government-sponsored training programs to enhance the skills of your workforce?
Leading Response: **No (But combined Yes and Maybe was a larger total)**

Q7: What are the top three challenges your business is currently facing? (Please select up to three)
Leading Responses: **Hiring skilled employees, High operational costs, Marketing and customer acquisition**

Q8: Which of the following government incentives would be most beneficial for your business? (Please select up to three)
Leading Responses: **Tax breaks or credits, Reduced bureaucracy and faster permit processes, Grants for small businesses**

Q9: How valuable would partnerships between your business and local educational

institutions (e.g., colleges, trade schools) be for your workforce development needs?
Leading Response: **Somewhat valuable**

Q10: What specific government actions or policies would assist your business in achieving greater success?

94 written responses were varied and can be summarized into the following topics:

- Affordable workforce housing
- Better waterway access
- Code enforcement
- Easier access to capital
- Government contracting opportunities
- Government transparency
- Incentivizing flex warehouse development
- Incentivizing manufacturing
- Low interest loans for start-ups
- Lower business taxes
- Partnerships with city processes
- Permit expediting
- Property and flood insurance premium assistance
- Reduction of licensing fees
- Regulatory reduction
- Small business development grants
- Street beautification
- Supply chain improvements
- Upgraded infrastructure
- Vocational training silos for the trades

Two business meeting “roundtables” in different parts of the City were held, oriented at bringing more awareness of available governmental assistance to the business community. The meeting were organized “Goods-Producing” and “Services-Producing” sectors. The meetings occurred in April 2024 at the two Cape Coral libraries. Event details were as follows:

Goods-Producing Industries

- Construction
- Manufacturing
- Repair & Maintenance
- Real estate
- Warehousing & Storage
- Transportation

Services-Producing Industries

- Professional/business/finance
- Retail
- Education
- Healthcare
- Food Services
- Hospitality
- Arts/Entertainment/Amusement

Focus group discussions emphasized the need to adapt to demographic changes and evolving work trends with supportive infrastructures, such as enhanced business environments, improved training facilities, and streamlined governmental processes. There is a strong call for a community-driven approach to foster a conducive environment for both current residents and future economic prospects.

Tourism Interviews

Tourism interviews were conducted in June 2024. A discussion guide was utilized for each of the interviews to provide a common basis for the conversation, though each interviewee was encouraged to expound on their areas of interest and expertise. Specific stakeholder comments are kept confidential to enable open feedback to be provided.

Tourism related sites visited:

- Cape Coral Yacht Club
- Wicked Dolphin Rum Distillery
- Tito's Cantina
- Westin Hotel
- Tarpon Point Marina
- 47th Terrace, Restaurant Row
- Sun Splash Water Park
- Gator Mike's Family Fun Park
- Lake Kennedy Racquet Facility (Pickleball & Tennis Courts)
- Skate Park
- Bowling Alley
- Dance Theater and Aerial Arts
- Tropical Breeze Fun Park
- Rotary Park Environmental Center
- Four Mile Cove Ecological Preserve
- Edison & Ford Estates, Museum, and Gardens
- River Development/First Ave in Fort Myers

Some key takeaways from the interviews indicated that Cape Coral is situated to unlock its improved tourism driven economic potential. This is the opportune time for the city to take full advantage of its location, available land, resources, and human capital to advance the economic vitality of the City. To achieve this, it will need to move forward on several fronts:

- Build upon the City assets to enhance existing tourism products and attract new ones
- Invest in smart infrastructure resources to support tourism related growth
- Strengthen collaboration with private sector, public/private sector organizations, and other governments to advance tourism

- Put plans into action, monitor progress, and adjust as needed
- Attract more businesses that continue to contribute to the quality of life

Improved tourism will have significant economic, social, and environmental impacts on the City. Some of the examples are:

Economic Benefits

- Revenue Generation: Tourism generates substantial revenue through the spending of tourists on accommodation, food, transportation, entertainment, and shopping.

- Job Creation: The tourism industry creates direct employment opportunities in hotels, restaurants, travel agencies, and attractions, as well as indirect jobs in related sectors such as construction, retail, and transportation. This can be especially true of Cape Coral, which is dominated by small businesses. Travel-dependent leisure and hospitality is the largest small business employer in the US, and it can have a significant impact on Cape Coral.

- Business & Residential Growth: A stronger reputation as a tourist destination will positively affect Cape Coral's perception as a business destination since today's tourist often becomes tomorrow's business owner or homeowner. Several of the individuals interviewed for this assignment were first introduced to Cape Coral as visitors.

- Infrastructure Development: The demand for tourism often leads to improved infrastructure, such as airports, parks, roads, and public transportation, benefiting both tourists and residents.

Social and Cultural Benefits

- Quality of Life: Enhanced amenities and services developed for tourists, such as parks, restaurants, and recreational facilities, can also improve the quality of life for residents.

- Preservation of Heritage: The interest of tourists in historical, cultural, and environmental sites often leads to their preservation, restoration, and expansion.

- Community Development: Tourism can stimulate the development of local communities, providing funds for public services, healthcare, and education.

- Cultural Exchange: Tourism fosters cultural exchange and understanding between people from different backgrounds.

Environmental Benefits

- Conservation Efforts: Revenue from tourism can be directed toward the conservation of natural landscapes, wildlife, and marine environments.

- Awareness and Education: Tourism can raise awareness about environmental issues and the importance of preserving natural resources and ecosystems.

SWOT ANALYSIS

A SWOT analysis is a strategic planning tool that helps businesses and organizations evaluate their strengths, weaknesses, opportunities, and threats. This SWOT is based on a variety of qualitative and quantitative sources, including the Econographics review, opinions gathered through the online survey and interview process, and the DCG Corplan Team observations. The SWOT can be defined as follows:

Strengths (S): performance worthy of continued promotion

Weaknesses (W): deteriorated performance, with unlikely capability of correction

Opportunities (O): emerging performance deserving of promotional development

Threats (T): weakening performance in danger of falling into deteriorated category and requiring immediate attention

In the following pages, the SWOT evaluation details the collective results of the input and encapsulates each category into a list of summary findings. These findings form the basis for a tactical means of developing outcomes through the use of the SWOT Matrix.

Cape Coral's Strengths

Econographics Outcomes	Online Surveys Comments	DCG Corplan Team Observations
Dynamic population growth	Living in paradise	Unique integration of land and water resources)
Literate workforce	Small town "feel"	Waterfront location fostering watersports activities
Low service industry wage patterns	Mangroves and coastal natural resources	Subtropical climate
Cost-saving commercial electric rates	Expansive water views	Engaged and informed public
Mobile labor force	Boating lifestyle	Active real estate development environment
	Proximity to major urban center (Fort Myers)	Forward-thinking political leadership
	Attraction for retirees	Large middle-class population
	Cape Coral Yacht Club	Major waterfront development of Westin Marina Village and Cape Harbour
	Large number of parks	Undeveloped natural coastal resources such as Redfish Point)
	Water resources such as Bimini Basin and Rubican Canal	Active local chamber of commerce
	One of safest cities in Florida	Active county VCB with a knowledgeable and experienced staff.
		Increasingly strong restaurant and food scene
		Major home rental market for vacationers, with home and boat
		Proximity to major urban center (Fort Myers)

Strength's Summary Findings:

1. Dynamic growth
2. Civic engagement
3. Quality of Place

Cape Coral's Weaknesses

Econographics Outcomes	Online Surveys Comments	DCG Corplan Team Observations
Too few younger aged workers	Lack of beaches and public waterfront	Absence of interstate highway connectivity
Rapidly aging population	Distance to I-75	Heavy traffic congestions along bridge corridors
Lack of racial/ethnic diversity	Ugliness of the city	Continuing hurricane risk
Low labor participation rate	Overdevelopment and rapid growth	Confusing street grid
High industrial rent pattern	Lack of greenspace	Suburban sprawl visual identity
Excessive travel to major airport	Destruction of mangroves and coastal resources	Isolated public waterfront use
	Continuing post-hurricane cleanups and restorations	Unavailability of ocean beaches
	Inadequate infrastructure and roadway conditions	Lack of tourism drivers
		Distance Between Attractions
		Limited Number of Hotel Rooms
		Limited access to water for additional tourism development
		Insufficient number of public boat ramps
		No Defined Visitor Domain
		Limited Night life
		Limited Tourism related signage
		Limited Retail Shopping Opportunities that are attractive to tourists
		Limited Public Transportation options
		Insufficient large businesses
		The city lacks a distinct visitor image
		Insufficient focus on tourism

Weaknesses Summary Findings:

1. Environmental risk

2. Physical reality

3. Economic limitations

Cape Coral's Opportunities

Econographics Outcomes	Online Surveys Comments	DCG Corplan Team Observations
Mature/senior workers for leadership positions	Development of affordable housing	Available land for expansion
Available female labor	Increasing the tree canopy	Undeveloped tourism and commerce use for canal system
More workers per household	Exciting developments such as Seven Islands	Bioretention development potential for stormwater mitigation
Adequate household spending potential	Family-oriented theme park	Environmental stewardship and resiliency leadership
Stable housing economy	Corporate office attraction and job creation	Promotion of solar and renewable energy generation
Moderate crime levels	Sports complex/convention center	Further Develop & Promote Parks & Preserves
Good quality of life drivers	More facilities for youth activities	Distinguish City's outdoor recreational assets
Commuting workforce capable of intercept		Further develop and promote the already existing cluster of attractions that are family friendly
		Enhance an already existing event schedule
		Enhance sports fields available for Sports Tourism
		Create (develop) more public boat ramps
		Develop package strategy to help promote attractions
		Educate locals on the benefits of tourism
		Engage and incentivize restaurants and merchants to take a more active role in tourism promotion and events

Opportunities Summary Findings:

1. Environmental resiliency
2. Innovative development
3. Economic expansion

Cape Coral's Threats

Econographics Outcomes	Online Surveys Comments	DCG Corplan Team Observations
Too few college graduates	Apparent lack of planning in favor of expedited growth	Over reliance on Fort Myers for shopping and entertainment
Moderately high good-producing industry wage patterns	Excessive traffic congestion	Lack of gateway welcoming signage or experience
Moderately high office rents	Unenforced traffic and cleanliness codes	Over building of rental housing as opposed to townhomes or condominiums
Restricted distribution capability to US market	Rising cost of living	Not enough commercial office development
Low retail sales per capita	Too many vacation rentals	Not enough industrial development
	Lack of sidewalks	Underdeveloped downtown urban core
	Unresponsiveness of city leadership	Limited retail opportunities
	Overdevelopment of car washes, dollar stores, and storage facilities	Limited cultural facilities
	Lack of supportive infrastructure	Limited shade tree canopy, street plantings, or street beautification
	Limited retail choices	Apparent public leadership distrust
	Failure of city identity as a thriving waterfront community	Increasing traffic congestion & limited parking
		Surrounding beaches drawing tourists from Cape Coral
		Neighboring destinations increasing their tourism funding
		Concern that FT. Myers Visitor's Bureau does not sufficiently promote Cape Coral
		Insufficient data regarding Cape Coral's contribution of tourist taxes
		Limited awareness of tourism assets among locals
		Difficult and slow permitting process for new development

Threats Summary Findings:

1. Market timing & economy

2. Competition

3. Image

SWOT Matrix

The analyses can be summarized through the SWOT Matrix. The two internal values of Strengths (S) and Weaknesses (W) are compared against the two external drivers of Opportunities (O) and Threats (T):

	Opportunities (O)	*Threats (T)*
Strengths (S)	S-O Strategies	S-T Strategies
Weaknesses (W)	W-O Strategies	W-T Strategies

Strength-Opportunities Strategies (S-O)

	Opportunities (O)		
Strengths (S)	*Environmental resiliency*	*Innovative development*	*Economic expansion*
Dynamic Growth	5	5	**10**
Civic engagement	**10**	**10**	5
Quality of Place	**10**	**10**	1

10=High Correlation; 5=Moderate Correlation; 1=Minimal Correlation

Opportunities that capitalize on Strengths

- *Dynamic Growth/Economic expansion:* **evaluate means of balancing housing growth with expansion in jobs and non-residential tax revenue production.**
- *Civic engagement/Environmental resiliency:* **establish a public forum or outreach method that educates the public on environmental sustainability programs that are achievable and practical.**
- *Civic engagement/Innovative development:* **establish a public forum or outreach method to discuss innovative approaches to land use that primarily serve the community.**
- *Quality of Place/Environmental resiliency:* **design and encourage dual-use environmental programs such as bioretention of stormwater that are both aesthetically pleasing but also functional.**

- *Quality of Place/Innovative development:* **develop new land use guidelines that promote innovative ideas that capitalize on Cape Coral's unique character, such as canal use.**

Weaknesses-Opportunities Strategies (W-O)

	Opportunities (O)		
Weaknesses (W)	*Environmental resiliency*	*Innovative development*	*Economic expansion*
Environmental risk	**10**	**10**	**10**
Physical reality	1	5	**10**
Economic limitations	5	**10**	**10**

10=High Correlation; 5=Moderate Correlation; 1=Minimal Correlation

Overcome Weaknesses to pursue Opportunities

- *Environmental risk/Environmental resiliency:* **evaluate and select resiliency solutions that can address short- and long-term impacts by major weather events.**
- *Environmental risk/ Innovative development:* **establish guidelines for new development projects that are sustainable to wind and flood impacts and that can provide dual-purpose functionality, such as a civic center serving as a hurricane shelter.**
- *Environmental risk/Economic expansion:* **recruit and pursue new business attraction that is not restricted to operate in high natural hazard areas, such as certain insurance companies.**
- *Physical reality/Economic expansion:* **identify Cape Coral's realistic opportunity for new business attraction by evaluating industries' requirements for air, highway, water, and rail transportation services.**

Strengths-Threats Strategies (S-T)

	Threats (T)		
Strengths (S)	*Market timing & Economy*	*Competition*	*Image*
Dynamic Growth	**10**	1	5
Civic engagement	**10**	**10**	**10**
Quality of Place	5	5	**10**

10=High Correlation; 5=Moderate Correlation; 1=Minimal Correlation

<u>Reduce vulnerability to external Threats</u>

- *Dynamic Growth/Market timing & Economy:* **evaluate patterns of new population growth and entitle development of support retail and services to match growth.**
- *Civic engagement /Market timing & Economy:* **engage public support for new investments by demonstrating benefits to be derived locally.**
- *Civic engagement /Competition:* **create a public outreach to determine what retail or services categories are available in competing markets but not in Cape Coral.**
- *Civic engagement /Image:* **engage the public for a series of visioning sessions to identify what type of city that Cape Coral is attempting to become.**
- *Quality of Place/Image:* **utilize the best assets of Cape Coral, including new strategic approaches, to promote a new image for the City in marketing efforts.**

Weaknesses-Threats Strategies (W-T)

	Threats (T)		
Weaknesses (W)	*Market timing & Economy*	*Competition*	*Image*
Environmental risk	**10**	1	**10**
Physical reality	5	**10**	**10**
Economic limitations	**10**	**10**	5

10=High Correlation; 5=Moderate Correlation; 1=Minimal Correlation

<u>Prevent Weaknesses from being susceptible to external Threats</u>

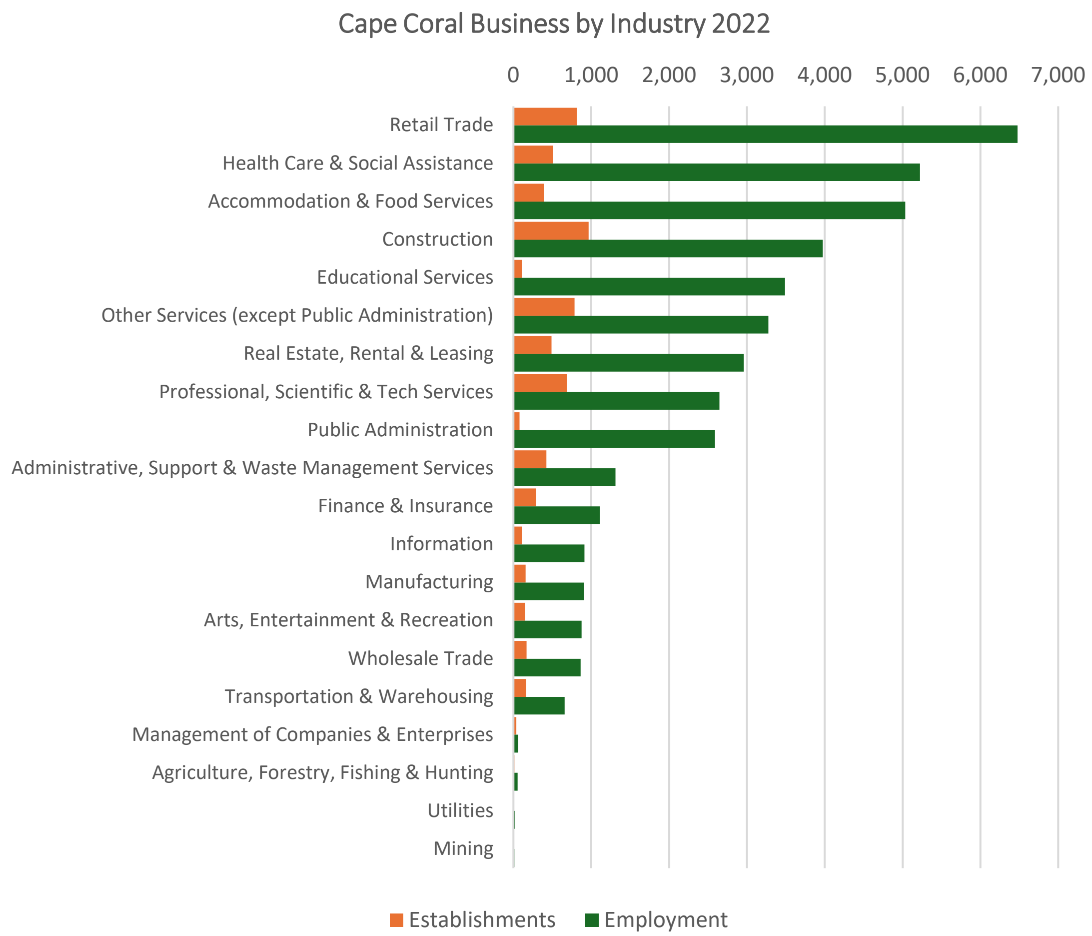
- *Environmental risk/Market timing & Economy:* **making informed investment decisions based on statistical probabilities of severe weather events.**
- *Environmental risk/Image:* **ascertain that media coverage of pre- and post-weather events are balanced and reinforce mitigation and recovery efforts.**
- *Physical reality/Competition:* **"best practices" review of competing areas' overcoming of physical limitations in marketing efforts.**
- *Physical reality/Image:* **unbiased self-examination by leadership of Cape Coral's assets, drawbacks, and drivers for promotion.**
- *Economic limitations/Market timing & Economy:* **corrective measures to be taken to reinforce workforce performance and economic development initiatives for long-term change.**
- *Economic limitations/Competition:* **awareness of the influence of competing cities for new business attraction and formulation of a plan to make substantive changes where possible to alter Cape Coral's limitations.**

EMPLOYMENT TRENDS

Cape Coral Business Employment

In 2022, Cape Coral Business Employment was identified at **42,460** persons. Data for this conclusion was extrapolated from the US Census and ESRI.

In Cape Coral, there are **6,351** active businesses employment with th City. The **20** categories of industry employment produces the following as shown as shown below:



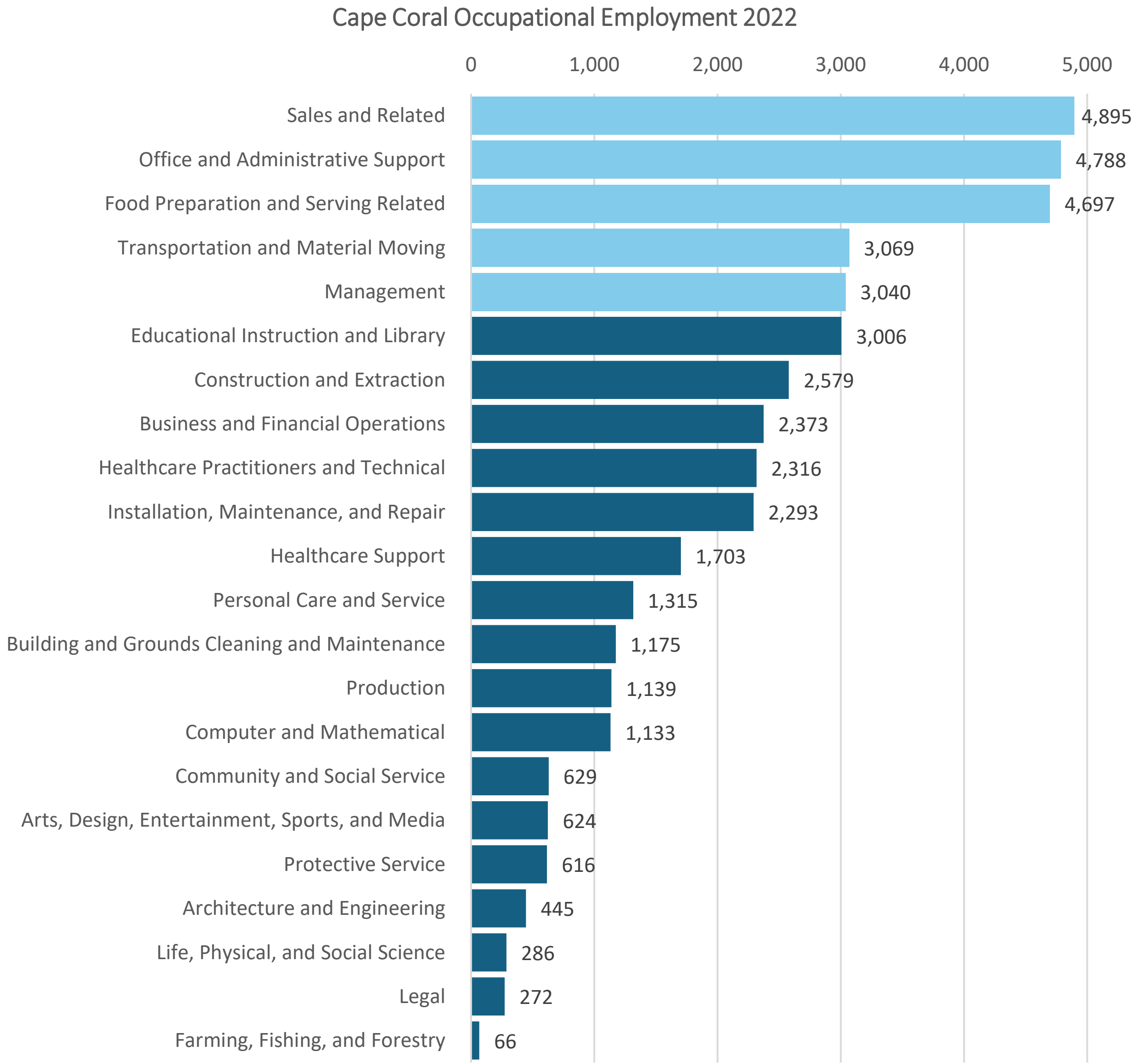
For each of the **20** industry categories of Cape Coral Business Employment, the following summarizes the major occupational groups that are most likely prevalent in each industry. The analysis is derived from the national patterns by industry applied to the local Cape Coral environment. While it is not possible to identify the exact numbers of local jobs by occupation in each industry, the analysis provides a reasonable estimate of employment makeup for each sector. (Note: the analysis excludes the last four industries due to low employment figures):

Retail Trade	Health Care & Social Assistance	Accommodation & Food Services
Top **5** leading job categories: **5,496** jobs (**91%**)	Top **5** leading job categories: **4,410** jobs (**84%**)	Top **5** leading job categories: **4,535** jobs (**90%**)
• Sales & Related	• Healthcare Practitioners & Technical	• Food Preparation & Serving Related
• Transportation & Material Moving	• Healthcare Support	• Building & Grounds Cleaning & Maintenance
• Office & Admin. Support	• Office & Admin. Support	• Management
• Installation, Maint., & Repair	• Community & Social Service	• Office & Admin. Support
• Management	• Management	• Sales & Related
Construction	**Educational Services**	**Other Services**
Top **5** leading job categories: **3,596** jobs (**90%**)	Top **5** leading job categories: **2,765** jobs (**79%**)	Top **5** leading job categories: **2,223** jobs (**68%**)
• Construction & Extraction	• Educational Instruction & Library	• Personal Care & Service
• Office & Admin. Support	• Office & Admin. Support	• Installation, Maint., & Repair
• Installation, Maint., & Repair	• Management	• Office & Admin. Support
• Management	• Building & Grounds Cleaning & Maintenance	• Transportation & Material Moving
• Business & Financial Operations	• Community & Social Service	• Management
Real Estate Rental and Leasing	**Professional, Scientific & Tech Services**	**Public Administration**
Top **5** leading job categories: **2,388** jobs (**81%**)	Top **5** leading job categories: **1,903** jobs (**79%**)	Top **5** leading job categories: **1,677** jobs (**65%**)
• Sales & Related	• Business & Financial Operations Business & Financial Operations	• Educational Instruction & Library
• Installation, Maint., & Repair	• Computer & Mathematical	• Office & Admin. Support
• Management	• Office and Administrative Support	• Protective Service

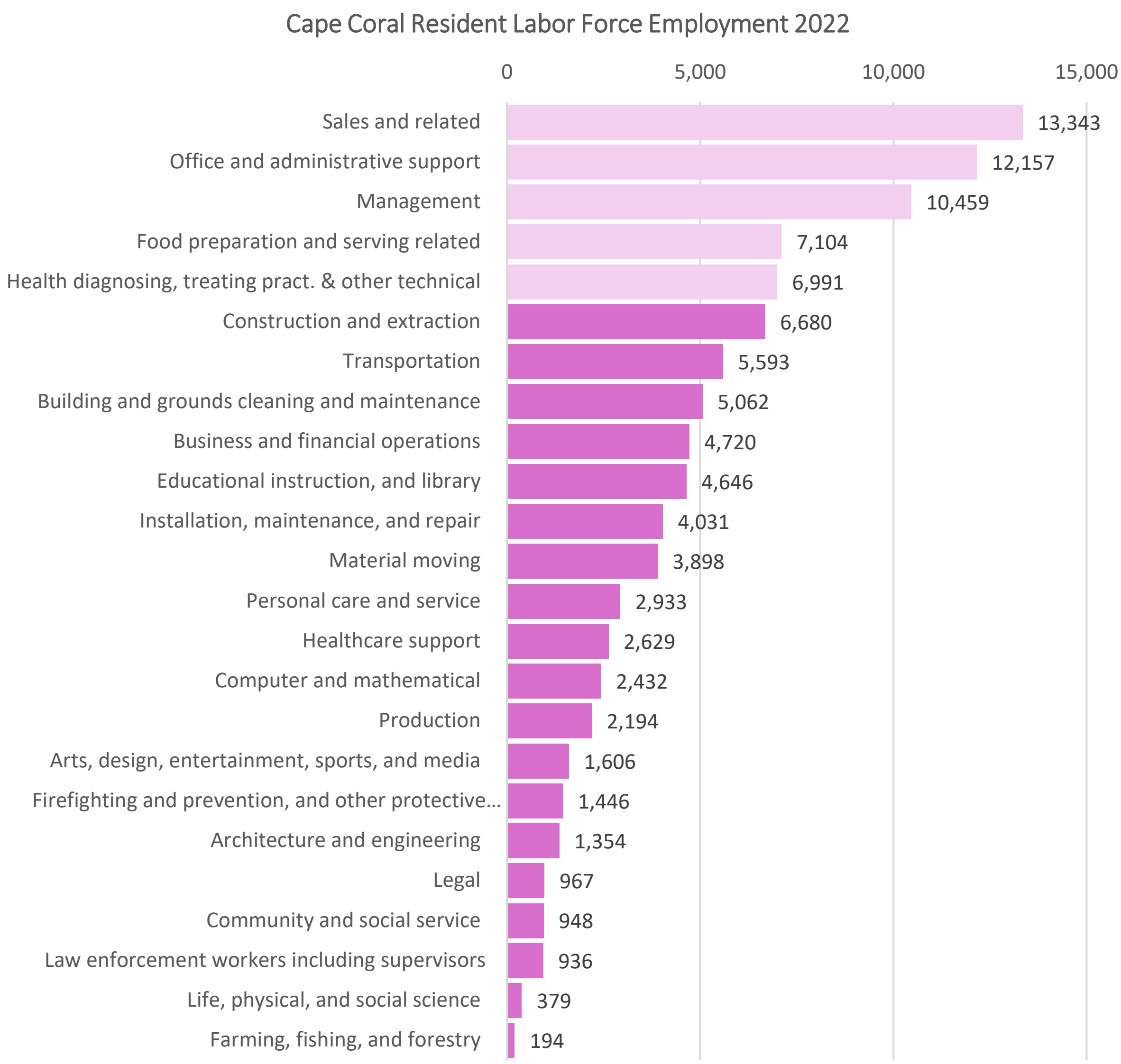
Resident Labor Force Employment

• Office & Admin. Support	• Management	• Business & Financial Operations
• Business & Financial Operations	• Architecture & Engineering	• Healthcare Practitioners & Technical
Administrative, Support & Waste Management Services	Finance & Insurance	Information
Top **5** leading job categories: **865** jobs (**66%**)	Top **5** leading job categories: **1,070** jobs (**97%**)	Top **5** leading job categories: **677** jobs (**74%**)
• Building & Grounds Cleaning and Maintenance	• Office & Admin. Support	• Computer & Mathematical
• Office & Admin. Support	• Business & Financial Operations	• Arts, Design, Entertainment, Sports, & Media
• Transportation & Material Moving	• Sales & Related	• Management
• Protective Service	• Management	• Office & Admin. Support
• Production	• Computer & Mathematical	• Sales & Related
Manufacturing	Arts, Entertainment & Recreation	Wholesale Trade
Top **5** leading job categories: **712** jobs (**78%**)	Top **5** leading job categories: **598** jobs (**68%**)	Top **5** leading job categories: **678** jobs (**78%**)
• Production	• Personal Care & Service	• Transportation & Material Moving
• Transportation & Material Moving	• Food Preparation & Serving Related	• Sales & Related
• Office & Admin. Support	• Office & Admin. Support	• Office & Admin. Support
• Management	• Arts, Design, Entertainment, Sports, & Media	• Management
• Architecture & Engineering	• Building & Grounds Cleaning and Maintenance	• Installation, Maintenance, & Repair
Transportation & Warehousing		
Top **5** leading job categories: **618** jobs (**94%**)		
• Transportation & Material Moving		
• Office a& Admin. Support		
• Installation, Maint., & Repair		
• Management		
• Business & Financial Operations		

The chart below summarizes the estimated employment by ranked major occupation for the 42,460 employment. The **5** leading categories represent **20,489** jobs or **48%** of the total local employment:

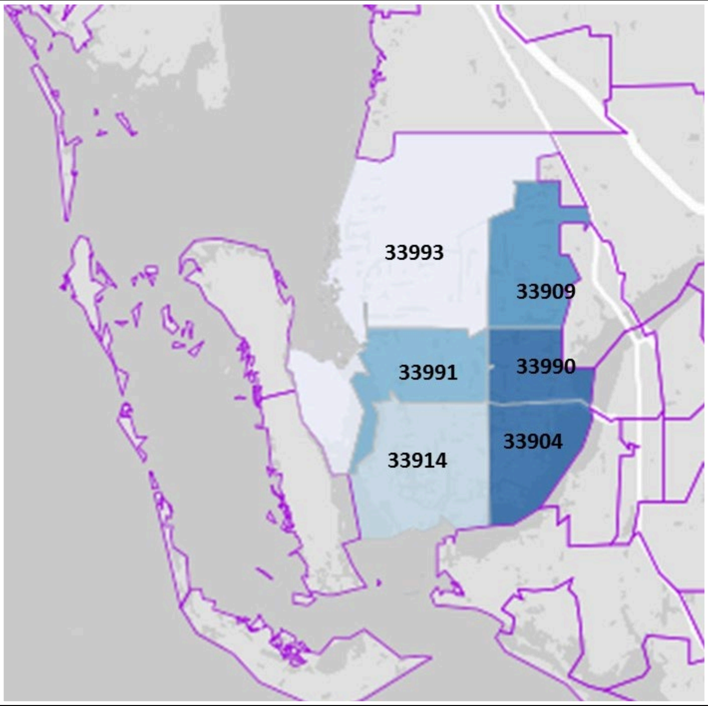


The 2022 Civilian Labor force estimate for the City of Cape Coral was **102,700** persons. As shown below, these persons were employed in **24** categories of occupations as defined by the Census. The **5** leading occupational groups accounted for nearly **half** of Cape Coral workers:



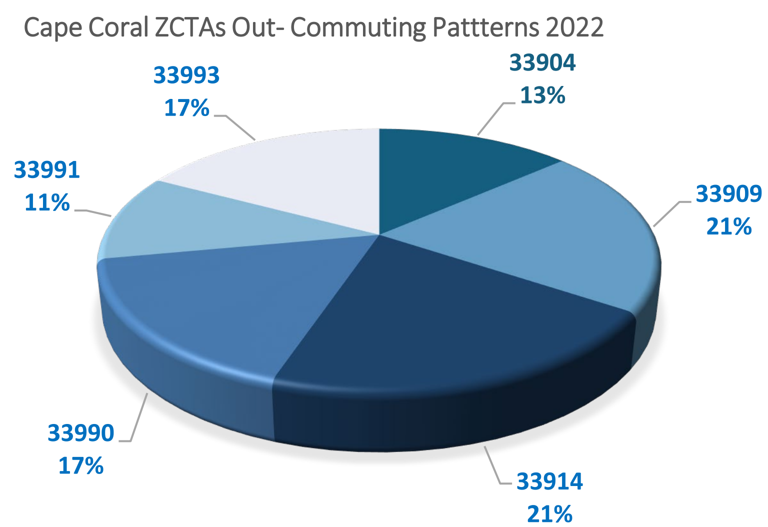
Commuting Patterns

Exhibit 3 – Zip Code Tabulation Areas of the City of Cape Coral



Source: US Census Bureau

There is no specific means of determining how much of the resident labor force is employed by local businesses other than the US Census Commuting Patterns in the American Community Survey (ACS). For each of the six Zip Code Tabulation Areas (ZCTAs) that comprise the City of Cape Coral (see map left), the Commuting Outside Place of Residence is a percentage of the civilian labor force accounted for by area. By weighted averaging of the ACS, **56.5%** of the Resident Labor Force, or nearly **58,000** workers are leaving Cape Coral daily to work elsewhere. Capture of a significant share of those workers must become a priority for the City going forward.



TARGET INDUSTRY ANALYSIS

In this section, the potential for economic advancement for the City of Cape Coral is evaluated by examination of the targeted industries for the area. The methodology for this analysis is the Location Quotients (*LQ*) tabular and charting technique. In this method, industry employment is plotted for the projected 2022-2030 period using Lee County and the State of Florida Long-Term Industry Employment projections.

Increases in employment are generally considered as the truest indicator of business growth, revenue gains and profitability. The analysis forecasts those industries that are present in Cape Coral and that demonstrate growth opportunity or currently are of such legacy value that continuing efforts for sustainability are paramount.

What is an LQ and How is it Used?

Location Quotients (LQ's) are developed by comparing the local employment concentration by industry against a larger sample, in this case the State of Florida. By example, if an industry has a local employment of 150 which might represent 5% of total the local labor market and the same industry for Florida has a 7% share of the State's total, the LQ for this industry is produced through the quotient of 5% divided by 7%, or, an LQ of 0.71.

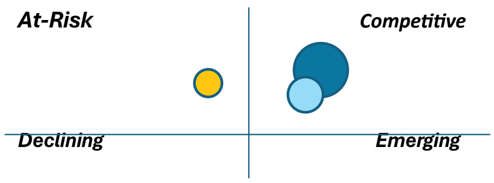
The goal of the LQ analyses is to identify local industries that are performing at higher levels of employment concentration than their state counterparts, thereby indicating that these industries have a more important role locally than regionally. Locally strong industries are more easily promoted and reinforced by economic development initiatives and help to identify the locality's unique characteristics. Thus, an industry of LQ greater than 1.0 (parity with State levels) reveals an indication that this industry should be considered as locally relevant.

Another important element of this method is the change of LQ's over the evaluation period. Positive annual percentage gain in LQ reinforces the industry's importance; loss indicates a decline in performance.

Employment data in NAICS is segmented into 20 super-sectors containing 79 three-digit sub-components, which represent more detailed refinements of the original 20 categories. NAICS provides industry detail down to the six-digit level covering over 800 individual industry titles. However, for purposes of this study, the three-digit level of detail is utilized. In order to streamline some of the NAICS catgeories, the following major grouping of **14** industries has been created of which all subsequent industry analyses is organized:

- Agriculture, Forestry, Fishing & Hunting
- Construction
- Education, Healthcare & Social Assistance
- Financial Activities
- Information
- Mining & Utilities
- Manufacturing
- Other Services
- Professional & Business Services
- Public Administration
- Retail Trade
- Tourism & Leisure
- Transportation & Warehousing
- Wholesale Trade

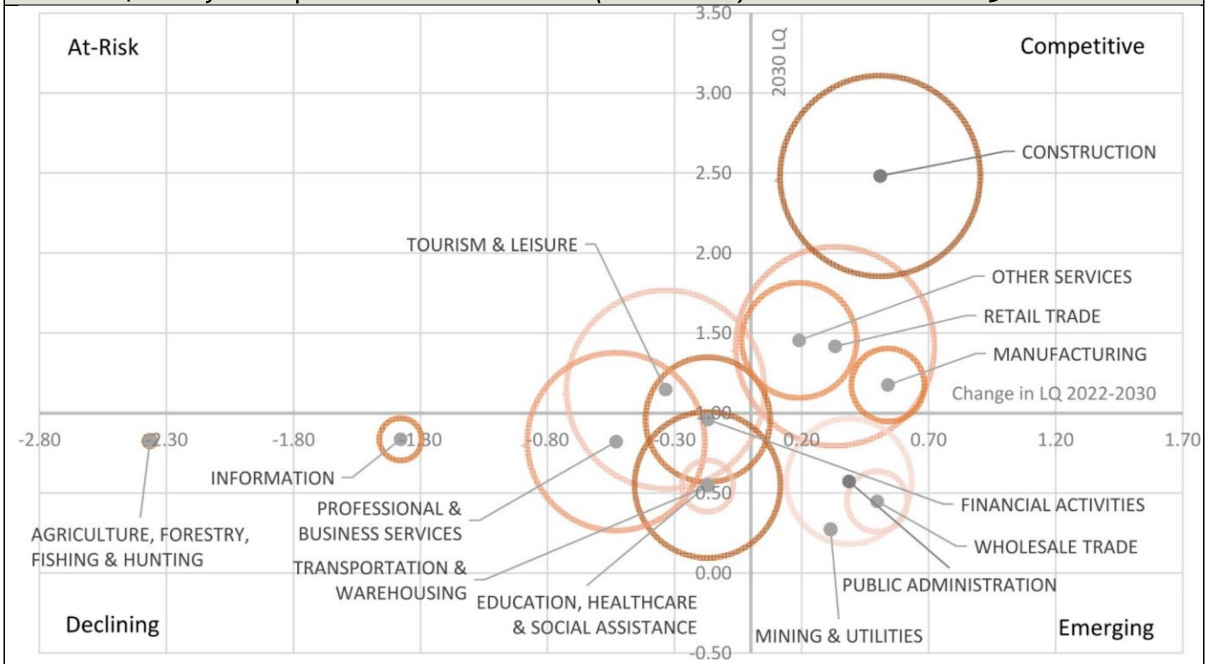
The LQ Chart



The LQ chart is an important resource as industries can be graphically represented in four quadrants. Year 2030 estimated employment by industry is shown as "bubbles"; the LQ change in the 2022-2030 period is the "X" axis; and the projected 2030 LQ is the "Y" axis. The X axis crosses the Y axis at the value of 1.0, thereby plotting the results for either success in exceeding Florida state parity or failing to meet this criterion. Each quadrant is labeled as follows: *Competitive* – dominant industries in the Region; *Emerging* – emerging industries not yet achieving critical mass; *At-Risk* – formerly strong industries (legacy) that are losing power and influence; or, *Declining* – industries that may be in danger of non-sustainability in the Region. The location of the employment "bubbles" on the chart demonstrates the industries' role for the local economy.

The major industrial sectors present in Cape Coral are illustrated in the LQ chart and table in Exhibit 4 (below). Year 2022 employment of **42,460** is expected to grow by **4,234** jobs by 2030, totaling **46,694** positions.

Exhibit 4 - City of Cape Coral Industries - LQ Chart: Major Sectors 2022-2030



Description	Cape Coral 2030 Empl	CC 2022-2030 LQ % ARC	Cape Coral 2030 LQ	LQ Quadrant	2022-2030 Job Chnge
AGRICULTURE, FORESTRY, FISHING & HUNTING	50	-2.37	0.83	DEC	-12
CONSTRUCTION	8,001	0.51	2.48	COM	1,159
EDUCATION, HEALTHCARE & SOCIAL ASSISTANCE	4,326	-0.17	0.55	DEC	523
FINANCIAL ACTIVITIES	3,209	-0.17	0.96	DEC	236
INFORMATION	431	-1.38	0.84	DEC	-24
MINING & UTILITIES	36	0.31	0.27	EMG	2
MANUFACTURING	1,167	0.54	1.18	COM	102
OTHER SERVICES	2,749	0.19	1.45	COM	295
PROFESSIONAL & BUSINESS SERVICES	6,334	-0.53	0.82	DEC	553
PUBLIC ADMINISTRATION	3,235	0.39	0.57	EMG	285
RETAIL TRADE	7,881	0.33	1.42	COM	416
TOURISM & LEISURE	7,836	-0.34	1.15	A-R	593
TRANSPORTATION & WAREHOUSING	614	-0.17	0.55	DEC	32
WHOLESALE TRADE	824	0.50	0.45	EMG	73
Total	**46,694**		**Job Change Total**		**4,234**

The top **5** industry sectors account for **74%** of new employment, and **77%** of all new job gains. Construction employment represents the single largest employment category in the City of Cape Coral with a growth of **1,159** jobs forecasted by yr. 2030. Retail Trade and Tourism, & Leisure follow, with **416** and **593** new jobs expected, respectively. Professional & Business Services comes next, with **553** jobs forecasted. Finally, Education, Healthcare & Social Assistance rounds out the top five with **523** new jobs expected.

Through a rigorous LQ investigation of each major sector and their accompanying industry subsectors (NAICS-3 digit level), **24** new industry categories are identified as preliminary targets. Summary of Preliminary Identified Target Industries as either the competitive or emerging Tier 1 (**15** industries) or the at-risk or declining Tier 2 (**9** industries):

Retail Trade

- Motor Vehicle & Parts Dealers *(Competitive, Tier 1)*
- Food & Beverage Stores *(Competitive, Tier 1)*
- Gasoline Stations *(At-Risk, Tier 2)*
- Clothing & Clothing Accessories Stores *(Competitive, Tier 1)*
- Furniture, Home Furnishings, Electronics, and Appliance Retailers *(Competitive, Tier 1)*
- Sporting Goods, Hobby, Musical Instrument, & Book Stores *(Competitive, Tier 1)*

Financial Activities

- Credit Intermediation and Related Activities *(Declining, Tier 2)*
- Securities, Commodity Contracts, and Other Financial Investments and Related Activities *(Emerging, Tier 1)*
- Real Estate *(At-Risk, Tier 2)*
- Rental and Leasing Services *(Competitive, Tier 1)*

Education, Healthcare & Social Assistance

- Ambulatory Health Care Services *(Declining, Tier 2)*
- Hospitals *(Declining, Tier 2)*
- Social Assistance *(Emerging, Tier 1)*

Manufacturing

- Printing & Related Support Activities *(Competitive, Tier 1)*
- Fabricated Metal Products Mfg. *(Competitive, Tier 1)*

Information

- Publishing Industries (except Internet) *(Emerging, Tier 1)*
- Telecommunications *(At-Risk, Tier 2)*

Professional & Business Services

- Professional, Scientific, & Technical Services *(Declining, Tier 2)*
- Administrative and Support Services *(Declining, Tier 2)*

Tourism & Leisure

- Food Services & Drinking Places *(At-Risk, Tier 2)*

Other Services

- Repair and Maintenance *(Competitive, Tier 1)*

Construction

- Specialty Trade Contractors *(Competitive, Tier 1)*

Wholesale Trade

- Merchant Wholesalers, Durable Goods *(Emerging, Tier 1)*

Public Administration

- Government *(Emerging, Tier 1)*

What Industries Are We Missing?

The 15 Tier 1 and the 9 Tier 2 preliminary targets have been identified by use of the 3-digit NAICS hierarchy. Under each of these headings are many sub-sector industries that have 2022 employment data but without any forward-looking projections. In this task, the objective is to evaluate:

1. Whether they have a LQ of 1.0 (parity with Florida) or better.

2. What level of employment should be targeted to at least bring them to the 1.0 parity.

3. Whether missing industries should be considered for targeting for the City and at what targeted employment size.

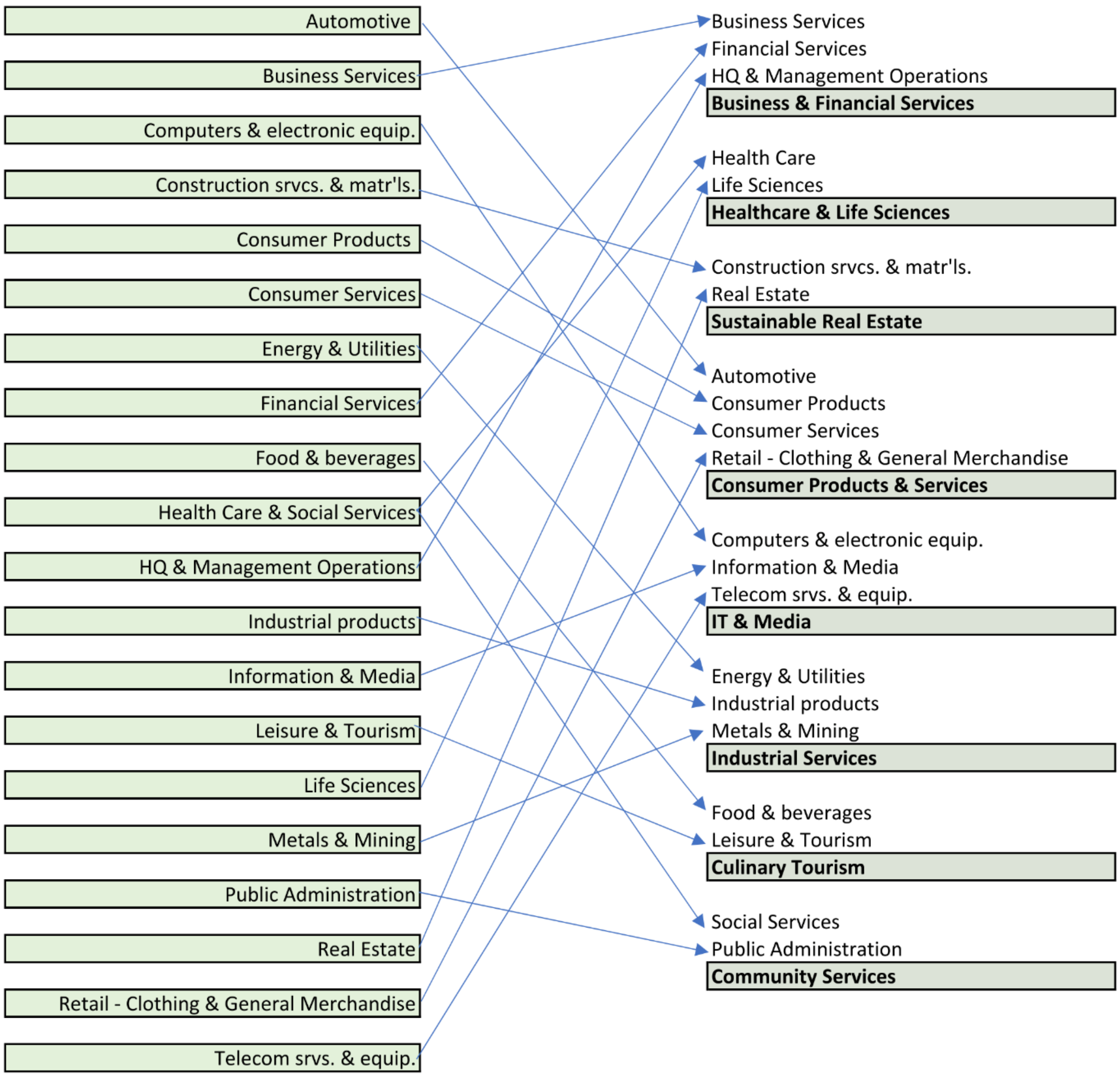
The outcome is the identification of **65** 4-digit NAICS industries as preliminary targets for Cape Coral in **11** major industry sectors. These industries represent the areas where the City should focus its marketing efforts as new opportunities for economic growth and expansion.

In total, these industries represent a potential employment gain of **13,640** new jobs, if even the minimum LQ parity level of 1.0 is achieved for each category. Effective economic development applied in the attraction and recruitment of new companies in these areas should provide even greater employment results.

Cluster Mapping

As defined by Harvard University, "a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

To determine the final cluster selections, the "crosswalk" graphic (below) Illustrates how arrangement of the components leads to a logical selection of the final clusters:



For the final **8** clusters, the 4-digit target industries are shown in the tables below, organized by cluster heading:

Business & Financial Services		# of new jobs
5221	Depository credit intermediation	759
5222	Nondepository credit intermediation	62
5223	Activities related to credit intermediation	32
5231	Securities and commodity contracts intermediation and brokerage	140
5411	Legal services	222
5416	Management, scientific, and technical consulting services	274
5611	Office administrative services	53
5612	Facilities support services	73
5613	Employment services	1,476
5614	Business support services	359
5616	Investigation and security services	142
5619	Other support services	83
	Subtotal	**3,675**

Healthcare & Life Sciences		# of new jobs
5417	Scientific research and development services	127
6211	Offices of physicians	678
6212	Offices of dentists	22
6213	Offices of other health practitioners	14
6214	Outpatient care centers	103
6215	Medical and diagnostic laboratories	92
6216	Home health care services	302
6219	Other ambulatory health care services	106
6221	General medical and surgical hospitals	1,515
6222	Psychiatric and substance abuse hospitals	45
6223	Specialty (except psychiatric and substance abuse) hospitals	83
	Subtotal	**3,087**

Sustainable Real Estate		# of new jobs
4233	Lumber and other construction materials merchant wholesalers	69
5311	Lessors of real estate	39
5313	Activities related to real estate	58
5413	Architectural, engineering, and related services	206
	Subtotal	**372**

Consumer Products & Services		# of new jobs
4231	Motor vehicle and motor vehicle parts and supplies merchant wholesalers	88
4234	Professional and commercial equipment and supplies merchant wholesalers	269
4236	Household appliances and electrical and electronic goods merchant wholesalers	42
4237	Hardware, and plumbing and heating equipment and supplies merchant wholesalers	44
4239	Miscellaneous durable goods merchant wholesalers	98
4411	Automobile dealers	372
4581	Clothing and clothing accessories retailers	80
4582	Shoe retailers	70
4591	Sporting goods, hobby, and musical instrument retailers	147
4592	Book retailers and news dealers	19
4593	Florists	18
4595	Used merchandise retailers	134
5321	Automotive equipment rental and leasing	49
	Subtotal	**1,430**

IT & Media		# of new jobs
5121	Motion picture and video industries	68
5122	Sound recording industries	7
5132	Software publishers	137
5161	Radio and television broadcasting stations	37
5162	Media streaming distribution services, social networks, and other media networks and content providers	45
5174	Satellite telecommunications	3
5178	All other telecommunications	11
5415	Computer systems design and related services	397
5418	Advertising, public relations, and related services	22

8112	Electronic and precision equipment repair and maintenance	43
	Subtotal	**770**

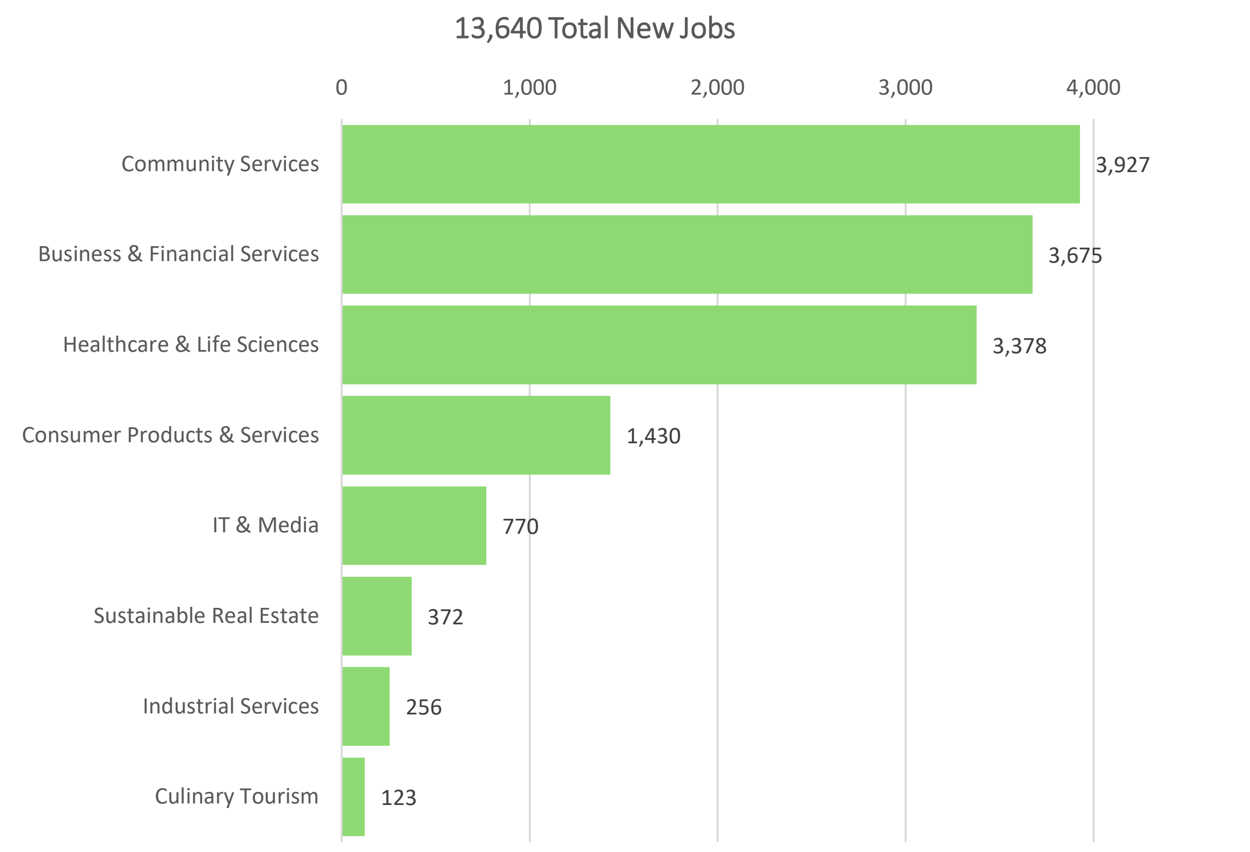
Industrial Services		**# of new jobs**
3327	Machine shops; turned product; and screw, nut, and bolt manufacturing	30
3328	Coating, engraving, heat treating, and allied activities	12
3329	Other fabricated metal product manufacturing	35
4235	Metal and mineral (except petroleum) merchant wholesalers	25
4238	Machinery, equipment, and supplies merchant wholesalers	89
4572	Fuel dealers	11
8113	Commercial and industrial machinery and equipment (except automotive and electronic) repair and maintenance	54
	Subtotal	**256**

Culinary Tourism		**# of new jobs**
4452	Specialty food retailers	6
7223	Special food services	117
	Subtotal	**123**

Community Services		**# of new jobs**
6241	Individual and family services	170
6242	Community food and housing, and emergency and other relief services	50
6243	Vocational rehabilitation services	71
9100	Federal Government	713
9200	State Government	879
9300	Local Government	2,044
	Subtotal	**3,927**

To summarize, Exhibit 5 (below) graphically illustrates the distribution of the total **13,640** new jobs forecasted to be created through the target industry process:

Exhibit 5 – Cape Coral Target Industry Clusters



Economic Impacts

The 13,640 forecasted total employment for the 8 targeted industry clusters will produce a total of **15,162** new jobs (direct, indirect, and induced) and an annual total economic impact of **$3.358 billion**, as shown in the table below:

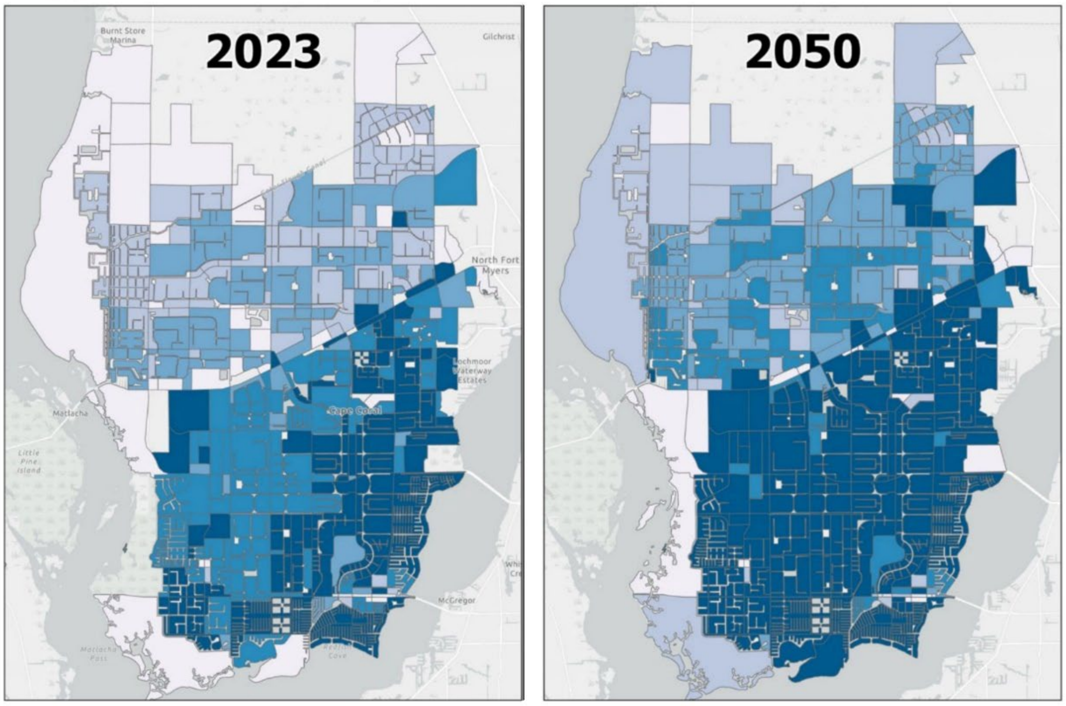
Cluster	Direct Empl.	Indirect Empl.	Induced Empl.	Total Empl.	Labor Income	GDP Value Added	Total output
Business & Financial Services	3,675	253	50	3,978	$ 254,634,600	$ 298,732,600	$ 614,095,700
Community Services	3,927	446	59	4,431	$ 443,126,600	$ 7,577,354,500	$ 1,344,640,000
Consumer Products & Services	1,430	131	24	1,585	$ 130,667,800	$ 225,113,600	$ 379,315,000
Culinary Tourism	123	2	1	126	$ 4,257,600	$ 7,040,300	$ 11,071,000
Healthcare & Life Sciences	3,087	264	96	3,448	$ 281,772,100	$ 328,634,800	$ 568,359,400
Industrial Services	256	36	14	306	$ 31,137,800	$ 50,646,900	$ 92,081,300
IT & Media	770	93	10	874	$ 56,682,700	$ 87,414,300	$ 255,355,000
Sustainable Real Estate	372	36		414	$ 28,321,700	$ 51,842,700	$ 92,640,400
Total	**13,640**	**1,262**	**254**	**15,162**	**$ 1,230,600,900**	**$ 8,626,779,700**	**$ 3,357,557,800**

Refer to the Appendices for industry prospectuses developed for each of the **8** target industry clusters.

REAL ESTATE, LAND USE & INFRASTRUCTURE

Metro Forecasting Models' Interactive Growth Model (IGM) has analyzed Cape Coral's growth and predicts that the population will grow by **100,000** persons in the next **25** years. At final build-out, the City should reach a population of **375,000** people, exceeding the current populations of Cleveland, Honolulu, or New Orleans. While continued infill of platted lots south of Pine Island Road will continue, the major growth will occur in the northern sections, as show in the IGM maps in Exhibit 6 below:

Exhibit 6 – Cape Coral Build-Out Density – 2023 versus 2050



Source: Metro Forecasting Models

The City of Cape Coral's **119.4** square mile area is catalogued by **127,830** individual property records totaling **57,213** acres not including canals and roadways. Utilizing Lee County's Property Appraiser records, there are total of **1,575** non-residential improved properties in **38** categories of building use (Department of Revenue Code – DOR). The tax database is the most reliable source of evaluating existing buildings on a city-wide scale.

There are five major groups of DOR categories:

- Commercial (**22** uses)
- Industrial (**4** uses)
- Institutional (**5** uses)
- Governmental (**6** uses)
- Miscellaneous (**1** use)

Commercial

The Commercial sector is segmented into Financial, Food Service, Lodging, Mixed Use, Offices, Recreation, Retail, and Service categories. In total, there are **1,032** buildings containing **10,469,780** sf, with an average age of **31.5** years. In the past ten years, **1,053,921** sf of inventory has been added, or a gain of **10.1** percent.

The group is a largely older building stock that has not witnessed dynamic growth in Cape Coral. With an inventory gain of only **10.1%** in the past ten years, the opportunity to fill space needs at present for the targeted industry employment will be problematic without more inventory additions. The three key areas of office, retail and food services are key to this pathway.

Commercial real estate data indicates that the office market in Cape Coral is very tight. Cushman & Wakefield's 2nd Quarter 2024 shows an office inventory of about **1.63 million** sf with a vacancy rate of only **1.1%** and no new office projects under construction. Current net absorption is a positive **3,000** sf indicating further tightening of the market.

Industrial

The Industrial sector is segmented into: Light manufacturing; Cannery, brewery, winery; Mineral processing; and, Warehousing, distribution terminals categories. In total, there are **332** buildings containing **4,970,503** sf, with an average age of **27.8** years. In the past ten years, **961,909** sf of inventory has been added, or a gain of **19.4** percent.

This sector is a largely older building stock that is seeing new life primarily in the development of self-storage facilities. There is limited flex building construction or larger distribution-type warehouses with high cube volume being erected. Especially missing is refrigerated or freezer warehouse space for food storge.

According to commercial realtors, Cape Coral has an industrial inventory of **3.26 million** sf that is currently **1.9%** vacant. Net absorption is a negative **48,000** sf, implying that supply is outpacing demand. The report indicates that **38,000** sf of industrial space is under construction.

Institutional

The Institutional sector is segmented into: Churches, Temples; Private schools & and colleges; Privately owned hospitals; Mortuary, Cemetery, Crematorium; and, Clubs, Lodges, Union Halls. In total, there are **87** buildings containing **1,227,137** sf, with an average age of **38.2** years. In the past ten years, **189,668** sf of inventory has been added, or a gain of **15.5** percent.

While new development activity in this sector is marginal, the need for institutional investment is one that parallels population growth. As Cape Coral attracts a larger and more diverse resident base, the need for multiethnic religious, educational, and social facilities will also increase. Specialty healthcare is a priority and the growing national shortage of nurses and healthcare workers is placing much too great a financial strain on large public hospitals. Cape Coral has a few urgent care locations, but the demand will be for more as the population grows.

Government

The Government sector is segmented into: Public County schools; Hospitals; Lee County - Other, State of Florida - Other; US Gov't – Other; and, City of Cape Coral - Other. In total, there are **108** buildings containing **4,964,644** sf, with an average age of **32.7** years. In the past ten years, **100,347** sf of inventory has been added, or a gain of **2.0** percent.

Investment in public facilities is often a measured and judicious process based on reasonable assumption of population growth and serviceability of selected locations. Local, state, and federal guidelines for building siting and development are beyond the scope of this study, however, some recommendations can be made from data developed during this analysis. Key areas include number of public schools, libraries, post offices, and hospitals.

Miscellaneous

The only component of this group is Utilities. There are **16** buildings totaling **32,211** sf with an age of **28.3** yrs. In the past 10 years, no new construction has been added to the inventory, making this an inactive element. Existing construction has primarily occurred south of Pine Island Rd. on various roadways. The average building size is **2,013** sf.

Utility building construction directly follows infrastructure development and expansion. Added to this list of owners would be the City's utility facilities which are likely catalogued under the Government section. While it is unknown how many new utility buildings will be needed in the future, it is certain that they will follow the population expansion northward.

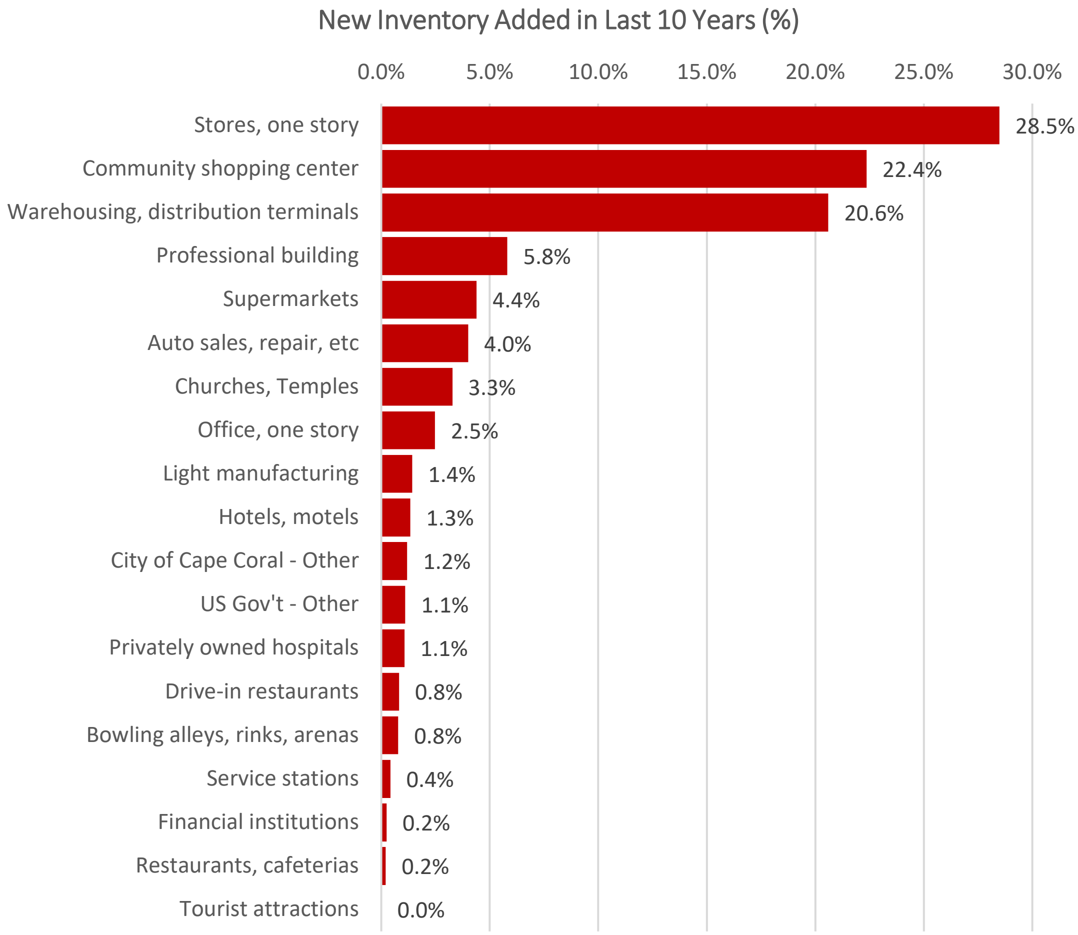
Summary

In total, the 1,575 buildings account for **21,664,775** square feet of floor space. The building stock is largely older in nature, with a weighted average of **30.1** years occurring. In the past ten years, **4,367,796** sf of new space has between added to the inventory, or a gain of only **20.2** percent. It should be noted that inventory growth has been witnessed in only **half** (19) of the 38 categories.

Inventory gains have been led primarily by the top five categories, totaling **3,566,051** sf or **81.6%** of total new space:

- Stores, one story – **1,244,050** sf (**28.5%**)
- Community shopping centers -- **976,568** sf (**22.4%**)
- Warehousing, distribution terminals -- **899,690** sf (**20.6%**)
- Professional buildings -- **253,765** sf (**5.8%**)
- Supermarkets – **191,978** sf (**4.4%**)

The distribution of new construction is shown in the chart below:



Due to its development history, Cape Coral is a wide expanse of pre-platted residential lots with little consideration for progressive zoning of graduated land use densities. In many places throughout the City, there is lack of “four-corner” commercial development which would normally allow a scale down of uses from mid-rise commercial or mixed use gradually down to single family lots.

Assemblage is the Answer

In real estate, two contiguous parcels can, in many instances, command higher value if combined. This term is known as “assemblage” and developers often seek opportunities to achieve property assemblages to reduce overall costs and increase buildable area of properties. In this regard, there is a benefit to the developer in terms of more building area being provided over the same land costs, resulting in lower costs per square foot of delivered product gained by efficiency. For single-family development, this approach leads to a larger home to be built. But for multi-family development, this can result in additional units.

Recognizing that demands on land use will be changing with population increases, the City has designated its Future Land Use (FLU) categories to meet those needs. Much of the North Cape area which was previously zoned as R-1 Single Family residential has been reclassified as Single Family and Multi Family. In Cape Coral’s Land Development Code, R-1 zoning standards restrict density to a maximum of 4.4 housing units per acre. This is the basis for the 80 ft x 125 ft lots of 10,000 sf. The zone district dimensions table describes the setbacks and density for a single-family lot:

R-1 Zone										
Min Lot Area	Max Imp Coverage	Front	Front Cul-de-Sac	Side	Rear	Double Frontage	Corner Lot Side	Max Height	Max Density	Lot Area/Unit
10,000 sf	60%	25 ft	18 ft	7.5 ft	20 ft	25 ft	10 ft	38 ft	4.4 /acre	10,000 sf

But, given the FLU changes to allow multi-family uses in former R-1 zones, it would be ideal to examine the next lowest density use, the Residential Multi-Family Low (RML).

Residential Multi-Family Low (RML) Zone										
Min Lot Area	Max Imp Coverage	Front	Front Cul-de-Sac	Side	Rear	Double Frontage	Corner Lot Side	Max Height	Max Density	Lot Area/Unit
10,000 sf	60%	25 ft	36 / 30	7.5 ft	20 / 10	25 ft	10 ft	50 ft	16.0 /acre	2,720 sf

The higher density allowance of the RML offers the potential to develop low-rise apartment projects on assembled lots in duplex, triplex, and quadplex configurations. These housing models can be accomplished in compact, walk-up, breezeway connected apartment flats that can be erected quickly and affordably on a large scale.

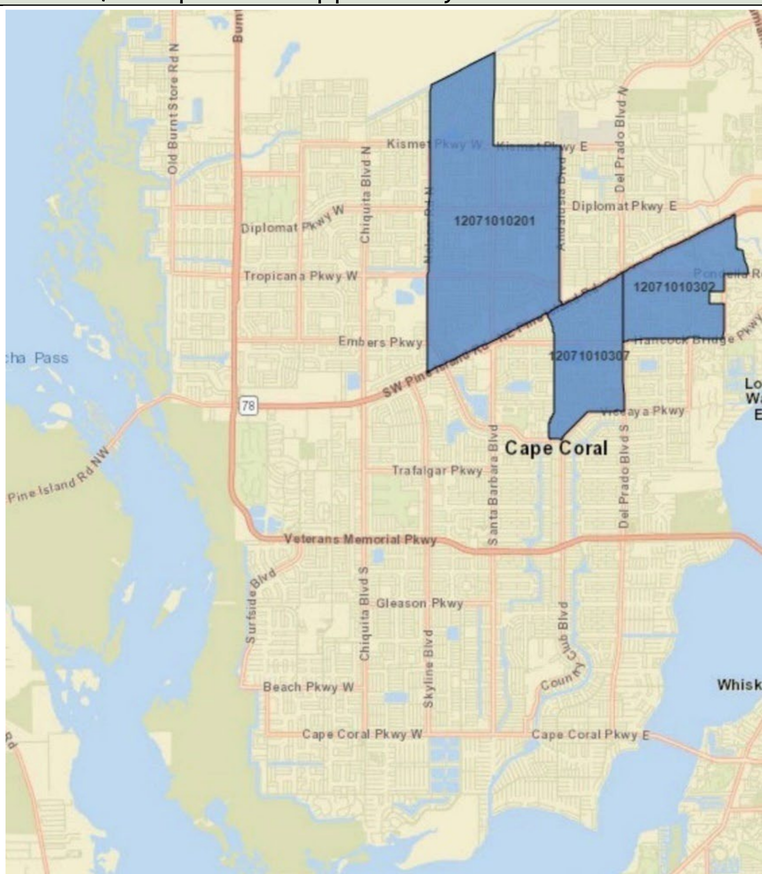
In a recently prepared Need for Multi-Family Rental Apartments Study prepared for the City by Reinhold P. Wolff Economic Research, Inc., there is an annual shortfall of about **704** units per year that are needed to meet demand by middle income groups.

The preceding Target Industry analysis determined that new workers in tourism, industrial services, and community services will be needed in the immediate future. Many of these occupations are only at the middle-income level, and the cost of housing in Cape Coral is rapidly outpacing essential service workers' capability to live within the community they serve.

While developers are benefiting from the State of Florida Live Local SB-102 workforce housing initiative, these are largely significantly-sized developments that will contain at least **71** units to be eligible. Certainly, this is a laudable program and the City should encourage its use.

In parallel, the City should seek other avenues for affordable housing production. As shown in Exhibit 7 (below), Cape Coral's Opportunity Zones (OZ) cover approximately **5,454** acres or **8.5** square miles, with a total of **17,371** parcels, **6,546** of which are vacant (**37%**). The City of Cape Coral owns **75** of the vacant parcels in OZ's, set aside for future use as well or other public assets, leaving a total of **6,471** parcels or **1,962** acres of vacant land in private ownership.

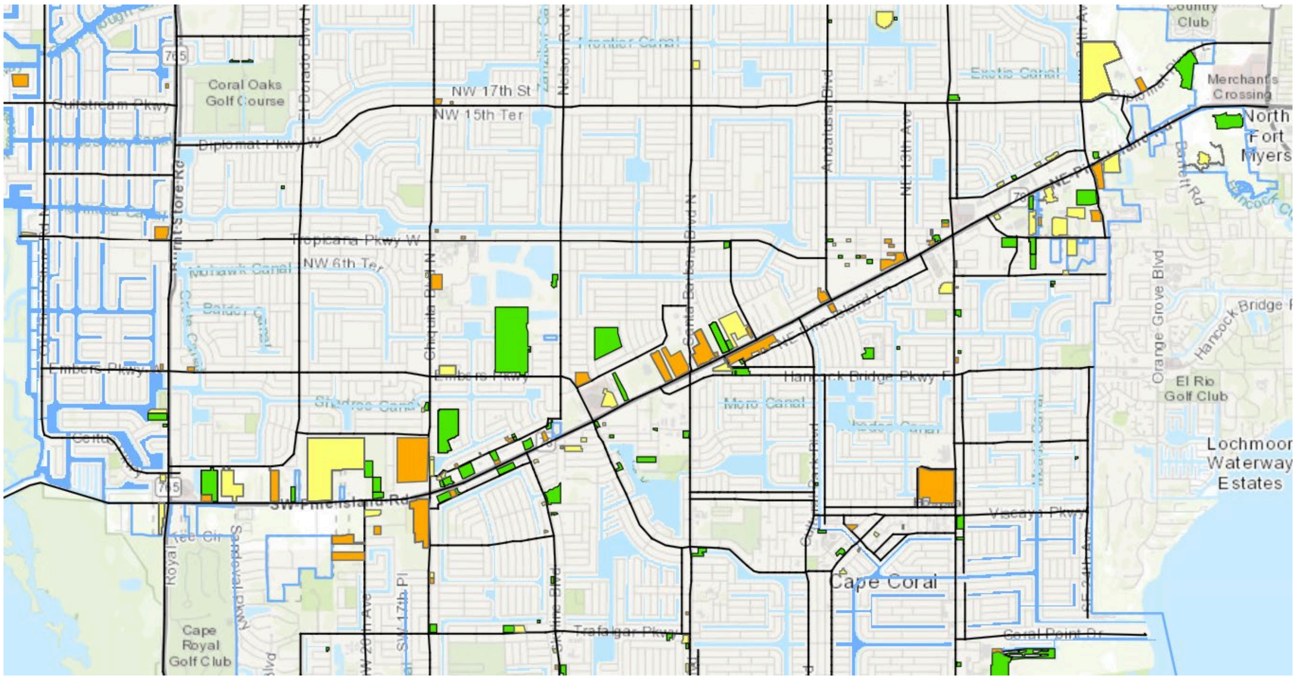
Exhibit 7 – Cape Coral Opportunity Zones



Because of the large number of vacant parcels and the usefulness of Opportunity Zones to stimulate economic development, there is a potential to satisfy the need for affordable housing though judicious land use efforts that can benefit from existing legislation.

Pine Island Road Corridor

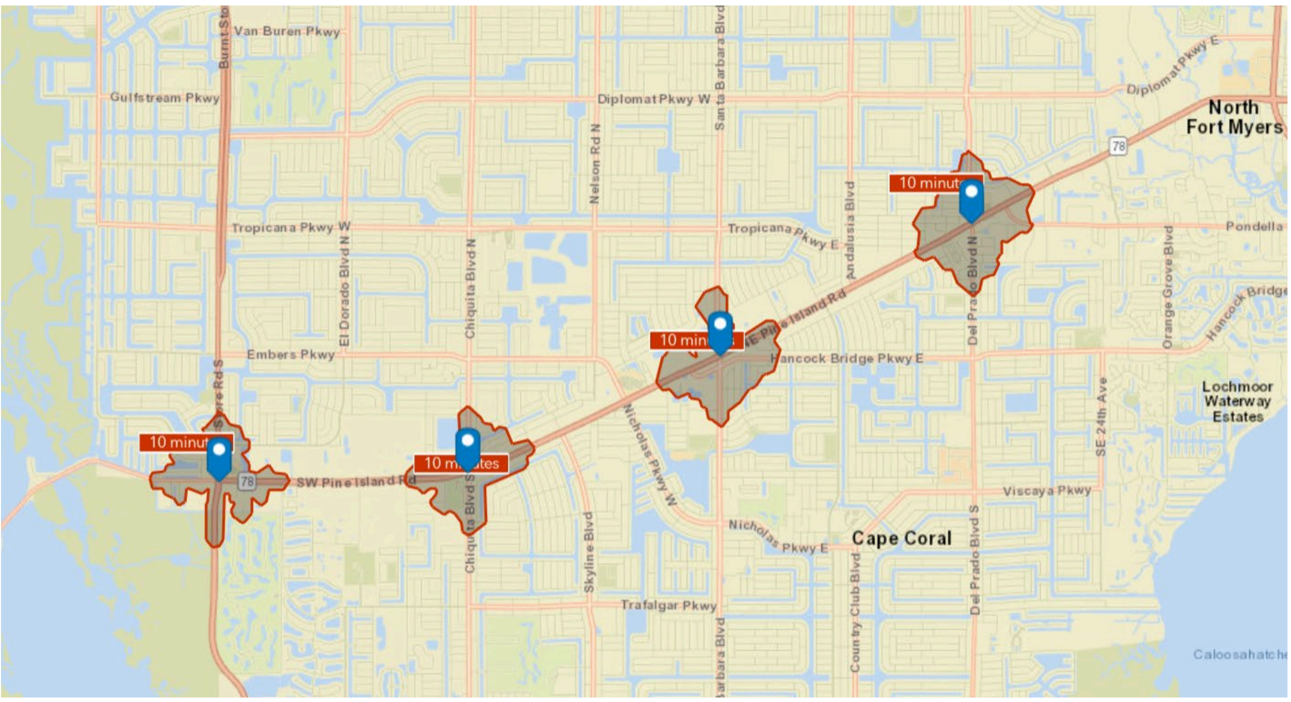
Development along the Pine Island Road Corridor is continuing at a brisk pace. The area is acknowledged as the shopping district for Cape Coral and is the primary focus of developers. The graphic below illustrates the nearly **85** projects in varying levels of development approval in the corridor:



Retail, food service, and mixed-use housing represent the dominant drivers for the Pine Island Road Corridor, and mostly all available parcels have been devoted to that effort. Notable projects west of Chiquita Blvd. such as the Coral Grove Town Center will bring office development opportunities that may partially address the targeted industry focus for more professional and white-collar workers. The remaining larger acreage properties in this area belong to Lee Memorial Health or Walmart.

According to the SR 78/Pine Island Rd. Corridor Vision Plan, ongoing evaluation of safety improvements are being conducted. Recognition of traffic conditions that lead to crashes as well as protection for walking or bicycling pedestrians are being studied. Over-reliance on automobiles is the root cause for traffic issues, and making shopping destinations more interdimensional may provide the answer.

Traditional four-corner commercial infill provides for the convenience of inter-related activities of shopping, banking, dining, mailing or shipping, and more from a centralized location. Parking and walking to adjacent retail or services offers a “Main Street” experience that is lacking on the Pine Island Road corridor. Retail locations are too distant or separated to be convenient for foot traffic. In the graphic below, the four major intersections of Del Prado Blvd., Santa Barbara Blvd. Chiquita Blvd., and Burnt Store Rd. are illustrated with 10-minute walk-time polygons, showing the relative distances which separate these sites.



According to ESRI, the density of existing businesses within each polygon decreases from east to west:

- **188** businesses - Del Prado Blvd.
- **149** businesses - Santa Barbara Blvd.
- **109** businesses - Chiquita Blvd.
    - **4** businesses - Burnt Store Rd.

The objective should be to promote more business activity within comfortable walking distances. In total, there are **450** businesses within the four polygons. Using the median value of **129** businesses, both Del Prado and Santa Barbara are above the median density value, but both Chiquita and Burnt Store are below. Consequently, there should be efforts to promote at least **20** more businesses within the 10-minute walk zone at Chqquita Blvd., and **125** new businesses in the area of the Burnt Store Rd. intersection. Through judicious use of smaller pad site development in large parking lots or parcels, smaller operations such as dry cleaners, coffee shops, or professional offices can be integrated into the larger properties but closer to the street lines and crossings.

Telecommunications

The City of Cape Coral Information Technology Plan 2023 recommends expansion of the City's fiber ring to additional City assets. Primarily, those assets include:

- Parks
- Fire Stations
- Utilities
- Wells
- Master pumping stations

To meet the cabling goal, approximately **142** miles of fiber optic will be installed. According to the City's Information Technology Services (ITS) Dept. approximately **40%-50%** of the objective has been met. ITS indicates that completion of the effort will be by the end of 2027. At this time, about **30%** of parks in the City have WIFI capability.

The fiber optic cabling installation will connect **65** City locations and **139** utility assets. To accomplish this, the Utility Expansion Project (UEP) in coordination with Information Technology Serviced (ITS) is burying "dark fiber" conduits in all new utility trench excavations. This cooperative arrangement will reduce the cost and timelines for fiber optic services to needed City location as well as residential area expansions.

The City has operating agreements with private contractors (Summit Broadband, Lightspeed Construction, Intelligent Infrastructure Solutions) as well as Lee County on dark fiber installation and leasing. As new fiber optics demand is projected, the City is installing a **288**-strand dark fiber in conduit in cooperation with Utilities construction. Of this cable, **144** strands will be dedicated to City use (**50%**), and another **72** strands will be left in reserve. This would leave **72** strands (**25%**) as possibly redundant.

The City's ITS suggests that a maximum of **120** miles of cable could be considered for lease. Leasing of excess dark fiber by municipalities to a variety of commercial or institutional enterprises is common:

- Manufacturing and logistical companies
- E-commerce and retail operations
- Schools
- Hotels
- Government institutions
- Internet providers
- Telecommunication companies

Given the excess capacity, the City might encourage the leasing of excess dark fiber if verified as not needed for future expansion. As a caveat, the City has contractual restraints with Lee County DOT that could impact this lease scenario. To save costs in building out the fiber ring conduit sharing agreements are in place with Summit Broadband and Lee County DOT. The Lee County DOT agreement states, "*The County and the City shall not lease or otherwise allow any third parties to use fiber optic cables or conduit provided by the other Party hereunder.*"

Smart Cities

Smart cities rely on data being collected, distributed and shared in real-time with all relevant stakeholders, from municipal staff to businesses and citizens . The building blocks for successful smart city development include the following:

- A comprehensive 4G/5G communications network that spans the municipality in Real-time
- Internet of Things (IoT) sensors, deployed to collect a range of data, from air quality and traffic volumes to energy usage and water levels
- Open standards for data, that mean they can be easily shared internally and externally
- User friendly interfaces to deliver information to citizens, businesses and staff. These could be online portals, digital signage, apps, connected cars, or data visualizations
- Ways of analyzing/using data (such as AI, digital twins, and automation), enabling effective action to be taken, based on up-to-date information

The City of Cape Coral has embarked on a smart city infrastructure through the innovations shown below:

- Surveillance cameras
- Public Wi-fi
- Informational kiosks
- License plate readers

A potential for the City's Utilities and Public Works departments would be to consider Real-time IoT sensors that monitor street flooding and other resiliency information that can be integrated with Cape Coral's 3-1-1 network.

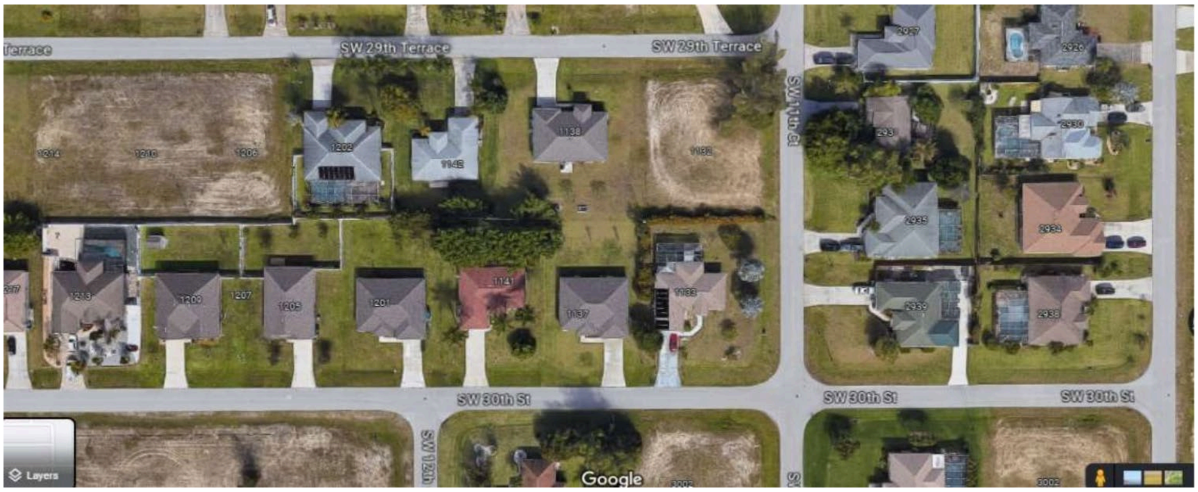
Stormwater Infrastructure

Given Cape Coral's unique location and degree of canal development, a particular emphasis is needed relative to storms and weather events. As Cape Coral continues to grow in population and impervious surface area, stormwater management will also increase in its demands on City services.

Perhaps an alternative course of action can be achieved through **Low Impact Development (LID)**. LID is a management approach that can reduce runoff and pollutant loadings as close to its source as possible. LID includes overall site design approaches and individual small-scale stormwater management practices. These practices promote use of natural systems for infiltration, evapotranspiration, and harvesting and reuse of rainwater.

Solar Infrastructure

A casual examination solar use reveals few instances of roof-top solar being employed in Cape Coral (see photo below). This has been found this to be not uncommon in other Florida locations as well, where more northern states are taking great advantages of the opportunity for solar installation and its accompanying utility costs benefits.



Historically, significant restrictions imposed by electric utilities has hampered widespread solar use, mainly by the requirement that all solar generation must be connected to the utility grid. Recent changes to the net metering process allows for the “banking” of excess kWh power as credits toward usage. Florida currently does not offer state-specific battery incentives, and solar batteries may not appear to be financially favorable to Florida homeowners, because of the consumer-friendly nature of net metering. Additionally, none of the utility companies in Florida offer a “virtual power plant ” program for homeowners. However, if a battery backup power source for a residence, all batteries above **3 kWh** in size are eligible for the **30%** federal tax credit.

Florida offers a Solar Sales Tax Exemption which exempts sales tax on solar equipment purchase, as well as a Solar Property Tax Exemption for homes using solar energy as a source of power, exempting the value of the solar system from property tax.

The Residential Clean Energy Credit, formerly known as the federal investment tax credit, can reduce solar installation costs by as much as **30%**, including all equipment, labor, permitting, and sales tax.

While the City of Cape Coral is in the process of seeking alternative electric power options, a potential benefit may be gained from mass solar generation and storage. Commonly occurring power disruptions from weather events can be partially alleviated for critical use facilities simply through adequate solar generation management.

Transportation Infrastructure

Cape Coral's unique location is also its drawback. This is a city with no seaports, airports, train stations, interstate highway access, or municipal bus system. In many ways, Cape Coral is just a suburban town. But, with a growing population already exceeding metropolises such Salt Lake City, transportation plays a crucial role in Cape Coral's future.

Bus service in Cape Coral is provided by LeeTran as the City does not operate its own bus system. The fixed route has limited route offerings which are mainly oriented toward connections back to Fort Myers and North Fort Myers. There are four transfer stations in Cape Coral for bus connections:

- Cape Coral Transfer Station (downtown)
- Coralwood Mall Transfer
- Cape Coral Hospital Transfer
- Merchants Crossing Transfer

The bus lines serve the Southeast and Northeast Cape areas but the Southwest and Northwest neighborhoods are devoid of bus service. Future population growth is anticipated in these unserved areas and residents as well as seasonal visitors have no mass transit opportunities to utilize.

According to LeeTran, ridership and revenue per mile on the overall county system is decreasing as measured through from the FY13-14 through FY 20-21 periods. However, in many communities, microtransit is considered as an add-on to existing bus networks. According to a KPMG study, when properly designed and executed, flexible microtransit services can help eliminate transit deserts, create first- and last-mile connections to transportation hubs, and provide convenient paratransit — all while getting people out of privately driven vehicles.

Microtransit might be able to meet coverage goals in areas that cannot support regular service in those areas not connected to fixed route systems at transit hubs. It could also serve as a tool to evaluate demand for expanded fixed route service hours or coverage.

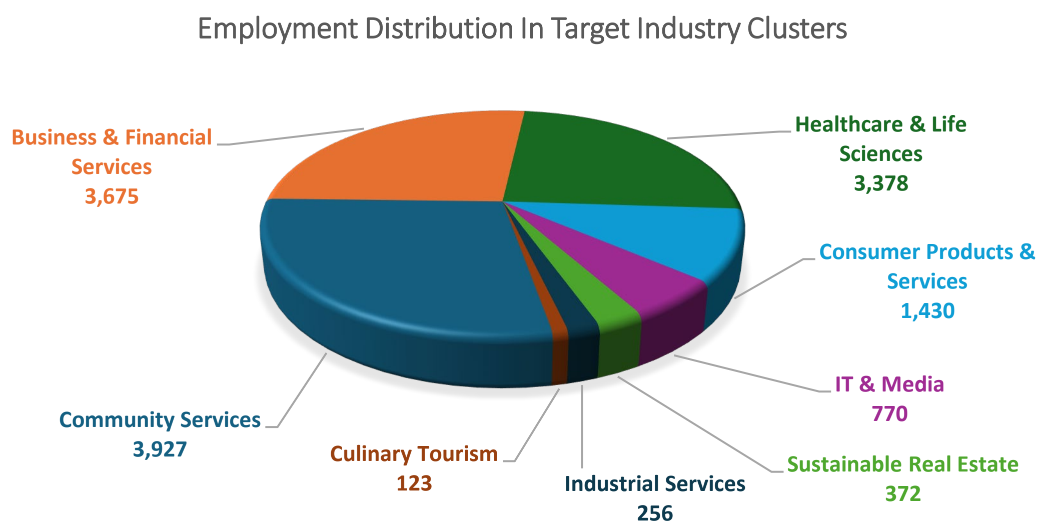
Additionally, the implementation of water taxis has proven to be a successful mobility option in waterfront locations throughout the world. UBER has recently started a water service ferry system on the Thames River in London (Uber Boat) which is transforming the tourism industry and provides commuter opportunities previously unattainable. In New York City, a private ferry company (NY Waterways) serves over 18,000 passengers daily in 23 routes and 32 vessels. Major US cities with water mobility transportation systems include:

- Alexandria, VA
- Annapolis, MD
- Baltimore, MD
- Boston, MA
- Charleston, SC
- Erie, PA
- Fort Lauderdale, FL
- Jacksonville, FL
- Long Beach, CA
- New York City, NY
- New Orleans, LA
- Oklahoma City, OK
- Orlando, FL
- Pittsburgh, PA
- Portland, ME
- Quad Cities, IL/IA
- Sacramento, CA
- San Francisco, CA
- Seattle, WA

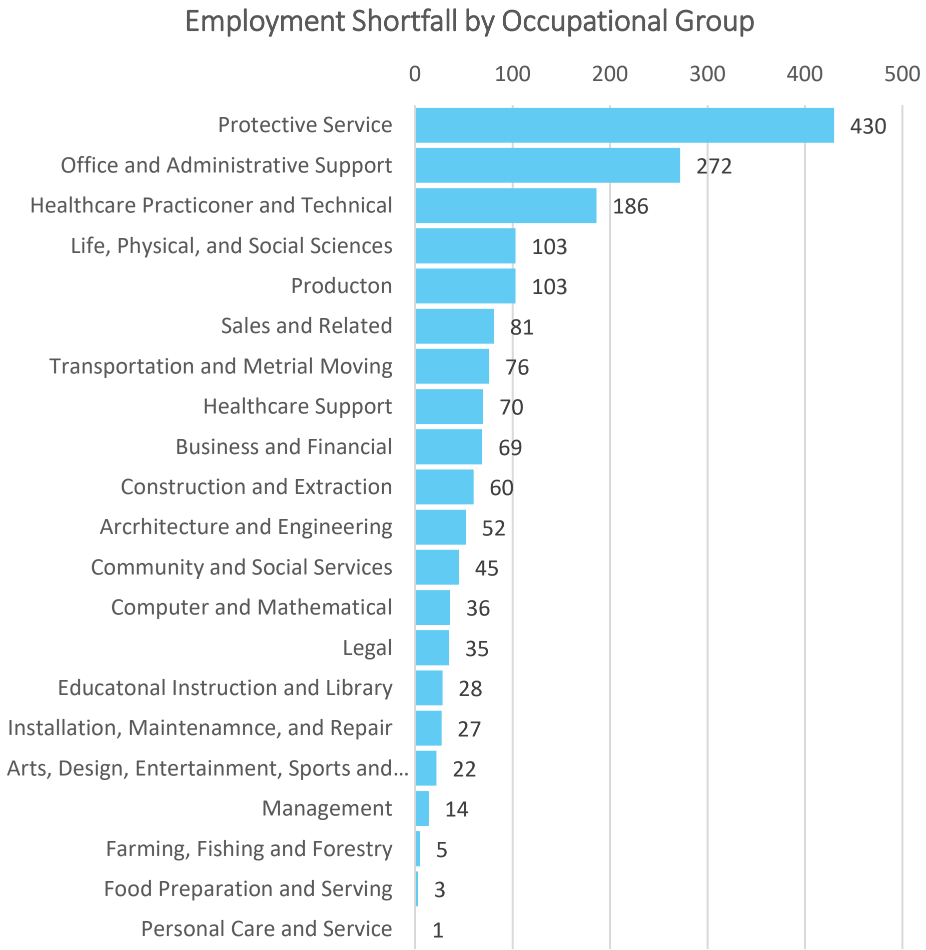
Given Cape Coral's extensive road and canal network, a serious examination of the potential of both land- and water-oriented micro transit systems should be considered.

WORKFORCE READINESS

While it is a worthwhile exercise to quantify the City's labor force by employer or resident, it is more important to recognize that prospective employers will hire from the entire region, notably the Cape Coral-Fort Myers Metropolitan Statistical Area (MSA). In preceding analysis, industries vital to the City were identified as being below-average employment performance and how many new jobs in those industries should be targeted to bring Cape Coral to at least a parity level with the State. In that review, a **13,640-person** gain is the focus in the eight target industry clusters. An illustration of employment distribution is shown in the chart below:



To identify job training requirements, a process has been developed where each 4-digit NAICS industry within the targeted clusters have the requisite occupations as provided by the Bureau of Labor Statistics (BLS) listed in descending order of occurrence in each industry. In total, the jobs shortfall for Cape Coral in the target clusters is **1,718** positions. The chart below summarizes the jobs shortfall picture by ranking of **21** major occupations groups:



Employer Survey Results

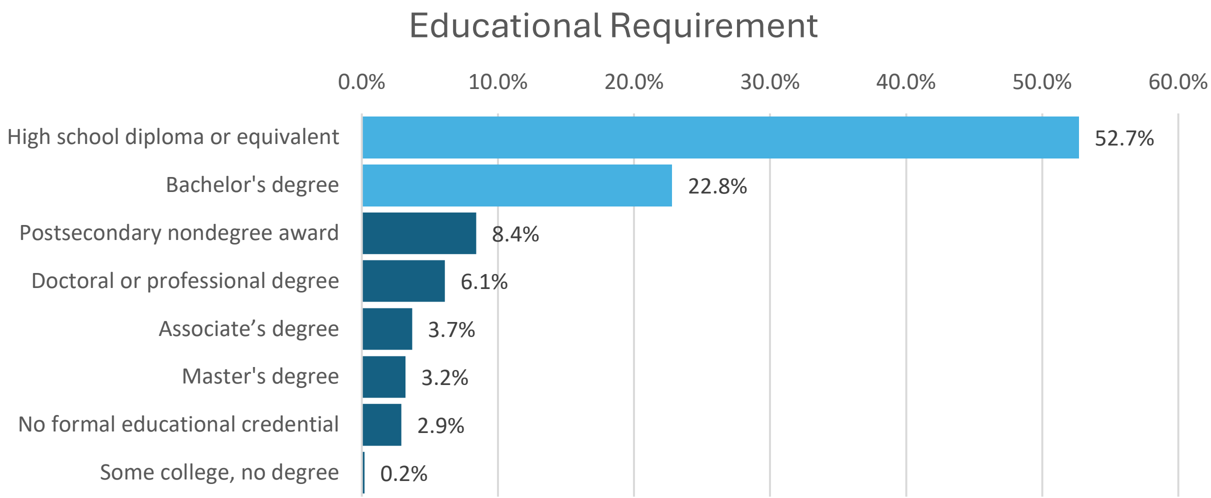
Arising from Employer Survey (discussed earlier), polling indicated that **35%** of employers felt that minor job training was needed for new hires. Most business owners (**53%**) felt that government-sponsored training might be of some possible value to their business. And, **56%** felt that hiring skilled workers was the most prevalent challenge. However, only **16%** remarked that subsidized training was needed.

The mixed picture of training being a need for businesses probably indicates that businesses are unaware of training opportunities. When asked if partnerships with local educational institutions would be important, an overwhelming **61%** said that such alliances could be valuable.

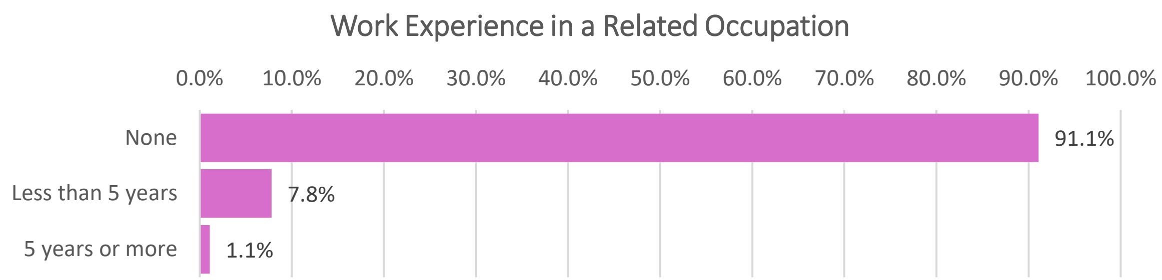
Target Industry Clusters

In total, the 1,718-job shortfall for the Cape Coral target clusters covers **202** occupations, with varying educational needs for entry, work experience in related occupation, and on-the-job training requirements. The top 20-ranked fields cover **1,083** jobs or **64%** of the total shortfall.

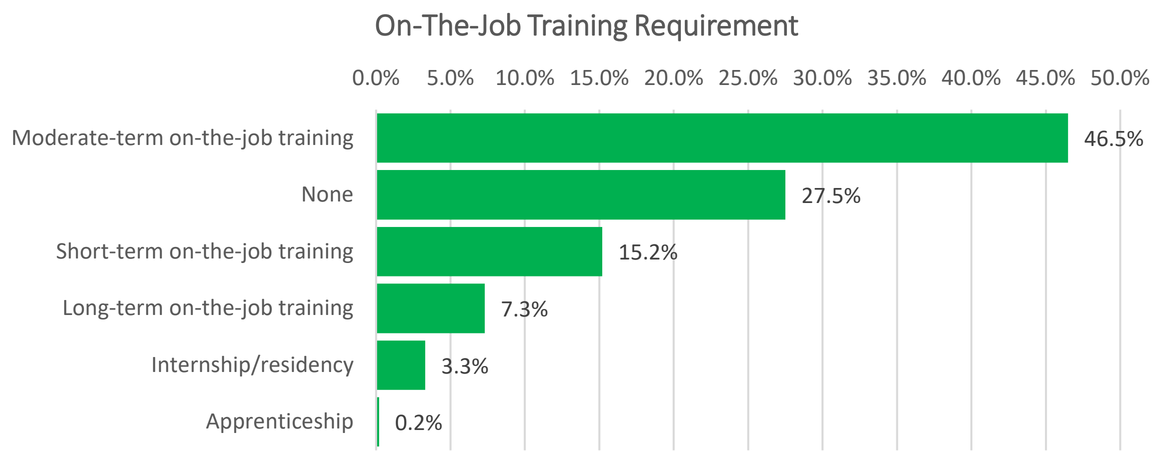
Of the 202 occupations, the following table denotes the educational requirements by total numbers of jobs. For most jobs **(75.5%)**, high school or bachelor's degrees are the most prevalent workforce requirements:



For the question of work experience in related fields, there would appear to be no overwhelming need:



On-the-job training requirements indicate that little to moderate training is the standard (**89%**):



From this analysis, it can be deduced that there are no overarching educational or training demands for the types of jobs that Cape Coral should be pursuing to meet the target industry clusters employment objectives.

Missing as Non-Reported in MSA

The BLS reports job totals if present in a marketplace. For this analysis those occupations in the shortfall list that are not shown by BLS as occurring have been denoted. In the Cape Coral-Fort Myers MSA, there are **131** occupations in the 202 occupations shortfall list that are not present in the MSA, which is a total of **657** jobs. These missing figures represent **38%** of the job total and **65%** of the occupations.

As educational attainment is the primary qualifier for these positions, the following summarizes the four levels of college attainment impacts:

- The highest requirement of Doctoral or professional degree and ranked by numbers of missing jobs. For this category, **84** jobs in **17** occupations are missing from the MSA
- For the 2nd level requirements of Master's degrees, there are **10** occupations totaling **31** jobs that are unavailable
- For the 3rd level requirements of Bachelor's degrees, , there are **28** occupations totaling **126** jobs that need filling.
- In the 4th level requirements of Associates' degrees, there are **10** occupations totaling **35** jobs that not fillable

<u>The observable result of this evaluation is that the MSA and likely Cape Coral in particular are weak in the depth of professional and technical personnel available to be utilized by the target industries and clusters.</u>

BLS and State of Florida Growth Occupations

Both the Bureau of Labor Statistics (BLS) and the State of Florida project employment for ten-year periods. The Employment Projections (EP) from each source provides the list of fastest-growing occupations. From these sources, **37** distinct fast-growing occupations have been identified from BLS on the national scale. the State of Florida, and the Southwest Florida Region:

Nationally, the five fastest-growing occupations are:

Occupation	Educational Requirement
Wind turbine service technicians	Postsecondary nondegree award
Nurse practitioners	Master's degree
Data scientists	Bachelor's degree
Statisticians	Master's degree
Information security analysts	Bachelor's degree

For Statewide, The **5** fastest-growing occupations are:

Occupation	Educational Requirement
Nurse practitioners	Master's degree
Data scientists	Bachelor's degree
Physician assistants	Master's degree
Information security analysts	Bachelor's degree
Machine feeders and offbearers	No formal educational credential

For the southwest FL region, The **5** fastest-growing occupations are:

Occupation	Educational Requirement
Nurse practitioners	Master's degree
Logisticians	Bachelor's degree
Medical and health services managers	Bachelor's degree
Market research analysts & marketing specialists	Bachelor's degree
Industrial machinery mechanics	High school diploma or equivalent

Crosswalk of the Fastest Growing Occupations and Target Clusters Shortfall Jobs

Exhibit 8 (below) compares the Fastest-growing occupations against the Target clusters shortfall jobs to determine commonalities and exceptions that could influence workforce training. The table summarizes the job descriptions with the number of shortfall jobs appearing in the last column.

Exhibit 8 – Crosswalk of Fastest Growing Occupations and Target Clusters Jobs Shortfall		
Fast-Growing Occupations	Target Clusters Jobs Shortfall	# of Shortfall Jobs
	Protective Service	430
	Office and Administrative Support	272
Healthcare Practitioner and Technical	Healthcare Practitioner and Technical	186
Life, Physical, and Social Sciences	Life, Physical, and Social Sciences	103
	Production	103
	Sales and Related	81
Transportation and Material Moving	Transportation and Material Moving	76
Healthcare Support	Healthcare Support	70
Business and Financial	Business and Financial	69
Construction and Extraction	Construction and Extraction	60
	Architecture and Engineering	52
Community and Social Services	Community and Social Services	45
Computer and Mathematical	Computer and Mathematical	36
	Legal	35
Educational Instruction and Library	Educational Instruction and Library	28
Installation, Maintenance, and Repair	Installation, Maintenance, and Repair	27
	Arts, Design, Entertainment, Sports, and Media	22
Management	Management	14
	Farming, Fishing and Forestry	5
Food Preparation and Serving	Food Preparation and Serving	3
Personal Care and Service	Personal Care and Service	1
Total jobs shortfall		1,718

From the above exhibit, there are **13** matches in occupational groups as follows:

- Healthcare Practitioner and Technical
- Life, Physical, and Social Sciences
- Transportation and Material Moving
- Healthcare Support
- Business and Financial
- Construction and Extraction

- Community and Social Services
- Computer and Mathematical
- Educational Instruction and Library
- Installation, Maintenance, and Repair
- Management
- Food Preparation and Serving
- Personal Care and Service

Conversely, there are **6** occupational groups that do not match the fastest-growing categories:

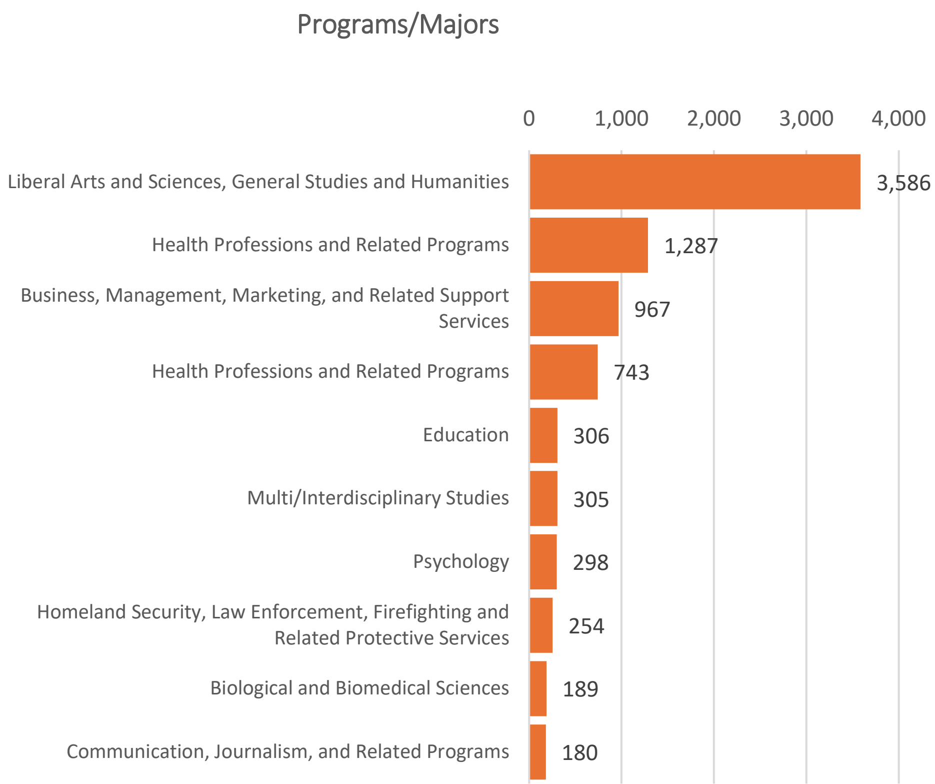
- Protective Service
- Office and Administrative Support
- Architecture and Engineering
- Legal
- Arts, Design, Entertainment, Sports, and Media
- Farming, Fishing and Forestry

From this analysis, it can be concluded that higher educational institutions are likely to be aware of the fastest-growing occupations and training is being adequately addressed in these areas. For the areas of mismatch, however, curriculum adjustments may not be that simple.

The Role of Higher Education Institutions

The forecasted shortfall of jobs in matched categories could be met by examination of current programs/majors and adding courses as necessary to fulfill these job growth requirements. It would be prudent to encourage the OEBD to share the shortfall list of 1,718 jobs in 202 occupations with the area colleges so that this correction be undertaken.

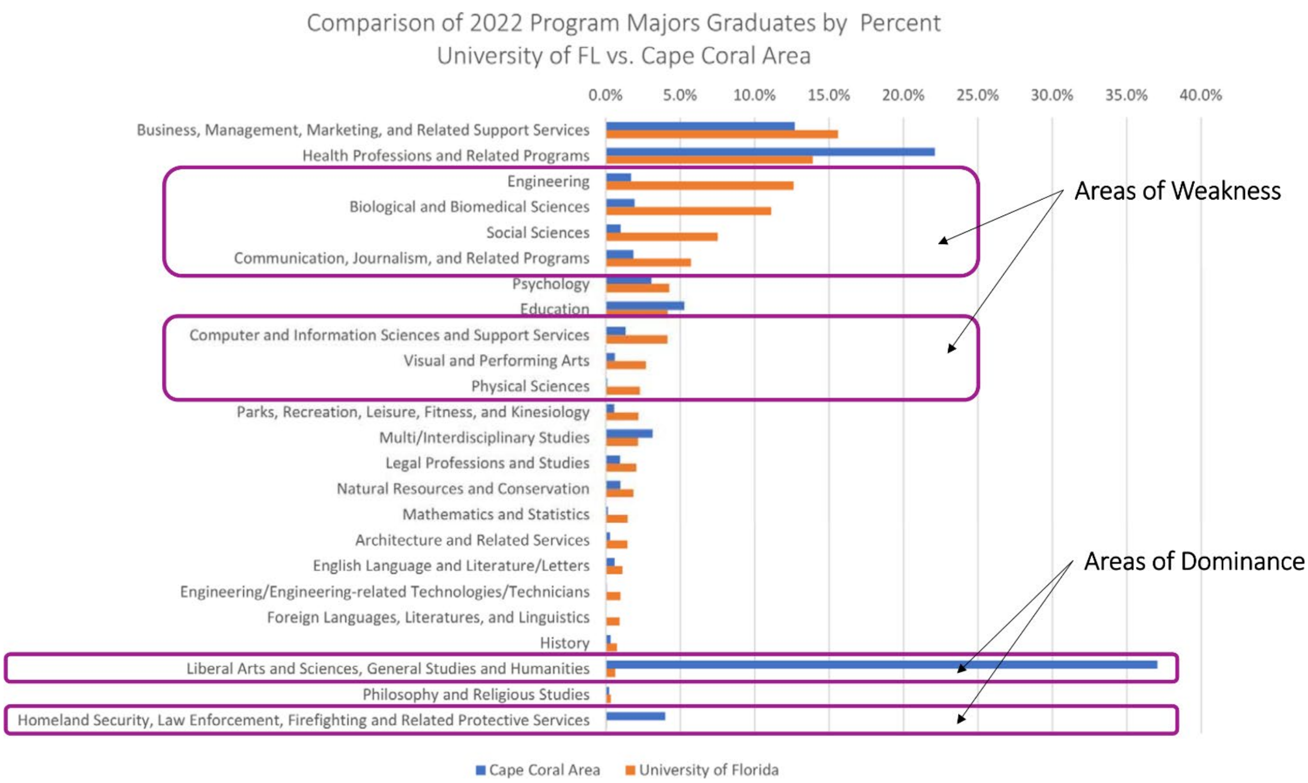
Colleges within fifty miles of Cape Coral granted **12,891** degrees in 2022. The **10** most popular programs/majors for the Cape Coral instructions are shown in the chart following:



For the areas of mismatch, it is apparent that adequate attention needs to be applied in the areas of architecture / engineering, legal, and visual/performing arts. This conclusion is reinforced by a comparison of Cape Coral area intuitions versus the University of Florida. In that evaluation, key areas of weakness we noted in the following areas:

- Engineering
- Biological and biomedical sciences
- Social sciences
- Communication, journalism, and related Programs
- Computer and information sciences and support services
- Visual and performing arts
- Physical sciences

The chart below illustrates these conditions:



For Architecture and Engineering, the most sought-after degree is the Bachelor's degree. In Legal, it is the Doctoral/ or Professional. And, in Arts, Design, Entertainment, Sports and Media, it is again the Bachelor's degree.

These 4 year-plus educational commitments might suggest the need for new university or college in Cape Coral. While this is a noble undertaking, it may not be necessary as online learning has become universally accepted over brick-and-mortar requirements. US News and World Report annually publishes a ranking of the "best" online bachelor's degrees . The **10** leading schools on the 2024 list are as follows:

- University of Buffalo-SUNY (1st)
- University of Florida (2nd)
- University of Illinois-Chicago (3rd)
- Arizona State University (tied for 4th)

- North Carolina State University (tied for 4th)
- Oregon State University (tied for 4th)
- Ohio State University (tied for 7th)
- Texas A&M University (tied for 7th)
- University of Central Florida (tied for 7th)
- University of North Carolina-Charlotte (tied for 7th)

Given that there are two Florida colleges on this list, the opportunity for online study is quite adequate for nearly all job requirements for the shortfall list. It is estimated the University of Florida's (UF) Online program has graduated over **4,000** students since the 2021–2022 academic year. Other institutions also offer associate and certificate degrees and awards that are suitable for those shortfall positions requiring such credentials.

Accordingly, unless there is a compelling reason to construct a new college in Cape Coral, there does not appear to be any immediate need. A better idea would be to promote online learning as a cost-effective and reasonable alternative to expensive college education for working families.

Conclusions

To reach the target goal of 13,640 new jobs in Cape Coral, recruitment from outside of the region is inevitable. While the capture of some portion of the 58,000 workers who leave the City each day, there is still a shortfall of 1,718 jobs. Some of these can be made up by enhancing graduation levels at local colleges and universities within the Cape Coral area or by online education. Other efforts such as business incubation and upskilling will prove effective. But there are occupations that simply are not present in the Cape-Coral-Fort Myers MSA that may need to be recruited until the labor force is more organically expanded through the education system.

OEBD should be aware of the shortfall jobs forecasted in this study can be addressed by active promotion regionally and nationally. A concerted effort should be made to seek professionals and specialists to consider Cape Coral as a new place to live, work and recreate. Attracting professional talent to a city is essential for economic growth and community vibrancy.

APPENDICES

Target Industry Clusters Prospectuses:

- Business & Financial Services
- Community Services
- Consumer Products & Services
- Culinary Tourism
- Healthcare & Life Sciences
- Industrial Services
- It & Media
- Sustainable Real Estate

INDUSTRY PROSPECTUS

Competitive Advantages for the Business & Financial Services Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

Cape Coral FLORIDA

This cluster illustrates the regional growth of professional and business services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

December 2024

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TABLE OF EXHIBITS

Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Business & Financial Services Cluster.

- The Business & Financial Services Cluster consists of **8** industry components:
  - Banking, Credit, & Investment services
  - Business support services
  - Employment services
  - Facilities support services
  - Investigation and security services
  - Legal services
  - Management, scientific, and technical consulting services
  - Office administrative services

- Revenue (in current dollars) for the Business & Financial Services Cluster is **$4,010.1 billion**. Growth expectations in the next five years will raise this figure to **$5,033.4 billion**, which is a **4.65%** compound annual growth rate (CAGR), or an overall **25.5%** revenue gain.

- The **8** individual industries that comprise the cluster have projected revenue gains ranging from **54.0%** (Business support services) to **13.9%** (Legal services). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in **3rd** place for Business & Financial Services Cluster employment among the **10** leading US states.

- The Cluster has a projected **3,675** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach

- Port St. Lucie
- West Palm Beach

- As an example of typical Cluster business, a Busines-to-Business (B2B) Telephone Call Center of **43** persons in Cape Coral will generate **$4.86 million** in annual revenue.

- Profitability for a B2B Call Center in Cape Coral is **17.8%** which leads all competition, other than Port St. Lucie.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" office facilities that can capture some of this worker flow.

- With the projected office census of **3,675** new jobs, it can be expected that at least **735,000 sf** of new office space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Business & Financial Services Cluster.

As defined by Harvard University, “a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

The Business & Financial Services Cluster illustrates the regional growth of professional and business services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments, capitalizing on untapped labor markets, with good market access to multiple urban centers.

The Cluster consists of **8** industry components:

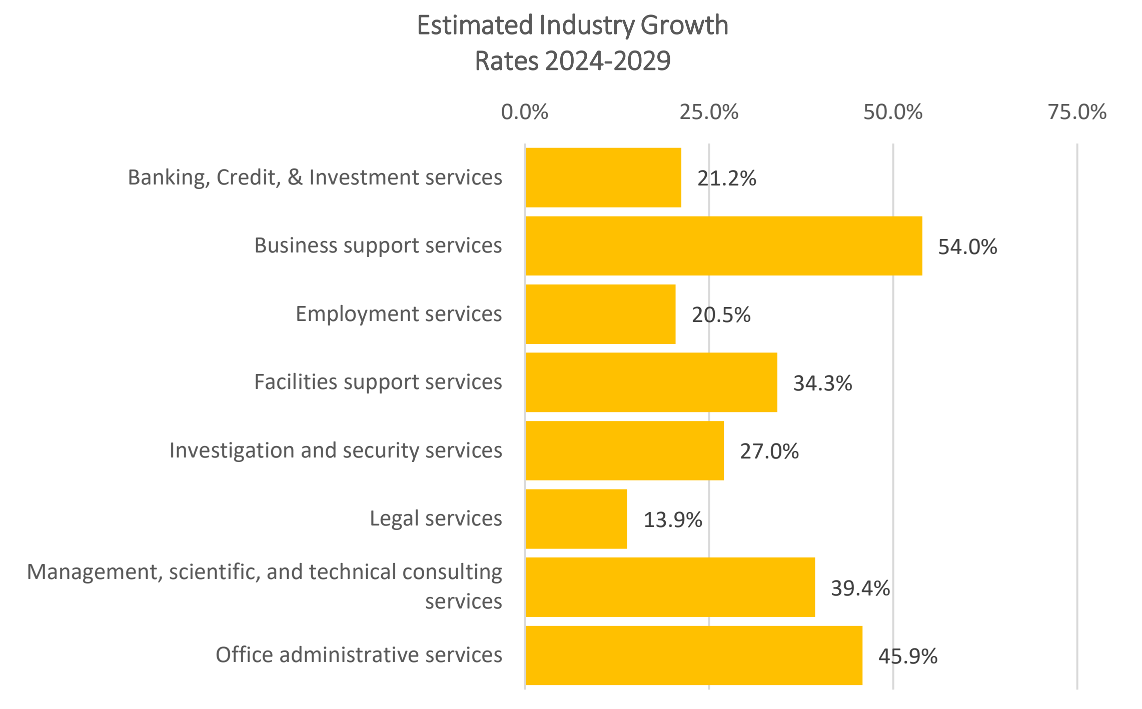
- Banking, Credit, & Investment services
- Business support services
- Employment services
- Facilities support services
- Investigation and security services
- Legal services
- Management, scientific, and technical consulting services
- Office administrative services

Industries Performances

Revenue (in current dollars) for the Business & Financial Services Cluster is **$4,010.1 billion**. Growth expectations in the next five years will raise this figure to **$5,033.4 billion**, which is a **4.65%** compound annual growth rate (CAGR), or an overall **25.5%** revenue gain.

The **8** individual industries that comprise the cluster have projected revenue gains ranging from **54.0%** (Business support services) to **13.9%** (Legal services). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029



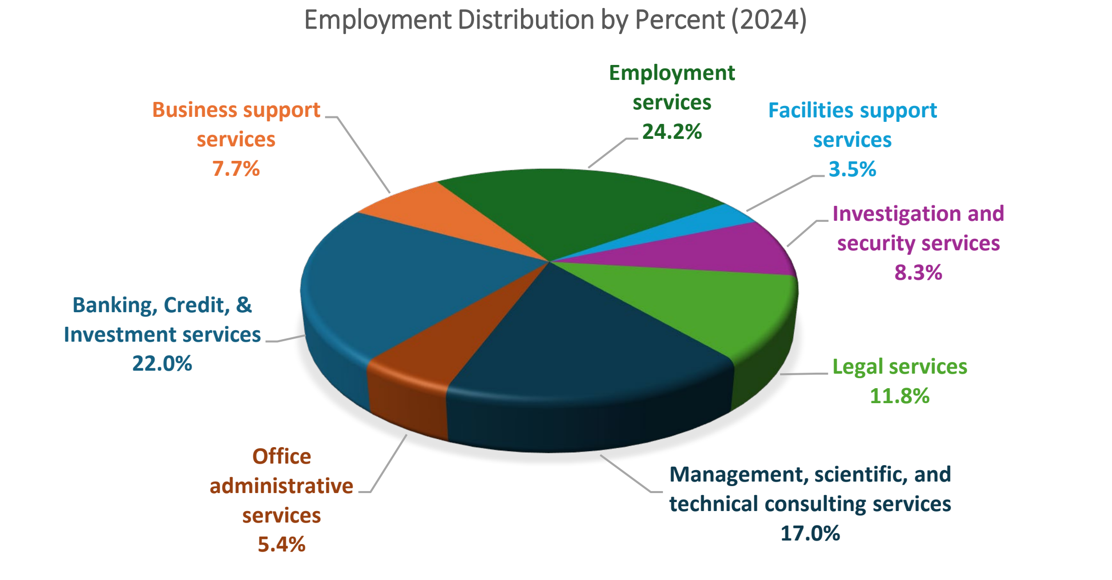
In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

Exhibit 2 – Component Industries Data Aggregation					
Banking & Credit Services			Business support services		
	2024	2029		2024	2029
Revenue ($ billion)	$2,221.1	$2,693.0	Revenue ($ billion)	$194.2	$299.0
CAGR	3.93%		CAGR	9.01%	
Revenue Gain ($ billion)	$471.86		Revenue Gain ($ billion)	$104.77	
Revenue Gain (percent)	21.2%		Revenue Gain (percent)	54.0%	
Revenue per employee	$734,098		Revenue per employee	$278,332	
Typ. Estb. Size (US)	13		Typ. Estb. Size (US)	11	
Employment services			Facilities support services		
	2024	2029		2024	2029
Revenue ($ billion)	$330.6	$398.3	Revenue ($ billion)	$66.6	$89.4
CAGR	3.80%		CAGR	6.07%	
Revenue Gain ($ billion)	$67.70		Revenue Gain ($ billion)	$22.81	
Revenue Gain (percent)	20.5%		Revenue Gain (percent)	34.3%	
Revenue per employee	$99,774		Revenue per employee	$132,950	

Typ. Estb. Size (US)	21		Typ. Estb. Size (US)	12	
Investigation and security services			Legal services		
	2024	2029		2024	2029
Revenue ($ billion)	$169.7	$215.6	Revenue ($ billion)	$398.2	$453.6
CAGR	4.90%		CAGR	2.64%	
Revenue Gain ($ billion)	$45.86		Revenue Gain ($ billion)	$55.38	
Revenue Gain (percent)	27.0%		Revenue Gain (percent)	13.9%	
Revenue per employee	$167,237		Revenue per employee	$337,529	
Typ. Estb. Size (US)	26		Typ. Estb. Size (US)	6	
Management, scientific, and technical consulting services			Office administrative services		
	2024	2029		2024	2029
Revenue ($ billion)	$525.3	$732.2	Revenue ($ billion)	$104.4	$152.3
CAGR	6.87%		CAGR	7.84%	
Revenue Gain ($ billion)	$206.90		Revenue Gain ($ billion)	$47.88	
Revenue Gain (percent)	39.4%		Revenue Gain (percent)	45.9%	
Revenue per employee	$286,939		Revenue per employee	$170,502	
Typ. Estb. Size (US)	4		Typ. Estb. Size (US)	7	

The distribution of employment in the Business & Financial Services Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the Business & Financial Services Cluster



For a Florida location, the **3rd** place ranking for Business & Financial Services Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for Business & Financial Services Cluster Employment

State	2024 Employment	Rank
California	1,356,872	1
Texas	1,263,394	2
Florida	**948,119**	**3**
New York	870,027	4
Illinois	579,553	5
North Carolina	452,023	6
Georgia	420,961	7
Pennsylvania	400,141	8
New Jersey	386,868	9
Ohio	366,371	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Business & Financial Services Cluster. The Cluster contains the **8** component business areas that have a projected **3,675** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - Business & Financial Services Cluster Employment	
Industry	# of New Jobs
Banking, Credit, & Investment services	993
Business support services	359
Employment services	1,476
Facilities support services	156
Investigation and security services	142
Legal services	222
Management, scientific, and technical consulting services	274
Office administrative services	53
Total	**3,675**

For exploratory purposes, the Business Support Services industry has been selected for deeper examination. For this industry category, there is projected growth of **359** new jobs. Within this heading are **6** sub-categories of industries one of which will be explored in greater detail.

- Document Preparation Services
- Telephone Call Centers
- Business Service Centers
- Collection Agencies
- Credit Bureaus
- Other Business Support Services

Business-to-Business (B2B) Telephone Call Centers

This U.S. industry comprises establishments primarily engaged in operating call centers that initiate or receive communications via telephone, facsimile, email, or other communication modes for purposes such as: (1) promoting products or services, (2) taking orders, (3) soliciting contributions, and (4) providing information or assistance regarding products or services. Telemarketing bureaus and other contact centers provide these services on behalf of clients and do not own the products or provide the services that they are representing, or they serve other establishments of the same enterprise.

Model Operations

The national average size for a Business-to-Business (B2B) Call Center facility is **36** persons, and the State of Florida's is **50** persons. A nominal (averaged) facility size of **43** persons is selected as a Cape Coral model for this industry. Average productivity output is **$278,300** per employee, resulting in an annual sales figure of $**11.967 million**. Total investment per employee is estimated at **$30,200** per employee. Exhibit 6 (below) shows the operations details:

Exhibit 6 – Typical B2B Call Center Facility Operations	
Annual Net sales	$11,966,900
Total Employment	43
Avg. hourly Wage	$22.08
Fringe benefits Percentage	35%
Total Payroll	$2,665,600
Facility Footprint sq. ft.	7,710
Employee Occupancy/sf	180
Floor-Area-Ratio	0.37
Facility Construction Cost/sq. ft.	$119
Facility Construction Cost	$920,000
Estimated Furniture, Fixtures & Equipment Cost	$240,000
Site Acreage	0.5
Land Cost	$140,000
Total Investment	**$1,300,000**

Staffing

Employment distribution among the relevant major occupational groups for the industry are shown in Exhibit 7 (below):

Exhibit 7- B2B Call Center – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
General and Operations Managers	2	$62.84	$56.48
Training and Development Specialists	1	$33.64	$32.65
Business Operations Specialists, All Other	1	$41.40	$36.78
Computer User Support Specialists	1	$28.02	$28.50
Counter and Rental Clerks	1	$18.43	$18.13
Sales Representatives of Services	2	$35.11	$30.80
Telemarketers	4	$17.16	$16.67
First-Line Supervisors of Office and Administrative Support Workers	3	$32.03	$32.17
Bill and Account Collectors	4	$21.29	$21.01
Customer Service Representatives	21	$19.64	$19.27
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	1	$20.60	$20.37
Mail Clerks and Mail Machine Operators, Except Postal Service	1	$17.41	$16.39
Office Clerks, General	1	$20.66	$21.00
Total	**43**		
Average Hourly Wage		**$24.15**	**$23.26**

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **359** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

Exhibit 8 - B2B Call Centers – Occupations Needed	
Occupation	# of new jobs
Customer Service Representatives	182
Telemarketers	41
Bill and Account Collectors	35
First-Line Supervisors of Office and Administrative Support Workers	24
Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	16
General and Operations Managers	14
Office Clerks, General	9
Counter and Rental Clerks	8
Computer User Support Specialists	8
Mail Clerks and Mail Machine Operators, Except Postal Service	7
Training and Development Specialists	6
Business Operations Specialists, All Other	5
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	5
Total Occupations Required	**359**

In the following, the **13** categories of staffing for B2B Call Centers are evaluated for direct hiring capabilities:

Customer Service Representatives

In the Cape Coral-Fort Myers MSA, there are currently **7,620** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **529** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Telemarketers

In the MSA, there are currently **170** persons employed in this position. It is estimated that there are approximately **12** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

Bill and Account Collectors

In the MSA, there are currently **210** persons employed in this position. It is estimated that there are approximately **15** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

First-Line Supervisors of Office and Administrative Support Workers
In the MSA, there are currently **2,950** persons employed in this position. It is estimated that there are approximately **205** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel
In the MSA, there are currently **3,600** persons employed in this position. It is estimated that there are approximately **250** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

General and Operations Managers
In the MSA, there are currently **6,110** persons employed in this position. It is estimated that there are approximately **425** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Office Clerks, General
In the MSA, there are currently **5,850** persons employed in this position. It is estimated that there are approximately **407** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Counter and Rental Clerks
In the MSA, there are currently **1,180** persons employed in this position. It is estimated that there are approximately **82** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Computer User Support Specialists
In the MSA, there are currently **980** persons employed in this position. It is estimated that there are approximately **68** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Mail Clerks and Mail Machine Operators, Except Postal Service
In the MSA, there are currently **120** persons employed in this position It is estimated that there are approximately **8** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Training and Development Specialists
In the MSA, there are currently **610** persons employed in this position. It is estimated that there are approximately **42** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Business Operations Specialists, All Other

In the MSA, there are currently **1,310** persons employed in this position. It is estimated that there are approximately **91** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Secretaries and Administrative Assistants, Except Legal, Medical, and Executive

In the MSA, there are currently **2,810** persons employed in this position. It is estimated that there are approximately **195** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, staffing for a B2B operation in Cape Coral is projected to be quite achievable. However, the positions that exhibit shortfall for B2B Call Centers are:

- Telemarketers
- Bill and Account Collectors
- Mail Clerks and Mail Machine Operators, Except Postal Service

The economic development and workforce officials in Cape Coral have been alerted to these employment shortfall issues. New initiatives are in development that will increase labor availability in these three areas.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - B2B Call Center – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$140,000**	**$119**	**$1,160,000**	**$1,300,000**	**$1,040,000**	**$81,715**
Fort Lauderdale	$1,437,000	$683,000	$125	$1,202,000	$1,885,000	$1,508,000	$118,500
Orlando	$201,000	$96,000	$123	$1,188,000	$1,284,000	$1,027,200	$80,100
Palm Bay	$494,000	$235,000	$130	$1,243,000	$1,478,000	$1,182,400	$92,900
Pompano Beach	$2,057,000	$978,000	$125	$1,202,000	$2,180,000	$1,744,000	$137,000
Port St. Lucie	$146,000	$69,000	$121	$1,176,000	$1,245,000	$996,000	$78,300
West Palm Beach	$975,000	$464,000	$125	$1,202,000	$1,666,000	$1,332,800	$104,700

Profitability for a B2B Call Center in Cape Coral is **17.8%** which leads all competition, other than Port St. Lucie, as shown in Exhibit 10 (below):

Exhibit 10- B2B Call Centers – Competitive Evaluation – Annual Operating Profits							
Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Net Sales	**100.0%**	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Payroll	**23.5%**	25.1%	24.0%	24.1%	25.1%	22.7%	25.1%
Utilities & Fuels	**11.0%**	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
Debt Service	**0.7%**	1.0%	0.7%	0.8%	1.1%	0.7%	0.9%
Cost of goods sold	**35.2%**	37.1%	35.7%	35.8%	37.2%	34.4%	37.0%
Annual Gross profit	**64.8%**	62.9%	64.3%	64.2%	62.8%	65.6%	63.0%
Less: Sales exp.	**15.0%**	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
General & Administrative. Overhead	**32.0%**	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%
Total Operating expenses	**47.0%**	47.0%	47.0%	47.0%	47.0%	47.0%	47.0%
Annual Net Profit before taxes	**17.8%**	15.9%	17.3%	17.2%	15.8%	18.6%	16.0%

Summary

The Business & Financial Services Cluster illustrates the regional growth of professional and business services that will stimulate new office development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster is essentially office space users, typical of White-Collar industries. White-Collar businesses are flourishing in Florida, due to several factors, including:

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Florida offers a favorable tax and business climate, including no state income tax.

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Florida's diverse economy and strong workforce support the labor force.

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Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

For Cape Coral, operations such as B2B Call Centers will be profitable endeavors. The City and the MSA have a dynamic labor supply that is well suited to meet the needs of the Business & Financial Services Cluster.

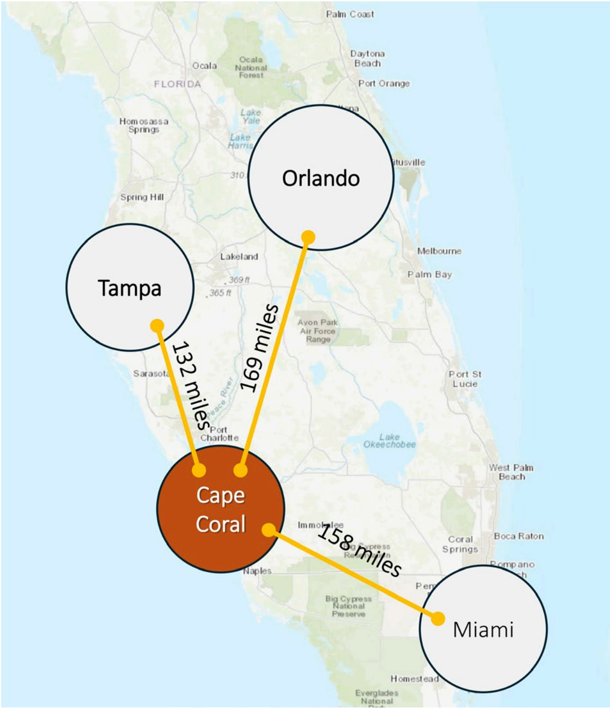
Cape Coral’s employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new “intercept” office facilities that can capture some of this worker flow.

With the projected office census of **3,675** new jobs, it can be expected that at least **735,000 sf** of new office space will be required to meet the Cluster’s employment needs.

Photo credit: Depositphotos

Competitive Advantages of the City of Cape Coral Location

Cape Coral is in Lee County in Southwest Florida and is the largest population component of the Cape Coral-Fort Myers Metropolitan Statistical Area. The City's location is about an equidistance from the major urban centers of Tampa, Miami, and Orlando.



Originally developed in the late 1950's as a "Waterfront Wonderland", Cape Coral was designed to bring the waterfront dream of home ownership to middle-income Americans. With its over 400 miles of salt and freshwater canals, Cape Coral is a unique community that is redefining its identity beyond being just a suburb of Fort Myers. The City was incorporated in 1970 and maintains a brisk growth pattern despite economic downturns, a pandemic, and severe weather disturbances.

Demographic Advantages

With a current population of approximately **217,000** people, Cape Coral is forecasted to grow to over **375,000** by 2050, representing a nearly **73%** increase. Cape Coral's explosive growth places it among the five fastest growing communities in the nation, measuring more than twice that of the State of Florida.

While more retirees are expected, the City is experiencing a dynamic growth in the working age groups of **25-44 yrs**. By 2029, an overall population gain of about **20,000** new residents will result in **34%** increase in working aged people.

Demographic and market advantages include:

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The five most sought after fields of study are:

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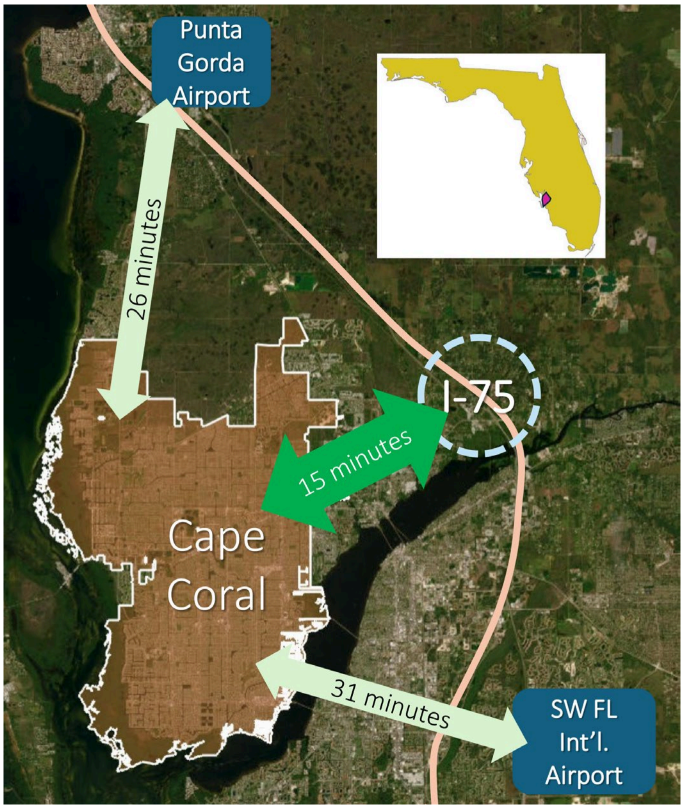
Market Potential

Cape Coral's southwest Florida location can not only cover the total Florida market but a significant portion of the US. Within a 300-mile travel distance (one day truck routing), about **6.1%** of the nation can be reached.

Highway Travel

Interstate 75 (I-75) is within **15 minutes**' drive from Cape Coral. Access to the interstate can be achieved to the eastern direction in North Fort Myers or via one of the bridges through downtown Fort Myers. To the north, access is available in Punta Gorda at a slightly longer travel time.



Air Travel

There are two airports that serve Cape Coral. Southwest Florida International Airport (RSW) is a major facility providing domestic and international flights daily. Travel to RSW is within **31 minutes** from downtown Cape Coral. RSW serves **10.1 million** passengers annually. In 2023, RSW had **87,685** aircraft operations.

Punta Gorda Airport (PGD) in Charlotte County just north of Cape Coral is a regional facility providing domestic flights mainly to the Midwest (Allegiant Air). PGD serves about **1.9 million** passengers per year and had **103,252** aircraft operations in 2023.

Rail Service

Passenger rail service via Amtrak is available in Fort Myers. The system operates **77** daily scheduled trips. Travel from downtown to Fort Myers Station Cape Coral is about **31 minutes**.

Freight rail services are provided by the Seminole Gulf Railway (SGLR). SGLR is a short line freight and passenger excursion railroad headquartered in Fort Myers that operates two former CSX Transportation railroad lines in Southwest Florida.

Bus Service

LeeTran operates bus services in Cape Coral. Currently there are **5** fixed bus routes but expanded services are under development. Looped routes provide transit to and from Fort Myers. The new Ultra On Demand micro-mobility fleet will enhance bus transit capabilities throughout the City.

Lifestyle & Recreational

Cape Coral's riverfront location and unique canal system offer a recreation-oriented lifestyle that has broad-range appeal. Some of the area's tourism advantages are as follows:

- Growing residential population, which can further encourage already existing strong category of visiting friends & family travelers
- Major home rental market for vacationers – over **4,000** homes and **350** private rooms available
- Numerous opportunities to rent a house and boat together, canals enhance rental properties
- Major hotel - Westin Resort at Marina Village – significant anchor for tourism activity
- Favorable location
- Proximity to airports, major highways, and neighboring tourist communities.
- One of safest cities in Florida
- Sports tourism – an already existing, active, and effective government involvement
- Increasingly strong restaurant and food scene
- Water activities – boating, dolphin tours, fishing, kayaking
- Winter warm weather destination
- Major League Baseball Spring Training nearby
- Active events schedule including festivals, parades, and concerts

Contact Information

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INDUSTRY PROSPECTUS

Competitive Advantages for the Community Services Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

This cluster illustrates the regional growth of public support services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

December 2024

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TABLE OF EXHIBITS

Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Community Services Cluster.

- The Community Services Cluster consists of **3** industry components:
  - Individual and family services
  - Community food and housing, and emergency and other relief services
  - Vocational rehabilitation services

- Revenue (in current dollars) for the Community Services Cluster is **$1,536.5 billion**. Growth expectations in the next five years will raise this figure to **$2,005.5 billion**, which is a **5.50%** compound annual growth rate (CAGR), or an overall **3.5%** revenue gain.

- The **3** individual industries that comprise the cluster have projected revenue gains ranging from **31.9%** (Vocational rehabilitation services) to **30.4%** (Individual and family services). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in **8th** place for Community Services Cluster employment among the **10** leading US states.

- The Cluster has a projected **582** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie
  - West Palm Beach

- As an example of typical Cluster business, a Vocational Rehabilitation Services facility of **19** persons in Cape Coral will generate **$2.349 million** in annual revenue.

- Profitability for a Vocational Rehabilitation Services Facility in Cape Coral is **5.8%** which leads all competition with the exception of Orlando.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" facilities that can capture some of this worker flow.

- With the projected office census of **582** new jobs, it can be expected that at least **135,900 sf** of office space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Community Services Cluster.

As defined by Harvard University, "a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

This cluster illustrates regional growth of public support services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

The Community Services Cluster consists of **3** industry components:

- Individual and family services
- Community food and housing, and emergency and other relief services
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Industries Performances

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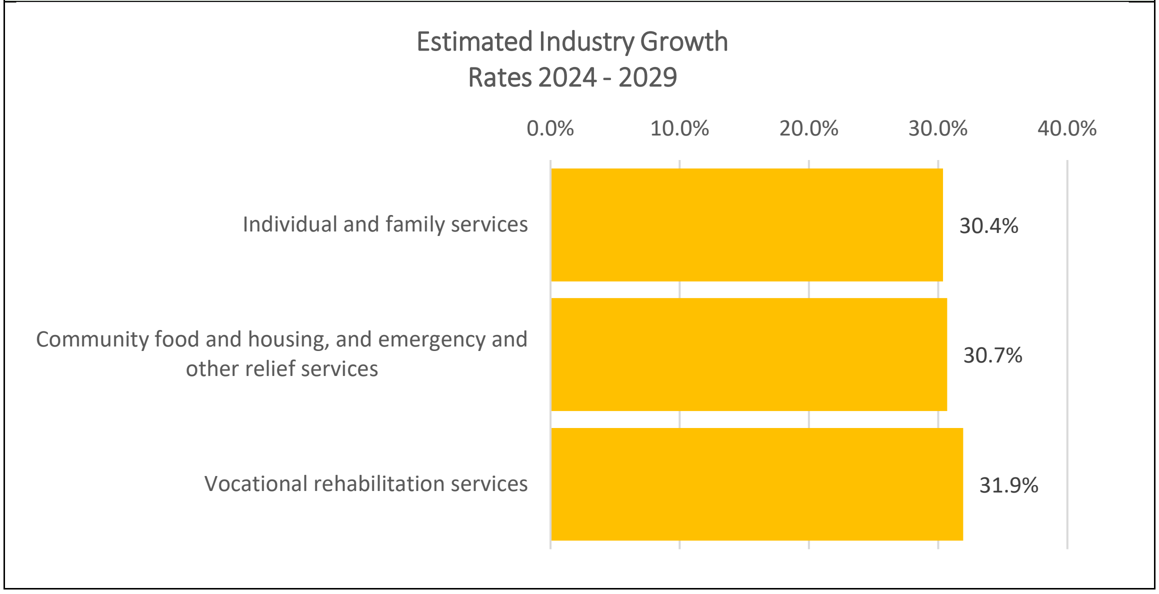
The **3** individual industries that comprise the cluster have projected revenue gains ranging from **31.9%** (Vocational rehabilitation services) to **30.4%** (Individual and family services). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029

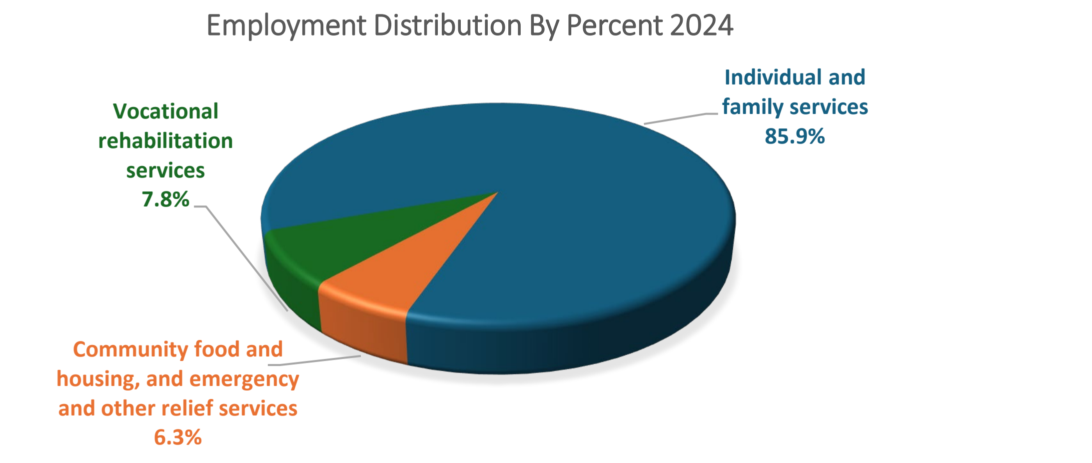


In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

Exhibit 2 – Component Industries Data Aggregation					
Individual and family services			Community food and housing, and emergency and other relief services		
	2024	2029		2024	2029
Revenue ($ billion)	$976.54	$1,273.28	Revenue ($ billion)	$525.16	$686.36
CAGR	5.45%		CAGR	5.50%	
Revenue Gain ($ billion)	$296.74		Revenue Gain ($ billion)	$161.20	
Revenue Gain (percent)	30.4%		Revenue Gain (percent)	30.7%	
Revenue per employee	$314,500		Revenue per employee	$2,303,500	
Typ. Estb. Size (US)	3		Typ. Estb. Size (US)	16	
Vocational rehabilitation services					
	2024	2029			
Revenue ($ billion)	$34.75	$45.85			
CAGR	5.70%				
Revenue Gain ($ billion)	$11.10				
Revenue Gain (percent)	31.9%				
Revenue per employee	$123,400				
Typ. Estb. Size (US)	29				

The distribution of employment in the Community Services Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the Community Services Cluster



For a Florida location, the **8th** place ranking for the Community Services Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for the Community Services Cluster Employment

State	2024 Employment	Rank
California	915,845	1
New York	356,400	2
Pennsylvania	222,080	3
Texas	159,212	4
Illinois	121,650	5
Massachusetts	117,546	6
Washington	115,094	7
Florida	95,723	8
Minnesota	94,652	9
Ohio	90,651	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Community Services Cluster. The Cluster contains the **3** component business areas that have a projected **582** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - Vocational Rehabilitation Services Cluster Employment	
Industry	# of New Jobs
Individual and family services	340
Community food and housing, and emergency and other relief services	100
Vocational rehabilitation services	142
Total	**582**

For exploratory purposes, the Vocational Rehabilitation Services industry has been selected for deeper examination. For this industry category, there is a projected the growth of **142** new jobs.

Vocational Rehabilitation Services

This industry comprises (1) establishments primarily engaged in providing vocational rehabilitation or habilitation services, such as job counseling, job training, and work experience, to unemployed and underemployed persons, persons with disabilities, and persons who have a job market disadvantage because of lack of education, job skill, or experience and (2) establishments primarily engaged in providing training and employment to persons with disabilities. Vocational rehabilitation job training facilities (except schools) and sheltered workshops (i.e., work experience centers) are included in this industry.

Model Operations

The national average size for a Vocational Rehabilitation Services facility is **22** persons, and the State of Florida's is **16** persons. A nominal facility size of **19** persons is selected as a Cape Coral model for this industry. Average productivity output for Vocational Rehabilitation Services is **$123,400** per employee, resulting in an annual sales figure of **$2.349 million**. Total investment per employee is estimated at **$53,400**, as shown in Exhibit 6 (below):

Exhibit 6 – Vocational Rehabilitation Services -- Typical Operations	
Annual Net sales	$2,349,300
Total Employment	19

Avg. hourly Wage	$31.86
Fringe benefits Percentage	35%
Total Payroll	$1,699,900
Facility Footprint sq. ft.	6,700
Employee Occupancy/sf	350
Floor-Area-Ratio	0.39
Facility Construction Cost/sq. ft.	$119
Facility Construction Cost	$800,000
Estimated Equipment Cost (annual carry)	$100,000
Site Acreage	0.4
Land Cost	$116,000
Total Investment	**$1,016,000**

Staffing

Employment distribution among the relevant major occupational groups for the industry is shown in Exhibit 7 (below):

Exhibit 7 – Vocational Rehabilitation Services Facility – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
General and Operations Managers	1	$62.84	$56.48
Business Operations Specialists, All Other	3	$41.40	$36.78
Computer User Support Specialists	1	$28.02	$28.50
Educational, Guidance, and Career Counselors and Advisors	8	$27.37	$30.38
Physician Assistants	1	$58.55	$61.74
Exercise Trainers and Group Fitness Instructors	1	$21.50	$22.28
Bookkeeping, Accounting, and Auditing Clerks	1	$22.98	$22.47
Receptionists and Information Clerks	1	$16.74	$16.98
Office and Administrative Support Workers, All Other	2	$21.17	$21.77
Total	**19**		
Average Hourly Wage		**$31.38**	**$31.86**

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **142** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

Exhibit 8 - Vocational Rehabilitation Services – Occupations Needed	
Occupation	# of new jobs
General and Operations Managers	2
Business Operations Specialists, All Other	19
Computer User Support Specialists	3
Educational, Guidance, and Career Counselors and Advisors	76
Physician Assistants	4
Exercise Trainers and Group Fitness Instructors	11
Bookkeeping, Accounting, and Auditing Clerks	5
Receptionists and Information Clerks	9
Office and Administrative Support Workers, All Other	11
Total Occupations Required	**142**

In the following, the **9** categories of staffing for a Vocational Rehabilitation Services Facility are evaluated for direct hiring capabilities:

General and Operations Managers

In the Cape Coral-Fort Myers MSA, there are currently **6,110** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **425** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Business Operations Specialists, All Other

In the MSA, there are currently **1,310** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **91** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Computer User Support Specialists

In the MSA, there are currently **980** persons employed in this position. Using the U6 factor,

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

it is estimated that there are approximately **68** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Educational, Guidance, and Career Counselors and Advisors

In the MSA, there are currently **450** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **31** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

Physician Assistants

In the MSA, there are currently **210** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **15** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Exercise Trainers and Group Fitness Instructors

In the MSA, there are currently **380** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **26** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Bookkeeping, Accounting, and Auditing Clerks

In the MSA, there are currently **3,370** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **234** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Receptionists and Information Clerks

In the MSA, there are currently **2,290** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **159** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Office and Administrative Support Workers, All Other

In the MSA, there are currently **530** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **37** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, staffing for a Vocational Rehabilitation Services Facility in Cape Coral is projected to be quite achievable. However, the position that exhibits a shortfall is:

- Educational, Guidance, and Career Counselors and Advisors

The economic development and workforce officials in Cape Coral have been alerted to this employment shortfall issue. New initiatives are in development that will increase labor availability in this area.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - Vocational Rehabilitation Services – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$116,000**	**$91**	**$707,000**	**$823,000**	**$658,400**	**$54,700**
Fort Lauderdale	$1,437,000	$566,000	$95	$734,000	$1,300,000	$1,040,000	$81,700
Orlando	$201,000	$79,000	$93	$725,000	$804,000	$643,200	$50,500
Palm Bay	$494,000	$195,000	$99	$762,000	$957,000	$765,600	$60,200
Pompano Beach	$2,057,000	$810,000	$95	$734,000	$1,544,000	$1,235,200	$90,100
Port St. Lucie	$146,000	$58,000	$95	$740,000	$798,000	$638,400	$50,200
West Palm Beach	$975,000	$384,000	$92	$718,000	$1,102,000	$881,600	$69,300

Profitability for a Vocational Rehabilitation Services Facility in Cape Coral is **5.8%** which leads all competition with the exception of Orlando, as shown in Exhibit 10 (below):

Exhibit 10 - Vocational Rehabilitation Services – Competitive Evaluation – Annual Operating Profits							
Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Annual Net sales	**100.0%**	100.0%	100.0%	100.0 %	100.0%	100.0%	100.0%
Payroll (incl. benefits)	**72.4%**	73.9%	70.9%	70.9%	73.9%	71.1%	73.9%
Utilities & Fuels	**7.0%**	8.8%	7.6%	8.8%	8.8%	8.8%	8.8%
Debt Service	**2.3%**	3.5%	2.1%	2.6%	3.8%	2.1%	2.9%
Materials	**2.5%**	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Cost of goods sold	**84.2%**	88.7%	83.2%	84.7%	89.1%	84.5%	88.2%
Annual Gross profit	**15.8%**	11.3%	16.8%	15.3%	10.9%	15.5%	11.8%
Less: Sales exp.	**1.5%**	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
General & Administrative. Overhead	**8.5%**	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
Total Operating expenses	**10.0%**	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Annual Net Profit before taxes	**5.8%**	1.3%	6.8%	5.3%	0.9%	5.5%	1.8%

Summary

The Community Services Cluster illustrates the regional growth of public support services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster is essentially office space users with varying occupancy characteristics. The Community Services industry is flourishing in Florida, partially due to the following advantages:

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Florida's diverse economy and strong workforce support the labor force.

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Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

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Photo credit: Depositphotos

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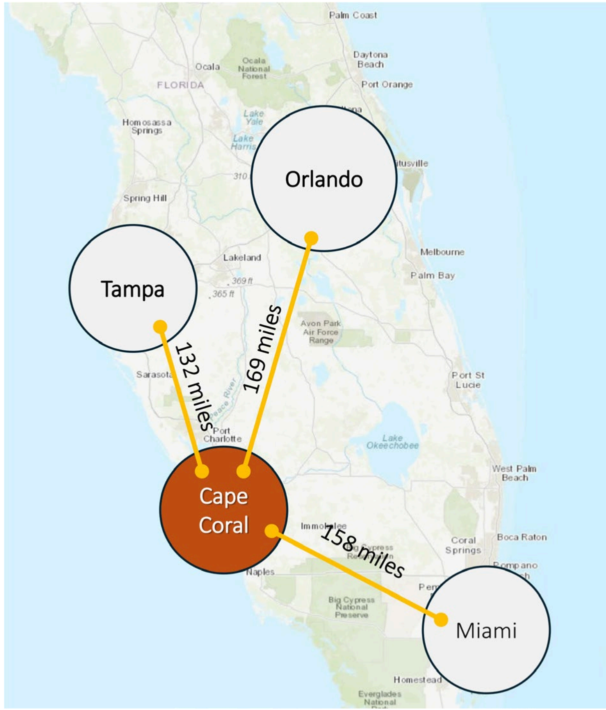

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There are **9** four-year colleges and universities within **50** miles of Cape Coral. In 2022, **9,933** degrees were conferred by the following institutions:

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The five most sought after fields of study are:

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2. Health Professions and Related Programs
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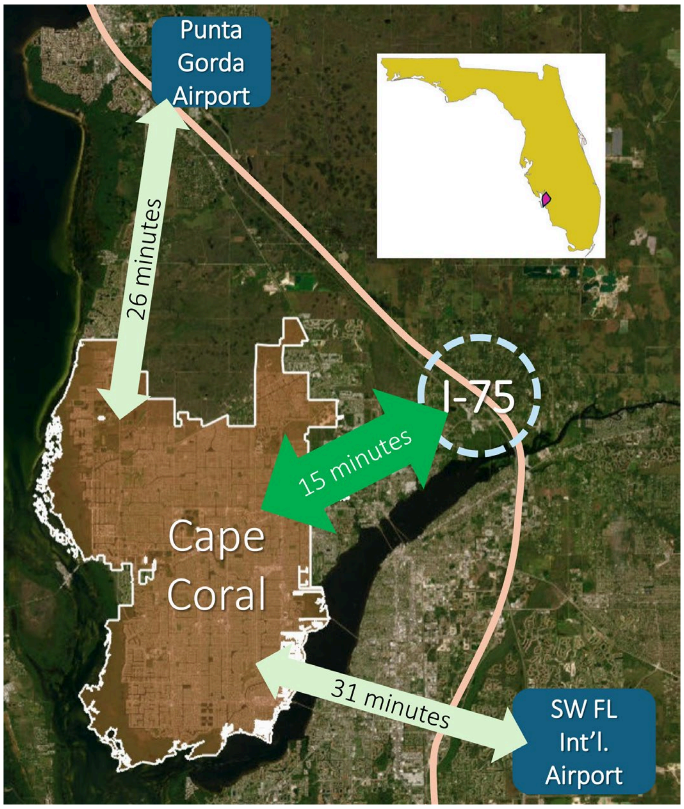
Cape Coral's southwest Florida location can not only cover the total Florida market but a significant portion of the US. Within a 300-mile travel distance (one day truck routing), about **6.1%** of the nation can be reached.

Highway Travel



Interstate 75 (I-75) is within **15 minutes**' drive from Cape Coral. Access to the interstate can be achieved to the eastern direction in North Fort Myers or via one of the bridges through downtown Fort Myers. To the north, access is available in Punta Gorda at a slightly longer travel time.

Air Travel

There are two airports that serve Cape Coral. Southwest Florida International Airport (RSW) is a major facility providing domestic and international flights daily. Travel to RSW is within **31 minutes** from downtown Cape Coral. RSW serves **10.1 million** passengers annually. In 2023, RSW had **87,685** aircraft operations.

Punta Gorda Airport (PGD) in Charlotte County just north of Cape Coral is a regional facility providing domestic flights mainly to the Midwest (Allegiant Air). PGD serves about **1.9 million** passengers per year and had **103,252** aircraft operations in 2023.

Rail Service

Passenger rail service via Amtrak is available in Fort Myers. The system operates **77** daily scheduled trips. Travel from downtown to Fort Myers Station Cape Coral is about **31 minutes**.

Freight rail services are provided by the Seminole Gulf Railway (SGLR). SGLR is a short line freight and passenger excursion railroad headquartered in Fort Myers that operates two former CSX Transportation railroad lines in Southwest Florida.

Bus Service

LeeTran operates bus services in Cape Coral. Currently there are **5** fixed bus routes but expanded services are under development. Looped routes provide transit to and from Fort Myers. The new Ultra On Demand micro-mobility fleet will enhance bus transit capabilities throughout the City.

Lifestyle & Recreational

Cape Coral's riverfront location and unique canal system offer a recreation-oriented lifestyle that has broad-range appeal. Some of the area's tourism advantages are as follows:

- Growing residential population, which can further encourage already existing strong category of visiting friends & family travelers
- Major home rental market for vacationers – over **4,000** homes and **350** private rooms available
- Numerous opportunities to rent a house and boat together, canals enhance rental properties
- Major hotel - Westin Resort at Marina Village – significant anchor for tourism activity
- Favorable location
- Proximity to airports, major highways, and neighboring tourist communities.
- One of safest cities in Florida
- Sports tourism – an already existing, active, and effective government involvement
- Increasingly strong restaurant and food scene
- Water activities – boating, dolphin tours, fishing, kayaking
- Winter warm weather destination
- Major League Baseball Spring Training nearby
- Active events schedule including festivals, parades, and concerts

DCG Corplan
PARTER
Forgey Planning
D-H&Assoc

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INDUSTRY PROSPECTUS

Competitive Advantages for the Consumer Products & Services Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

This cluster illustrates the regional growth of consumer products and services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

December 2024

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TABLE OF EXHIBITS

Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Consumer Products & Services Cluster.

- The Consumer Products & Services Cluster consists of **3** major industry groups and 13 industry sub-components:
  - Automotive services
    - Automobile dealers
    - Automotive equipment rental and leasing
    - Motor vehicle and motor vehicle parts and supplies merchant wholesalers
  - Consumer Products Wholesaling
    - Hardware, and plumbing and heating equip. and supplies merchant wholesalers
    - Household appliances and electrical and electronic goods merchant wholesalers
    - Miscellaneous durable goods merchant wholesalers
    - Professional and commercial equipment and supplies merchant wholesalers
  - Consumer Retail
    - Clothing and clothing accessories retailers
    - Shoe retailers
    - Sporting goods, hobby, and musical instrument retailers
    - Book retailers and news dealers
    - Florists
    - Used merchandise retailers

- Revenue (in current dollars) for the Consumer Products Services Cluster is **$3,140.7 billion**. Growth expectations in the next five years will raise this figure to **$3,615.2 billion**, which is a **2.85%** compound annual growth rate (CAGR), or an overall **15.1%** revenue gain.

- The **13** individual industries that comprise the cluster have projected revenue gains ranging from **37.0%** (Sporting goods, hobby, and musical instrument retailers) to **6.4%** (Professional and commercial equip. and supplies whole.). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in **3rd** place for Consumer Products & Services Cluster employment among the **10** leading US states.

- The Cluster has a projected **1,430** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie
  - West Palm Beach

- As an example of typical Cluster business, a Sports & Recreation Goods & Supplies Merchant Wholesaler of **7** persons in Cape Coral will generate **$7.734 million** in annual revenue.

- Profitability for a Sporting and Recreational Goods & Supplies Merchant Wholesaler in Cape Coral will be **18.3**%, leading all competition.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" retail and warehouse facilities that can capture some of this worker flow.

- With the projected office census of **1,430** new jobs (889 retail, 541 wholesale), it can be expected that at least **311,000 sf** of new retail and **812,000 sf** of new warehouse space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Consumer Products & Services Cluster.

As defined by Harvard University, "a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

The Cluster illustrates the regional growth of consumer products & services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments, capitalizing on untapped labor markets, with good market access to multiple urban centers.

The Cluster consists of **3** major groups covering **13** industry components:

Automotive services

- Automobile dealers
- Automotive equipment rental and leasing
- Motor vehicle and motor vehicle parts and supplies merchant wholesalers

Consumer Products Wholesaling

- Hardware, and plumbing and heating equip. and supplies merchant wholesalers
- Household appliances and electrical and electronic goods merchant wholesalers
- Miscellaneous durable goods merchant wholesalers
- Professional and commercial equipment and supplies merchant wholesalers

Consumer Retail

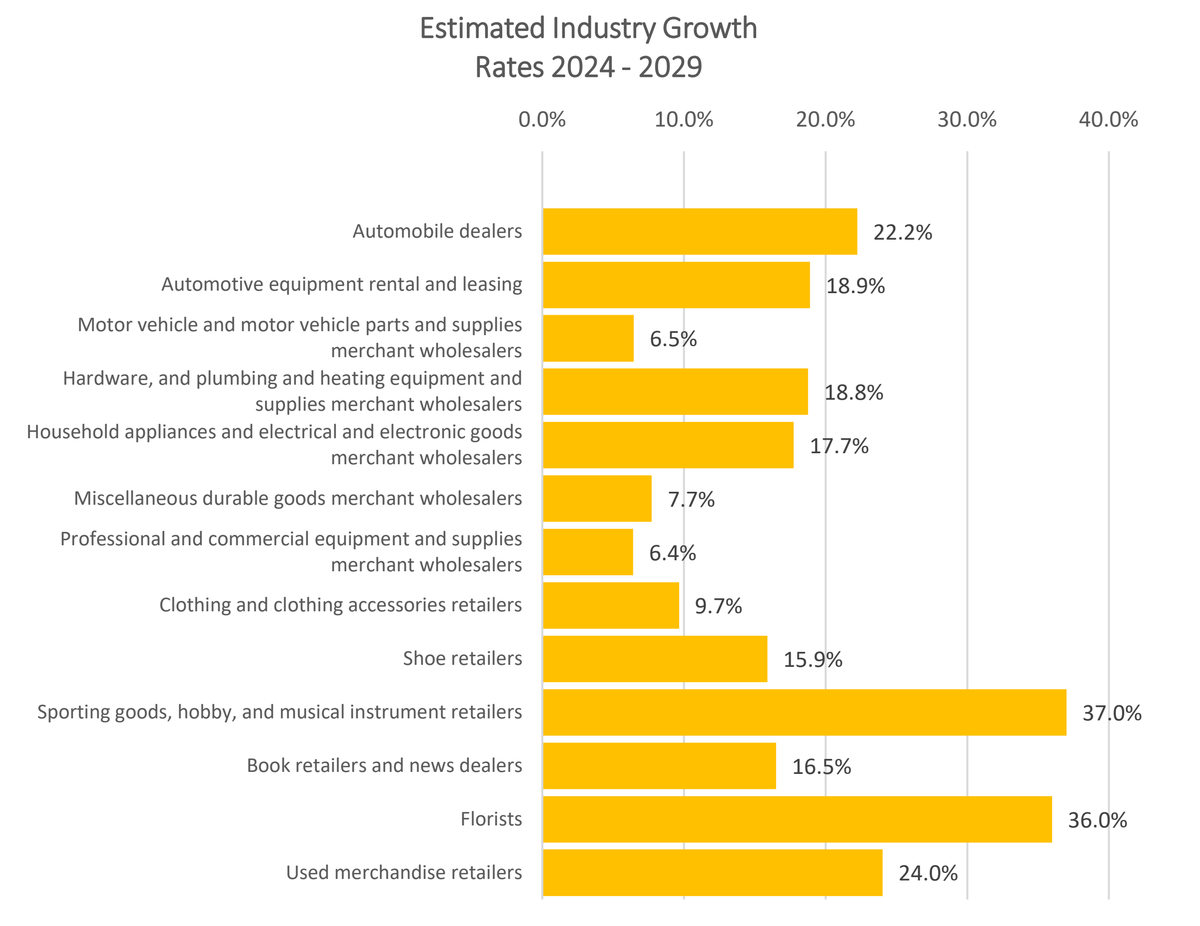
- Clothing and clothing accessories retailers
- Shoe retailers
- Sporting goods, hobby, and musical instrument retailers
- Book retailers and news dealers
- Florists
- Used merchandise retailers

Industries Performances

Revenue (in current dollars) for the Consumer Products & Services Cluster is **$3,140.7 billion**. Growth expectations in the next five years will raise this figure to **$3,615.2 billion**, which is a **2.85%** compound annual growth rate (CAGR), or an overall **15.1%** revenue gain.

The **13** individual industries that comprise the **3** major groups of the cluster have projected revenue gains ranging from **37.0%** (Sporting goods, hobby, and musical instrument retailers) to **6.4%** (Professional and commercial equip. and supplies merchant whole.). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029



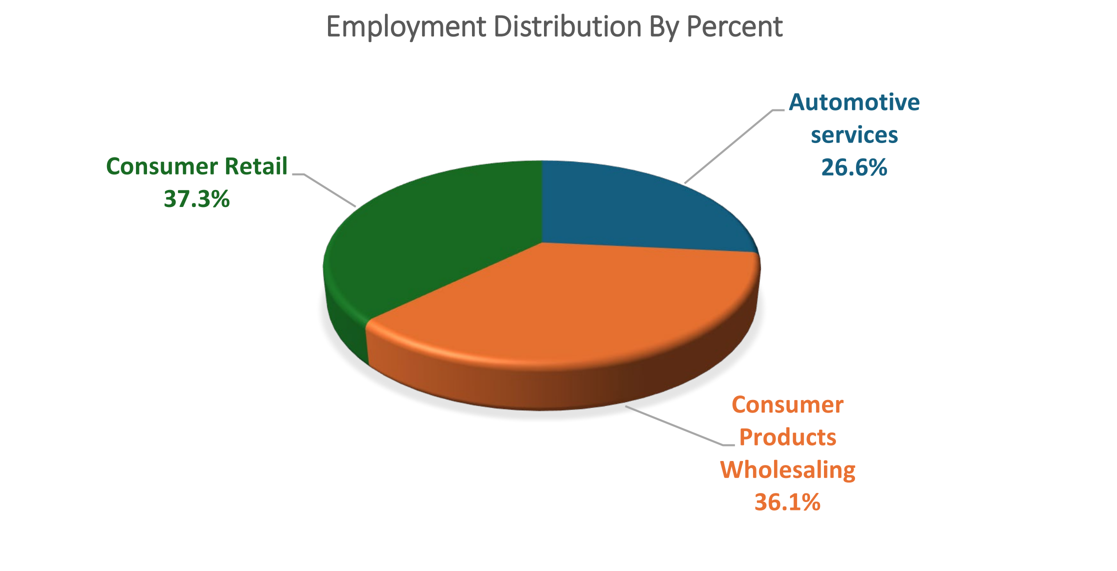
In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

Exhibit 2 – Component Industries Data Aggregation					
Automotive Services					
Automobile dealers			Automotive equipment rental and leasing		
	2024	2029		2024	2029
Revenue ($ billion)	$210.5	$257.3	Revenue ($ billion)	$69.4	$82.5
CAGR	4.10%		CAGR	3.52%	
Revenue Gain ($ billion)	$46.80		Revenue Gain ($ billion)	$13.11	
Revenue Gain (percent)	22.2%		Revenue Gain (percent)	18.9%	
Revenue per employee	$164,688		Revenue per employee	$324,858	
Typ. Estb. Size (US)	27		Typ. Estb. Size (US)	11	
Motor vehicle and motor vehicle parts and supplies merchant wholesalers					
	2024	2029			
Revenue ($ billion)	$823.3	$876.5			
CAGR	1.26%				
Revenue Gain ($ billion)	$53.19				
Revenue Gain (percent)	6.5%				
Revenue per employee	$2,190,770				
Typ. Estb. Size (US)	14				
Consumer Products Wholesaling					
Hardware, and plumbing and heating equipment and supplies merchant wholesalers			Household appliances and electrical and electronic goods merchant wholesalers		
	2024	2029		2024	2029
Revenue ($ billion)	$150.0	$178.2	Revenue ($ billion)	$83.9	$98.8
CAGR	3.50%		CAGR	3.32%	
Revenue Gain ($ billion)	$28.15		Revenue Gain ($ billion)	$14.89	
Revenue Gain (percent)	18.8%		Revenue Gain (percent)	17.7%	
Revenue per employee	$481,970		Revenue per employee	$224,530	
Typ. Estb. Size (US)	11		Typ. Estb. Size (US)	9	
Miscellaneous durable goods merchant wholesalers			Professional and commercial equipment and supplies merchant wholesalers		
	2024	2029		2024	2029
Revenue ($ billion)	$339.0	$365.2	Revenue ($ billion)	$399.5	$425.1
CAGR	1.50%		CAGR	1.25%	
Revenue Gain ($ billion)	$26.20		Revenue Gain ($ billion)	$25.60	
Revenue Gain (percent)	7.7%		Revenue Gain (percent)	6.4%	
Revenue per employee	$1,082,175		Revenue per employee	$538,176	
Typ. Estb. Size (US)	7		Typ. Estb. Size (US)	10	

Consumer Retail					
Clothing and clothing accessories retailers			Shoe retailers		
	2024	2029		2024	2029
Revenue ($ billion)	$358.7	$393.3	Revenue ($ billion)	$95.0	$110.1
CAGR	1.86%		CAGR	2.99%	
Revenue Gain ($ billion)	$34.62		Revenue Gain ($ billion)	$15.09	
Revenue Gain (percent)	9.7%		Revenue Gain (percent)	15.9%	
Revenue per employee	$439,531		Revenue per employee	$564,408	
Typ. Estb. Size (US)	10		Typ. Estb. Size (US)	11	
Sporting goods, hobby, and musical instrument retailers			Book retailers and news dealers		
	2024	2029		2024	2029
Revenue ($ billion)	$505.0	$691.9	Revenue ($ billion)	$23.4	$27.3
CAGR	6.50%		CAGR	3.10%	
Revenue Gain ($ billion)	$186.89		Revenue Gain ($ billion)	$3.86	
Revenue Gain (percent)	37.0%		Revenue Gain (percent)	16.5%	
Revenue per employee	$1,055,560		Revenue per employee	$359,453	
Typ. Estb. Size (US)	10		Typ. Estb. Size (US)	8	
Florists			Book retailers and news dealers		
	2024	2029		2024	2029
Revenue ($ billion)	$8.6	$12.6	Revenue ($ billion)	$30.8	$38.2
CAGR	8.01%		CAGR	4.40%	
Revenue Gain ($ billion)	$4.04		Revenue Gain ($ billion)	$7.40	
Revenue Gain (percent)	47.0%		Revenue Gain (percent)	24.0%	
Revenue per employee	$151,047		Revenue per employee	$147,147	
Typ. Estb. Size (US)	5		Typ. Estb. Size (US)	11	

The distribution of employment in the 3 major groups of the Consumer Products & Services Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the Consumer Products & Services Cluster



For a Florida location, the **3rd** place ranking for Consumer Products & Services Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for Consumer Products & Services Cluster Employment

State	2024 Employment	Rank
California	603,218	1
Texas	541,771	2
Florida	396,744	3
New York	287,191	4
Illinois	213,489	5
Ohio	206,366	6
Pennsylvania	185,477	7
Georgia	179,060	8
North Carolina	177,771	9
New Jersey	171,614	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Consumer Products & Services Cluster. As described earlier, the Cluster contains **3** major groups and **13** component business areas. In total, they have a projected **1,430** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - Consumer Products & Services Cluster Employment	
Industry	# of New Jobs
Automotive services	
Automobile dealers	372
Automotive equipment rental and leasing	49
Motor vehicle and motor vehicle parts and supplies merchant wholesalers	88
Subtotal	**509**
Consumer Products Wholesaling	
Hardware, and plumbing and heating equipment and supplies merchant wholesalers	44
Household appliances and electrical and electronic goods merchant wholesalers	42
Miscellaneous durable goods merchant wholesalers	98
Professional and commercial equipment and supplies merchant wholesalers	269
Subtotal	**453**
Consumer Retail	
Clothing and clothing accessories retailers	80
Shoe retailers	70
Sporting goods, hobby, and musical instrument retailers	147
Book retailers and news dealers	19
Florists	18
Used merchandise retailers	134
Subtotal	**468**
Total	**1,430**

For exploratory purposes, the **Miscellaneous Durable Goods Merchant Wholesalers** industry has been selected for deeper examination. For this industry category, there is a projected growth of **98** new jobs. Within this heading are **5** sub-categories of industries, one of which will be explored in greater detail.

- Sporting and Recreational Goods and Supplies Merchant Wholesalers
- Toy and Hobby Goods and Supplies Merchant Wholesalers
- Recyclable Material Merchant Wholesalers
- Jewelry, Watch, Precious Stone, and Precious Metal Merchant Wholesalers
- Other Miscellaneous Durable Goods Merchant Wholesalers

Sporting and Recreational Goods and Supplies Merchant Wholesalers

This industry comprises establishments primarily engaged in the merchant wholesale distribution of sporting goods and accessories; billiard and pool supplies; sporting firearms and ammunition; and/or marine pleasure craft, equipment, and supplies.

Model Operations

The national average size for a Sports and Recr. G. & S. Merchant Wholesale facility is 8 persons, and the State of Florida's is 6 persons. A nominal facility size of 7 persons is selected as a Cape Coral model for this industry. Average productivity output for Sports and Recr. G. & S. Merchant Wholesale for is **$1,082,200** per employee, resulting in an annual sales figure of $**7.734 million**. Total investment per employee is estimated at **$166,200**. Exhibit 6 (below) shows the operations details:

Exhibit 6 – Typical Sports and Recr. G. & S. Merchant Wholesale Facility Operations	
Annual Net sales	$7,734,300
Total Employment	7
Avg. hourly Wage	$28.94
Fringe benefits Percentage	30%
Total Payroll	$568,900
Facility Footprint sq. ft.	10,700
Employee Occupancy/sf	1,500
Floor-Area-Ratio	0.25
Facility Construction Cost/sq. ft.	$69
Facility Construction Cost	$742,900
Estimated Equipment Cost	$150,000
Site Acreage	1.0
Land Cost	$295,000
Total Investment	**$1,187,900**

Staffing

Employment distribution among the relevant major occupational groups for the industry are shown in Exhibit 7 (below):

Exhibit 7- Sports and Recr. G. & S. Merchant Wholesale – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
Sales Representatives, Wholesale	2	$34.40	$33.41
Laborers and Freight, Stock, and Material Movers, Hand	1	$16.74	$16.72
General and Operations Managers	1	$54.50	$51.54
Stockers and Order Fillers	1	$16.07	$15.46
Heavy and Tractor-Trailer Truck Drivers	1	$23.89	$22.84
Shipping, Receiving, and Inventory Clerks	1	$18.19	$17.93
Total	**7**		
Average Hourly Wage		**$28.31**	**$27.33**

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **98** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

Exhibit 8 - Sports and Recr. G. & S. Merchant Wholesale – Occupations Needed	
Occupation	# of new jobs
Sales Representatives, Wholesale	28
Laborers and Freight, Stock, and Material Movers, Hand	14
General and Operations Managers	14
Stockers and Order Fillers	14
Heavy and Tractor-Trailer Truck Drivers	14
Shipping, Receiving, and Inventory Clerks	14
Total Occupations Required	**98**

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

In the following, the **6** categories of staffing for Sports and Recr. G. & S. Merchant Wholesale are evaluated for direct hiring capabilities:

Sales Representatives, Wholesale
In the Cape Coral-Fort Myers MSA, there are currently **2,320** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **161** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Laborers and Freight, Stock, and Material Movers, Hand
In the MSA, there are currently **3,220** persons employed in this position. It is estimated that there are approximately **224** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

General and Operations Managers
In the MSA, there are currently **6,110** persons employed in this position. It is estimated that there are approximately **425** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Stockers and Order Fillers
In the MSA, there are currently **5,710** persons employed in this position. It is estimated that there are approximately **397** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Heavy and Tractor-Trailer Truck Drivers
In the MSA, there are currently **2,450** persons employed in this position. It is estimated that there are approximately **170** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Shipping, Receiving, and Inventory Clerks
In the MSA, there are currently **1,110** persons employed in this position. It is estimated that there are approximately **77** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, there are no positions that exhibit shortfall for Sporting and Recreational Goods and Supplies Merchant Wholesalers. For a potential Cape Coral location, it can be expected that wholesalers will not experience any significant labor shortages.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - Sports and Recr. G. & S. Merchant Wholesale – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$295,000**	**$60**	**$645,000**	**$1,090,000**	**$872,000**	**$68,500**
Fort Lauderdale	$1,437,000	$1,437,000	$63	$674,000	$2,261,000	$1,808,800	$142,100
Orlando	$201,000	$201,000	$62	$664,000	$1,015,000	$812,000	$63,800
Palm Bay	$494,000	$494,000	$66	$703,000	$1,347,000	$1,077,600	$84,700
Pompano Beach	$2,057,000	$2,057,000	$63	$674,000	$2,881,000	$2,304,800	$181,100
Port St. Lucie	$146,000	$146,000	$61	$656,000	$952,000	$761,600	$59,800
West Palm Beach	$975,000	$975,000	$61	$656,000	$1,781,000	$1,424,800	$112,000

Profitability for Sporting and Recreational Goods & Supplies Merchant Wholesalers in Cape Coral is **18.3%**, leading all competition, as shown in Exhibit 10 (below):

Exhibit 10- Sports and Recr. G. & S. Merchant Wholesale – Competitive Evaluation – Annual Operating Profits							
Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Annual Net sales	**100.0%**	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Payroll (incl. benefits)	**7.4%**	8.0%	7.8%	7.5%	8.0%	7.0%	8.0%
Utilities & Fuels	**14.0%**	17.5%	15.2%	17.5%	17.7%	17.5%	17.5%
Debt Service	**0.9%**	1.8%	0.8%	1.1%	2.3%	0.8%	1.4%
Materials	**22.5%**	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
Cost of goods sold	**44.7%**	49.9%	46.3%	48.7%	50.5%	47.8%	49.5%
Annual Gross profit	**55.3%**	50.1%	53.7%	51.3%	49.5%	52.2%	50.5%
Less: Sales exp.	**15.0%**	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
General & Administrative. Overhead	**22.0%**	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Total Operating expenses	**37.0%**	37.0%	37.0%	37.0%	37.0%	37.0%	37.0%
Annual Net Profit before taxes	**18.3%**	13.1%	16.7%	14.3%	12.5%	15.2%	13.5%

Summary

The Cluster illustrates the regional growth of consumer products and services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster represents a mix of retail and warehouse space users, quite suitable for a Cape Coral location. Some advantages include:

Business-friendly policies

Florida offers a favorable tax and business climate, including no state income tax.

Strong workforce

Florida's diverse economy and strong workforce support the labor force.

Proximity to markets

Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

For Cape Coral, operations such as Sporting and Recreational Goods & Supplies Merchant Wholesalers will be profitable endeavors. The City and the MSA have a dynamic labor supply that is well suited to meet the needs of the Consumer Products & Services Cluster.

Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" retail and warehouse facilities that can capture some of this worker flow.

With the projected office census of **1,430** new jobs (889 retail, 541 wholesale), it can be expected that at least **311,000 sf** of new retail and **812,000 sf** of new warehouse space will be required to meet the Cluster's employment needs.

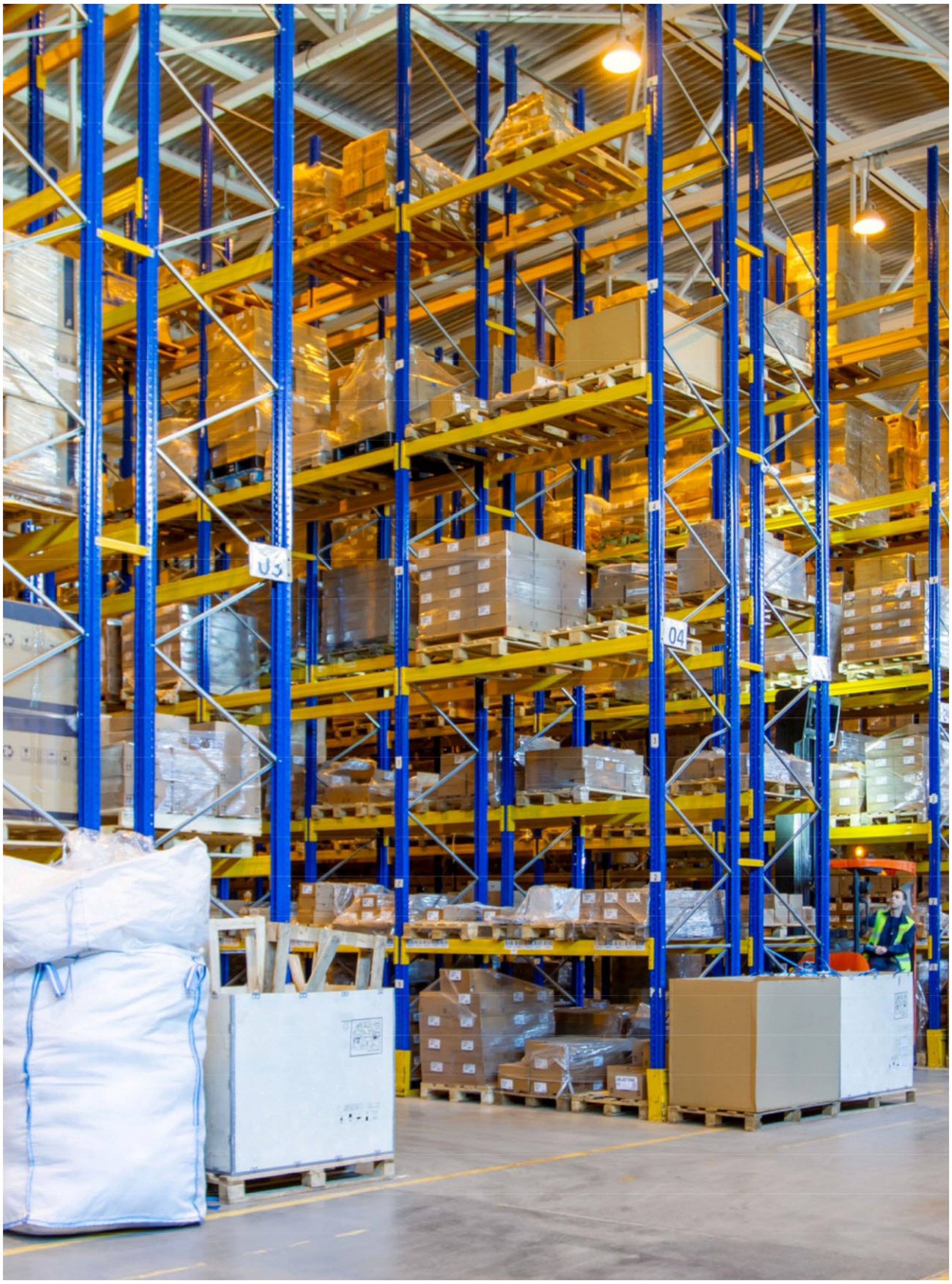
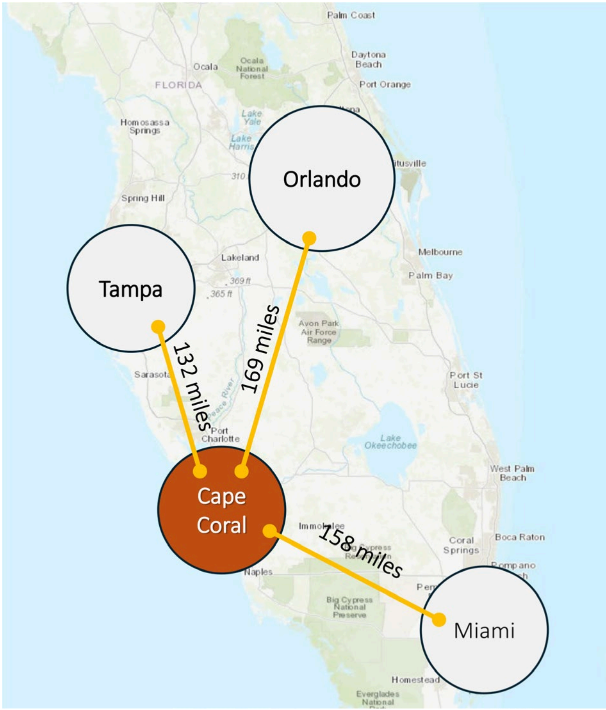


Photo credit: Depositphotos

Competitive Advantages of the City of Cape Coral Location

Cape Coral is in Lee County in Southwest Florida and is the largest population component of the Cape Coral-Fort Myers Metropolitan Statistical Area. The City's location is about an equidistance from the major urban centers of Tampa, Miami, and Orlando.



Originally developed in the late 1950's as a "Waterfront Wonderland", Cape Coral was designed to bring the waterfront dream of home ownership to middle-income Americans. With its over 400 miles of salt and freshwater canals, Cape Coral is a unique community that is redefining its identity beyond being just a suburb of Fort Myers. The City was incorporated in 1970 and maintains a brisk growth pattern despite economic downturns, a pandemic, and severe weather disturbances.

Demographic Advantages

With a current population of approximately **217,000** people, Cape Coral is forecasted to grow to over **375,000** by 2050, representing a nearly **73%** increase. Cape Coral's explosive growth places it among the five fastest growing communities in the nation, measuring more than twice that of the State of Florida.

While more retirees are expected, the City is experiencing a dynamic growth in the working age groups of **25-44 yrs**. By 2029, an overall population gain of about **20,000** new residents will result in **34%** increase in working aged people.

Demographic and market advantages include:

- Growth rate exceeding the State's
- Dynamic growth rate among 25-44 yr. old residents
- Above average number of executive-age workers

- Exemplary rate of English language proficiency
- Above average household size
- Above average median household income
- Above average home ownership rate
- Below average cost of living rate
- Above average good/services industries employment
- Below average services industries hourly wages
- Above average worker mobility patterns
- Below average commercial and industrial electric rates

Higher Education Resources

There are **9** four-year colleges and universities within **50** miles of Cape Coral. In 2022, **9,933** degrees were conferred by the following institutions:

- Florida Gulf Coast University (Fort Myers)
- Florida SouthWestern State College (Fort Myers)
- Southern Technical College (Fort Myers)
- Hodges University (Fort Myers)
- Keiser University-Ft Myers (Fort Myers)
- Rasmussen University-Fort Myers (Fort Myers)
- Ave Maria School of Law (Naples)
- Ave Maria University (Ave Maria)

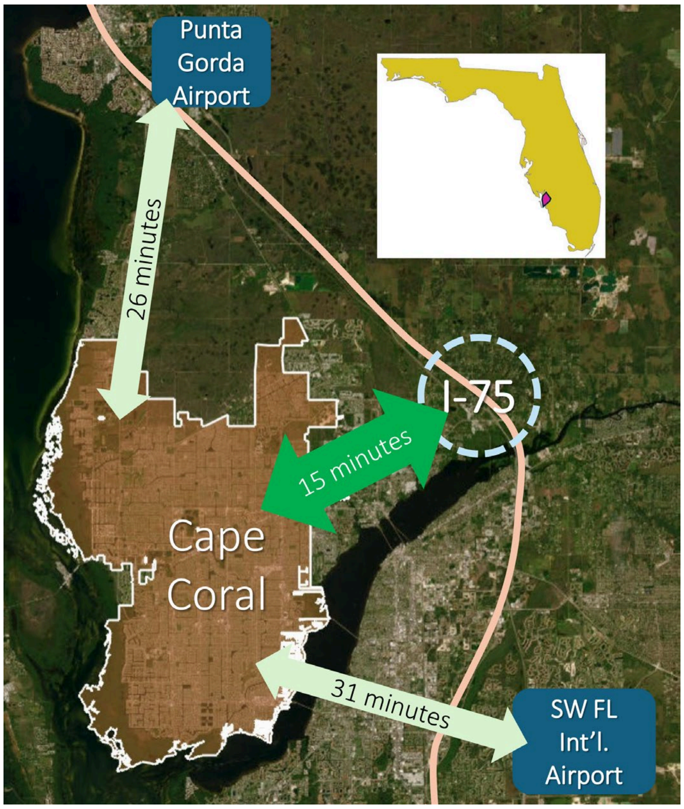
The five most sought after fields of study are:

1. Business, Management, Marketing, and Related Support Services
2. Health Professions and Related Programs
3. Education
4. Multi/Interdisciplinary Studies
5. Psychology

Market Potential

Cape Coral's southwest Florida location can not only cover the total Florida market but a significant portion of the US. Within a 300-mile travel distance (one day truck routing), about **6.1%** of the nation can be reached.

Highway Travel



Interstate 75 (I-75) is within **15 minutes**' drive from Cape Coral. Access to the interstate can be achieved to the eastern direction in North Fort Myers or via one of the bridges through downtown Fort Myers. To the north, access is available in Punta Gorda at a slightly longer travel time.

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There are two airports that serve Cape Coral. Southwest Florida International Airport (RSW) is a major facility providing domestic and international flights daily. Travel to RSW is within **31 minutes** from downtown Cape Coral. RSW serves **10.1 million** passengers annually. In 2023, RSW had **87,685** aircraft operations.

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Lifestyle & Recreational

Cape Coral's riverfront location and unique canal system offer a recreation-oriented lifestyle that has broad-range appeal. Some of the area's tourism advantages are as follows:

- Growing residential population, which can further encourage already existing strong category of visiting friends & family travelers
- Major home rental market for vacationers – over **4,000** homes and **350** private rooms available
- Numerous opportunities to rent a house and boat together, canals enhance rental properties
- Major hotel - Westin Resort at Marina Village – significant anchor for tourism activity
- Favorable location
- Proximity to airports, major highways, and neighboring tourist communities.
- One of safest cities in Florida
- Sports tourism – an already existing, active, and effective government involvement
- Increasingly strong restaurant and food scene
- Water activities – boating, dolphin tours, fishing, kayaking
- Winter warm weather destination
- Major League Baseball Spring Training nearby
- Active events schedule including festivals, parades, and concerts

Contact Information

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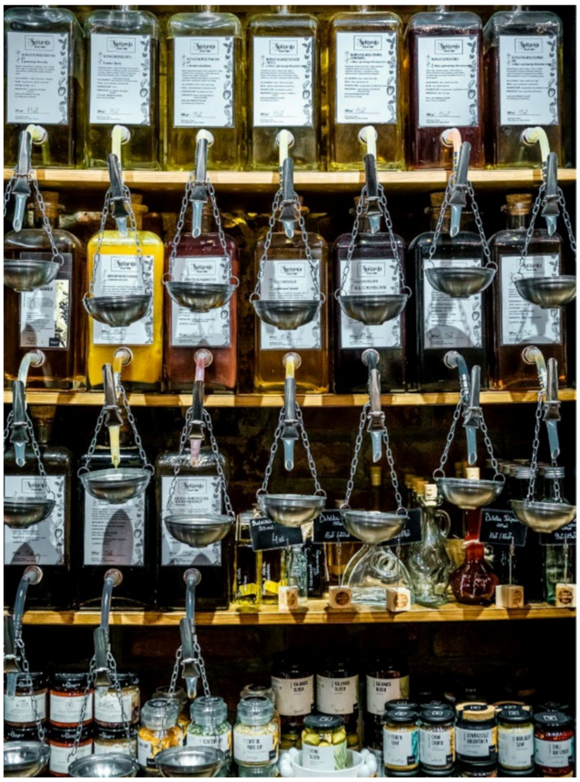
INDUSTRY PROSPECTUS

Competitive Advantages for the Culinary Tourism Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

This cluster illustrates the regional growth of unique food creations and sales that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.



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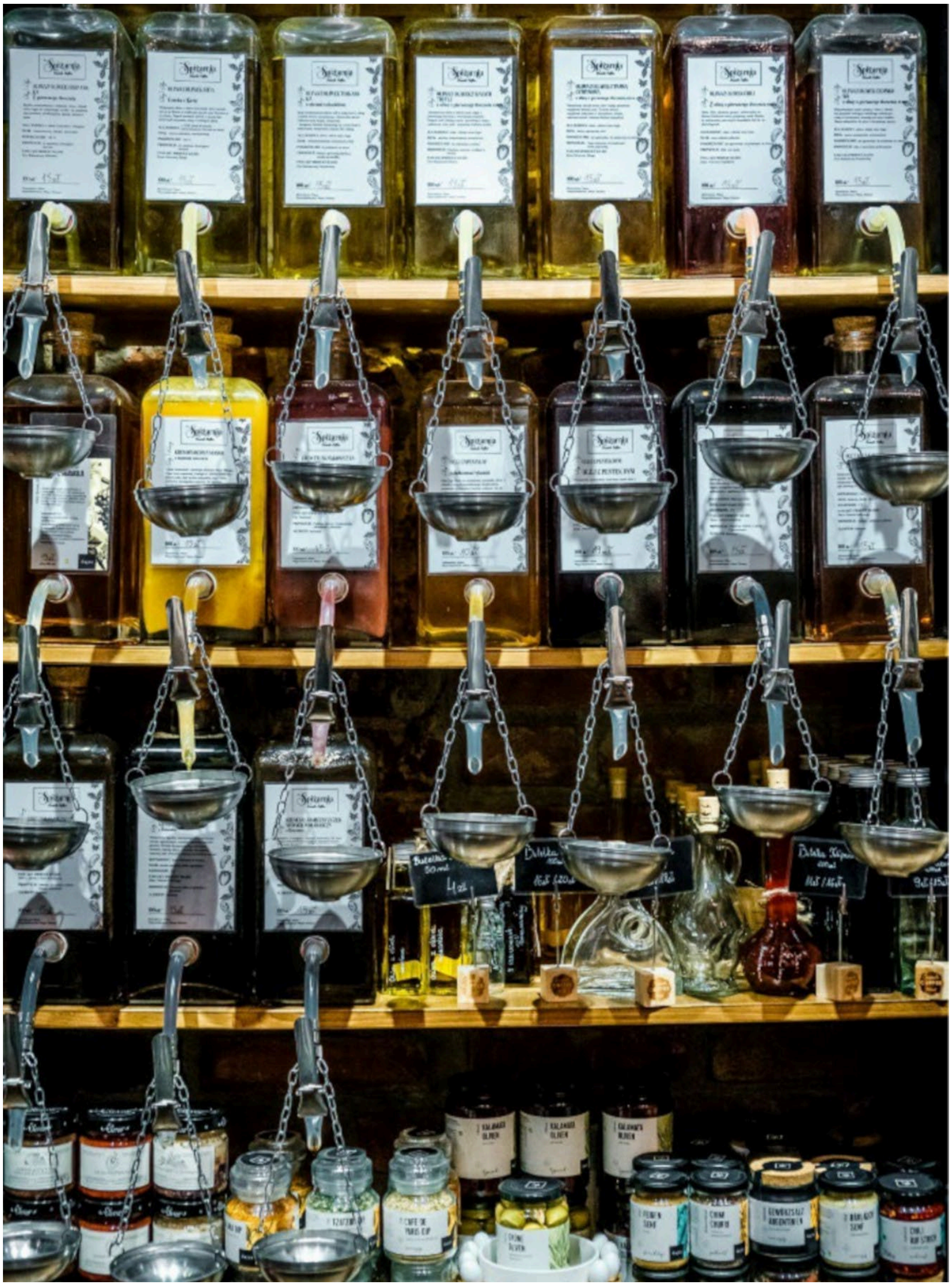


Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Culinary Tourism Cluster.

- The Culinary Tourism Cluster consists of **2** industry components:
  - Specialty Food Retailers
  - Special Food Services

- Revenue (in current dollars) for the Culinary Tourism is **$403.2 billion**. Growth expectations in the next five years will raise this figure to **$523.2 billion**, which is a **5.50%** compound annual growth rate (CAGR), or an overall **29.8%** revenue gain.

- The **2** individual industries that comprise the cluster have projected revenue gains ranging from **30.1%** (Specialty Food Retailers) to **29.4%** (Special Food Services). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in 4th place for Culinary Tourism Cluster employment among the **10** leading US states.

- The Cluster has a projected **492** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie
  - West Palm Beach

- As an example of typical Cluster business, a Food Service Contractors facility of **19** persons in Cape Coral will generate **$4.586 million** in annual revenue.

- Profitability for a Food Service Contractors Facility in Cape Coral is **11.1%** which leads all competition with the exception of Port St. Lucie.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" facilities that can capture some of this worker flow.

- With the projected office census of **492** new jobs, it can be expected that at least **234,000 sf** of flex space and **7,200** of retail space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Culinary Tourism Cluster.

As defined by Harvard University, "a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

This cluster illustrates the regional growth of manufacturing and industrial services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

The Cluster consists of **2** industry components:

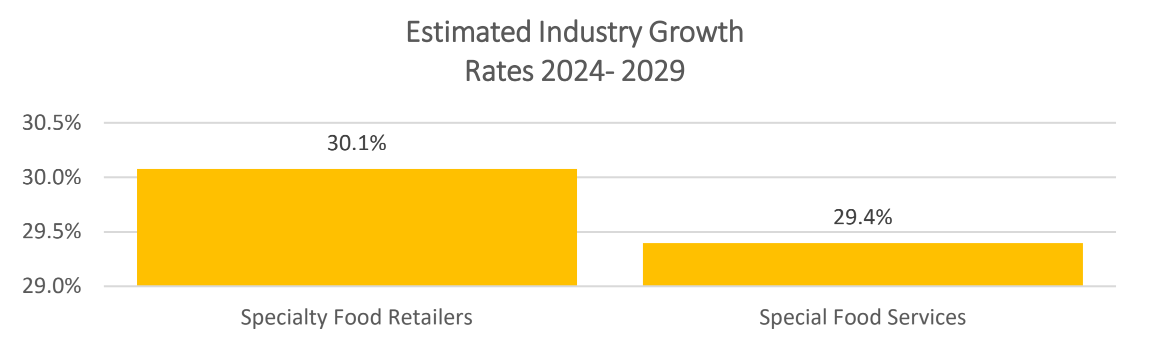
- Specialty Food Retailers
- Special Food Services

Industries Performances

Revenue (in current dollars) for the Culinary Tourism Cluster is **$403.2 billion**. Growth expectations in the next five years will raise this figure to **$523.2 billion**, which is a **5.50%** compound annual growth rate (CAGR), or an overall **29.8%** revenue gain.

The **2** individual industries that comprise the cluster have projected revenue gains ranging from **30.1%** (Specialty Food Retailers) to **29.4%** (Special Food Services). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029

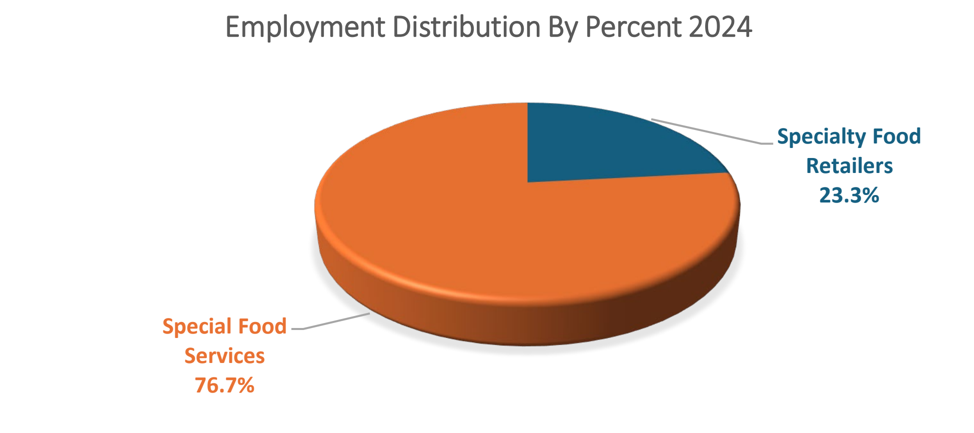


In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

Exhibit 2 – Component Industries Data Aggregation					
Specialty Food Retailers			Special Food Services		
	2024	2029		2024	2029
Revenue ($ billion)	$221.50	$288.12	Revenue ($ billion)	$181.65	$235.05
CAGR	5.40%		CAGR	5.29%	
Revenue Gain ($ billion)	$66.62		Revenue Gain ($ billion)	$53.40	
Revenue Gain (percent)	30.1%		Revenue Gain (percent)	29.4%	
Revenue per employee	$967,500		Revenue per employee	$240,900	
Typ. Estb. Size (US)	8		Typ. Estb. Size (US)	15	

The distribution of employment in the Culinary Tourism Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the Culinary Tourism Cluster



For a Florida location, the **4th** place ranking for the Culinary Tourism Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for the Culinary Tourism Cluster Employment

State	2024 Employment	Rank
California	105,897	1
Texas	81,945	2
New York	81,572	3
Florida	64,308	4
Pennsylvania	46,742	5
Illinois	45,907	6
New Jersey	44,964	7
Michigan	29,322	8
Ohio	28,860	9
Massachusetts	28,389	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Culinary Tourism Cluster. The Cluster contains the **2** component business areas that have a projected **492** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - Culinary Tourism Cluster Employment	
Industry	# of New Jobs
Specialty Food Retailers	24
Special Food Services	468
Total	**492**

For exploratory purposes, the Special Food Services industry has been selected for deeper examination. For this industry category, there is a projected the growth of **492** new jobs. Within this heading are **3** sub-categories of industries one of which will be explored in greater detail.

- Food service contractors
- Caterers
- Food trucks
- Lunch wagons
- Mobile refreshment stands
- Street vendors, food
- Ice cream trucks

Food Service Contractors

This industry comprises establishments primarily engaged in providing food services at institutional, governmental, commercial, or industrial locations of others based on contractual arrangements with these types of organizations for a specified period of time. The establishments of this industry provide food services for the convenience of the contracting organization or the contracting organization's customers. The contractual arrangement of these establishments with contracting organizations may vary by type of facility operated (e.g., cafeteria, restaurant, fast-food eating place), revenue sharing, cost structure, and personnel provided. Management staff is always provided by food service contractors.

Model Operations

The national average size for a Food Service Contractors facility is **22** persons, and the State of Florida's is **16** persons. A nominal facility size of **19** persons is selected as a Cape Coral model for this industry. Average productivity output for Food Service Contractors is **$240,900** per employee, resulting in an annual sales figure of **$4.586 million**. Total investment per employee is estimated at **$45,400**, as shown in Exhibit 6 (below):

Exhibit 6 – Food Service Contractors -- Typical Operations	
Annual Net sales	$4,586,200
Total Employment	19
Avg. hourly Wage	$409.68
Fringe benefits Percentage	30%
Total Payroll	$1,107,800
Facility Footprint sq. ft.	5,700
Employee Occupancy/sf	300
Floor-Area-Ratio	0.37
Facility Construction Cost/sq. ft.	$95
Facility Construction Cost	$543,000
Estimated Equipment Cost (annual carry)	$100,000
Site Acreage	0.5
Land Cost	$221,300
Total Investment	**$864,300**

Staffing

Employment distribution among the relevant major occupational groups for the industry is shown in Exhibit 7 (below):

Exhibit 7 – Food Service Contractors Facility – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
General and Operations Managers	1	$62.84	$56.48
Food Service Managers	1	$34.92	$35.17
Business Operations Specialists, All Other	2	$41.40	$36.78
Cooks, Institution and Cafeteria	6	$16.76	$17.47
Food Processing Workers, All Other	6	$15.75	$16.22
Packers and Packagers, Hand	3	$13.81	$14.11
Total	**19**		
Average Hourly Wage			

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **468** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

Exhibit 8 - Food Service Contractors – Occupations Needed	
Occupation	# of new jobs
General and Operations Managers	25
Food Service Managers	25
Business Operations Specialists, All Other	49
Cooks, Institution and Cafeteria	148
Food Preparation Workers	148
Packers and Packagers, Hand	74
Total Occupations Required	**468**

In the following, the **6** categories of staffing for a Food Service Contractors Facility are evaluated for direct hiring capabilities:

General and Operations Managers
In the Cape Coral-Fort Myers MSA, there are currently **6,110** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **425** applicants

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Food Service Managers

In the MSA, there are currently **620** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **43** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position.

Business Operations Specialists, All Other

In the MSA, there are currently **1,310** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **91** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Cooks, Institution and Cafeteria

In the MSA, there are currently **400** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **28** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

Food Preparation Workers

In the MSA, there are currently **2,080** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **145** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

Packers and Packagers, Hand

In the MSA, there are currently **1,200** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **83** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, staffing for a Food Service Contractors Facility in Cape Coral is projected to be quite achievable. However, the positions that exhibit a shortfall are:

- Cooks, Institution and Cafeteria
- Food Preparation Workers

The economic development and workforce officials in Cape Coral have been alerted to these employment shortfall issues. New initiatives are in development that will increase labor availability in this area.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - Food Service Contractors – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$156,900**	**$95**	**$414,000**	**$570,900**	**$456,700**	**$35,900**
Fort Lauderdale	$1,437,000	$764,500	$99	$428,000	$1,192,500	$954,000	$75,000
Orlando	$201,000	$106,900	$98	$424,000	$530,900	$424,700	$33,400
Palm Bay	$494,000	$262,800	$104	$442,000	$704,800	$563,800	$44,300
Pompano Beach	$2,057,000	$1,094,400	$99	$428,000	$1,522,400	$1,217,900	$95,700
Port St. Lucie	$146,000	$77,700	$95	$414,000	$491,700	$393,400	$30,900
West Palm Beach	$975,000	$518,700	$97	$420,000	$938,700	$751,000	$59,000

Profitability for a Food Service Contractors Facility in Cape Coral is **11.1%** which leads all competition with the exception of Port St. Lucie, as shown in Exhibit 10 (below):

Exhibit 10 - Food Service Contractors – Competitive Evaluation – Annual Operating Profits							
Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Net Sales	**100.0%**	100.0%	100.0%	100.0 %	100.0%	100.0%	100.0%
Payroll	**24.2%**	25.5%	24.2%	24.2%	25.5%	23.1%	25.5%
Utilities & Fuels	**10.0%**	10.0%	11.5%	10.0%	10.0%	10.0%	10.0%
Debt Service	**0.8%**	1.6%	0.7%	1.0%	2.1%	0.7%	1.3%
Materials	**22.0%**	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Cost of goods sold	**56.9%**	59.1%	58.4%	57.2%	59.5%	55.8%	58.8%
Annual Gross profit	**43.1%**	40.9%	41.6%	42.8%	40.5%	44.2%	41.2%
Less: Sales exp.	**12.0%**	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
General & Administrative. Overhead	**20.0%**	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Total Operating expenses	**32.0%**	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%
Annual Net Profit before taxes	**11.1%**	8.9%	9.6%	10.8%	8.5%	12.2%	9.2%

Summary

The Culinary Tourism Cluster illustrates the regional growth of unique food creations and sales that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster is essentially a mix of flex and retail space users. The Culinary Tourism industry is flourishing in Florida, partially due to the following advantages:

Business-friendly policies

Florida offers a favorable tax and business climate, including no state income tax.

Strong workforce

Florida's diverse economy and strong workforce support the labor force.

Proximity to markets

Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

For Cape Coral, operations such as a Food Service Contractors will be profitable endeavors. The City and the MSA have a dynamic labor supply that is well suited to meet the needs of the Culinary Tourism Cluster.

Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" facilities that can capture some of this worker flow.

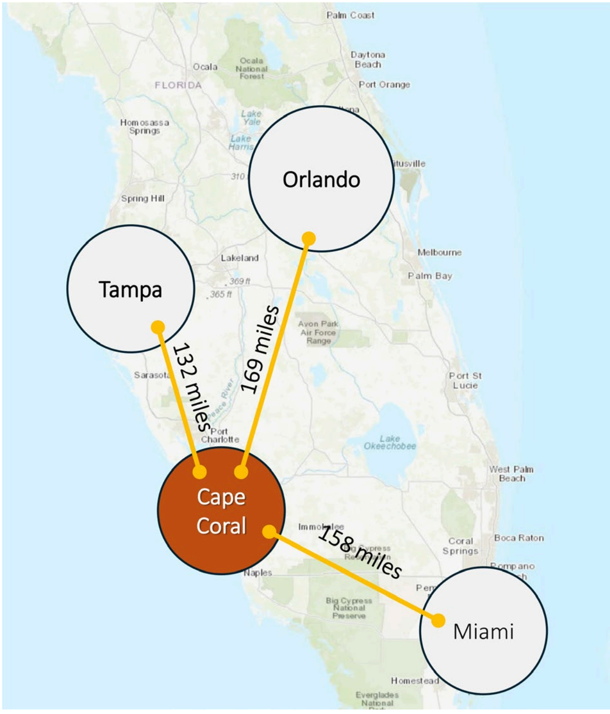
With the projected office census of **492** new jobs, it can be expected that at least **234,000 sf** of flex space and **7,200** of retail space will be required to meet the Cluster's employment needs.

Photo credit: Depositphotos

Competitive Advantages of the City of Cape Coral Location

Cape Coral is in Lee County in Southwest Florida and is the largest population component of the Cape Coral-Fort Myers Metropolitan Statistical Area. The City's location is about an equidistance from the major urban centers of Tampa, Miami, and Orlando.

Originally developed in the late 1950's as a "Waterfront Wonderland", Cape Coral was designed to bring the waterfront dream of home ownership to middle-income Americans. With its over 400 miles of salt and freshwater canals, Cape Coral is a unique community that is redefining its identity beyond being just a suburb of Fort Myers. The City was incorporated in 1970 and maintains a brisk growth pattern despite economic downturns, a pandemic, and severe weather disturbances.



Demographic Advantages

With a current population of approximately **217,000** people, Cape Coral is forecasted to grow to over **375,000** by 2050, representing a nearly **73%** increase. Cape Coral's explosive growth places it among the five fastest growing communities in the nation, measuring more than twice that of the State of Florida.

While more retirees are expected, the City is experiencing a dynamic growth in the working age groups of **25-44 yrs**. By 2029, an overall population gain of about **20,000** new residents will result in **34%** increase in working aged people.

Demographic and market advantages include:

- Growth rate exceeding the State's
- Dynamic growth rate among 25-44 yr. old residents
- Above average number of executive-age workers

- Exemplary rate of English language proficiency
- Above average household size
- Above average median household income
- Above average home ownership rate
- Below average cost of living rate
- Above average good/services industries employment
- Below average services industries hourly wages
- Above average worker mobility patterns
- Below average commercial and industrial electric rates

Higher Education Resources

There are **9** four-year colleges and universities within **50** miles of Cape Coral. In 2022, **9,933** degrees were conferred by the following institutions:

- Florida Gulf Coast University (Fort Myers)
- Florida SouthWestern State College (Fort Myers)
- Southern Technical College (Fort Myers)
- Hodges University (Fort Myers)
- Keiser University-Ft Myers (Fort Myers)
- Rasmussen University-Fort Myers (Fort Myers)
- Ave Maria School of Law (Naples)
- Ave Maria University (Ave Maria)

The five most sought after fields of study are:

1. Business, Management, Marketing, and Related Support Services
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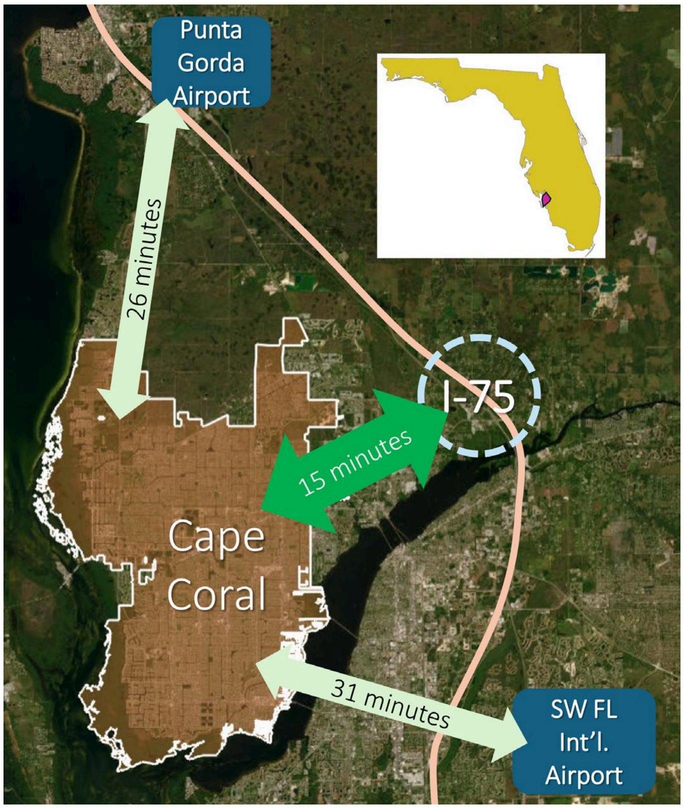

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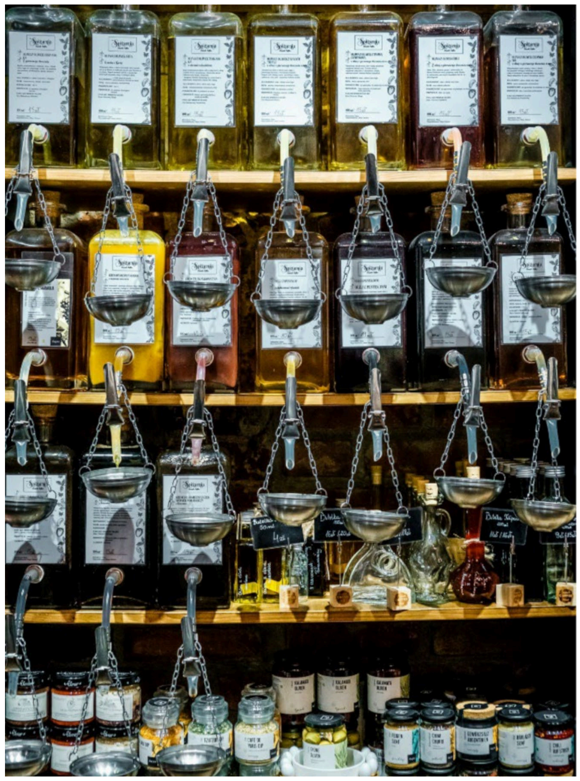

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December 2024

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INDUSTRY PROSPECTUS

Competitive Advantages for the Healthcare & Life Sciences Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

This cluster illustrates the regional growth of healthcare and life sciences that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

December 2024

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PARTER International, Inc. Forgey Planning

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Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Healthcare & Life Sciences Cluster.

- The Healthcare & Life Sciences Cluster consists of **11** industry components:
  - General medical and surgical hospitals
  - Psychiatric and substance abuse hospitals
  - Specialty (except psychiatric and substance abuse) hospitals
  - Home health care services
  - Medical and diagnostic laboratories
  - Offices of dentists
  - Offices of physicians
  - Offices of other health practitioners
  - Other ambulatory health care services
  - Outpatient care centers
  - Scientific research and development services

- Revenue (in current dollars) for the Healthcare & Life Sciences Cluster is **$3,342.3 billion**. Growth expectations in the next five years will raise this figure to **$4,052.0. billion**, which is a **3.93%** compound annual growth rate (CAGR), or an overall **21.2%** revenue gain.

- The **11** individual industries that comprise the cluster have projected revenue gains ranging from **41.6%** (Home health services) to **8.3%** (Psychiatric and substance abuse hospitals). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in **4th** place for Healthcare & Life Sciences Cluster employment among the **10** leading US states.

- The Cluster has a projected **3,087** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale

  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie
  - West Palm Beach

- As an example of typical Cluster business, a Medical Laboratory of **12** persons in Cape Coral will generate **$3.590 million** in annual revenue.

- Profitability for a Medical Laboratory in Cape Coral is **13.7%** which leads all competition.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" facilities that can capture some of this worker flow.

- With the projected office census of **3,087** new jobs, it can be expected that at least **164,000 sf** of office, **15,000 sf** of laboratory, **600,000 sf** of medical, and **215,000 sf** of flex space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Healthcare & Life Sciences Cluster.

As defined by Harvard University, "a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

The Cluster illustrates the regional growth of healthcare and life sciences industries that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments, capitalizing on untapped labor markets, with good market access to multiple urban centers.

The Cluster consists of **11** industry components:

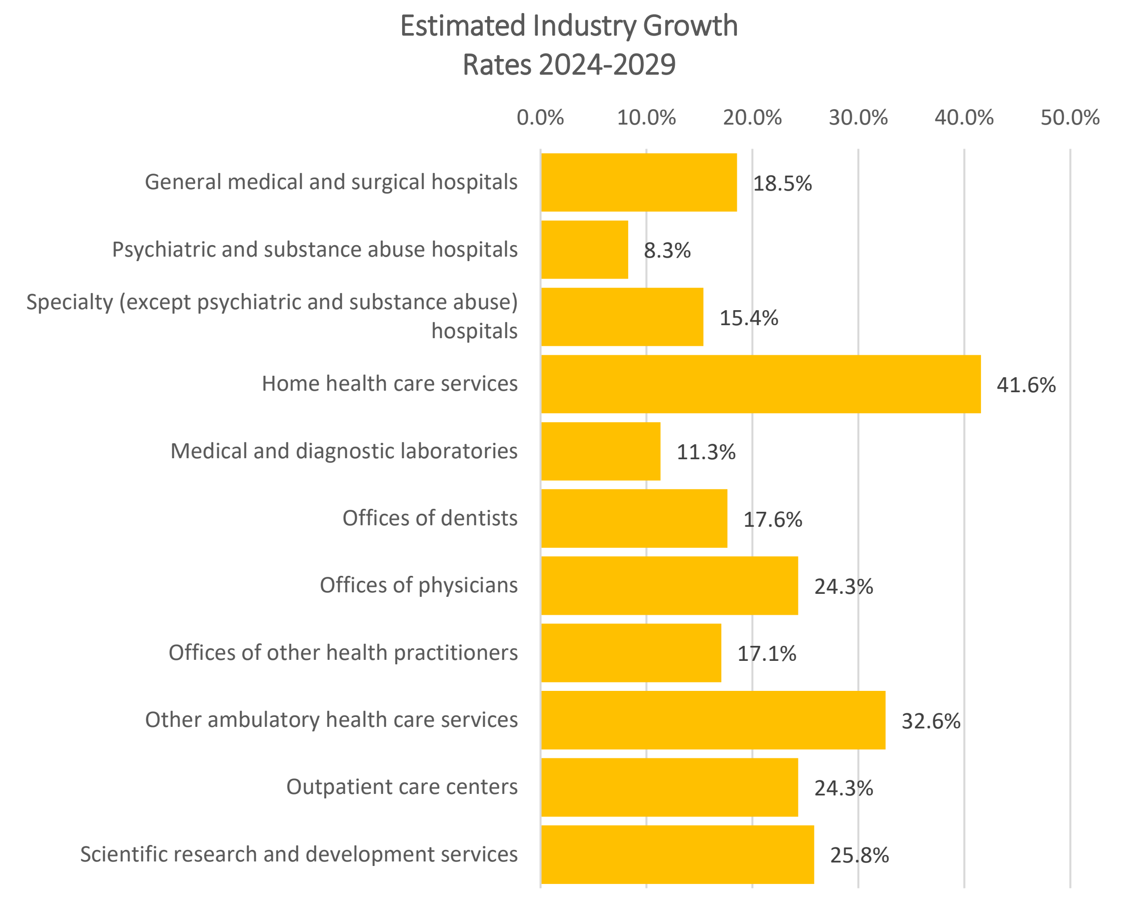
- General medical and surgical hospitals
- Psychiatric and substance abuse hospitals
- Specialty (except psychiatric and substance abuse) hospitals
- Home health care services
- Medical and diagnostic laboratories
- Offices of dentists
- Offices of physicians
- Offices of other health practitioners
- Other ambulatory health care services
- Outpatient care centers
- Scientific research and development services

Industries Performances

Revenue (in current dollars) for the Healthcare & Life Sciences Cluster is **$3,342.3 billion**. Growth expectations in the next five years will raise this figure to **$4,052.0 billion**, which is a **3.9%** compound annual growth rate (CAGR), or an overall **21.2%** revenue gain.

The **11** individual industries that comprise the cluster have projected revenue gains ranging from **54.0%** (Business support services) to **13.9%** (Legal services). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029



In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

Exhibit 2 – Component Industries Data Aggregation					
General medical and surgical hospitals			Psychiatric and substance abuse hospitals		
	2024	2029		2024	2029
Revenue ($ billion)	$1,417.00	$1,679.70	Revenue ($ billion)	$33.90	$36.70
CAGR	3.46%		CAGR	1.60%	
Revenue Gain ($ billion)	$262.70		Revenue Gain ($ billion)	$2.80	
Revenue Gain (percent)	18.5%		Revenue Gain (percent)	8.3%	
Revenue per employee	$282,566		Revenue per employee	$276,662	
Typ. Estb. Size (US)	445		Typ. Estb. Size (US)	82	
Specialty (except psychiatric and substance abuse) hospitals			Home health care services		
	2024	2029		2024	2029
Revenue ($ billion)	$67.50	$77.87	Revenue ($ billion)	$100.95	$142.92
CAGR	2.90%		CAGR	7.20%	
Revenue Gain ($ billion)	$10.37		Revenue Gain ($ billion)	$41.97	
Revenue Gain (percent)	15.4%		Revenue Gain (percent)	41.6%	
Revenue per employee	$263,016		Revenue per employee	$59,524	
Typ. Estb. Size (US)	108		Typ. Estb. Size (US)	33	
Medical and diagnostic laboratories			Offices of dentists		
	2024	2029		2024	2029
Revenue ($ billion)	$95.89	$106.76	Revenue ($ billion)	$197.77	$232.63
CAGR	2.17%		CAGR	3.30%	
Revenue Gain ($ billion)	$10.87		Revenue Gain ($ billion)	$34.86	
Revenue Gain (percent)	11.3%		Revenue Gain (percent)	17.6%	
Revenue per employee	$306,654		Revenue per employee	$192,257	
Typ. Estb. Size (US)	11		Typ. Estb. Size (US)	8	
Offices of physicians			Offices of other health practitioners		
	2024	2029		2024	2029
Revenue ($ billion)	$305.88	$380.27	Revenue ($ billion)	$86.70	$101.49
CAGR	4.45%		CAGR	3.20%	
Revenue Gain ($ billion)	$74.39		Revenue Gain ($ billion)	$14.79	
Revenue Gain (percent)	24.3%		Revenue Gain (percent)	17.1%	
Revenue per employee	$104,654		Revenue per employee	$72,252	
Typ. Estb. Size (US)	12		Typ. Estb. Size (US)	6	

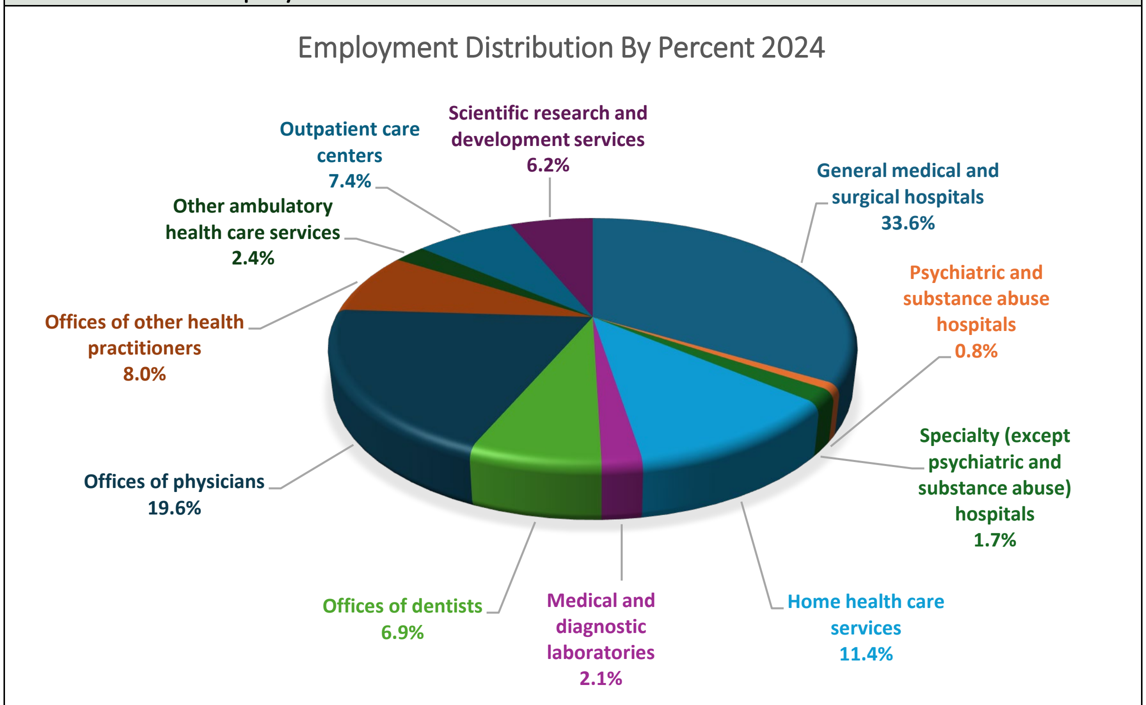
Other ambulatory health care services		
	2024	2029
Revenue ($ billion)	$5.21	$6.91
CAGR	5.80%	
Revenue Gain ($ billion)	$1.70	
Revenue Gain (percent)	32.6%	
Revenue per employee	$14,688	
Typ. Estb. Size (US)	17	

Outpatient care centers		
	2024	2029
Revenue ($ billion)	$740.00	$919.97
CAGR	4.45%	
Revenue Gain ($ billion)	$179.97	
Revenue Gain (percent)	24.3%	
Revenue per employee	$669,595	
Typ. Estb. Size (US)	21	

Scientific research and development services		
	2024	2029
Revenue ($ billion)	$291.50	$366.75
CAGR	4.70%	
Revenue Gain ($ billion)	$75.25	
Revenue Gain (percent)	25.8%	
Revenue per employee	$315,234	
Typ. Estb. Size (US)	16	

The distribution of employment in the Healthcare & Life Sciences Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the Healthcare & Life Sciences Cluster



For a Florida location, the **4th** place ranking for Healthcare & Life Sciences Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for Healthcare & Life Sciences Cluster Employment		
State	2024 Employment	Rank
California	1,636,788	1
Texas	1,254,525	2
New York	1,192,619	3
Florida	988,810	4
Pennsylvania	696,357	5
Ohio	574,727	6
Illinois	555,871	7
Massachusetts	503,658	8
New Jersey	460,810	9
Michigan	452,443	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Healthcare & Life Sciences Cluster. The Cluster contains the **11** component business areas that have a projected **3,087** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - Healthcare & Life Sciences Cluster Employment	
Industry	# of New Jobs
General medical and surgical hospitals	1,515
Psychiatric and substance abuse hospitals	45
Specialty (except psychiatric and substance abuse) hospitals	83
Home health care services	302
Medical and diagnostic laboratories	92
Offices of dentists	22
Offices of physicians	678
Offices of other health practitioners	14
Other ambulatory health care services	106
Outpatient care centers	103

Scientific research and development services	127
Total	**3,087**

For exploratory purposes, the Medical & Diagnostic Laboratories industry has been selected for deeper examination. For this industry category, there is a projected the growth of **92** new jobs. Within this heading are two sub-categories, one of which we will explore in greater detail.

Medical laboratories

- Bacteriological laboratories
- Biological laboratories
- Blood analysis laboratories
- DNA testing laboratories
- Forensic laboratories
- Pathology analysis laboratories
- Toxicology health laboratories
- Urinalysis laboratories

Diagnostic laboratories

- CT-SCAN centers
- Dental X-ray laboratories
- Magnetic resonance imaging
- Mammogram centers
- Medical X-ray laboratories
- Mobile breast imaging centers
- Mobile X-ray facilities
- Radiological laboratories

Medical Laboratories

This U.S. industry comprises establishments known as Blood analysis laboratories primarily engaged in providing analytic or diagnostic services, including body fluid analysis, generally to the medical profession or to the patient on referral from a health practitioner.

Model Operations

The national average size for a Medical Laboratory facility is **11** persons, and the State of Florida's is **12** persons. A nominal facility size of **12** persons is selected as a Cape Coral model for this industry. Average productivity output for Medical Laboratories is **$306,700** per employee, resulting in an annual sales figure of $**3.590 million**. Total investment per employee is estimated at **$323,600**, as shown in Exhibit 6 (below):

Exhibit 6 – Typical Medical Laboratory Operations	
Annual Net sales	$3,590,390
Total Employment	12
Avg. hourly Wage	$32.73
Fringe benefits Percentage	35%
Total Payroll	$1,102,700
Facility Footprint sq. ft.	6,790
Employee Occupancy/sf	580
Floor-Area-Ratio	0.39
Facility Construction Cost/sq. ft.	$357
Facility Construction Cost	$2,427,000
Estimated Furniture, Fixtures & Equipment Cost	$1,214,000
Site Acreage	0.5
Land Cost	$147,500
Total Investment	**$3,788,500**

Staffing

Employment distribution among the relevant major occupational groups for the industry are shown in Exhibit 7 (below):

Exhibit 7 – Medical Laboratories – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
Medical and Health Services Managers	1	$59.65	$59.55
Medical Scientists, Except Epidemiologists	1	$58.64	$56.58
Clinical Laboratory Technologists and Technicians	3	$28.10	$31.98
Diagnostic Medical Sonographers	1	$37.40	$39.29
Radiologic Technologists and Technicians	1	$31.56	$32.54
Phlebotomists	2	$19.08	$19.65
Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	1	$35.11	$30.80
Customer Service Representatives	1	$19.64	$19.27
Medical Secretaries and Administrative Assistants	1	$19.30	$19.43
Total	**12**		
Average Hourly Wage		**$31.98**	**$32.73**

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **92** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

Exhibit 8 - Medical Laboratories – Occupations Needed	
Occupation	# of new jobs
Medical and Health Services Managers	8
Medical Scientists, Except Epidemiologists	8
Clinical Laboratory Technologists and Technicians	22
Diagnostic Medical Sonographers	8
Radiologic Technologists and Technicians	8
Phlebotomists	14
Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	8
Customer Service Representatives	8
Medical Secretaries and Administrative Assistants	8
Total Occupations Required	**92**

In the following, the **9** categories of staffing for Medical Laboratories are evaluated for direct hiring capabilities:

11-9111 - Medical and Health Services Managers
In the Cape Coral-Fort Myers MSA, there are currently **1,000** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **69** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

19-1042 - Medical Scientists, Except Epidemiologists
In MSA, there are currently **40** persons employed in this position. It is estimated that there are approximately **3** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

29-2010 - Clinical Laboratory Technologists and Technicians

In MSA, there are currently **690** persons employed in this position. It is estimated that there are approximately **48** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

29-2032 - Diagnostic Medical Sonographers

In the MSA, there are currently **150** persons employed in this position. It is estimated that there are approximately **10** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

29-2034 - Radiologic Technologists and Technicians

In the MSA, there are currently **500** persons employed in this position. It is estimated that there are approximately **35** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

31-9097 - Phlebotomists

In the s MSA, there are currently **150** persons employed in this position. It is estimated that there are approximately **10** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

41-3091 - Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel

In the MSA, there are currently **3,600** persons employed in this position. It is estimated that there are approximately **250** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

43-4051 - Customer Service Representatives

In the MSA, there are currently **7,320** persons employed in this position. It is estimated that there are approximately **509** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

43-6013 - Medical Secretaries and Administrative Assistants

In the MSA, there are currently **1,950** persons employed in this position. It is estimated that there are approximately **136** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, staffing for a Medical Laboratory in Cape Coral is projected to be quite achievable. However, the positions that exhibit shortfall are:

- Medical Scientists, Except Epidemiologists
- Phlebotomists

The economic development and workforce officials in Cape Coral have been alerted to these employment shortfall issues. New initiatives are in development that will increase labor availability in these two areas.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - Medical Laboratories – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$147,000**	**$119**	**$1,160,000**	**$1,300,000**	**$1,045,600**	**$82,200**
Fort Lauderdale	$295,000	$147,500	$357	$2,427,000	$3,788,500	$3,030,800	$238,100
Orlando	$1,437,000	$718,500	$374	$2,537,000	$4,469,500	$3,575,600	$280,900
Palm Bay	$201,000	$100,500	$368	$2,500,000	$3,814,500	$3,051,600	$239,800
Pompano Beach	$494,000	$247,000	$390	$2,647,000	$4,108,000	$3,286,400	$258,200
Port St. Lucie	$2,057,000	$1,028,500	$374	$2,537,000	$4,779,500	$3,823,600	$300,400
West Palm Beach	$146,000	$73,000	$364	$2,470,000	$3,757,000	$3,005,600	$236,200

Profitability for a Medical Laboratory in Cape Coral is **13.7%** which leads all competition, as shown in Exhibit 10 (below):

Exhibit 10 - Medical Laboratories – Competitive Evaluation – Annual Operating Profits							
Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Annual Net sales	**100.0%**	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Payroll (incl. benefits)	**30.0%**	30.7%	30.6%	28.4%	30.0%	30.6%	28.2%
Utilities & Fuels	**17.2%**	21.6%	18.7%	21.6%	21.7%	21.6%	21.6%
Debt Service	**6.6%**	7.8%	6.7%	7.2%	8.4%	6.6%	7.4%
Materials	**9.0%**	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Cost of goods sold	**62.8%**	69.1%	65.0%	66.2%	69.1%	67.7%	66.2%
Annual Gross profit	**37.2%**	30.9%	35.0%	33.8%	30.9%	32.3%	33.8%
Less: Sales exp.	**8.5%**	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
General & Administrative. Overhead	**15.0%**	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Total Operating expenses	**23.5%**	**23.5%**	**23.5%**	**23.5%**	**23.5%**	**23.5%**	**23.5%**
Annual Net Profit before taxes	**13.7%**	7.4%	11.5%	10.3%	7.4%	8.8%	10.3%

Summary

The Healthcare & Life Sciences Cluster illustrates the regional growth of healthcare and life sciences that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster is essentially a mix of office, laboratory, medical, and flex space users. The Healthcare and Life Sciences industry is flourishing in Florida, partially due to the following advantages:

Business-friendly policies

Florida offers a favorable tax and business climate, including no state income tax.

Strong workforce

Florida's diverse economy and strong workforce support the labor force.

Proximity to markets

Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

For Cape Coral, operations such as Medical Laboratories will be profitable endeavors. The City and the MSA have a dynamic labor supply that is well suited to meet the needs of the Healthcare & Life Services Cluster.

Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" facilities that can capture some of this worker flow.

With the projected office census of **3,087** new jobs, it can be expected that at least **164,000 sf** of office, **15,000 sf** of laboratory, **600,000 sf** of medical, and **215,000 sf** of flex space will be required to meet the Cluster's employment needs.

Photo credit: Depositphotos

Competitive Advantages of the City of Cape Coral Location

Cape Coral is in Lee County in Southwest Florida and is the largest population component of the Cape Coral-Fort Myers Metropolitan Statistical Area. The City's location is about an equidistance from the major urban centers of Tampa, Miami, and Orlando.

Originally developed in the late 1950's as a "Waterfront Wonderland", Cape Coral was designed to bring the waterfront dream of home ownership to middle-income Americans. With its over 400 miles of salt and freshwater canals, Cape Coral is a unique community that is redefining its identity beyond being just a suburb of Fort Myers. The City was incorporated in 1970 and maintains a brisk growth pattern despite economic downturns, a pandemic, and severe weather disturbances.

Demographic Advantages

With a current population of approximately **217,000** people, Cape Coral is forecasted to grow to over **375,000** by 2050, representing a nearly **73%** increase. Cape Coral's explosive growth places it among the five fastest growing communities in the nation, measuring more than twice that of the State of Florida.

While more retirees are expected, the City is experiencing a dynamic growth in the working age groups of **25-44 yrs**. By 2029, an overall population gain of about **20,000** new residents will result in **34%** increase in working aged people.

Demographic and market advantages include:

- Growth rate exceeding the State's
- Dynamic growth rate among 25-44 yr. old residents
- Above average number of executive-age workers

- Exemplary rate of English language proficiency
- Above average household size
- Above average median household income
- Above average home ownership rate
- Below average cost of living rate
- Above average good/services industries employment
- Below average services industries hourly wages
- Above average worker mobility patterns
- Below average commercial and industrial electric rates

Higher Education Resources

There are **9** four-year colleges and universities within **50** miles of Cape Coral. In 2022, **9,933** degrees were conferred by the following institutions:

- Florida Gulf Coast University (Fort Myers)
- Florida SouthWestern State College (Fort Myers)
- Southern Technical College (Fort Myers)
- Hodges University (Fort Myers)
- Keiser University-Ft Myers (Fort Myers)
- Rasmussen University-Fort Myers (Fort Myers)
- Ave Maria School of Law (Naples)
- Ave Maria University (Ave Maria)

The five most sought after fields of study are:

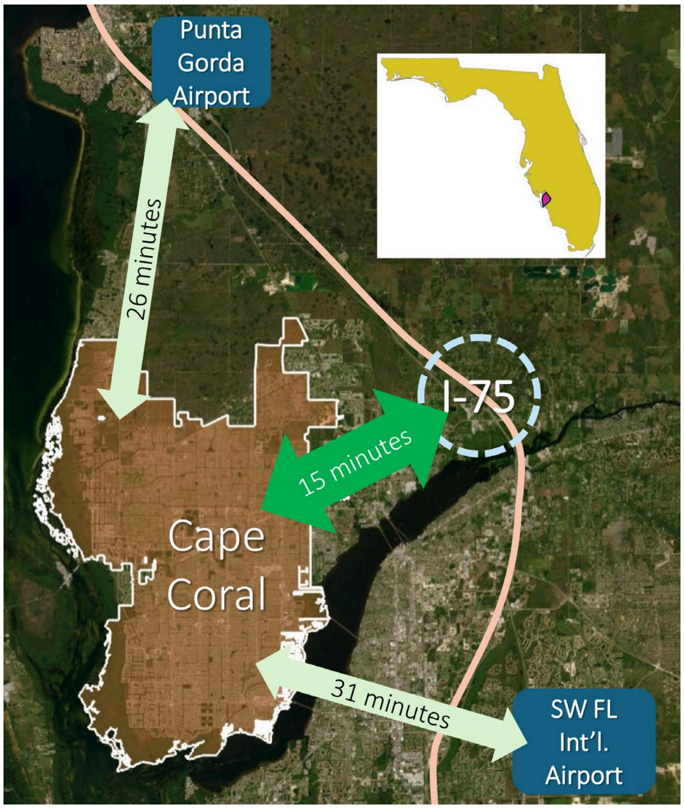
1. Business, Management, Marketing, and Related Support Services
2. Health Professions and Related Programs
3. Education
4. Multi/Interdisciplinary Studies
5. Psychology

Market Potential

Cape Coral's southwest Florida location can not only cover the total Florida market but a significant portion of the US. Within a 300-mile travel distance (one day truck routing), about **6.1%** of the nation can be reached.

Highway Travel

Interstate 75 (I-75) is within **15 minutes**' drive from Cape Coral. Access to the interstate can be achieved to the eastern direction in North Fort Myers or via one of the bridges through downtown Fort Myers. To the north, access is available in Punta Gorda at a slightly longer travel time.



Air Travel

There are two airports that serve Cape Coral. Southwest Florida International Airport (RSW) is a major facility providing domestic and international flights daily. Travel to RSW is within **31 minutes** from downtown Cape Coral. RSW serves **10.1 million** passengers annually. In 2023, RSW had **87,685** aircraft operations.

Punta Gorda Airport (PGD) in Charlotte County just north of Cape Coral is a regional facility providing domestic flights mainly to the Midwest (Allegiant Air). PGD serves about **1.9 million** passengers per year and had **103,252** aircraft operations in 2023.

Rail Service

Passenger rail service via Amtrak is available in Fort Myers. The system operates **77** daily scheduled trips. Travel from downtown to Fort Myers Station Cape Coral is about **31 minutes**.

Freight rail services are provided by the Seminole Gulf Railway (SGLR). SGLR is a short line freight and passenger excursion railroad headquartered in Fort Myers that operates two former CSX Transportation railroad lines in Southwest Florida.

Bus Service

LeeTran operates bus services in Cape Coral. Currently there are **5** fixed bus routes but expanded services are under development. Looped routes provide transit to and from Fort Myers. The new Ultra On Demand micro-mobility fleet will enhance bus transit capabilities throughout the City.

Lifestyle & Recreational

Cape Coral's riverfront location and unique canal system offer a recreation-oriented lifestyle that has broad-range appeal. Some of the area's tourism advantages are as follows:

- Growing residential population, which can further encourage already existing strong category of visiting friends & family travelers
- Major home rental market for vacationers – over **4,000** homes and **350** private rooms available
- Numerous opportunities to rent a house and boat together, canals enhance rental properties
- Major hotel - Westin Resort at Marina Village – significant anchor for tourism activity
- Favorable location
- Proximity to airports, major highways, and neighboring tourist communities.
- One of safest cities in Florida
- Sports tourism – an already existing, active, and effective government involvement
- Increasingly strong restaurant and food scene
- Water activities – boating, dolphin tours, fishing, kayaking
- Winter warm weather destination
- Major League Baseball Spring Training nearby
- Active events schedule including festivals, parades, and concerts

Contact Information

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December 2024

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INDUSTRY PROSPECTUS

Competitive Advantages for the Industrial Services Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

This cluster illustrates the regional growth of manufacturing and industrial services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

December 2024

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TABLE OF EXHIBITS

Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Industrial Services Cluster.

- The Industrial Services Cluster consists of **7** industry components:
  - Coating, engraving, heat treating, and allied activities
  - Machine shops; turned product; and screw, nut, and bolt manufacturing
  - Other fabricated metal product manufacturing
  - Machinery, equipment, and supplies wholesale
  - Metal and mineral (except petroleum) wholesale
  - Fuel dealers
  - Commercial and industrial machinery and equipment repair and maintenance

- Revenue (in current dollars) for the Industrial Services Cluster is **$1,265.0 billion**. Growth expectations in the next five years will raise this figure to **$1,316.9 billion**, which is a **0.81%** compound annual growth rate (CAGR), or an overall **4.1%** revenue gain.

- The **7** individual industries that comprise the cluster have projected revenue gains ranging from **20.5%** (Machine shops; turned product; and screw, nut, and bolt manufacturing) to **0.5%** (Metal and mineral (except petroleum) wholesale). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in **7th** place for Industrial Services Cluster employment among the **10** leading US states.

- The Cluster has a projected **768** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie

- West Palm Beach

- As an example of typical Cluster business, a Plumbing Fixture Fittings & Trim Mfg. Facility of **23** persons in Cape Coral will generate **$17.397 million** in annual revenue.

- Profitability for a Plumbing Fixture Fittings & Trim Mfg. Facility in Cape Coral is **14.8%** which leads all competition with the exception of Port St. Lucie.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" facilities that can capture some of this worker flow.

- With the projected office census of **768 n**ew jobs, it can be expected that at least **197,000 sf** of flex space and **563,000** of warehouse space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Industrial Services Cluster.

As defined by Harvard University, "a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

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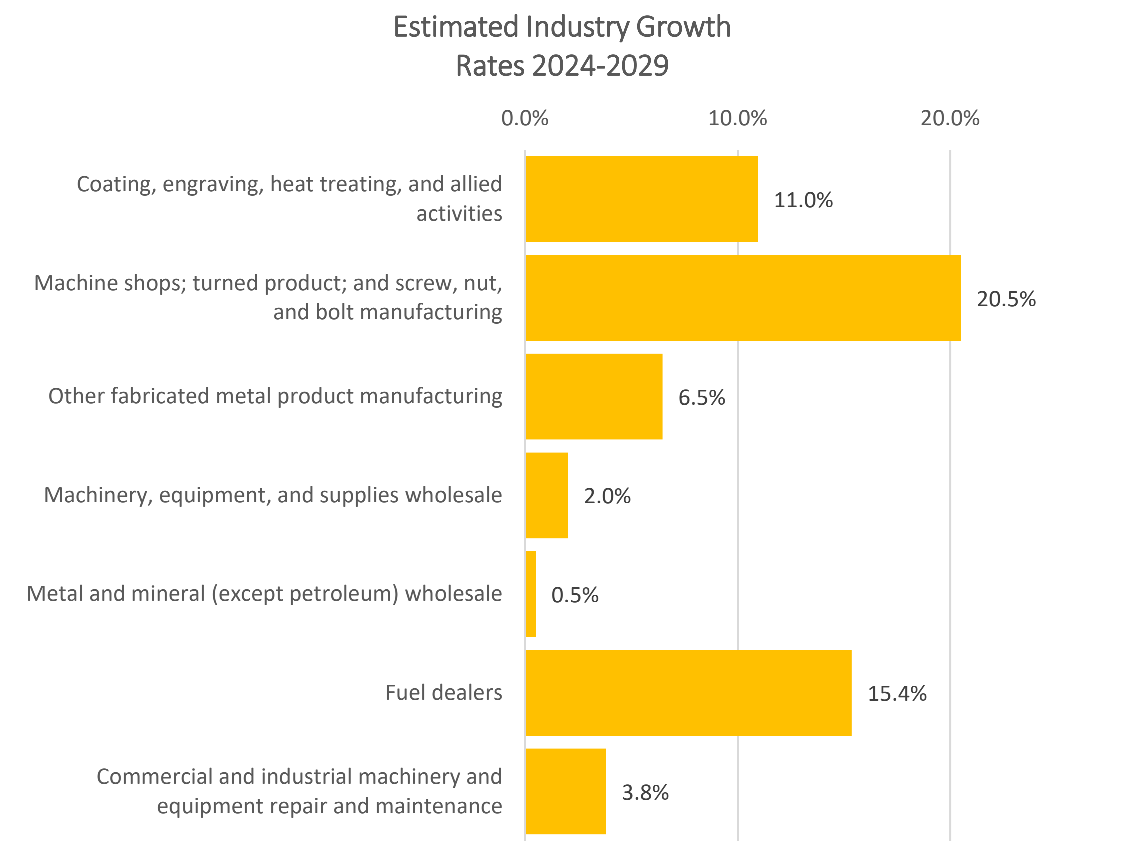
- Machine shops; turned product; and screw, nut, and bolt manufacturing
- Other fabricated metal product manufacturing
- Machinery, equipment, and supplies wholesale
- Metal and mineral (except petroleum) wholesale
- Fuel dealers
- Commercial and industrial machinery and equipment repair and maintenance

Industries Performances

Revenue (in current dollars) for the Industrial Services Cluster is **$1,265.0 billion**. Growth expectations in the next five years will raise this figure to **$1,316.9 billion**, which is a **0.81%** compound annual growth rate (CAGR), or an overall **4.1%** revenue gain.

The **7** individual industries that comprise the cluster have projected revenue gains ranging from **20.5%** (Machine shops; turned product; and screw, nut, and bolt manufacturing) to **0.5%** (Metal and mineral (except petroleum) wholesale). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029

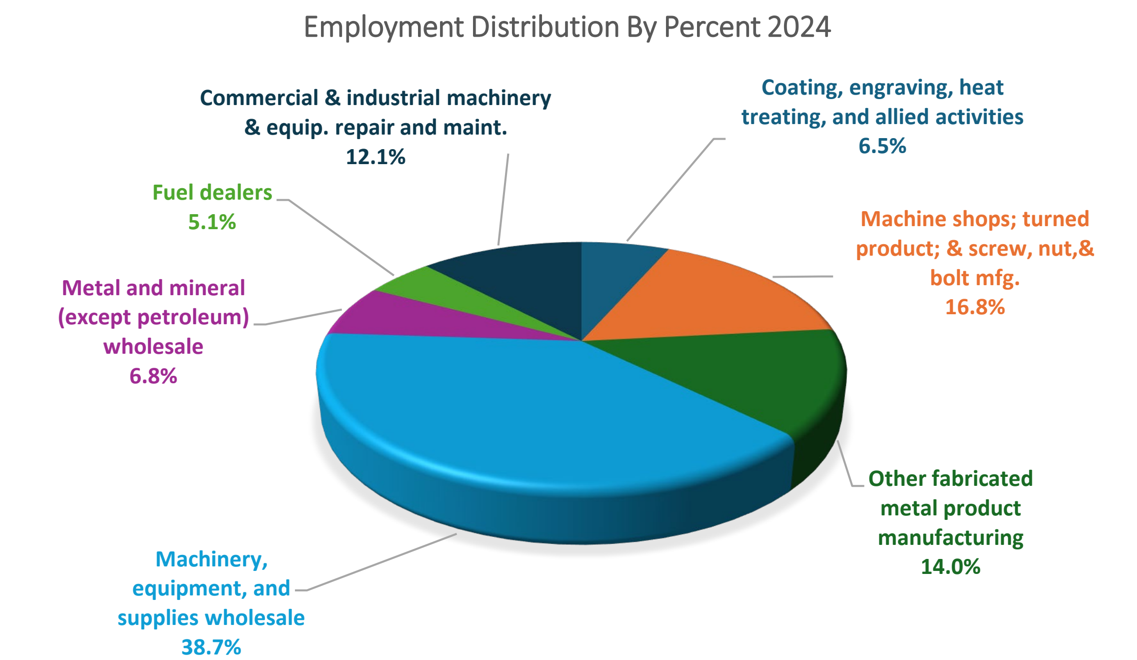


In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

Exhibit 2 – Component Industries Data Aggregation					
Coating, engraving, heat treating, and allied activities			Machine shops; turned product; and screw, nut, and bolt manufacturing		
	2024	2029		2024	2029
Revenue ($ billion)	$25.90	$28.74	Revenue ($ billion)	$31.80	$38.32
CAGR	2.10%		CAGR	3.80%	
Revenue Gain ($ billion)	$2.84		Revenue Gain ($ billion)	$6.52	
Revenue Gain (percent)	11.0%		Revenue Gain (percent)	20.5%	
Revenue per employee	$198,600		Revenue per employee	$94,900	
Typ. Estb. Size (US)	21		Typ. Estb. Size (US)	16	
Other fabricated metal product manufacturing			Machinery, equipment, and supplies wholesale		
	2024	2029		2024	2029
Revenue ($ billion)	$211.30	$224.95	Revenue ($ billion)	$321.00	$327.47
CAGR	1.26%		CAGR	0.40%	
Revenue Gain ($ billion)	$13.65		Revenue Gain ($ billion)	$6.47	
Revenue Gain (percent)	6.5%		Revenue Gain (percent)	2.0%	
Revenue per employee	$756,400		Revenue per employee	$415,800	
Typ. Estb. Size (US)	31		Typ. Estb. Size (US)	10	
Metal and mineral (except petroleum) wholesale			Fuel dealers		
	2024	2029		2024	2029
Revenue ($ billion)	$270.40	$271.75	Revenue ($ billion)	$49.00	$56.53
CAGR	0.10%		CAGR	2.90%	
Revenue Gain ($ billion)	$1.35		Revenue Gain ($ billion)	$7.53	
Revenue Gain (percent)	0.5%		Revenue Gain (percent)	15.4%	
Revenue per employee	$2,008,200		Revenue per employee	$484,000	
Typ. Estb. Size (US)	12		Typ. Estb. Size (US)	12	
Commercial and industrial machinery and equipment repair and maintenance					
	2024	2029			
Revenue ($ billion)	$355.57	$369.11			
CAGR	0.75%				
Revenue Gain ($ billion)	$13.54				
Revenue Gain (percent)	3.8%				
Revenue per employee	$1,474,900				
Typ. Estb. Size (US)	8				

The distribution of employment in the Industrial Services Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the Industrial Services Cluster



For a Florida location, the **7th** place ranking for the Industrial Services Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for the Industrial Services Cluster Employment

State	2024 Employment	Rank
Texas	242,564	1
California	165,795	2
Illinois	119,130	3
Ohio	113,381	4
Michigan	89,440	5
Pennsylvania	80,479	6
Florida	77,209	7
Wisconsin	72,043	8
Indiana	68,454	9
North Carolina	61,122	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Industrial Services Cluster. The Cluster contains the **7** component business areas that have a projected **768** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - the Industrial Services Cluster Employment	
Industry	# of New Jobs
Coating, engraving, heat treating, and allied activities	90
Machine shops; turned product; and screw, nut, and bolt manufacturing	36
Other fabricated metal product manufacturing	105
Machinery, equipment, and supplies wholesale	75
Metal and mineral (except petroleum) wholesale	267
Fuel dealers	33
Commercial and industrial machinery and equipment repair and maintenance	162
Total	**768**

For exploratory purposes, the Other Fabricated Metal Product Manufacturing industry has been selected for deeper examination. For this industry category, there is a projected the growth of **105** new jobs. Within this heading are several sub-categories, one of which we will explore in greater detail.

- Fluid power valves & hoses
- Plumbing fixture fittings & trim mfg.
- Ball & roller bearings
- Ammunition
- Small arms
- Fabricated pipe
- Steel wool

Plumbing Fixture Fittings & Trim Manufacturing

This U.S. industry comprises establishments primarily engaged in manufacturing plumbing fixture fittings and trim of all materials, such as faucets, flush valves, and shower heads.

Model Operations

The national average size for a Plumbing Fixture Fittings & Trim Mfg. facility is 41 persons, and the State of Florida's is 6 persons. A nominal facility size of 23 persons is selected as a Cape Coral model for this industry. Average productivity output for Plumbing Fixture Fittings & Trim Mfg. is **$756,400** per employee, resulting in an annual sales figure of **$17.397 million**. Total investment per employee is estimated at **$57,400**, as shown in Exhibit 6 (below):

Exhibit 6 – Typical Plumbing Fixture Fittings & Trim Mfg. Facility Operations	
Annual Net sales	$17,397,200
Total Employment	23
Avg. hourly Wage	$29.10
Fringe benefits Percentage	30%
Total Payroll	$1,810,000
Facility Footprint sq. ft.	11,500
Employee Occupancy/sf	500
Floor-Area-Ratio	0.37
Facility Construction Cost/sq. ft.	$83
Facility Construction Cost	$949,000
Estimated Equipment Cost (annual carry)	$150,000
Site Acreage	0.75
Land Cost	$221,300
Total Investment	**$1,320,300**

Staffing

Employment distribution among the relevant major occupational groups for the industry is shown in Exhibit 7 (below):

Exhibit 7 – Plumbing Fixture Fittings & Trim Mfg. Facility – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
Industrial Production Managers	1	$58.66	$56.73
General and Operations Managers	1	$62.84	$56.48
Industrial Engineers	1	$52.81	$55.69
Mechanical Engineers	1	$48.08	$45.22
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	1	$36.15	$34.02

Customer Service Representatives	1	$19.64	$19.27
Production, Planning, and Expediting Clerks	1	$25.65	$24.00
Shipping, Receiving, and Inventory Clerks	1	$19.27	$19.05
Office Clerks, General	1	$20.66	$21.00
Industrial Machinery Mechanics	1	$28.16	$28.04
Maintenance and Repair Workers, General	1	$21.14	$21.19
First-Line Supervisors of Production and Operating Workers	1	$31.70	$30.97
Machinists	4	$96.72	$23.48
Welders, Cutters, Solderers, and Brazers	2	$28.76	$29.48
Inspectors, Testers, Sorters, Samplers, and Weighers	1	$47.36	$24.79
Computer Numerically Controlled Tool Operators	1	$23.15	$22.84
Production Workers, All Other	1	$22.55	$26.77
Laborers and Freight, Stock, and Material Movers, Hand	1	$17.92	$17.26
Total	**23**		
Average Hourly Wage		**$29.52**	**$29.10**

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **105** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

Exhibit 8 - Plumbing Fixture Fittings & Trim Mfg. Facility – Occupations Needed	
Occupation	# of new jobs
Industrial Production Managers	5
General and Operations Managers	5
Industrial Engineers	5
Mechanical Engineers	5
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	5
Customer Service Representatives	5
Production, Planning, and Expediting Clerks	5
Shipping, Receiving, and Inventory Clerks	5
Office Clerks, General	5
Industrial Machinery Mechanics	5

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

Maintenance and Repair Workers, General	5
First-Line Supervisors of Production and Operating Workers	5
Machinists	13
Tool and Die Makers	5
Welders, Cutters, Solderers, and Brazers	7
Inspectors, Testers, Sorters, Samplers, and Weighers	5
Computer Numerically Controlled Tool Operators	5
Production Workers, All Other	5
Laborers and Freight, Stock, and Material Movers, Hand	5
Total Occupations Required	**105**

In the following, the **19** categories of staffing for a Plumbing Fixture Fittings & Trim Mfg. Facility are evaluated for direct hiring capabilities:

Industrial Production Managers

In the Cape Coral-Fort Myers MSA, there are currently **200** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **14** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

General and Operations Managers

In the MSA, there are currently **6,110** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **425** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Industrial Engineers

In the MSA, there are currently **200** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **14** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Mechanical Engineers

In the MSA, there are currently **120** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **8** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products

In the MSA, there are currently **2,460** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **171** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Customer Service Representatives

In the MSA, there are currently **7,620** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **529** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Production, Planning, and Expediting Clerks

In the MSA, there are currently **520** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **36** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Shipping, Receiving, and Inventory Clerks

In the MSA, there are currently **1,040** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **72** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Office Clerks, General

In the MSA, there are currently **5,850** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **407** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Industrial Machinery Mechanics

In the MSA, there are currently **340** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **24** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Maintenance and Repair Workers, General

In the MSA, there are currently **3,390** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **236** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

First-Line Supervisors of Production and Operating Workers

In the MSA, there are currently **700** persons employed in this position. Using the U6 factor,

it is estimated that there are approximately **49** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Machinists

In the MSA, there are currently **140** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **10** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Tool and Die Makers

In the MSA, there are currently **0** reported persons employed in this position. Direct hiring outcome is **Problematic** for this position.

Welders, Cutters, Solderers, and Brazers

In the MSA, there are currently **490** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **34** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Inspectors, Testers, Sorters, Samplers, and Weighers

In the MSA, there are currently **270** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **19** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Computer Numerically Controlled Tool Operators

In the MSA, there are currently **110** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **8** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Production Workers, All Other

In the MSA, there are currently **140** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **10** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Laborers and Freight, Stock, and Material Movers, Hand

In the MSA, there are currently **3,810** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **265** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, staffing for a Plumbing Fixture Fittings & Trim Mfg. Facility in Cape Coral is projected to be quite achievable. However, the position that exhibits a shortfall is:

- Tool and Die Makers

The economic development and workforce officials in Cape Coral have been alerted to the employment shortfall issue. New initiatives are in development that will increase labor availability in this area.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - Plumbing Fixture Fittings & Trim Mfg. Facility – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$221,300**	**$83**	**$1,116,000**	**$1,337,300**	**$1,069,800**	**$115,600**
Fort Lauderdale	$1,437,000	$1,077,800	$86	$1,159,000	$2,236,800	$1,789,400	$193,400
Orlando	$201,000	$150,800	$85	$1,145,000	$1,295,800	$1,036,600	$112,000

Palm Bay	$494,000	$370,500	$90	$1,203,000	$1,573,500	$1,258,800	$136,000
Pompano Beach	$2,057,000	$1,542,800	$86	$1,159,000	$2,701,800	$2,161,400	$233,600
Port St. Lucie	$146,000	$109,500	$83	$1,121,000	$1,230,500	$984,400	$106,400
West Palm Beach	$975,000	$731,300	$88	$1,181,000	$1,912,300	$1,529,800	$165,300

Profitability for a Plumbing Fixture Fittings & Trim Mfg. Facility in Cape Coral is **14.4%** which leads all competition with the exception of Port St. Lucie, as shown in Exhibit 10 (below):

Exhibit 10 - Plumbing Fixture Fittings & Trim Mfg. Facility – Competitive Evaluation – Annual Operating Profits

Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Net Sales	**100.0%**	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Payroll	**10.4%**	10.8%	10.5%	10.7%	10.8%	10.1%	10.8%
Utilities & Fuels	**15.0%**	15.0%	17.2%	15.0%	14.9%	15.0%	15.0%
Materials	**35.0%**	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
Debt Service	**0.7%**	1.1%	0.6%	0.8%	1.3%	0.6%	1.0%
Cost of goods sold	**61.1%**	61.9%	63.3%	61.5%	62.1%	60.7%	61.8%
Annual Gross profit	**38.9%**	38.1%	36.7%	38.5%	37.9%	39.3%	38.2%
Less: Sales exp.	**11.0%**	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
General & Administrative. Overhead	**13.5%**	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%
Total Operating expenses	**24.5%**	24.5%	24.5%	24.5%	24.5%	24.5%	24.5%
Annual Net Profit before taxes	**14.4%**	13.6%	12.2%	14.0%	13.4%	14.8%	13.7%

Summary

The Industrial Services Cluster illustrates the regional growth of manufacturing and industrial services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster is essentially a mix of flex and warehouse space users. The Industrial Services industry is flourishing in Florida, partially due to the following advantages:

Business-friendly policies

Florida offers a favorable tax and business climate, including no state income tax.

Strong workforce

Florida's diverse economy and strong workforce support the labor force.

Proximity to markets

Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

For Cape Coral, operations such as Plumbing Fixture Fittings & Trim Mfg. will be profitable endeavors. The City and the MSA have a dynamic labor supply that is well suited to meet the needs of the Industrial Services Cluster.

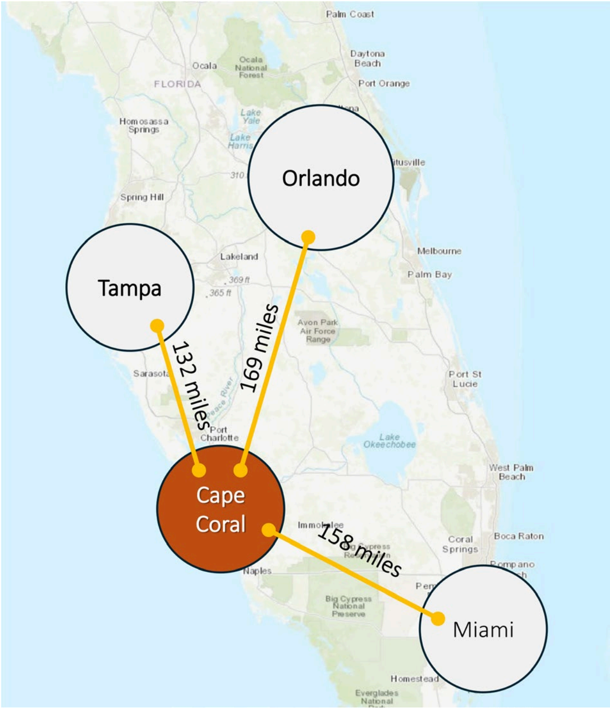
Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" industrial facilities that can capture some of this worker flow.

With the projected office census of **768** new jobs, it can be expected that at least **197,000 sf** of flex space and **563,000** of warehouse space will be required to meet the Cluster's employment needs.

Photo credit: Depositphotos

Competitive Advantages of the City of Cape Coral Location

Cape Coral is in Lee County in Southwest Florida and is the largest population component of the Cape Coral-Fort Myers Metropolitan Statistical Area. The City's location is about an equidistance from the major urban centers of Tampa, Miami, and Orlando.



Originally developed in the late 1950's as a "Waterfront Wonderland", Cape Coral was designed to bring the waterfront dream of home ownership to middle-income Americans. With its over 400 miles of salt and freshwater canals, Cape Coral is a unique community that is redefining its identity beyond being just a suburb of Fort Myers. The City was incorporated in 1970 and maintains a brisk growth pattern despite economic downturns, a pandemic, and severe weather disturbances.

Demographic Advantages

With a current population of approximately **217,000** people, Cape Coral is forecasted to grow to over **375,000** by 2050, representing a nearly **73%** increase. Cape Coral's explosive growth places it among the five fastest growing communities in the nation, measuring more than twice that of the State of Florida.

While more retirees are expected, the City is experiencing a dynamic growth in the working age groups of **25-44 yrs**. By 2029, an overall population gain of about **20,000** new residents will result in **34%** increase in working aged people.

Demographic and market advantages include:

- Growth rate exceeding the State's
- Dynamic growth rate among 25-44 yr. old residents
- Above average number of executive-age workers

- Exemplary rate of English language proficiency
- Above average household size
- Above average median household income
- Above average home ownership rate
- Below average cost of living rate
- Above average good/services industries employment
- Below average services industries hourly wages
- Above average worker mobility patterns
- Below average commercial and industrial electric rates

Higher Education Resources

There are **9** four-year colleges and universities within **50** miles of Cape Coral. In 2022, **9,933** degrees were conferred by the following institutions:

- Florida Gulf Coast University (Fort Myers)
- Florida SouthWestern State College (Fort Myers)
- Southern Technical College (Fort Myers)
- Hodges University (Fort Myers)
- Keiser University-Ft Myers (Fort Myers)
- Rasmussen University-Fort Myers (Fort Myers)
- Ave Maria School of Law (Naples)
- Ave Maria University (Ave Maria)

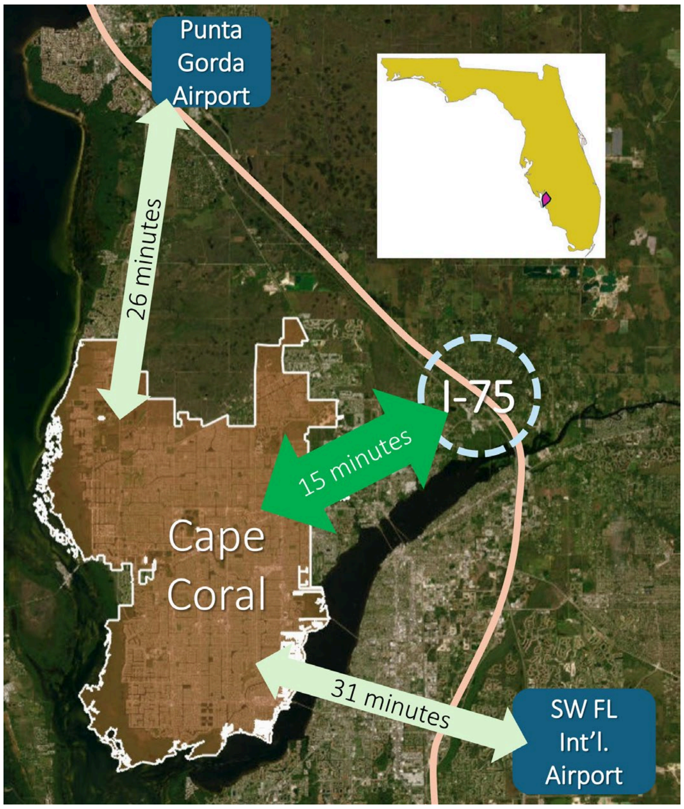
The five most sought after fields of study are:

1. Business, Management, Marketing, and Related Support Services
2. Health Professions and Related Programs
3. Education
4. Multi/Interdisciplinary Studies
5. Psychology

Market Potential

Cape Coral's southwest Florida location can not only cover the total Florida market but a significant portion of the US. Within a 300-mile travel distance (one day truck routing), about **6.1%** of the nation can be reached.

Highway Travel



Interstate 75 (I-75) is within **15 minutes**' drive from Cape Coral. Access to the interstate can be achieved to the eastern direction in North Fort Myers or via one of the bridges through downtown Fort Myers. To the north, access is available in Punta Gorda at a slightly longer travel time.

Air Travel

There are two airports that serve Cape Coral. Southwest Florida International Airport (RSW) is a major facility providing domestic and international flights daily. Travel to RSW is within **31 minutes** from downtown Cape Coral. RSW serves **10.1 million** passengers annually. In 2023, RSW had **87,685** aircraft operations.

Punta Gorda Airport (PGD) in Charlotte County just north of Cape Coral is a regional facility providing domestic flights mainly to the Midwest (Allegiant Air). PGD serves about **1.9 million** passengers per year and had **103,252** aircraft operations in 2023.

Rail Service

Passenger rail service via Amtrak is available in Fort Myers. The system operates **77** daily scheduled trips. Travel from downtown to Fort Myers Station Cape Coral is about **31 minutes**.

Freight rail services are provided by the Seminole Gulf Railway (SGLR). SGLR is a short line freight and passenger excursion railroad headquartered in Fort Myers that operates two former CSX Transportation railroad lines in Southwest Florida.

Bus Service

LeeTran operates bus services in Cape Coral. Currently there are **5** fixed bus routes but expanded services are under development. Looped routes provide transit to and from Fort Myers. The new Ultra On Demand micro-mobility fleet will enhance bus transit capabilities throughout the City.

Lifestyle & Recreational

Cape Coral's riverfront location and unique canal system offer a recreation-oriented lifestyle that has broad-range appeal. Some of the area's tourism advantages are as follows:

- Growing residential population, which can further encourage already existing strong category of visiting friends & family travelers
- Major home rental market for vacationers – over **4,000** homes and **350** private rooms available
- Numerous opportunities to rent a house and boat together, canals enhance rental properties
- Major hotel - Westin Resort at Marina Village – significant anchor for tourism activity
- Favorable location
- Proximity to airports, major highways, and neighboring tourist communities.
- One of safest cities in Florida
- Sports tourism – an already existing, active, and effective government involvement
- Increasingly strong restaurant and food scene
- Water activities – boating, dolphin tours, fishing, kayaking
- Winter warm weather destination
- Major League Baseball Spring Training nearby
- Active events schedule including festivals, parades, and concerts

Contact Information

City of Cape Coral
Office of Economic & Business Development

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Competitive Advantages for the IT & Media Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

This cluster illustrates the regional growth of information technology and media services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

December 2024

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TABLE OF EXHIBITS

Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the IT & Media Cluster.

- The IT & Media Cluster consists of **10** industry components:
    - Motion picture and video industries
    - Sound recording industries
    - Software publishers
    - Radio and television broadcasting stations
    - Media streaming distribution services, social networks, and other media networks and content providers
    - Satellite telecommunications
    - All other telecommunications
    - Computer systems design and related services
    - Advertising, public relations, and related services
    - Electronic and precision equipment repair and maintenance

- Revenue (in current dollars) for the IT & Media Cluster is **$1,886.8 billion**. Growth expectations in the next five years will raise this figure to **$2,540.6 billion**, which is a **5.50%** compound annual growth rate (CAGR), or an overall **34.7%** revenue gain.

- The **10** individual industries that comprise the cluster have projected revenue gains ranging from **96.8%** (Satellite telecommunications) to **9.5%** (Media streaming distribution services, social networks, and other media networks and content providers). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in **4th** place for IT & Media Cluster employment among the **10** leading US states.

- The Cluster has a projected **770** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie
  - West Palm Beach

- As an example of typical Cluster business, a Media Streaming, Social Networks & Other Content Providers facility of **11** persons in Cape Coral will generate **$2.744 million** in annual revenue.

- Profitability for a Media Streaming, Social Networks & Other Content Providers in Cape Coral is **13.6%** which leads all competition.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" facilities that can capture some of this worker flow.

- With the projected office census of **770** new jobs, it can be expected that at least **41,000 sf** of office space and **170,000** of flex space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the IT & Media Cluster.

As defined by Harvard University, "a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

This cluster illustrates the regional growth of information technology and media services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

The Cluster consists of **10** industry components:

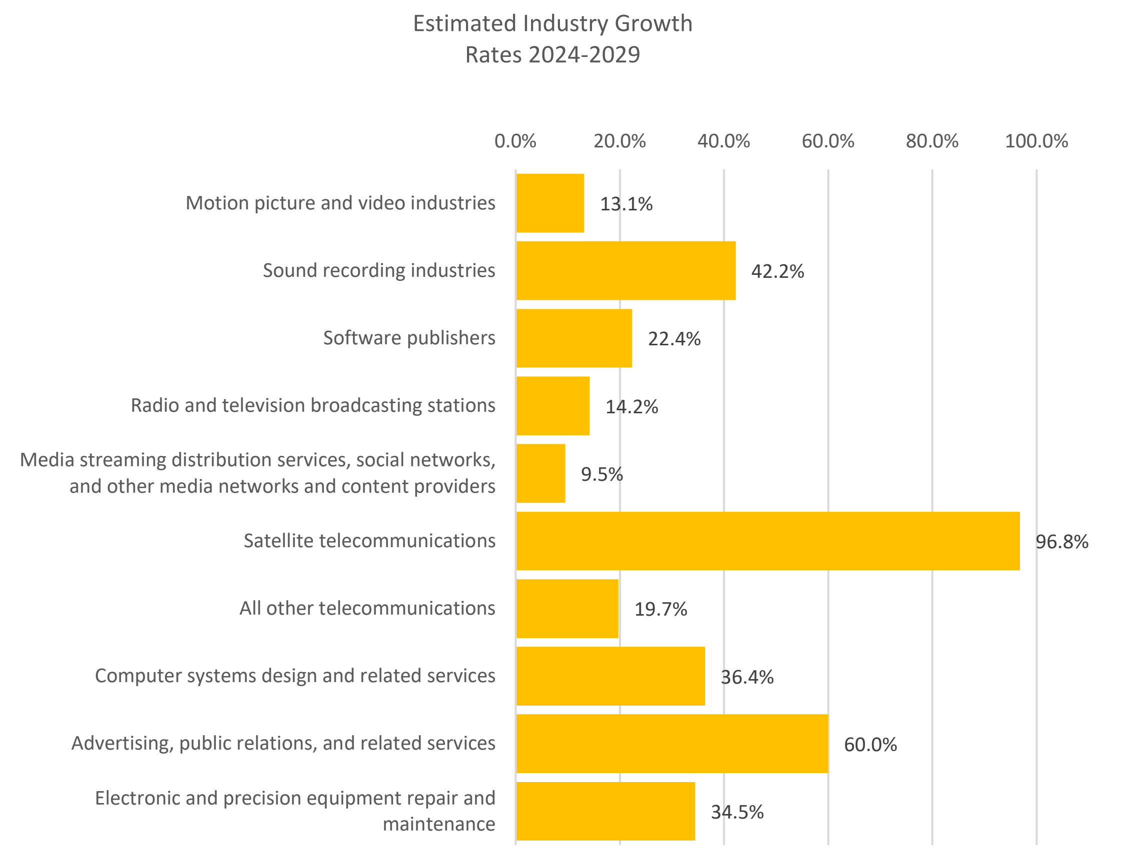
- Motion picture and video industries
- Sound recording industries
- Software publishers
- Radio and television broadcasting stations
- Media streaming distribution services, social media networks, & content providers
- Satellite telecommunications
- All other telecommunications
- Computer systems design and related services
- Advertising, public relations, and related services
- Electronic and precision equipment repair and maintenance

Industries Performances

Revenue (in current dollars) for the IT & Media Cluster is **$1,885.8 billion**. Growth expectations in the next five years will raise this figure to **$2,540.6 billion**, which is a **5.50%** compound annual growth rate (CAGR), or an overall **34.7%** revenue gain.

The **10** individual industries that comprise the cluster have projected revenue gains ranging from **96.8%** (Satellite telecommunications) to **9.5%** (Media streaming distribution services, social networks, and other media networks and content providers). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029



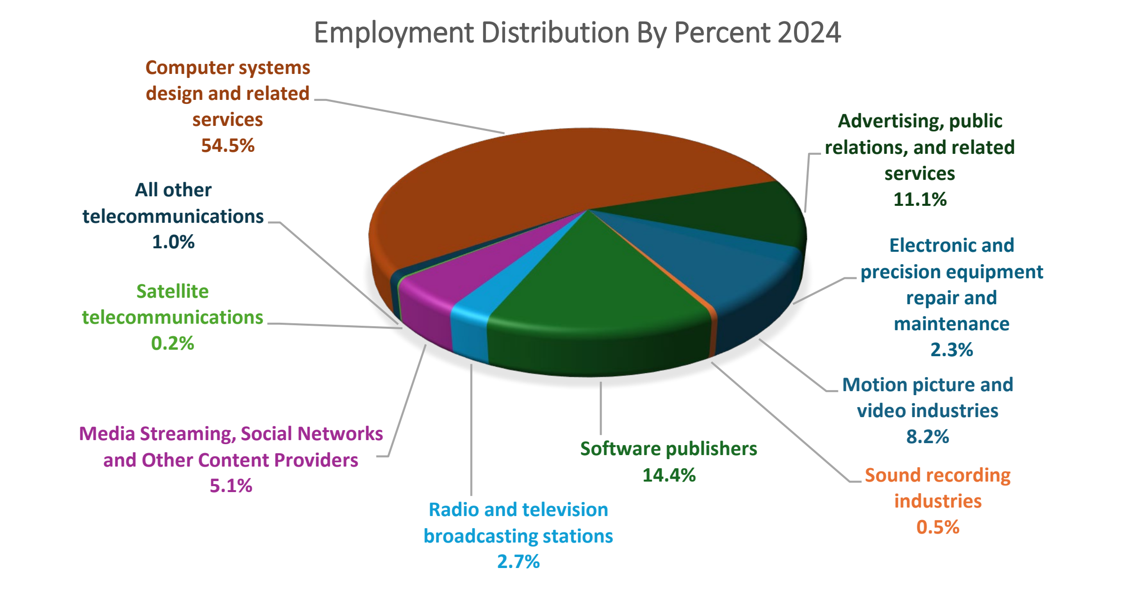
In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

<table>
<tr><th colspan="6">Exhibit 2 – Component Industries Data Aggregation</th></tr>
<tr><td colspan="3">Motion picture and video industries</td><td colspan="3">Sound recording industries</td></tr>
<tr><td></td><td>2024</td><td>2029</td><td></td><td>2024</td><td>2029</td></tr>
<tr><td>Revenue ($ billion)</td><td>$279.50</td><td>$316.23</td><td>Revenue ($ billion)</td><td>$55.44</td><td>$78.85</td></tr>
<tr><td>CAGR</td><td colspan="2">2.50%</td><td>CAGR</td><td colspan="2">7.30%</td></tr>
<tr><td>Revenue Gain ($ billion)</td><td colspan="2">$36.73</td><td>Revenue Gain ($ billion)</td><td colspan="2">$23.41</td></tr>
<tr><td>Revenue Gain (percent)</td><td colspan="2">13.1%</td><td>Revenue Gain (percent)</td><td colspan="2">42.2%</td></tr>
<tr><td>Revenue per employee</td><td colspan="2">$775,900</td><td>Revenue per employee</td><td colspan="2">$2,719,200</td></tr>
<tr><td>Typ. Estb. Size (US)</td><td colspan="2">10</td><td>Typ. Estb. Size (US)</td><td colspan="2">4</td></tr>
<tr><td colspan="3">Software publishers</td><td colspan="3">Radio and television broadcasting stations</td></tr>
<tr><td></td><td>2024</td><td>2029</td><td></td><td>2024</td><td>2029</td></tr>
<tr><td>Revenue ($ billion)</td><td>$363.40</td><td>$444.69</td><td>Revenue ($ billion)</td><td>$34.6</td><td>$39.51</td></tr>
<tr><td>CAGR</td><td colspan="2">4.12%</td><td>CAGR</td><td colspan="2">2.69%</td></tr>
<tr><td>Revenue Gain ($ billion)</td><td colspan="2">$81.29</td><td>Revenue Gain ($ billion)</td><td colspan="2">$4.91</td></tr>
<tr><td>Revenue Gain (percent)</td><td colspan="2">22.4%</td><td>Revenue Gain (percent)</td><td colspan="2">14.2%</td></tr>
<tr><td>Revenue per employee</td><td colspan="2">$571,300</td><td>Revenue per employee</td><td colspan="2">$290,500</td></tr>
<tr><td>Typ. Estb. Size (US)</td><td colspan="2">7</td><td>Typ. Estb. Size (US)</td><td colspan="2">20</td></tr>
<tr><td colspan="3">Media streaming distribution services, social networks, and other media networks and content providers</td><td colspan="3">Satellite telecommunications</td></tr>
<tr><td></td><td>2024</td><td>2029</td><td></td><td>2024</td><td>2029</td></tr>
<tr><td>Revenue ($ billion)</td><td>$53.3</td><td>$58.39</td><td>Revenue ($ billion)</td><td>$16.9</td><td>$33.26</td></tr>
<tr><td>CAGR</td><td colspan="2">1.84%</td><td>CAGR</td><td colspan="2">14.50%</td></tr>
<tr><td>Revenue Gain ($ billion)</td><td colspan="2">$5.09</td><td>Revenue Gain ($ billion)</td><td colspan="2">$16.36</td></tr>
<tr><td>Revenue Gain (percent)</td><td colspan="2">9.5%</td><td>Revenue Gain (percent)</td><td colspan="2">96.8%</td></tr>
<tr><td>Revenue per employee</td><td colspan="2">$238,700</td><td>Revenue per employee</td><td colspan="2">$1,982,900</td></tr>
<tr><td>Typ. Estb. Size (US)</td><td colspan="2">15</td><td>Typ. Estb. Size (US)</td><td colspan="2">8</td></tr>
<tr><td colspan="3">All other telecommunications</td><td colspan="3">Computer systems design and related services</td></tr>
<tr><td></td><td>2024</td><td>2029</td><td></td><td>2024</td><td>2029</td></tr>
<tr><td>Revenue ($ billion)</td><td>$32.5</td><td>$38.92</td><td>Revenue ($ billion)</td><td>$469.4</td><td>$640.11</td></tr>
<tr><td>CAGR</td><td colspan="2">3.67%</td><td>CAGR</td><td colspan="2">6.40%</td></tr>
<tr><td>Revenue Gain ($ billion)</td><td colspan="2">$6.42</td><td>Revenue Gain ($ billion)</td><td colspan="2">$170.71</td></tr>
<tr><td>Revenue Gain (percent)</td><td colspan="2">19.7%</td><td>Revenue Gain (percent)</td><td colspan="2">36.4%</td></tr>
<tr><td>Revenue per employee</td><td colspan="2">$730,900</td><td>Revenue per employee</td><td colspan="2">$195,300</td></tr>
<tr><td>Typ. Estb. Size (US)</td><td colspan="2">9</td><td>Typ. Estb. Size (US)</td><td colspan="2">6</td></tr>
</table>

Advertising, public relations, and related services			Electronic and precision equipment repair and maintenance		
	2024	2029		2024	2029
Revenue ($ billion)	$429.5	$687.32	Revenue ($ billion)	$161.2	$221.92
CAGR	9.86%		CAGR	6.10%	
Revenue Gain ($ billion)	$257.82		Revenue Gain ($ billion)	$52.11	
Revenue Gain (percent)	60.0%		Revenue Gain (percent)	34.5%	
Revenue per employee	$878,600		Revenue per employee	$1,463,900	
Typ. Estb. Size (US)	6		Typ. Estb. Size (US)	6	

The distribution of employment in the IT & Media Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the IT & Media Cluster



For a Florida location, the **4th** place ranking for the IT & Media Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for the IT & Media Cluster Employment		
State	2024 Employment	Rank
California	741,623	1
Texas	403,915	2
New York	342,152	3
Florida	240,804	4
Virginia	210,048	5
Washington	184,908	6
Georgia	164,138	7
Illinois	158,980	8
Massachusetts	143,572	9
North Carolina	135,117	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the IT & Media Cluster. The Cluster contains the **10** component business areas that have a projected **770** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - IT & Media Cluster Employment	
Industry	# of New Jobs
Motion picture and video industries	68
Sound recording industries	7
Software publishers	137
Radio and television broadcasting stations	37
Media Streaming, Social Networks and Other Content Providers	45
Satellite telecommunications	3
All other telecommunications	11
Computer systems design and related services	397
Advertising, public relations, and related services	22
Electronic and precision equipment repair and maintenance	43
Total	**770**

For exploratory purposes, the Media Streaming, Social Networks and Other Content Providers industry has been selected for deeper examination. For this industry category, there is a projected the growth of **45** new jobs.

Media Streaming, Social Networks & Other Content Providers

This industry comprises establishments primarily providing media streaming distribution services, operating social network sites, operating media broadcasting and cable television networks, and supplying information, such as news reports, articles, pictures, and features, to the news media. These establishments distribute textual, audio, and/or video content of general or specific interest.

Model Operations

The national average size for a Media Streaming, Social Networks & Other Content Providers facility is **15** persons, and the State of Florida's is **8** persons. A nominal facility size of **11** persons is selected as a Cape Coral model for this industry. Average productivity output for Media Streaming, Social Networks & Other Content Providers is **$238,700** per employee, resulting in an annual sales figure of **$2.744 million**. Total investment per employee is estimated at **$62,200**, as shown in Exhibit 6 (below):

Exhibit 6 – Media Streaming, Social Netwks. & Other Content Provdrs. -- Typical Operations	
Annual Net sales	$2,744,000
Total Employment	11
Avg. hourly Wage	$29.82
Fringe benefits Percentage	35%
Total Payroll	$921,200
Facility Footprint sq. ft.	3,300
Employee Occupancy/sf	300
Floor-Area-Ratio	0.34
Facility Construction Cost/sq. ft.	$119
Facility Construction Cost	$394,000
Estimated Equipment Cost (annual carry)	$100,000
Site Acreage	0.34
Land Cost	$221,300
Total Investment	**$715,300**

Staffing

Employment distribution among the relevant major occupational groups for the industry is shown in Exhibit 7 (below):

Exhibit 7 – Media Streaming, Social Netwks. & Other Content Provdrs. Facility – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
Advertising Sales Agents	1	$31.88	$36.86
Audio and Video Technicians	3	$25.95	$19.84
Business Operations Specialists, All Other	1	$41.40	$36.78
Computer User Support Specialists	1	$28.02	$28.50
Financial Specialists, All Other	1	$35.14	$27.64
General and Operations Managers	1	$62.84	$56.48
Graphic Designers	2	$28.32	$27.48
Producers and Directors	1	$40.36	$27.33
Total	**11**	$31.88	$36.86
Average Hourly Wage		**$34.01**	**$29.82**

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **45** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

Exhibit 8 - Media Streaming, Social Netwks. & Other Content Provdrs. Facility – Occupations Needed	
Occupation	# of new jobs
Advertising Sales Agents	4
Audio and Video Technicians	13
Business Operations Specialists, All Other	4
Computer User Support Specialists	4
Financial Specialists, All Other	4
General and Operations Managers	4
Graphic Designers	8
Producers and Directors	4
Total Occupations Required	**45**

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

In the following, the **8** categories of staffing for a Media Streaming, Social Networks & Other Content Providers Facility are evaluated for direct hiring capabilities:

Advertising Sales Agents

In the Cape Coral-Fort Myers MSA, there are currently **240** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **17** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Audio and Video Technicians

In the MSA, there are currently **160** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **11** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Problematic** for this position, requiring some external recruitment of applicants or retraining of others in the market area.

Business Operations Specialists, All Other

In the MSA, there are currently **1,310** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **91** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Computer User Support Specialists

In the MSA, there are currently **980** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **68** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Financial Specialists, All Other

In the MSA, there are currently **90** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **6** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

General and Operations Managers

In the MSA, there are currently **6,110** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **425** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Graphic Designers

In the MSA, there are currently **300** persons employed in this position. Using the U6 factor,

it is estimated that there are approximately **21** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Producers and Directors

In the MSA, there are currently **190** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **13** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, staffing for a Media Streaming, Social Networks and Other Content Providers Facility in Cape Coral is projected to be quite achievable. However, the position that exhibits a shortfall is:

- Audio and Video Technicians

The economic development and workforce officials in Cape Coral have been alerted to the employment shortfall issue. New initiatives are in development that will increase labor availability in this area.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - Media Streaming, Social Netwks. & Other Content Provdrs. – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$100,600**	**$119**	**$494,000**	**$594,600**	**$475,700**	**$37,400**
Fort Lauderdale	$1,437,000	$489,900	$125	$512,000	$1,001,900	$801,500	$63,000
Orlando	$201,000	$68,500	$123	$506,000	$574,500	$459,600	$36,100
Palm Bay	$494,000	$168,400	$130	$529,000	$697,400	$557,900	$43,800
Pompano Beach	$2,057,000	$701,300	$125	$512,000	$1,213,300	$970,600	$76,300
Port St. Lucie	$146,000	$49,800	$121	$501,000	$550,800	$440,600	$34,700
West Palm Beach	$975,000	$332,400	$125	$512,000	$844,400	$675,500	$53,100

Profitability for a Media Streaming, Social Networks and Other Content Providers Facility in Cape Coral is **13.6%** which leads all competition, as shown in Exhibit 10 (below):

Exhibit 10 - Media Streaming, Social Netwks. & Other Content Provdrs. – Competitive Evaluation – Annual Operating Profits							
Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Net Sales	**100.0%**	100.0%	100.0%	100.0 %	100.0%	100.0%	100.0%
Payroll	**33.6%**	39.5%	39.4%	38.7%	39.5%	35.3%	39.5%
Utilities & Fuels	**9.0%**	9.0%	10.3%	9.0%	9.0%	9.0%	9.0%
Debt Service	**1.4%**	2.3%	1.3%	1.6%	2.8%	1.3%	1.9%
Cost of goods sold	**43.9%**	50.8%	51.1%	49.3%	51.3%	45.6%	50.5%
Annual Gross profit	**56.1%**	49.2%	48.9%	50.7%	48.7%	54.4%	49.5%
Less: Sales exp.	**14.5%**	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%
General & Administrative. Overhead	**28.0%**	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
Total Operating expenses	**42.5%**	42.5%	42.5%	42.5%	42.5%	42.5%	42.5%
Annual Net Profit before taxes	**13.6%**	6.7%	6.4%	8.2%	6.2%	11.9%	7.0%

Summary

The IT & Media Cluster illustrates the regional growth of information technology and electronic media services that will stimulate new development and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster is essentially a mix of office and flex space users. The IT & Media industry is flourishing in Florida, partially due to the following advantages:

Business-friendly policies

Florida offers a favorable tax and business climate, including no state income tax.

Strong workforce

Florida's diverse economy and strong workforce support the labor force.

Proximity to markets

Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

For Cape Coral, operations such as a Media Streaming, Social Networks and Other Content Providers will be profitable endeavors. The City and the MSA have a dynamic labor supply that is well suited to meet the needs of the IT & Media Cluster.

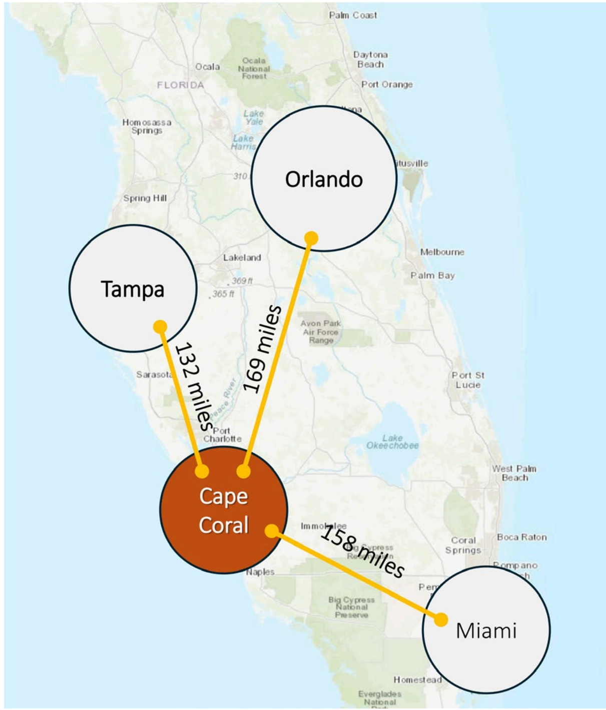
Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" industrial facilities that can capture some of this worker flow.

With the projected office census of **770** new jobs, it can be expected that at least **41,000 sf** of office space and **170,000** of flex space will be required to meet the Cluster's employment needs.

Photo credit: Depositphotos

Competitive Advantages of the City of Cape Coral Location

Cape Coral is in Lee County in Southwest Florida and is the largest population component of the Cape Coral-Fort Myers Metropolitan Statistical Area. The City's location is about an equidistance from the major urban centers of Tampa, Miami, and Orlando.



Originally developed in the late 1950's as a "Waterfront Wonderland", Cape Coral was designed to bring the waterfront dream of home ownership to middle-income Americans. With its over 400 miles of salt and freshwater canals, Cape Coral is a unique community that is redefining its identity beyond being just a suburb of Fort Myers. The City was incorporated in 1970 and maintains a brisk growth pattern despite economic downturns, a pandemic, and severe weather disturbances.

Demographic Advantages

With a current population of approximately **217,000** people, Cape Coral is forecasted to grow to over **375,000** by 2050, representing a nearly **73%** increase. Cape Coral's explosive growth places it among the five fastest growing communities in the nation, measuring more than twice that of the State of Florida.

While more retirees are expected, the City is experiencing a dynamic growth in the working age groups of **25-44 yrs**. By 2029, an overall population gain of about **20,000** new residents will result in **34%** increase in working aged people.

Demographic and market advantages include:

- Growth rate exceeding the State's
- Dynamic growth rate among 25-44 yr. old residents
- Above average number of executive-age workers

- Exemplary rate of English language proficiency
- Above average household size
- Above average median household income
- Above average home ownership rate
- Below average cost of living rate
- Above average good/services industries employment
- Below average services industries hourly wages
- Above average worker mobility patterns
- Below average commercial and industrial electric rates

Higher Education Resources

There are **9** four-year colleges and universities within **50** miles of Cape Coral. In 2022, **9,933** degrees were conferred by the following institutions:

- Florida Gulf Coast University (Fort Myers)
- Florida SouthWestern State College (Fort Myers)
- Southern Technical College (Fort Myers)
- Hodges University (Fort Myers)
- Keiser University-Ft Myers (Fort Myers)
- Rasmussen University-Fort Myers (Fort Myers)
- Ave Maria School of Law (Naples)
- Ave Maria University (Ave Maria)

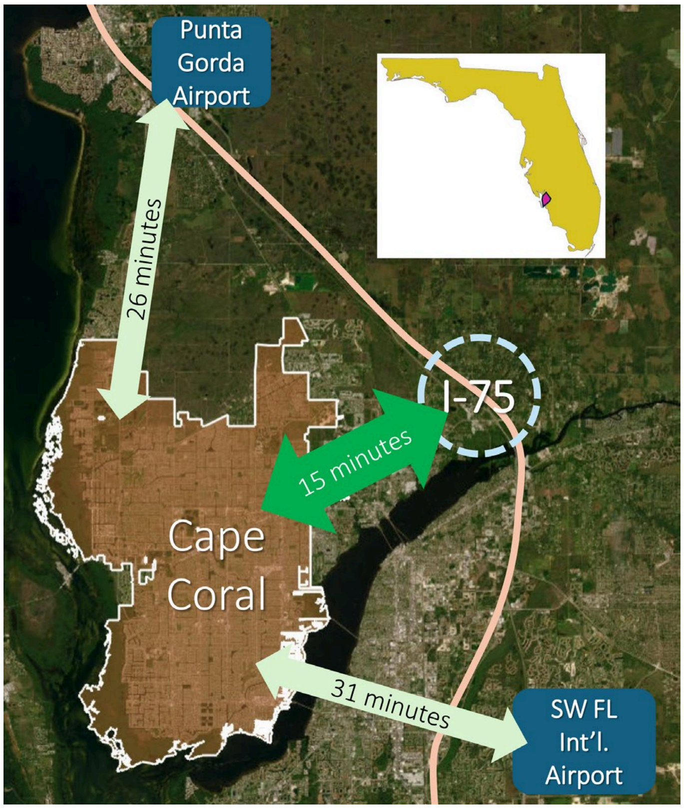
The five most sought after fields of study are:

1. Business, Management, Marketing, and Related Support Services
2. Health Professions and Related Programs
3. Education
4. Multi/Interdisciplinary Studies
5. Psychology

Market Potential

Cape Coral's southwest Florida location can not only cover the total Florida market but a significant portion of the US. Within a 300-mile travel distance (one day truck routing), about **6.1%** of the nation can be reached.

Highway Travel



Interstate 75 (I-75) is within **15 minutes**' drive from Cape Coral. Access to the interstate can be achieved to the eastern direction in North Fort Myers or via one of the bridges through downtown Fort Myers. To the north, access is available in Punta Gorda at a slightly longer travel time.

Air Travel

There are two airports that serve Cape Coral. Southwest Florida International Airport (RSW) is a major facility providing domestic and international flights daily. Travel to RSW is within **31 minutes** from downtown Cape Coral. RSW serves **10.1 million** passengers annually. In 2023, RSW had **87,685** aircraft operations.

Punta Gorda Airport (PGD) in Charlotte County just north of Cape Coral is a regional facility providing domestic flights mainly to the Midwest (Allegiant Air). PGD serves about **1.9 million** passengers per year and had **103,252** aircraft operations in 2023.

Rail Service

Passenger rail service via Amtrak is available in Fort Myers. The system operates **77** daily scheduled trips. Travel from downtown to Fort Myers Station Cape Coral is about **31 minutes**.

Freight rail services are provided by the Seminole Gulf Railway (SGLR). SGLR is a short line freight and passenger excursion railroad headquartered in Fort Myers that operates two former CSX Transportation railroad lines in Southwest Florida.

Bus Service

LeeTran operates bus services in Cape Coral. Currently there are **5** fixed bus routes but expanded services are under development. Looped routes provide transit to and from Fort Myers. The new Ultra On Demand micro-mobility fleet will enhance bus transit capabilities throughout the City.

Lifestyle & Recreational

Cape Coral's riverfront location and unique canal system offer a recreation-oriented lifestyle that has broad-range appeal. Some of the area's tourism advantages are as follows:

- Growing residential population, which can further encourage already existing strong category of visiting friends & family travelers
- Major home rental market for vacationers – over **4,000** homes and **350** private rooms available
- Numerous opportunities to rent a house and boat together, canals enhance rental properties
- Major hotel - Westin Resort at Marina Village – significant anchor for tourism activity
- Favorable location
- Proximity to airports, major highways, and neighboring tourist communities.
- One of safest cities in Florida
- Sports tourism – an already existing, active, and effective government involvement
- Increasingly strong restaurant and food scene
- Water activities – boating, dolphin tours, fishing, kayaking
- Winter warm weather destination
- Major League Baseball Spring Training nearby
- Active events schedule including festivals, parades, and concerts

Contact Information

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INDUSTRY PROSPECTUS

Competitive Advantages for the Sustainable Real Estate Cluster in the City of Cape Coral

City of Cape Coral
Office of Economic & Business Development

Cape Coral FLORIDA

This cluster illustrates the regional growth of sustainable real estate that will stimulate new resilient construction practices and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

December 2024

TABLE OF CONTENTS

TABLE OF EXHIBITS

Photo credit: DepositPhotos

Key Findings

- As part of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Sustainable Real Estate Cluster.

- The Sustainable Real Estate Cluster consists of **4** industry sub-components:
  - Activities related to real estate
  - Architectural, engineering, and related services
  - Lessors of real estate
  - Lumber and other const. materials merchant wholesalers

- Revenue (in current dollars) for the Sustainable Real Estate Cluster is **$1,200.6 billion**. Growth expectations in the next five years will raise this figure to **$1,460.8 billion**, which is a **4.00%** compound annual growth rate (CAGR), or an overall **21.7%** revenue gain.

- The **4** individual industries that comprise the cluster have projected revenue gains ranging from **24.3%** (Lessors of real estate) to **14.2%** (Lumber and other const. materials merchant wholesalers). In aggregate, the cluster demonstrates solid revenue growth for the next several years.

- Florida ranks in **3rd** place for Sustainable Real Estate Cluster employment among the **10** leading US states.

- The Cluster has a projected **1,117** new jobs in Cape Coral supportable by the labor market.

- There are **6** Florida cities identified as direct competitors to Cape Coral:
  - Fort Lauderdale
  - Orlando
  - Palm Bay
  - Pompano Beach
  - Port St. Lucie
  - West Palm Beach

- As an example of typical Cluster business, a Real Estate Property Managers operation of **7** persons in Cape Coral will generate **$3.866 million** in annual revenue.

- Profitability for Real Estate Property Managers in Cape Coral is **18.2%**, leading all competition.

- Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" office and warehouse facilities that can capture some of this worker flow.

- With the projected employment growth of **1,117** new jobs (910 office, 207 wholesale), it can be expected that at least **182,000 sf** of new office space and **310,000 sf** of new warehouse space will be required to meet the Cluster's employment needs.

Introduction

As part of the development of an Economic Development Strategic Plan for the City of Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Sustainable Real Estate Cluster.

As defined by Harvard University, “a cluster is a regional concentration of related industries in a particular location. Clusters are a striking feature of economies, making regions uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support.

This cluster illustrates the regional growth of sustainable real estate that will stimulate new resilient construction practices and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

The Cluster consists of **4** industry components:

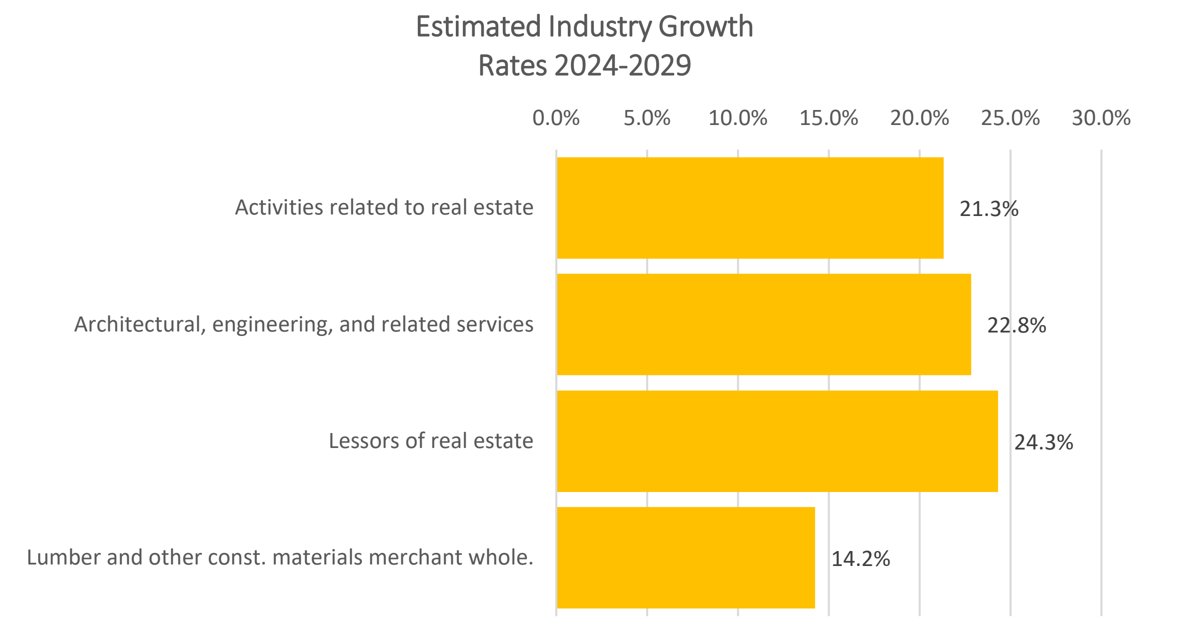
- Activities related to real estate
- Architectural, engineering, and related services
- Lessors of real estate
- Lumber and other const. materials merchant wholesalers

Industries Performances

Revenue (in current dollars) for the Sustainable Real Estate Cluster is **$928.3 billion**. Growth expectations in the next five years will raise this figure to **$1,130.5 billion**, which is a **4.02%** compound annual growth rate (CAGR), or an overall **21.8%** revenue gain.

The **4** individual industries that comprise cluster have projected revenue gains ranging from **24.3%** (Lessor of Real Estate) to **14.2%** (Lumber and other construction materials merchant wholesalers). In aggregate, the cluster demonstrates solid revenue growth for the next several years. Refer to Exhibit 1 (below).

Exhibit 1 – Industry Performance Projections 2024-2029



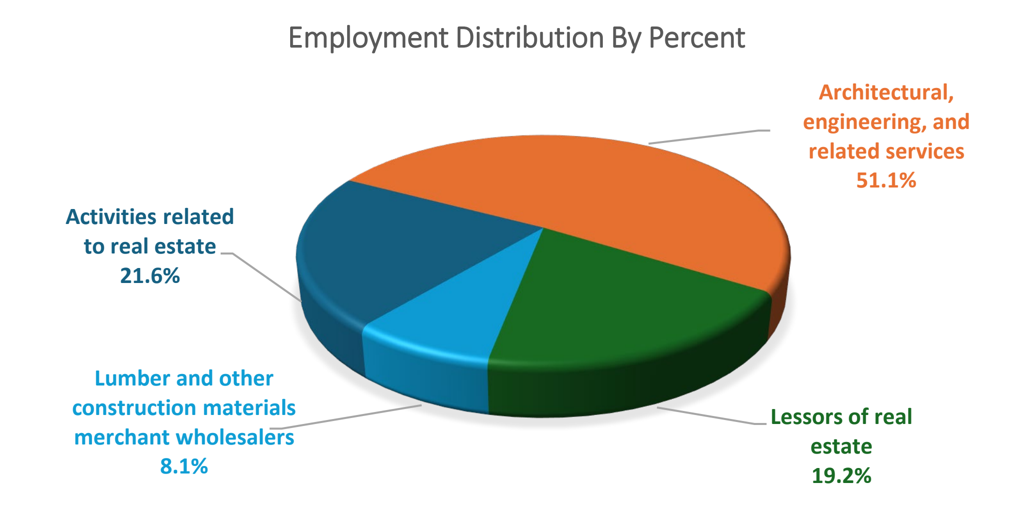
In the following Exhibit 2, each of the component industries are presented with their individual revenue growth expectations, employee productivity evaluation and typical establishment size.

Exhibit 2 – Component Industries Data Aggregation					
Activities related to real estate			Architectural, engineering, and related services		
	2024	2029		2024	2029
Revenue ($ billion)	$389.60	$472.64	Revenue ($ billion)	$359.90	$442.10
CAGR	3.94%		CAGR	4.20%	
Revenue Gain ($ billion)	$83.04		Revenue Gain ($ billion)	$82.20	
Revenue Gain (percent)	21.3%		Revenue Gain (percent)	22.8%	
Revenue per employee	$555,000		Revenue per employee	$217,100	
Typ. Estb. Size (US)	7		Typ. Estb. Size (US)	10	

Lessors of real estate			Lumber and other const. materials merchant whole.		
	2024	2029		2024	2029
Revenue ($ billion)	$305.65	$379.99	Revenue ($ billion)	$145.40	$166.12
CAGR	4.45%		CAGR	2.70%	
Revenue Gain ($ billion)	$74.34		Revenue Gain ($ billion)	$20.72	
Revenue Gain (percent)	24.3%		Revenue Gain (percent)	14.2%	
Revenue per employee	$491,400		Revenue per employee	$555,000	
Typ. Estb. Size (US)	5		Typ. Estb. Size (US)	10	

The distribution of employment in the 4 industry of the Sustainable Real Estate Cluster is illustrated in Exhibit 3 (below):

Exhibit 3 – US Employment Distribution in the Sustainable Real Estate Cluster



For a Florida location, the **3rd** place ranking for Sustainable Real Estate Cluster employment among the **10** leading states is a favorable condition as shown in Exhibit 4 (below):

Exhibit 4 – Ten Leading States for Sustainable Real Estate Cluster Employment		
State	2024 Employment	Rank
California	392,095	1
Texas	368,251	2
Florida	262,072	3
New York	240,192	4
Michigan	128,384	5
Pennsylvania	112,282	6
Georgia	105,951	7
Virginia	105,702	8
Illinois	99,770	9
North Carolina	99,077	10

The Fit for Cape Coral

As part of an Economic Development Strategic Plan for Cape Coral, a Target Industries analysis was conducted. An outcome of this work was the identification of the Sustainable Real Estate Cluster. As described earlier, the Cluster contains **4** component business areas. In total, they have a projected **1,117** new jobs supportable by the Cape Coral labor market, as shown in Exhibit 5 (below):

Exhibit 5 - Sustainable Real Estate Cluster Employment	
Industry	# of New Jobs
Activities related to real estate	175
Architectural, engineering, and related services	618
Lessors of real estate	117
Lumber and other construction materials merchant wholesalers	207
Total	**1,117**

For exploratory purposes, the **Activities Related to Real Estate** industry has been selected for deeper examination. For this industry category, there is a projected growth of **175** new jobs. Within this heading are **5** sub-categories of industries, one of which will be explored in greater detail.

- Real Estate Property Managers
- Offices of Real Estate Appraisers
- Real estate escrow agencies
- Real estate listing services

Real Estate Property Managers

This industry comprises establishments primarily engaged in managing real property for others. Management includes ensuring that various activities associated with the overall operation of the property are performed, such as collecting rents and overseeing other services (e.g., maintenance, security, trash removal).

Model Operations

The national average size for a Real Estate Property Managers facility is **7** persons, and the State of Florida's is **5** persons. However, a nominal facility size of **7** persons is selected as a Cape Coral model for this industry. Average productivity output for Real Estate Property Managers is **$555,000** per employee, resulting in an annual sales figure of **$3.866 million**. Total investment per employee is estimated at **$47,200.** Exhibit 6 (below) shows the operations details:

Exhibit 6 – Real Estate Property Managers Facility Operations	
Annual Net sales	$3,865,700
Total Employment	7
Avg. hourly Wage	$37.54
Fringe benefits Percentage	35%
Total Payroll	$734,000
Facility Footprint sq. ft.	1,400
Employee Occupancy/sf	200
Floor-Area-Ratio	0.30
Facility Construction Cost/sq. ft.	$119
Facility Construction Cost	$167,000
Estimated Equipment Cost	$14,000
Site Acreage	0.5
Land Cost	$148,000
Total Investment	**$329,000**

Staffing

Employment distribution among the relevant major occupational groups for the industry are shown in Exhibit 7 (below):

Exhibit 7- Real Estate Property Managers – Employee Census			
Occupation	# of Jobs	Florida Avg. Hrly Wage	Cape Coral Avg. Hrly Wage
Property, Real Estate, and Community Association Managers	2	$37.35	$37.67
General and Operations Managers	1	$62.84	$68.37
Business Operations Specialists	2	$41.40	$36.78
Computer User Support Specialists	1	$28.02	$28.50
Receptionists and Information Clerks	1	$16.74	$16.98
Total	**7**		
Average Hourly Wage		**$37.87**	**$37.54**

Labor Capability

Available labor is calculated by using both the current unemployment rate (U3) for the Cape Coral-Fort Myers MSA and the factored under-employment rate[1] (U6) from the Bureau of Labor Statistics. For the target of **175** new jobs for the industry sector, the Employee Census table from above is revisited with the overall new job requirements shown in Exhibit 8 (below).

Exhibit 8 - Real Estate Property Managers – Occupations Needed	
Occupation	# of new jobs
Property, Real Estate, and Community Association Managers	50
General and Operations Managers	25
Business Operations Specialists	25
Computer User Support Specialists	50
Receptionists and Information Clerks	25
Total Occupations Required	**175**

In the following, the **5** categories of staffing for Real Estate Property Managers are evaluated for direct hiring capabilities:

[1] U6: Total unemployed, plus all persons marginally attached to the labor force, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all persons marginally attached to the labor force.

Property, Real Estate, and Community Association Managers

In the Cape Coral-Fort Myers MSA, there are currently **780** persons employed in this position. Using the U6 factor, it is estimated that there are approximately **54** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

General and Operations Managers

In the MSA, there are currently **6,110** persons employed in this position. It is estimated that there are approximately **425** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Business Operations Specialists

In the MSA, there are currently **1,310** persons employed in this position. It is estimated that there are approximately **91** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Computer User Support Specialists

In the MSA, there are currently **980** persons employed in this position. It is estimated that there are approximately **68** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Receptionists and Information Clerks

In the MSA, there are currently **2,290** persons employed in this position. It is estimated that there are approximately **159** applicants that are likely to be available to support this industry in Cape Coral. Direct hiring outcome is **Positive** for this position.

Conclusion

In summary, there are no positions that exhibit shortfall for Real Estate Property Managers. For a potential Cape Coral location, it can be expected that the industry will not experience any significant labor shortages.

Comparison Analyses

The objective of this section is the determination of which Florida cities are Cape Coral's true competition, not just Fort Myers or another Southwest Florida community. To accomplish this evaluation, a review of **22** municipalities in Florida with a population of **100,000** or more was conducted. Through analysis of population growth for each of the as compared to annual rate for the State of Florida, **6** cities emerged as true competitors to Cape Coral:

- Fort Lauderdale
- Orlando
- Palm Bay
- Pompano Beach
- Port St. Lucie
- West Palm Beach

Profitability Determination

Base financial information is shown in Exhibit 9 (below):

Exhibit 9 - Real Estate Property Managers – Competitive Evaluation – Base Financial Data							
Market	Cost/Acre	Land Cost	Facility Cost/SF	Facility Cost	Total Investment	Financing	Debt Service
Cape Coral	**$295,000**	**$140,000**	**$119**	**$181,000**	**$321,000**	**$256,800**	**$27,800**
Fort Lauderdale	$1,437,000	$683,000	$125	$189,000	$872,000	$697,600	$75,400
Orlando	$201,000	$96,000	$123	$186,000	$282,000	$225,600	$24,400
Palm Bay	$494,000	$235,000	$130	$196,000	$431,000	$344,800	$37,300
Pompano Beach	$2,057,000	$978,000	$125	$189,000	$1,167,000	$933,600	$100,900
Port St. Lucie	$146,000	$69,000	$121	$184,000	$253,000	$202,400	$21,900
West Palm Beach	$975,000	$464,000	$125	$189,000	$653,000	$522,400	$56,500

Profitability for Real Estate Property Managers in Cape Coral is **18.2%**, leading all competition, as shown in Exhibit 10 (below):

Exhibit 10 – Real Estate Property Managers – Competitive Evaluation – Annual Operating Profits							
Market	**Cape Coral**	Fort Lauderdale	Orlando	Palm Bay	Pompano Beach	Port St. Lucie	West Palm Beach
Net Sales	**100.0%**	100.0%	100.0%	100.0 %	100.0%	100.0%	100.0%
Payroll	**19.1%**	20.6%	18.9%	19.0%	20.6%	17.3%	20.6%
Utilities & Fuels	**8.0%**	10.0%	8.7%	10.0%	10.1%	10.0%	10.0%
Debt Service	**0.7%**	2.0%	0.6%	1.0%	2.6%	0.6%	1.5%
Cost of goods sold	**27.8%**	32.6%	28.2%	30.0%	33.3%	27.9%	32.1%
Annual Gross profit	**72.2%**	67.4%	71.8%	70.0%	66.7%	72.1%	67.9%
Less: Sales exp.	**22.0%**	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
General & Administrative. Overhead	**32.0%**	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%
Total Operating expenses	**54.0%**	54.0%	54.0%	54.0%	54.0%	54.0%	54.0%
Annual Net Profit before taxes	**18.2%**	13.4%	17.8%	16.0%	12.7%	18.1%	13.9%

Summary

This Cluster illustrates the regional growth of sustainable real estate that will stimulate new resilient construction practices and provide location opportunities for businesses seeking lower cost operating environments with good market access to multiple urban centers.

Metrics for the Cluster and its component industries all indicate positive revenue growth for the next five years. The Cluster represents a mix of office and warehouse space users, quite suitable for a Cape Coral location. Some advantages include:

Business-friendly policies

Florida offers a favorable tax and business climate, including no state income tax.

Strong workforce

Florida's diverse economy and strong workforce support the labor force.

Proximity to markets

Florida's location near buyers, suppliers, labor, and transportation allows companies to cut costs and develop close relationships with the community.

For Cape Coral, operations such as Real Estate Property Managers will be profitable endeavors. The City and the MSA have a dynamic labor supply that is well suited to meet the needs of the Sustainable Real Estate Cluster.

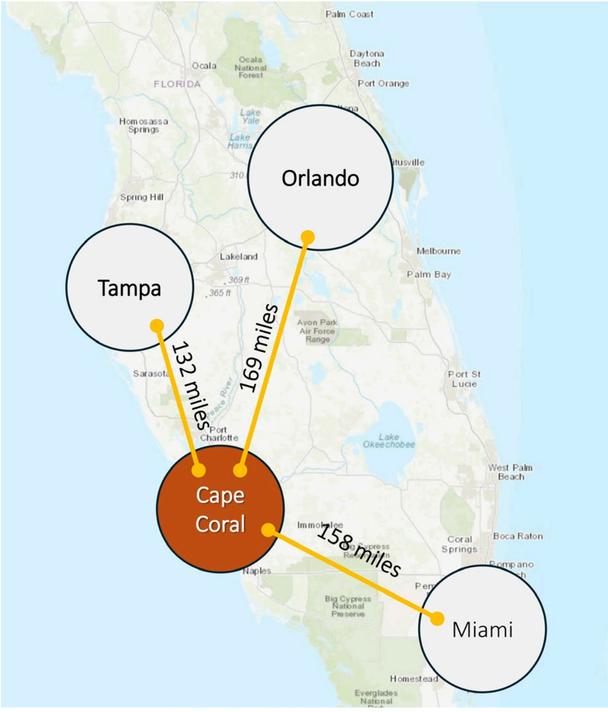
Cape Coral's employed civilian labor force of **102,700** is estimated to have an estimated **56%** of workers commuting to locations outside of the City. This out-commuting labor force presents an opportunity for development of new "intercept" office and warehouse facilities that can capture some of this worker flow.

With the projected employment growth of **1,117** new jobs (910 office, 207 wholesale), it can be expected that at least **182,000 sf** of new office space and **310,000 sf** of new warehouse space will be required to meet the Cluster's employment needs.

Photo credit: Depositphotos

Competitive Advantages of the City of Cape Coral Location

Cape Coral is in Lee County in Southwest Florida and is the largest population component of the Cape Coral-Fort Myers Metropolitan Statistical Area. The City's location is about an equidistance from the major urban centers of Tampa, Miami, and Orlando.



Originally developed in the late 1950's as a "Waterfront Wonderland", Cape Coral was designed to bring the waterfront dream of home ownership to middle-income Americans. With its over 400 miles of salt and freshwater canals, Cape Coral is a unique community that is redefining its identity beyond being just a suburb of Fort Myers. The City was incorporated in 1970 and maintains a brisk growth pattern despite economic downturns, a pandemic, and severe weather disturbances.

Demographic Advantages

With a current population of approximately **217,000** people, Cape Coral is forecasted to grow to over **375,000** by 2050, representing a nearly **73%** increase. Cape Coral's explosive growth places it among the five fastest growing communities in the nation, measuring more than twice that of the State of Florida.

While more retirees are expected, the City is experiencing a dynamic growth in the working age groups of **25-44 yrs**. By 2029, an overall population gain of about **20,000** new residents will result in **34%** increase in working aged people.

Demographic and market advantages include:

- Growth rate exceeding the State's
- Dynamic growth rate among 25-44 yr. old residents
- Above average number of executive-age workers

- Exemplary rate of English language proficiency
- Above average household size
- Above average median household income
- Above average home ownership rate
- Below average cost of living rate
- Above average good/services industries employment
- Below average services industries hourly wages
- Above average worker mobility patterns
- Below average commercial and industrial electric rates

Higher Education Resources

There are **9** four-year colleges and universities within **50** miles of Cape Coral. In 2022, **9,933** degrees were conferred by the following institutions:

- Florida Gulf Coast University (Fort Myers)
- Florida SouthWestern State College (Fort Myers)
- Southern Technical College (Fort Myers)
- Hodges University (Fort Myers)
- Keiser University-Ft Myers (Fort Myers)
- Rasmussen University-Fort Myers (Fort Myers)
- Ave Maria School of Law (Naples)
- Ave Maria University (Ave Maria)

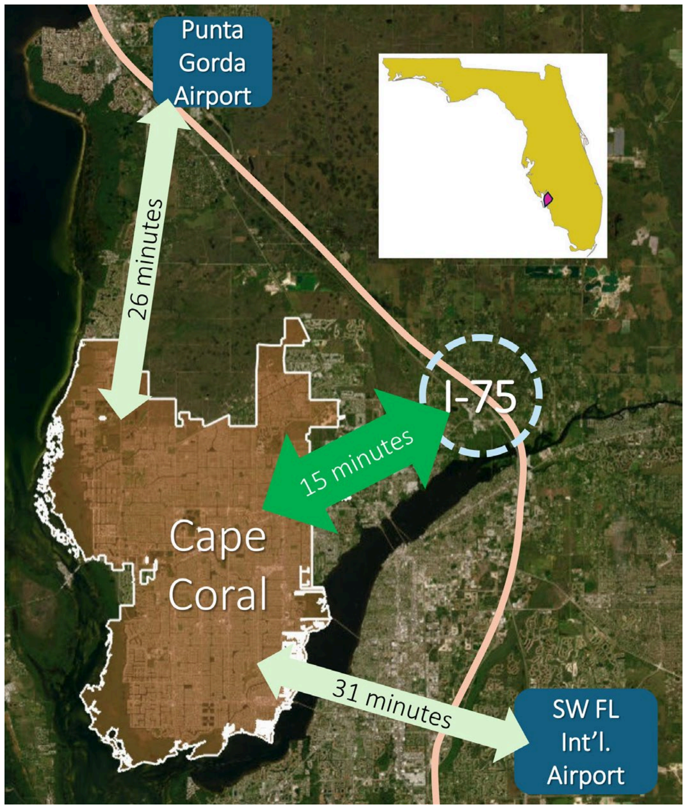
The five most sought after fields of study are:

1. Business, Management, Marketing, and Related Support Services
2. Health Professions and Related Programs
3. Education
4. Multi/Interdisciplinary Studies
5. Psychology

Market Potential

Cape Coral's southwest Florida location can not only cover the total Florida market but a significant portion of the US. Within a 300-mile travel distance (one day truck routing), about **6.1%** of the nation can be reached.

Highway Travel



Interstate 75 (I-75) is within **15 minutes**' drive from Cape Coral. Access to the interstate can be achieved to the eastern direction in North Fort Myers or via one of the bridges through downtown Fort Myers. To the north, access is available in Punta Gorda at a slightly longer travel time.

Air Travel

There are two airports that serve Cape Coral. Southwest Florida International Airport (RSW) is a major facility providing domestic and international flights daily. Travel to RSW is within **31 minutes** from downtown Cape Coral. RSW serves **10.1 million** passengers annually. In 2023, RSW had **87,685** aircraft operations.

Punta Gorda Airport (PGD) in Charlotte County just north of Cape Coral is a regional facility providing domestic flights mainly to the Midwest (Allegiant Air). PGD serves about **1.9 million** passengers per year and had **103,252** aircraft operations in 2023.

Rail Service

Passenger rail service via Amtrak is available in Fort Myers. The system operates **77** daily scheduled trips. Travel from downtown to Fort Myers Station Cape Coral is about **31 minutes**.

Freight rail services are provided by the Seminole Gulf Railway (SGLR). SGLR is a short line freight and passenger excursion railroad headquartered in Fort Myers that operates two former CSX Transportation railroad lines in Southwest Florida.

Bus Service

LeeTran operates bus services in Cape Coral. Currently there are **5** fixed bus routes but expanded services are under development. Looped routes provide transit to and from Fort Myers. The new Ultra On Demand micro-mobility fleet will enhance bus transit capabilities throughout the City.

Lifestyle & Recreational

Cape Coral's riverfront location and unique canal system offer a recreation-oriented lifestyle that has broad-range appeal. Some of the area's tourism advantages are as follows:

- Growing residential population, which can further encourage already existing strong category of visiting friends & family travelers
- Major home rental market for vacationers – over **4,000** homes and **350** private rooms available
- Numerous opportunities to rent a house and boat together, canals enhance rental properties
- Major hotel - Westin Resort at Marina Village – significant anchor for tourism activity
- Favorable location
- Proximity to airports, major highways, and neighboring tourist communities.
- One of safest cities in Florida
- Sports tourism – an already existing, active, and effective government involvement
- Increasingly strong restaurant and food scene
- Water activities – boating, dolphin tours, fishing, kayaking
- Winter warm weather destination
- Major League Baseball Spring Training nearby
- Active events schedule including festivals, parades, and concerts

Contact Information

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CAPE CORAL ECONOMIC DEVELOPMENT STRATEGIC PLAN

VOLUME 1 – COMPETITIVENESS & OPPORTUNTY