



**LOCAL PLANNING AGENCY
OLD LEE COUNTY COURTHOUSE
2120 MAIN STREET, FORT MYERS, FL 33901
BOARD CHAMBERS
MONDAY, SEPTEMBER 26, 2022
9:00 AM**

AGENDA

1. Call to Order/Review of Affidavit of Publication/Pledge of Allegiance
2. Public Forum
3. Approval of Minutes – August 29, 2022
4. Lee Plan Amendments

A. CPA2021-00016 River Hall

Amend the Future Land Use Map designation from Sub-Outlying Suburban to Rural on 11.94 acres; Rural to Sub-Outlying Suburban on 32.4 acres; Sub-Outlying Suburban to Outlying Suburban on 276.63 acres; Rural to Outlying Suburban on 45.68 acres; Sub-Outlying Suburban to Suburban on 25.2 acres with a change in density of +489 units. The subject property is located on the south side of Palm Beach Boulevard (State Road 80), approximately 0.8 miles east of Buckingham Road.

B. CPA2022-00001 Economic Element

Amend the Lee Plan to support and promote Lee County's economic development strategies through the Lee Plan Planning Horizon, 2045. Amendments will include: updating the Economic Element; aligning allowable uses within Lee County's employment centers with targeted industries; and, non-substantive amendments needed to maintain internal consistency within the Lee Plan.

5. Other Business
6. Adjournment

This meeting is open to the public. Interested parties may appear at the meeting and be heard. A verbatim record of the proceeding will be necessary to appeal a decision made at this hearing.

Lee County will not discriminate against individuals with disabilities. To request an accommodation, contact Joan LaGuardia, (239) 533-2314, Florida Relay Service 711, or ADArequests@leegov.com at least five business days in advance. To receive agendas by e-mail, contact jmiller@leegov.com.

CPA2022-00001

Economic Element

STAFF REPORT FOR CPA2022-00001: ECONOMIC ELEMENT UPDATE

Text Amendments to the Lee Plan



Amendment Type:

County Initiated
Direction: 2/1/2022

Staff Recommendation:

Transmit amendments

Amended Elements:

Future Land Use
Economic
Administrative

Hearing Dates:

LPA: 9/26/2022
BoCC #1: TBD
BoCC #2: TBD

Attachments:

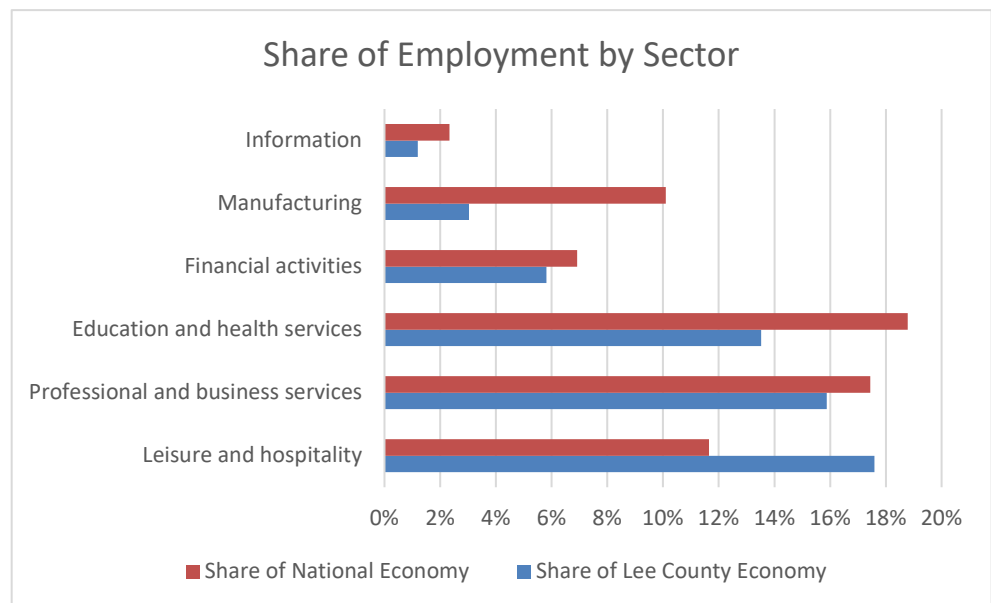
- 1: Text Amendments
- 2: Lee County Economic Overview 2021 (EDO Report)
- 3: Lee County Economic Overview 2022 (EDO Report)

PURPOSE

Amend the Lee Plan to support and promote Lee County's economic development strategies through the Lee Plan Planning Horizon, 2045. Amendments include: updating the Economic Element; aligning allowable uses within Lee County's employment centers with targeted industries; and, non-substantive amendments needed to maintain internal consistency within the Lee Plan.

SUMMARY

The proposed Economic Element of the Lee Plan addresses the diversifying set of businesses active in Lee County. The updated element is written to support and attract firms from industries such as research and development, logistics, healthcare, and more. Lee County will continue to support economic development in the form of workforce attraction, partnerships with educational institutions, ensuring adequate lands are available for future employment opportunities, and provision of the requisite infrastructure.



Source: Bureau of Labor Statistics Quarterly Census of Employment and Wages 2021 Average

RECOMMENDATION

The recommended amendments can be found in Attachments 1 in strike-through and underlined format with a brief reason for each proposed change. Staff recommends the Board **transmit** the amendments as presented.

PART 1
STAFF DISCUSSION AND ANALYSIS

Background

The Board of County Commissioners (BoCC) directed staff to prepare amendments to the Lee Plan that support the County's economic development strategies at their February 1, 2022 regular board meeting. This direction authorized:

1. A comprehensive update to the Economic Element;
2. Updates needed to align allowable uses in future land use categories that make up Lee County's employment centers with targeted industries; and,
3. Non-substantive amendments needed to maintain internal consistency within the Lee Plan.

The proposed amendments are the result of collaboration between Lee County Department of Community Development and the Lee County Economic Development Office (EDO). In addition, as directed by the BoCC, the proposed changes to the Economic Element were reviewed and approved by the Horizon Council on June 24, 2022.

As the population has grown since 2010, so too have the county's economic needs. The changing landscape of the global economy has increased our viability as a hub for companies providing logistics services, conducting research, and manufacturing new technology. These new and expanding sectors of Lee County's economy are in addition to tourism which is and will continue to be an important part of the county's economic base.

To foster future growth, it is vital to identify areas of the county that are compatible with and meet the needs of larger industrial developments, while allowing for smaller scale employment opportunities to occur in closer proximity to current and future residents. The proposed changes, especially those to the Economic Element, align the Lee Plan with the goals of the county through the recently extended planning horizon of 2045.

1. Update the Economic Element

The primary intent of the proposed amendments is an updated and modernized Economic Element that can be used to support continued economic development within Lee County. Although an Economic Element is an optional element of local comprehensive plans per Florida Statute § 163.3177, the Lee Plan has include an Economic Element since 1996. The Economic Element had its most recent major update in 2010 by Ordinance 10-14.

The current Economic Element consists of one Goal separated into six objectives. The objectives describe the dominant local industries and the county's vision for the growth of the economic base. The proposed amendments provide updated goals, expand the objectives, and provide actionable policies to guide and assure opportunities for economic development as Lee County grows.

The following section discusses the updated goals of the Economic Element. The entirety of the recommended amendments to the Economic Element are contained in Attachment 1.

As proposed, **Goal 158** outlines the intent of the element and lays the groundwork for the other goals in the element.

GOAL 158: Achieve and maintain a diversified and stable economy by providing a positive business climate that assures maximum employment.

Goal 158 includes objectives for improving the general business climate, ensuring adequate industrial lands are available to reach maximum employment, and providing infrastructure for existing and future business development. The policies under these objectives provide direction to Lee County staff and decision makers in setting economic priorities.

Goal 159 focuses on attracting, retaining, and growing businesses within Lee County.

GOAL 159: Support the retention and expansion of existing businesses, and the attraction of new domestic and foreign businesses.

There are two objectives within Goal 159. One is focused on programs intended to attract new businesses and industries to Lee County, while the second addresses retention and growth of existing businesses and industries.

EDO's 2022 Economic Overview gives a background of the current state of Lee County's economy, finding that all industries located in Lee County produce a Gross Domestic Product of over \$30 billion a year. There are approximately 26,000 businesses operating in the area; the number of businesses has increased by 37.68% since 2010. The largest industries in Lee County are Health Care and Social Assistance (42,606 people), Retail Trade (40,842 people), and Construction (34,479 people); and the highest paying industries are Transportation and Warehousing (\$107,479 average), Manufacturing (\$100,182 average), and Utilities (\$97,559 average).

Since early in 2020, the onset of the COVID-19 pandemic, there has been a significant shift towards sole-proprietor, home-based business growth. There have been over 5,700 new business licenses filed since March 2020 and approximately 70% of those were for home-based operations, indicating one way in which Lee County's economy is diversifying from a traditional economic base. Prior to this the average year saw about 30-40% home-based business applications.

Foreign businesses are addressed in this goal because Lee County is experiencing an influx of expansions from Europe and surrounding countries. Direct foreign investments and reshoring has had a direct impact upon Southwest Florida. The County has seen expansions of companies from countries such as Germany, the UK and Canada.

The Objectives and Policies included in Goal 159 encourage attracting domestic and foreign investment and high-growth businesses, as well as promoting the expansion of local, small businesses. The Policies proposed will support the retention and expansion of existing and growing sectors of Lee County's economy in order to sustain the current and projected trends.

Goal 160 addresses the need to develop and attract a workforce to support Lee County's growing economy.

GOAL 160: Attract, develop, and retain a 21st-century workforce to support Targeted Industry employment needs.

Lee County's Economic Development Office has identified a shortage of skilled workers within Lee County. A "skilled workforce" typically implies a workforce that has the relevant experience needed to be able to apply to the average job posting within their specialty, or a workforce that typically holds at least an Associate degree. According to the EDO's 2021 report, Lee County has the largest skilled workforce in the Southwest Florida region with 146,733 skilled workers, which amount to 42.2% of the total working age population. However, all counties in SWFL have a lower percentage of skilled workers than the State of Florida (48.2%). In-migration demographics have shifted from retiree-dominated to more working-age residents; however, businesses and other employers within Lee County, including public sector employers, are experiencing worker shortages due to the speed of their expansions, increased demands, and the cost of living rising at a rate that may not be attracting new workers. The skilled worker shortage is a constant topic of discussion amongst local school and business leaders and is an issue that must be addressed to continue the recent growth of Lee County's economy.

Goal 160, along with the subsequent objectives and policies seek to enhance the existing workforce of the county by encouraging collaboration with local educational partners to align curriculums with relevant skills for local industry and by physically locating educational and employment centers in close proximity to enhance this collaboration. Providing a high quality of life for the county's workforce helps prevent the loss of home-grown talent and attracts qualified professionals to the area.

Goal 161 recognizes that tourism will continue to be a major part of Lee County's economy.

GOAL 161: Promote and continue to grow the County's tourism industry, to both domestic and international visitors.

The objectives that are part of Goal 161 identify three distinct types of tourism within Lee County: Leisure, Business, and Sports. According to the EDO's 2021 report, one out of every 10 people in Lee County are employed in the accommodation and food service industries. The EDO report adds that Lee County receives approximately 5 million visitors a year that spend more than \$3 billion while in the area. Not only does Lee County directly benefit from the economic impact of the industry, but it also benefits the quality of life for both residents and visitors. Every time a visitor pays for accommodations, funds are generated for our beaches, ballparks and other

attractions through a local tax option utilized by Lee County called the Tourist Development Tax (or Bed Tax).

Tourism will remain a thriving portion of Lee County's economy. The EDO's 2021 report found that the County has roughly 13,000 hotel rooms and added 1,000 rooms during the pandemic. In addition, there are 3,500 planned for the future. Most of the rooms planned for future development will be located in in-land areas of the county, reflecting growth in tourism sectors outside of the traditional leisure tourism.

As proposed, Goal 161 enhances the Lee Plan's vision of tourism by promoting and supporting leisure, business, and sports tourism. Policies under this goal encourage efforts to enhance lands near airports in order to create an attractive landscape for visitors upon arrival. This goal also commits to preserving beaches and other natural resources for eco-tourism, since eco-tourism is an important draw for the broader category of leisure tourists. Policies in this goal also direct the county to continue to provide infrastructure and other services needed to support our visitors.

The updates proposed to the Economic Element of the Lee Plan are consistent with and reflective of the Lee Plan's vision statement, which in part provides:

"The County's traditional economic base will continue to be diversified in order to increase the percentage of high-paying jobs, reduce tax burdens on residents, and enhance the stability of the County. Traditional industries, such as agriculture, commercial fishing, tourism, and construction, will continue to play a significant role in the County's economy alongside new industries anticipated in response to technical advancements, the increasing capacity of Southwest Florida International Airport, and the growing number of higher education institutions within the County."

The proposed goals, objectives, and policies provide direction to plan for a quality workforce, attract and retain thriving industries, and bring diverse types of tourism to the county. The full Economic Element is provided in Attachment 1.

2. Align Allowable Uses in Employment Centers with Targeted Industries

In addition to the updated Economic Element, amendments are proposed to policies in the Future Land Use and Administrative Elements to: align the allowable uses within these categories with certain targeted industries and trends; remove redundant or unnecessary language; provide consistency with the treatment of caretakers residents; and preserve land intended for employment based development in the Industrial Development, Tradeport, and Commercial future land use categories.

At present, Lee County has over 2 million square feet of flex and manufacturing space under construction and an additional 5 million square feet in various planning stages. Industrial employment specifically has risen at an average annual rate of 4.9% over the past five years, compared to a 0.9% average annual increase nationally. In total, that amounts to about 8,100 industrial-related jobs added over that timeframe. Lee County's industrial sector has seen

demand accelerate over the past two years. Currently, approximately 42,000 of Lee County's jobs are tied to the industrial sector, essentially matching retail trade employment. Lee County has posted seven straight quarters of positive net absorption, though an increased construction pipeline had kept vacancies somewhat elevated prior to the 2021 surge. The market is historically tight at a 2.1% vacancy rate, well below the national average vacancy rate of 4.3%.

The type of industries moving to Lee County have also changed, shifting the types of businesses Lee County recruits by targeting emerging sectors such as specialized manufacturing, fintech, cybersecurity, or R&D-based medical. New subsectors to the area like apparel manufacturing and skincare manufacturing have brought on emerging brands to manufacture and distribute from Lee County. The location of the primary areas within the Industrial Development and Tradeport future land use categories offer easy access to regional, national, and international markets based on its location adjacent to Interstate 75 and easy access to the Southwest Florida International Airport (RSW), a Top 40 U.S. airport for passenger traffic.

Recognizing the importance of these lands for continued growth of high-wage employment within Lee County, staff is proposing an amendment to Policy 7.1.8 to discourage the conversion lands within the Tradeport and Industrial Development to other future land use categories. Once industrial land is lost, it is difficult to find more. Research from the University of Maryland demonstrates the difficulty of finding land suited for industrial development. Based on survey data from industrial users, land designated for industrial usage requires access to major road networks, open storage land, and major ports. Industrial uses also benefit from clustering of similar companies, generating knowledge spillovers and creating access to a shared labor pool. Compatibility with surrounding uses is a major hindrance to finding lands appropriate for industrial development.¹ Many of the County's future land use categories do not allow for industrial uses near residential development, further limiting the remaining space for Lee County's industrial economy to grow.

Florida Statute § 163.3177(6)(a)2 requires that each county's future land use element include land required for job creation, capital investment, and economic development required to accommodate anticipated growth. As the County continues to look ahead toward the 2045 planning horizon and prepares for one million citizens, careful planning must be undertaken to ensure the economic needs will continue to be met.

3. Other Non-substantive Changes

Finally, the Board directed staff to identify inconsistencies and make any non-substantive changes to the Lee Plan that would correct any internal inconsistencies, provide additional clarity or remove unnecessary or redundant language. These include an amendment to Chapter XIII b.2.e.(7) related to minimum use determinations to remove an incorrect reference to Table 1(a). Additionally, policies in Goal 6: Commercial Land Uses and Goal 7: Industrial Land Uses are

¹ C. Scott Dempwolf, "An Evaluation of Recent Industrial Land Use Studies: Do Theory and History Matter in Practice?" *University of Maryland, College Park* (2009)

proposed to be updated to maintain consistent language with other policies throughout the Lee Plan and to provide clarity.

Conclusion

The proposed amendments to the Lee Plan will provide a substantial update to the Economic Element of the Lee Plan, designate allowable uses in economically sensitive land use categories, and update the language of various policies to provide clarity and consistency throughout the Lee Plan, consistent with board direction. The adoption of the proposed amendments is consistent with the Lee Plan’s vision for economic development and will help to ensure adequate lands are available for continued economic development through the Lee Plan’s horizon.

Text Amendments:**II. Future Land Use Element**

POLICY 1.1.7: ~~The Industrial Development future land use category are areas characterized by the special locational requirements needed to support industrial uses such as: access to transportation (e.g., air, rail, highway) for freight movement and efficiency; industrial levels of water, sewer, fire protection, and other public services; and, employees. plays an important role in strengthening the County's economic base and will become increasingly important as the County grows in size and urban complexity. To a great extent these are the areas to which Lee County must look for expanded job opportunities, investments and production opportunities, and a balanced and sufficient tax base within the County. The Industrial Development future land use This category is reserved mainly for industrial uses which includes uses such as and land use mixtures including industrial, manufacturing, processing and warehousing, data and logistics centers, research and development activities, laboratories, recreational, and, if specifically related to adjoining industrial uses, training facilities and office uses. Residential uses, other than bona fide caretaker residences, are not permitted in this future land use category. (if specifically related to adjoining industrial uses). These uses have special locational requirements that are more stringent than those for residential areas, including: transportation needs (e.g., air, rail, highway); industrial levels of water, sewer, fire protection, and other public service needs; and, employee needs, such as being conveniently located. Retail, recreational, and service uses are allowed as follows:~~

1. Retailing and/or wholesaling of products manufactured or directly related to that manufactured on the premises; or,
2. Recreational, service and retail uses may not exceed 20% of the total acreage within the Industrial Development future land use categories of each Planning District.

It is the County's policy to prevent encroachment of incompatible uses, such as residential, into areas designated Industrial Development. In order to provide adequate area in locations suitable for industrial uses and to meet the County's corresponding needs for job creation and economic development, the County will not support land use changes from Industrial Development to accommodate residential development.

Policy 1.1.7 is being updated to expand on the type of industrial uses supported in the Industrial Development future land use category in order to reflect current and anticipated trends in the economy. The changes will also protect land in this future land use category from encroachment of non-industrial uses. This update is important because it helps to assure suitable locations are available for future well-planned industrial development, consistent with Goal 7 of the Lee Plan.

POLICY 1.1.10: ~~The Commercial future land use category is located in close proximity to existing commercial areas or corridors accommodating employment centers, tourist oriented areas, and where commercial services are necessary to meet the projected needs of the residential areas of the County. These areas are specifically designated for commercial uses. Residential uses, other than bona fide caretaker residences, are not permitted in this future land use category. The Commercial future land use category is in areas where residential uses are not expected or compatible due to the~~

~~nature of the surrounding land uses, and their location along major travel corridors, or. The Commercial category is intended for use where residential development would increase densities in areas such as the Coastal High Hazard Areas of the County or in areas such as Lehigh Acres, where residential uses are abundant and existing commercial areas serving the residential needs are extremely limited. In these locations, the~~ The requisite infrastructure needed for commercial development is generally planned or in place. New developments in this category must connect to a potable water and sanitary sewer system. Commercial retail developments, hotels and motels, banks, all types of office development, research and development, public, and other similar development will be predominant in the Commercial future land use category. Limited light industrial uses are also permitted, excluding outdoor storage type uses. Residential uses, other than bona fide caretaker residences, are not permitted in this future land use category. Any redesignation of land to the Commercial future land use category should occur along major travel corridors and at road intersections. The planned development rezoning process must be used to prevent adverse impacts to the surrounding areas and to ensure that appropriate site development regulations are incorporated into the development plans of each site. New developments in this category must connect to a potable water and sanitary sewer system.

Policy 1.1.10 is being updated to remove unnecessary language in order to provide greater clarity.

POLICY 1.1.13: The Tradeport future land use category includes areas of commercial and industrial lands adjacent to the airport. These areas will include developments consisting of light manufacturing or assembly, data centers, warehousing, and distribution facilities; research and development activities; laboratories; ground transportation and airport-related terminals or transfer facilities; hotels/motels, meeting facilities; education and training facilities; and, office uses.

Stand-alone retail commercial uses intended to support and complement the surrounding business and industrial land uses are permitted if they are approved as part of a Development of Regional Impact (DRI) or Planned Development rezoning. Stand-alone retail commercial uses are limited to 1 acre out of every 10 Tradeport and preserved wetland acres within the project. To provide an incentive to preserve upland habitat, Developments of Regional Impact or Planned Developments may also receive additional stand-alone retail acres at the rate of 1 additional acre out of every 10 acres of preserved and enhanced uplands within the project that protect wetlands, flow-ways or occupied listed species habitat. Ancillary retail commercial uses, related directly to the sale of products manufactured or services provided in ~~the~~ Tradeport, are allowed if they are part of a planned development. Residential uses, other than bona fide caretaker residences, are not permitted in this future land use category. ~~Caretaker residences are not permitted in the Airport Noise Zone B. Special environmental and design review guidelines will be applied to this future land use category because of its location within the Six Mile Cypress Basin and in order to maintain the appearance of this area as a primary point of entry into Lee County[†].~~

Policy 1.1.13 is being updated to add allowable uses based on current economic trends, and remove unnecessary language. Caretakers residences are addressed in Policies 1.6.1 and 5.1.4.

[†]Property in Section 1 and the east 1/2 of Section 2, Township 46 South, Range 25 East, and in Section 6, Township 46 South, Range 26 East, must be rezoned to a planned development zoning category prior to any development other than the construction of essential public services. During the rezoning process, the best environmental management practices identified on pages 43 and 44 of the July 28, 1993 Henigar & Ray study entitled, "Groundwater Resource Protection Study" will be rebuttably presumed to be necessary to protect potential groundwater resources in the area.

POLICY 1.6.1: The Airport Noise Zones (Map 1-E) cover areas subject to varying levels of airport-related noise. In conformance with Airport Noise Compatibility Planning outlined in Title 14 of the Code of Federal Regulations (CFR) Part 150, the Port Authority will update the aviation forecasts and associated noise contours for the Southwest Florida International Airport when warranted by operational changes and will initiate an amendment to the Airport Noise Zone Overlay to reflect the updates as applicable. In addition to meeting the requirements of the underlying Future Land Use Map categories, properties within the Airport Noise Zone Overlay must meet the following:

Zone A/Airport Property is limited to uses that are compatible with airports and air commerce, including but not limited to those necessary to provide services and convenience goods to airline passengers, those generally associated with airport operation, and related development. Upon disposition of any Port Authority property, the land is then subject to the Noise Zone as applicable based on the most recent Composite Day-Night Average Noise Level (DNL) Noise Contours map for Southwest Florida International Airport approved by the Federal Aviation Administration (FAA).

Zone B does not permit any residential units, places of worship, libraries, schools, hospitals, correctional institutions or nursing homes. However, residential units, including mobile or manufactured homes, that were lawfully existing as of June 27, 2000 will be treated as legally permitted uses and may be replaced with a new mobile or manufactured home or conventional single family construction as long as such replacement would be otherwise allowed by the LDC. However, an existing conventional home may not be replaced with a new mobile or manufactured home. One conventional single family home is permitted on each lot in a plat properly recorded before June 27, 2000 if such use would have been permitted on the lot prior to June 27, 2000. In the Industrial Development, Tradeport, and Commercial future land use categories, caretaker residences are permitted. Zone B requires formal notification as provided for in the LDC.

Zone C and D allow existing and new construction and land uses as would otherwise be permitted by the LDC. These zones require formal notification as provided for in the LDC.

Policy 1.6.1 is being updated to provide consistency in the treatment of caretakers residences in the Tradeport, Commercial and Industrial Development future land use categories and to be consistent with Policy 5.1.4.

POLICY 5.1.4: Residential development, except for caretaker residences, is prohibited in the Industrial Development, Commercial, and Tradeport future land use categories and in Airport Noise Zone B. ~~Prohibit residential development in all Industrial Development areas and Airport Noise Zone B as indicated on the Future Land Use Map, except for residences in the Industrial Development area for a caretaker or security guard.~~ (Ord. No. 94-30, 03-02, 18-05)

Policy 5.1.4 is being updated for clarification and to provide consistency in the treatment of caretakers residences in the Tradeport, Commercial and Industrial Development future land use categories and in Airport Noise Zone B.

POLICY 6.1.3: Commercial developments requiring rezoning and meeting Development of County Impact (DCI) thresholds, must be rezoned to a developed as Planned Developments except if located within the Mixed Use Overlay. The Planned Development must be designed to arrange uses in an integrated and cohesive unit in order to: provide visual harmony and screening; reduce dependence on the automobile; promote pedestrian movement within the development; utilize joint parking, access and loading facilities; avoid negative impacts on surrounding land uses and traffic circulation; protect natural resources; and, provide necessary services and facilities where they are inadequate to serve the proposed use.

Policy 6.1.3 updated for clarity.

POLICY 6.1.5: Maintain ~~The~~ land development regulations that will require ~~that~~ commercial development be designed to protect the traffic-carrying capacity of roads and streets. Methods to achieve this include, but are not limited to: frontage roads; clustering of activities; limiting access; sharing access; setbacks from existing rights-of-way; acceleration, deceleration and right-turn-only lanes; and, signalization and intersection improvements.

Policy 6.1.5 updated for clarity.

POLICY 6.1.6: Maintain ~~The~~ land development regulations that will require ~~that~~ commercial development provide adequate and appropriate landscaping, open space, ~~and buffering, and architectural standards.~~ Such development is encouraged to be architecturally designed so as to enhance the appearance of structures and parking areas and blend with the character of existing or planned surrounding land uses.

Policy 6.1.6 updated for clarity.

POLICY 6.1.10: Maintain ~~Provide~~ appropriate requirements and incentives for the conversion of strip commercial development into series of discrete, concentrated commercial areas.

Policy 6.1.10 updated for clarity.

POLICY 7.1.1: In addition to the standards required herein, the following factors apply to industrial rezoning and development order applications:

1 – 4 no changes.

5. Applications for industrial development will be reviewed and evaluated as to:

- a. air emissions (rezoning and development orders);
- b. impacts and effects on environmental and natural resources (rezoning and development orders);

c – h no changes.

- i. buffering and screening², ~~except properties within the Industrial Development future land use category adjacent to lands redesignated to the Urban Community future land use category by Ordinance 16-17 will retain their development potential and land development regulations (including buffers and setbacks) consistent with the requirements previous to the redesignation, as though the redesignated lands are non-residential in use (planned development rezoning and development orders);~~

j – m no changes.

Policy 7.1.1 updated for grammatical clarification and reformatting to move project specific language to footnote.

POLICY 7.1.2: Industrial development is encouraged in the Industrial Development, Tradeport and Industrial Interchange future land use categories. Industrial developments in these future land use categories requiring rezoning and meeting DCI thresholds must be rezoned to a developed as Planned Development. ~~All rezonings to allow industrial uses outside of –except if located within the Mixed Use Overlay or the Industrial Development, Tradeport, or Industrial Interchange future land use categories must be rezoned to a Planned Development, except if located within the Mixed Use Overlay.~~ The Planned Development must be designed to arrange uses as an integrated and cohesive unit in order to: promote compatibility and screening; reduce dependence on the automobile; promote pedestrian movement within the development; utilize joint parking, access and loading facilities; avoid negative impacts on surrounding land uses and traffic circulation; protect natural resources; and, provide necessary facilities and services where they are inadequate to serve the proposed use.

Policy 7.1.2 updated to clarify when rezoning to a Planned Development is required for industrial uses.

POLICY 7.1.5: Permit agriculturally-related industrial uses that directly serve the agriculture industry in the Rural and Open Lands future land use categories rural and agricultural community in ~~areas indicated on the Future Land Use Map as Rural or Open Lands,~~ provided ~~there is~~ they have adequate fire protection, transportation, ~~and~~ wastewater treatment, ~~and~~ water supply, and ~~have~~ no adverse effect on surrounding land uses and natural resources. These determinations will be made during the rezoning process.

Policy 7.1.5 updated for conciseness and clarity.

POLICY 7.1.6: Maintain ~~land~~ development regulations that will require ~~that~~ industrial uses be adequately buffered and screened from adjacent existing or proposed residential areas so as to prevent visual blight and noise pollution.

Policy 7.1.6 updated for clarity.

² Except for properties within the Industrial Development future land use category that are adjacent to lands redesignated to the Urban Community future land use category by Ordinance 16-17 will retain their development potential and land development regulations (including buffers and setbacks) consistent with the requirements previous to the redesignation, as though the redesignated lands are non-residential in use.

POLICY 7.1.8: Lee County will discourage conversion of lands within the Tradeport and Industrial Development future land use categories to other future land use categories to ensure adequate land is available for industrial uses and other employment opportunities. All County actions relating to industrial land uses must be consistent with the goals, objectives, and policies of the Economic Element.

Policy 7.1.8 is proposed to be replaced with language to assure there is adequate land available for employment opportunities as Lee County continues to grow. The existing language is not necessary as all land use actions are required to be consistent with the Lee Plan.

XI. Economic Element

NOTE: The Economic Element is being struck in its entirety and replaced with the Goals, Objectives and Policies shown in underline below.

~~GOAL 158: Lee County will achieve and maintain a diversified and stable economy by providing a positive business climate that assures maximum employment opportunities while maintaining a high quality of life.~~

~~OBJECTIVE 158.1: Lee County will encourage the conservation and enhancement of those natural and cultural resources that represent the foundation of the County's existing retirement, recreation, and tourist-oriented economy in order to place Lee County in a competitive position to enable the retention and expansion of these and other business opportunities.~~

~~POLICY 158.1.1: Lee County will encourage the development of diverse cultural facilities, through public, private, or public/private partnerships, that meet the needs of the residents and visitors of Lee County.~~

~~POLICY 158.1.2: Lee County will promote the opportunity for development and support of hospitals, nursing homes, and additional medical related facilities in order to promote a continuum of care to enhance the quality of life throughout the County.~~

~~POLICY 158.1.3: Lee County will cooperate with state entities and other social service providers to encourage the establishment of programs and facilities that assist the elderly population of Lee County.~~

~~POLICY 158.1.4: Lee County will work with the sheriff, fire districts, municipalities, and other appropriate entities to provide a strong public safety program capable of protecting the citizens of Lee County and their property.~~

~~POLICY 158.1.5: Lee County will maintain a publicly sponsored recycling program as well as "Keep Lee County Clean," "Adopt a Road," and "Adopt a Beach" programs to maintain a positive public image.~~

~~POLICY 158.1.6: Lee County will protect the environment that sustains the commercial fishing and tourist industries by opposing the leasing of off-shore tracts for the purpose of oil exploration and drilling. The County will oppose off-shore oil drilling in the region south of latitude 27 degrees north to the state waters north of the Florida Keys and west to longitude 86 degrees west.~~

~~POLICY 158.1.7: Lee County will encourage the preservation of sensitive natural resources, including beaches, wetlands, estuaries, clean air and water, historic resources, scenic vistas and other unique natural resources through public acquisition and/or regulatory protection.~~

~~POLICY 158.1.8: Lee County will ensure a continued commitment of a portion of the Tourist Development Tax to be used for beach and shore-related improvements such as restoration and~~

~~erosion control, renourishment, future beach acquisition, fishing piers, and beach access points, beach parking facilities, and maintenance.~~

~~**POLICY 158.1.9:** Lee County, in response to current and projected needs of Lee County residents, will encourage a diverse mix of housing types, sizes, prices, and rents by maintaining mixed use land use categories in the Future Land Use Element.~~

~~**POLICY 158.1.10:** Evaluate the current land development regulatory and fiscal structure to identify and remove where appropriate the unwanted impediments to ensuring development is fiscally beneficial.~~

Objective 158.1 and the subsequent Policies have been primarily rewritten to proposed Goals 158 and 160 and the respective Policies under those Goals. Policies that are redundant with other elements of the Lee Plan are proposed to be deleted.

~~**OBJECTIVE 158.2:** Lee County will maintain and develop programs which are designed to expand and enhance the tourism industry.~~

~~**POLICY 158.2.1:** Lee County, in coordination with the Tourist Development Council (TDC) and other appropriate entities, will continue to support the area's domestic and international tourism development program to ensure continuation and expansion of the tourism industry.~~

~~**POLICY 158.2.2:** Lee County, in coordination with the TDC and other appropriate entities, will continue to lead the local tourism industry and work with the community to position Lee County as a friendly and hospitable visitor destination.~~

~~**POLICY 158.2.3:** Lee County, in coordination with the TDC and other appropriate entities, and in conjunction with the Port Authority, will work toward positioning Lee County as a major aviation international port of entry.~~

~~**POLICY 158.2.4:** Lee County, in coordination with the TDC and other appropriate entities, should continue the strong research efforts that accurately measure the economic impact of tourism and provide information for planning, marketing and management of tourism for both the private and public sectors.~~

~~**POLICY 158.2.5:** Lee County, in coordination with the TDC and other appropriate entities, will promote the development of ecotourism in Lee County.~~

~~**POLICY 158.2.6:** Lee County, in coordination with the TDC and other appropriate entities, will promote the development of the sports market and sports facilities for future economic development.~~

Objective 158.2 and the subsequent Policies are addressed in proposed Goal 160.

~~**OBJECTIVE 158.3:** Lee County, in coordination with the Horizon Council and other appropriate entities, will establish, continue and maintain programs which are designed to promote and encourage the recruitment of new industries that will facilitate and diversify Lee County's economic base.~~

~~**POLICY 158.3.1:** Lee County will, in coordination with the Horizon Council and other appropriate entities, formulate an economic development plan to assist local organizations in fostering the expansion and diversification of Lee County's economic base, and will set forth the intent, funding, and the means available for its implementation.~~

~~**POLICY 158.3.2:** Lee County, in coordination with the Horizon Council and other appropriate entities, will sustain a coordinated local, regional, national, and international marketing program that will identify and attract industrial, commercial, and office space users.~~

~~**POLICY 158.3.3:** Lee County, in coordination with the Horizon Council and other appropriate entities, will annually report on the progress of new company locations.~~

~~**POLICY 158.3.4:** Lee County will, in coordination with the Horizon Council and other appropriate entities, develop a presentation packet to actively pursue and encourage businesses to relocate to Lee County.~~

~~**POLICY 158.3.5:** Lee County will ensure that adequate land is allocated in this Plan to meet future commercial, industrial, agricultural, residential, and recreational needs.~~

~~**POLICY 158.3.6:** Lee County will study economic incentives utilized by various Florida cities and counties that may also be utilized by Lee County to place the County in a competitive position to attract new businesses.~~

~~**POLICY 158.3.7:** Lee County, in coordination with the Horizon Council and other appropriate entities, will encourage the expansion of international banking and finance to better accommodate the needs of international visitors to the area and that of local firms engaged in global markets.~~

~~**POLICY 158.3.8:** Lee County, in coordination with the Horizon Council and other appropriate entities, will promote the Foreign Trade Zones in Lee County.~~

~~**POLICY 158.3.9:** Lee County will, in coordination with local, state, and federal representatives, develop a strategy to increase foreign investment in Lee County.~~

~~**POLICY 158.3.10:** Lee County, in coordination with the Horizon Council and other appropriate entities, will continue programs which encourage and assist in the location of new companies that diversify the economy and create higher wage jobs.~~

Objective 158.3 and the subsequent Policies are addressed in proposed Objective 158.1 and the subsequent proposed Policies.

~~**OBJECTIVE 158.4:** Lee County, in coordination with the Horizon Council and other appropriate entities, will maintain programs which are designed to encourage the retention and expansion of the County's existing economic base.~~

~~**POLICY 158.4.1:** Lee County, in coordination with the Horizon Council and other appropriate entities, will continue programs which assist existing companies in expansion efforts and new companies that desire to relocate to the County.~~

~~**POLICY 158.4.2:** Lee County, in coordination with the Horizon Council and other appropriate entities, will annually report on the progress of existing industry expansions.~~

~~**POLICY 158.4.3:** Lee County will protect and promote its existing water port developments.~~

~~**POLICY 158.4.4:** Lee County, in coordination with the Horizon Council and other appropriate entities, will promote economic opportunity through the utilization of the Southwest Florida International Airport and strengthen the role of the airport in Lee County's economic development.~~

~~**POLICY 158.4.5:** Lee County will actively pursue state and federal funding for transportation improvements to the local, region, state, and national highway system in Lee County.~~

~~**POLICY 158.4.6:** All Lee County Departments and Divisions will communicate and coordinate with the Economic Development Office (EDO) (or its successor) to assure interdepartmental coordination of industry and business attraction, expansion and retention in Lee County.~~

~~**POLICY 158.4.7:** Lee County will encourage the retention of the agricultural and commercial fishing industries.~~

~~**POLICY 158.4.8:** Lee County, in coordination with the Horizon Council and other appropriate entities, may establish an "Ambassador Team", consisting of volunteer representatives from such sources as government, banking/finance, utilities, marketing, chambers of commerce, education, and labor market sectors, in order to assist in the retention of targeted industries and businesses. The function of the team will be to increase communication between County and municipal governments, the Horizon Council, and the business community in Lee County.~~

~~**POLICY 158.4.9:** Lee County, in coordination with other appropriate entities, will work to establish and retain small businesses throughout Lee County.~~

~~**POLICY 158.4.10:** Lee County will encourage agriculture industry programs to maintain or improve its economic viability, provide necessary support and promote Lee County produce.~~

Objective 158.4 and the subsequent Policies are addressed in proposed Objective 159.2 and the subsequent proposed Policies. Policies that are redundant with other elements of the Lee Plan are proposed to be deleted.

~~**OBJECTIVE 158.5:** Lee County will encourage the expansion and development of educational facilities that complement economic development and diversification.~~

~~**POLICY 158.5.1:** Lee County will continue to coordinate with and assist the Lee County School District in the orderly and rational expansion of educational facilities that enhance economic growth and a desired quality of life.~~

~~**POLICY 158.5.2:** Lee County will promote the development of programs and facilities through the Lee County School District, Florida Southwestern State College, Florida Gulf Coast University, and any existing and/or future institutions of higher learning, including business and commerce, health services, technologies, and education careers.~~

~~**POLICY 158.5.3:** Lee County will encourage the Lee County School District, Florida Southwestern State College, Florida Gulf Coast University, and any future institutions of higher learning, to develop cooperative and integrated curriculums that enhance and increase the productivity of the local work force and attract industries and skilled workers.~~

Objective 158.5 and the subsequent Policies are addressed in proposed Objective 160.3 and the subsequent proposed Policies.

~~**OBJECTIVE 158.6:** Lee County will maintain a system of development regulations that will promote the accomplishment of the goals, objectives, and policies of this element and will expedite the development review process for projects identified by EDO as “economic projects.”~~

~~**POLICY 158.6.1:** Before adopting any new regulation which potentially imposes new costs to taxpayers and private business, Lee County first will generally assess the impact of that regulation upon the local economy and will adopt such regulations only in cases of compelling public need.~~

~~**POLICY 158.6.2:** Lee County will continue to utilize Lee County staff and private citizen committees to recommend revisions that will streamline development regulations.~~

~~**POLICY 158.6.3:** Lee County will expedite the processing of rezoning and development permitting for projects identified by EDO as “economic projects.”~~

~~**POLICY 158.6.4:** Lee County will appoint a zoning and development permitting ombudsman within EDO, who will have the authority to coordinate and facilitate the rezoning and development permitting processes for “economic projects” pursuant to Policy 158.6.3, so as to reduce requests for additional information, identify issue resolutions, and reduce the amount of time spent in rezoning and permitting for such projects.~~

Objective 158.6 and the subsequent Policies are addressed in proposed Goal 158 and the subsequent proposed Objectives and Policies. Policies that are redundant with other elements of the Lee Plan are proposed to be deleted.

GOAL 158: Achieve and maintain a diversified and stable economy by providing a positive business climate that assures maximum employments.

Goal 158 addresses the economic climate that the County seeks to provide for current and future businesses.

OBJECTIVE 158.1: Foster a positive business climate by providing technical support and guidance to existing and prospective businesses.

POLICY 158.1.1: Provide assistance to various and diversified companies seeking to relocate or expand in the County. Assistance may include, but is not limited to, technical development process guidance, site selection, and identifying appropriate incentives.

POLICY 158.1.2: Provide resources and guidance to assist businesses in navigating the County's regulatory processes, and to encourage relocation to Lee County.

POLICY 158.1.3: Continue to obtain policy guidance and recommendations from appropriate advisory councils within the County, including the Horizon Council, the Tourist Development Council, and others, as may be created or amended from time to time.

Objective 158.1 and the subsequent Policies address provision of support and guidance throughout the regulatory process to existing and prospective businesses. Policy 158.1.3 is for the County to continue to collaborate with organizations such as the Horizon Council and Tourist Development to identify appropriate policies to promote economic growth.

OBJECTIVE 158.2: Ensure maximum employment opportunities throughout the County.

POLICY 158.2.1: Allocate adequate land on the Future Land Use Map and in Table 1(b) to meet the future commercial, industrial, agricultural, residential, and recreational needs of residents and visitors to the County.

POLICY 158.2.2: Encourage efficient use of industrial areas by:

- Prohibiting residential development in the Tradeport and Industrial Development future land use categories;
- Promoting development of industrial uses with high employment density; and,
- Allowing for redevelopment to accommodate business growth.

Objective 158.2 and the subsequent Policies address employment needs in Lee County by identifying land that is essential to the growth of Lee County's economic base. The County is directed to ensure that the Future Land Use Map provides sufficient areas for each of the land use needs of Lee County, consistent with Florida Statute §163.3177.

OBJECTIVE 158.3: Ensure businesses have access to infrastructure and services needed to be competitive in a global economy.

POLICY 158.3.1: Maintain the County's transportation infrastructure, including transit, roads,

airport, and rail, to ensure safe and convenient travel needed to support businesses within the County.

POLICY 158.3.2: Strengthen the role of the Port Authority’s airports as economic engines for economic development and diversification within the County.

POLICY 158.3.3: Protect the capacity and improve the access to the State’s Strategic Intermodal System (SIS) to support economic development opportunities.

POLICY 158.3.4: Support provision of digital broadband and communications infrastructure and expansion of information technology industries needed to meet current and future business needs.

Objective 158.3 and the subsequent Policies address infrastructure and public services for businesses including transportation requirements and digital connectivity. The economic impact of Lee County’s airports is also addressed in Policy 158.3.2.

GOAL 159: Support the retention and expansion of existing businesses, and the attraction of new domestic and foreign businesses.

Goal 159 addresses how the County approaches attraction of outside business and investment as well as growth of existing small businesses within Lee County.

OBJECTIVE 159.1: Establish and maintain programs designed to promote and encourage the recruitment of new industries to help diversify the County's economic base.

POLICY 159.1.1: Utilize public relations and marketing to attract a wide range of businesses, specifically those which are identified as Target Industries.

POLICY 159.1.2: Support policies and programs which attract high-growth and competitive businesses.

POLICY 159.1.3: Where appropriate, implement incentives to attract new businesses.

POLICY 159.1.4: Maintain Land Development Code regulations to support the growth of existing and future businesses.

POLICY 159.1.5: Support initiatives and programs that attract and maintain foreign investment.

Objective 159.1 describes the county’s methods of attracting businesses and investment from outside sources by providing a favorable business climate, incentive programs, and growth-oriented development codes.

OBJECTIVE 159.2: Establish and maintain programs designed to encourage the retention and expansion of the County's existing economic base.

POLICY 159.2.1: Retain, and assist in the development of small businesses.

POLICY 159.2.2: When and where appropriate, encourage and implement incentives to maintain existing businesses.

POLICY 159.2.3: Establish and maintain regulations within the Land Development Code that enable small businesses to undertake infill and redevelopment projects.

POLICY 159.2.4: Support local businesses and organizations that improve the capacity and ability of small businesses.

Objective 159.2 and the subsequent Policies describe the county's methods of promoting existing small businesses.

GOAL 160: Attract, develop, and retain a 21st-century workforce to support Targeted Industry employment needs.

Goal 160 focuses on creating a workforce that is able to support the growing economy outlined in Goal 159. This goal is accomplished by distinguishing Lee County as a desirable area to attract and retain a skilled and diverse workforce.

OBJECTIVE 160.1: Workforce Attraction. Attract a continually diversifying workforce.

POLICY 160.1.1: Ensure that adequate public facilities exist, or are planned, which will serve the County's existing and future employment base.

POLICY 160.1.2: Provide the services needed to maintain the County's position as an attractive and viable location for a diversified workforce.

POLICY 160.1.3: Ensure the development of a wide variety of housing options are available to support a diverse workforce.

Objective 160.1 and the subsequent Policies address how the County will provide for the needs of the growing workforce through public facilities, public services, and multiple housing options.

OBJECTIVE 160.2: Workforce Retention. Promote the continued growth of the workforce.

POLICY 160.2.1: Maintain a workforce with up-to-date skill sets by supporting collaboration and coordination between the County's various educational institutions and employers in Lee County to provide relevant and continuous job training.

POLICY 160.2.2: Support policies and activities that enhance the quality of life of Lee County's workforce.

Objective 160.2 and the subsequent Policies promote the existing workforce by supporting job training through the County's robust educational institutions and employee training programs. This objective also addresses promoting the quality of life to keep the workforce local.

OBJECTIVE 160.3: Workforce Education and Training. Collaborate with the County’s educational institutions to support the continuing educational needs of current and future populations.

POLICY 160.3.1: Encourage the clustering or co-locating of vocational schools and colleges or universities near employment centers to better connect students to potential employment opportunities.

POLICY 160.3.2: Encourage the Lee County School District, Florida SouthWestern State College, Florida Gulf Coast University, and other institutions of higher learning, to develop cooperative and integrated curriculums that enhance and increase the productivity of the local work force and attract industries and skilled workers.

Expanding upon Policy 160.2.1, Objective 160.3 and the subsequent Policies seek to grow the skills of Lee County’s workforce by increasing collaboration between major employers and educational institutions. This Objective also encourages education providers in Lee County to align curricula with the knowledge and skills needed to support the local economy.

GOAL 161: Promote and continue to grow the County’s tourism industry, to both domestic and international visitors.

Goal 161 focuses on continuing to build Lee County’s tourism economy. This goal is broken down into objectives to cover leisure tourism, sports tourism, and business tourism. Guidelines are given to continue developing the features of Lee County that make it a prime destination as well as continued monitoring of new trends and opportunities for tourism in Lee County.

OBJECTIVE 161.1: Leisure Tourism. Support the area’s domestic and international tourism development, to ensure continuation and expansion of the leisure tourism industry.

POLICY 161.1.1: Continue to enhance the County’s position as the premier tourism destination through global marketing and preservation of the area’s unique attributes.

POLICY 161.1.2: Ensure adequate public facilities and services exist to serve the County’s guests and residents.

POLICY 161.1.3: Encourage the development of diverse cultural, educational, and entertainment facilities that attract visitors.

POLICY 161.1.4: Identify and support new types and sectors of tourism, as a way to grow the County’s economy.

POLICY 161.1.5: Encourage the preservation of sensitive natural resources, including beaches, wetlands, estuaries, historic resources, and other unique natural resources through public acquisition and/or regulatory protection to support the development of ecotourism in Lee County.

POLICY 161.1.6: Ensure a continued commitment of a portion of the Tourist Development Tax to be used for beach and shore-related improvements such as restoration and erosion control, renourishment, future beach acquisition, fishing piers, and beach access points, beach parking facilities, and maintenance.

POLICY 161.1.7: Maintain Land development Codes requirements for design and architectural review of projects in proximity to RSW and other points of entry into Lee County.

Objective 161.1 and the subsequent Policies promote leisure tourism through global marketing tactics and protection of the existing character of Lee County. This Objective directs the County to provide adequate facilities to accommodate visitors. The Objective promotes leisure tourism by developing cultural resources of Lee County, protecting natural resources that draw visitors, improving beach ecosystems, and supporting new and unique forms of tourism.

OBJECTIVE 161.2: Sports Tourism. Promote the development of the sports tourism market.

POLICY 161.2.1: Provide facilities and venues for amateur and professional sporting events.

POLICY 161.2.2: Encourage lodging and other tourism-based development in proximity to sports facilities/venues.

POLICY 161.2.3: Engage with promoters of amateur sporting events in order to attract and retain local, state, regional, national and international sporting events.

Objective 161.2 and the subsequent Policies promote sports tourism by providing direction to create new facilities for sporting events and provide lodging near new and existing venues. Lee County will also partner with sports promoters to bring new events to the county.

OBJECTIVE 161.3: Business Tourism. Promote the development of the business tourism market.

POLICY 161.3.1: Encourage and support the development of facilities to host business-related tourism.

POLICY 161.3.2: Support and encourage the development of entertainment and recreational facilities to appeal to business travelers and their travel companions.

POLICY 161.3.3: Engage business groups in order to attract conference-related tourism.

Objective 161.3 and the subsequent Policies promote business tourism to attract business events, such as conferences, to the county.

OBJECTIVE 161.4: Ensure development of the appropriate infrastructure needed to support the County's tourism sector.

POLICY 161.4.1: Position the County as a major aviation international port of entry.

POLICY 161.4.2: Continue to research and measure the economic impact of tourism, in order to provide information for planning, marketing, and management of tourism for both the private and public sectors.

POLICY 161.4.3: Support the development of adequate public and private facilities needed to attract and retain long and short term visitors.

Objective 161.4 and the subsequent Policies provide for tourism infrastructure by supporting growth of airports, researching the impacts of tourism and how to maintain and grow the County’s position in the tourism market, and providing adequate facilities for diverse forms of tourists.

GOAL ~~162 159~~ - GOAL 163: RESERVED

XIII. Administration
b. Administrative Interpretations of the Plan

2. Standards for Administrative Interpretations

e. In addition to the above, interpretations for a Minimum Use Determination (MUD) will be determined under the following standards:

(7) Properties within future land use categories that do not permit residential density,—as ~~summarized on Table 1(a)~~; do not qualify for a MUD.

Chapter XIII section b.2.e.(7) is updated to remove an incorrect reference to Table 1(a).

ATTACHMENT 2



Lee County Economic Overview 2021



UNOFFICIAL REPORT
Information Accessed December 2021

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Executive Summary

Lee County has seen unprecedented growth the past few years, and especially so since the beginning of the COVID-19 pandemic. The Census Bureau estimates our county grows annually at a rate of 1.8% and has experienced a 23% growth in the last 10 years, with a current population of 760,822 according to the 2020 Decennial Census. Lee County's thriving economy has led to consistent population growth and continues to attract an increasing number of visitors. Historically, our area grows by visitors becoming seasonal residents, who then becoming full-time residents.

The Southwest Florida (SWFL) market area has grown to become self-sustaining and producing. Lee County is recognized as a business-friendly, innovative county, attracting and retaining global corporations. Although successful efforts have been made to attract large companies, there is still a shortage of skilled workers within Lee County. Key partnerships with local businesses and non-profits are crucial to informing schools on future educational needs in order to better connect workers to educational opportunities and scholarships in the area.

While Lee County will always remain a popular seasonal destination for homebuyers, it is a testament to the quality of life our area offers that it has recovered from the COVID-19 pandemic at such a swift pace. Since the pandemic began, there has been a significant shift in migration trends toward Florida, with Fort Myers ranked as # 6 in the nation. The rising cost of homes, however, threaten to impede new residents and renters from converting to homeownership. The importance in developing affordable housing comes from the need to support the growing workforce Lee County is trying to attract as the number of businesses grow.

Expansion projects currently underway are expected to contribute to population growth across all of Lee County. Large-scale projects requiring over 250,000 square feet and projecting the need for thousands of new employees has become the norm. The cost of land on the East Coast of Florida and Tampa Bay has made our area the ideal, centralized location for reaching markets across Florida. Transportation and planning officials have identified and prioritized projects to address the density population growth and the rise of e-commerce will add to the roads.

Lee County remains well-poised for continued growth due to our relatively affordable housing, while recognizing the need to prioritize investments on building more workforce housing and the infrastructure needed to address commute times.

I. Population Growth

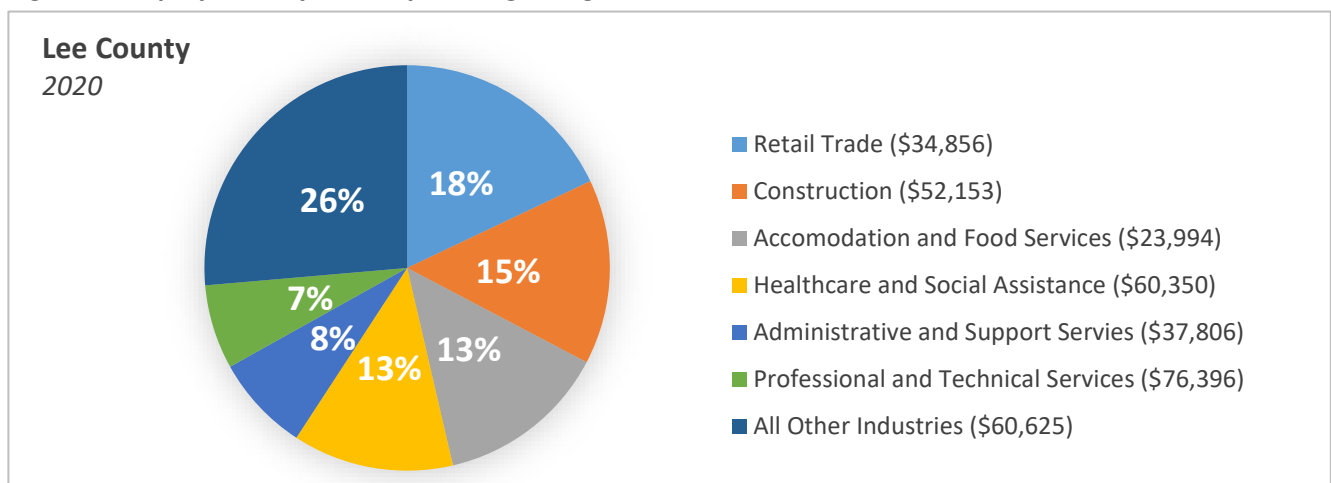
A. Lee County

Lee County has a population of 760,822 as of 2020. The region’s population increased by 23% since 2010, growing by 142,068.¹ Population is expected to increase 19.2% between 2020 and 2030, adding 146,077 new residents.² The unemployment rate has remained steady during the COVID-19 recovery, achieving a low of 3.5% in 2021 after reaching historic highs only one year prior.³ The average household size in Lee County has increased to 2.64, representing an increase in the number of families growing in the area and especially so in neighborhoods that supply the majority of the workforce. Household sizes in Lee County can vary with in-land communities such as Lehigh Acres (3.62) and Cape Coral (2.81) having larger household sizes than coastal communities such as Sanibel (1.98) or Fort Myers Beach (1.97). The median household income for a family of four in Lee County is \$71,900; \$8,000 below the national median household income of \$79,900.⁴ Employment levels have steadily increased each year to a workforce of over 360,000 employees, a result of total regional employment growing by 40,700 jobs in the last 5 years and 87,700 in the last 10 years.⁵

Lee County is recognized as a business-friendly, innovative county, attracting and retaining global corporations such as Chico’s, Hertz Global Holdings, Alta Resources, Herc Rentals, Gartner and NeoGenomics Laboratories. Lee County’s largest employer, Lee Memorial Health System, employs over 13,500 employees and is nationally recognized as a leader in the healthcare industry. Since 2016, Florida has consistently ranked #4 on the State Business Tax Climate Index, which is designed to show how well states structure their tax systems and provide a road map for improvement.⁶ Florida’s corporate income tax rate declined from 5.5% to 4.45% in September 2019 and further lowered to 3.53% in 2021 after the two previous fiscal years outperformed forecasted State revenues; a testimony to the strength of Florida’s economic recovery and continued efforts to keep Florida competitive in attracting new business.^{7,8}

The largest industries in Lee County are Retail Trade (38,821 people), Construction (31,863 people), and Accommodation and Food Services (29,542 people), and the highest paying industries are Utilities (\$92,667 avg.), Finance & Insurance (\$81,725 avg.), and Professional, Scientific, & Technical Services (\$76,396 avg.).⁹ Together with all industries located in Lee County they produce a Gross Domestic Product nearing \$30 billion a year. There approximately 25,000 businesses operating in the area; the number of businesses has increased by 37.68% since 2010, growing from 18,468 establishments.^{10,11} Since the start of the COVID-19 pandemic, there

Figure 1: Employment by Industry; Average Wage in Parentheses



Source: Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research

has been a significant shift towards sole-proprietor, home-based business growth. There have been over 5,700 new business licenses filed since March 2020 and approximately 70% of those were for home-based operations.¹² The composition of who is applying for new business licenses has changed dramatically; for comparison, prior to COVID, the average year saw about 30-40% home-based business applications. Home-based operations are now consistently the larger portion of applicants over traditional brick-and-mortar businesses, furthering the strain on traditional business models as potential workers are now moving towards new endeavors.

Workforce Needs

Although successful efforts have been made to attract larger companies, there is still a shortage of skilled workers within Lee County. A “skilled workforce” typically implies a workforce that has the relevant experience needed to be able to apply to the average job posting within their specialty, or a workforce that typically holds at least an associate degree. Lee County has the largest skilled workforce in the Southwest Florida region with 146,733 skilled workers, which amount to 42.2% of the total working age population. Collier County had the next largest skilled workforce pool at 74,875 (45.4%) skilled workers, followed by Charlotte County at 28,764 (37%). However, all counties in SWFL have a lower percentage of skilled workers than the State of Florida (48.2%).¹³ Across the nation there seems to be a skill-mismatch taking place – the average job candidate is applying to a job they are not adequately trained for. The increased volume of workers attempting to leave their current positions in order to pursue higher-wage job opportunities has increased competition within a smaller pool of job postings, and has left many other less-desirable, but often necessary, positions open. Along with this, some of the largest companies in the area are also experiencing significant worker shortages due to the speed of their expansions, increased demands, and the cost of living rising at a rate that may not be attracting new workers. This skilled worker shortage is a constant topic of discussion amongst local school and business leaders.

Table 1: Skilled Workforce by Area

Area	2013	2014	2015	2016	2017	2018	2019
Charlotte County							
Skilled workforce	27,531	27,054	26,371	26,804	27,729	28,377	28,764
Total working age population	72,607	72,951	73,110	74,026	75,077	76,174	77,699
Percent skilled workforce	37.9%	37.1%	36.1%	36.2%	36.9%	37.3%	37.0%
Collier County							
Skilled workforce	63,622	65,031	67,394	68,322	71,898	73,182	74,875
Total working age population	152,784	154,252	156,092	157,747	160,715	162,431	164,923
Percent skilled workforce	41.6%	42.2%	43.2%	43.3%	44.7%	45.1%	45.4%
Lee County							
Skilled workforce	121,800	125,887	128,381	133,643	138,402	142,626	146,733
Total working age population	309,542	313,668	319,333	325,586	332,703	339,819	347,677
Percent skilled workforce	39.3%	40.1%	40.2%	41.0%	41.6%	42.0%	42.2%
Southwest Florida							
Skilled workforce	218,586	223,365	227,462	233,935	243,376	249,486	256,066
Total working age population	560,386	566,433	574,355	582,832	594,352	605,015	617,199
Percent skilled workforce	39.0%	39.4%	39.6%	40.1%	40.9%	41.2%	41.5%
Florida							
Skilled workforce	4,420,167	4,506,176	4,628,103	4,747,543	4,900,059	5,028,919	5,181,629
Total working age population	9,917,578	10,043,036	10,173,214	10,296,062	10,469,177	10,622,351	10,760,317
Percent skilled workforce	44.6%	44.9%	45.5%	46.1%	46.8%	47.3%	48.2%

Source: U.S. Census Bureau, American Community Survey 5-year estimates

Education Access

The educational network in Lee County is comprised of regionally and nationally recognized institutions such as Florida Gulf Coast University, Florida Southwestern State College, Nova Southeastern University, Hodges University and more. Over 200 post-secondary educational programs are administered with over 10,000 student completions recorded each year. Southwest Florida had a total post-secondary fall enrollment of 38,730 students in 2019, up 2.81% from two years prior. Similarly, the region’s 2019 technical college fall enrollment increased 8.05% from the prior years to 4,655 students.¹³ Each year Florida Gulf Coast University, the largest university in Lee County, has been setting record high enrollments, increasing at an average rate of 1.8% each year over the last 5 years, until Fall of 2021 where enrollment jumped by 10.2% from the previous year, for a record 4,445 new fall enrollments.¹⁴

Key partnerships with local businesses and non-profits are crucial to informing schools on future education needs and connecting workers to educational opportunities and scholarships in the area. The urgent need to upskill the workforce has led to a concerted effort by FGCU, the Lee County School Board, FSW, and Hodges to all work on significant increases in their technical education offerings and expand their rapid credentialing programs. Some of the recent accomplishments from this effort have come from FGCU, where they have expanded their number of graduate degree offerings and opened the Daveler & Kauanui School of Entrepreneurship, which ranked #22 in the nation by The Princeton Review.¹⁵ This push toward expansion has also been driving discussions on building a new technical college in East Lee County to support the growing workforce in Lehigh Acres; and has led to public-private partnerships, such as the Goodwill-Hodges partnership to provide training throughout the county, or the CareerSource partnership with local businesses to minimize risk hiring new employees by subsidizing their on-the-job training.

B. Incorporated Cities

Lee County is the economic center of the five counties that make up Southwest Florida. From agriculture to manufacturing, information technology to life sciences, and tourism to sports, each county offers a unique combination of features that contribute to our vibrant and growing economy. Prior to the 1960s the bulk of Lee County’s population was centered in and around the City of Fort Myers, the commercial and employment hub of the County and Southwest Florida at the time. It wasn’t until the mid-1950s and 1960s that significant development began to take place outside of the city in unincorporated Lee County. The launching of Cape Coral, Lehigh Acres and other large scale pre-platted subdivisions away from the traditional developed area signaled a fundamental change in the development pattern of the County. From the 1960’s on, the population in unincorporated areas far surpassed that in the cities. Lee County continued to grow as a popular retirement and seasonal home location. Over time, several areas of the county have successfully sought incorporation into cities, including Cape Coral (1970), Sanibel (1974), Ft. Myers Beach (1995), and Bonita Springs (1999). The most recent city to incorporate was the Village of Estero on December 31, 2014.

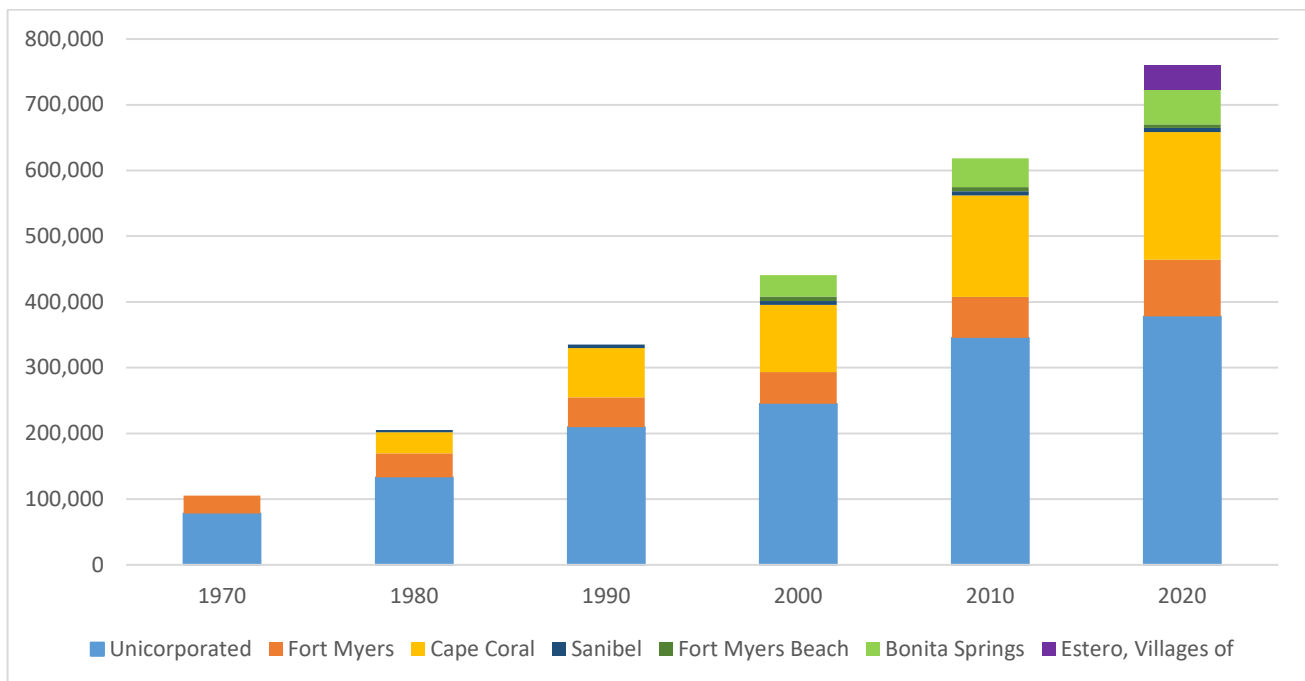
Table 2: Historical Population Growth

Jurisdiction	1970		1980		1990		2000		2010		2020	
	Pop	Perc. (%)	Pop	Perc. (%)	Pop	Perc. (%)	Pop	Perc. (%)	Pop	Perc. (%)	Pop	Perc. (%)
Total Lee County	105,216		205,266		335,113		440,888		618,754		760,822	
Unincorporated	77,865	74%	133,162	64.9%	209,448	62.5%	244,972	55.6%	345,491	55.8%	377,864	49.7%
Fort Myers	27,351	26%	36,638	17.8%	45,206	13.5%	48,208	10.9%	62,298	10.1%	86,395	11.4%
Cape Coral			32,103	15.6%	74,991	22.4%	102,286	23.2%	154,305	24.9%	194,016	25.5%
Sanibel			3,363	1.6%	5,468	1.6%	6,064	1.4%	6,469	1.1%	6,382	0.8%
Fort Myers Beach							6,561	1.5%	6,277	1%	5,582	0.7%
Bonita Springs							32,797	7.4%	43,914	7.1%	53,644	7%
Estero, Villages of											36,939	4.9%

Source: U.S. Census Bureau, Decennial Census of Population and Housing by Decades

Incorporation efforts have increased across the county as the population continues to grow and communities become more defined. Although communities seek to incorporate for a wide variety of reasons, they are often led by the desire to develop a smaller, more local form of government that they feel may better serve their unique needs. The City of Cape Coral, for example, decided in the late 1960s when their population reached 15,000 that Lee County government was not adequately meeting the city’s needs and services.¹⁶ During the incorporation process, cities attempt to solve various issues associated with growth including focused development efforts and meticulous revenue spending. As Lee County’s population continues to grow, it is expected that larger, more cohesive communities such as Lehigh Acres or San Carlos Park may seek incorporation or choose to annex into a nearby city. Although this trend is unavoidable, it is important to note that for the first time in Lee County’s history, the population of Unincorporated Lee County (377,864) is now lower than the total population annexed within the cities (382,958).

Figure 2: Historical Population Growth



Source: U.S. Census Bureau, Decennial Census of Population and Housing by Decades

C. Visitors

i. Vacation Tourism

Tourism is one of the largest economic industries in Florida, with 131.4 million travelers visiting the Sunshine State in 2019.¹⁷ During their time here, visitors generated more than \$94 billion in taxable sales. That amount of spending generates roughly \$5.7 billion in tax-related revenue to the State of Florida, which is spent on public necessities such as schools, transportation, museums and enhancing Florida’s offerings to entice even more visitors.¹⁸

In Lee County, the accommodation and food services industries employ 1 out of every 10 people.¹⁹ Lee County receives approximately 5 million visitors a year that spend more than \$3 billion while in the area. Not only does the area benefit from the economic impact of the industry, but it also benefits from the quality of life to which it contributes. Every time a visitor pays for accommodations, funds are generated for our beaches, ballparks and attractions through a local tax option utilized by Lee County called the Tourist Development Tax

(or Bed Tax).²⁰ The tourist development tax is used for: 53.6% - advertising and promotion for Lee County Visitor and Convention Bureau operations and Lee County Sports Development operations; 26.4% - beach and shoreline improvements and maintenance; 20.0% - stadium debt service (includes debit payments for the Lee County Sports Complex and JetBlue Park, as well as major maintenance for both). In 2019, Lee County set a record bed tax of \$42,702,977; this record was exceeded by June of 2021, with a new year-end record now standing at \$53,332,883 collected.²¹ The County has roughly 13,000 hotel rooms and added 1,000 rooms during the pandemic. In addition, there are 3,500 in the pipeline including the expansive Margaritaville which broke ground in August. These rooms are approximately split between 5,000 coastal rooms and 8,000 in-land rooms, with most of the rooms in the pipeline located in-land.

The rise in popularity for alternative lodging options has many local travelers opting for short-term rentals through the use of popular sites such as AirBnB and VRBO. Across all platforms, Lee County has an average monthly listing count of 4,352 at \$263 ADR.²² Large communities where hotels are scarce benefit greatly from the presence of alternative vacation rental platforms. For instance, Cape Coral has only four flagged hotels with a total of 919 rooms with an average daily rate (ADR) of \$249; this is compared to an average of 1,550 short-term rental listings to choose from each month, with an ADR of \$242 in 2021.^{23,24} Choosing short-term rentals through the use of private property still contributes to the Bed Tax; it allows cities to accommodate travelers even if there are no hotels available nearby and gives visitors more options when choosing where to stay. Visitors who choose short-term rentals can also get a more accurate representation of the quality of life in the area they are staying in, making their decision to visit again or move seasonally much easier.²⁵

ii. Seasonal or Part-Time Residents

Lee County relies heavily on the retirement and seasonal home markets for a major portion of the local economy. Upticks in number of travelers and seasonal residents occurs during the period of year called “snowbird season”; the time of year when Northern residents seek escape from cold and snowy winter weather in search of the plentiful sunshine. Lee County’s snowbird season typically begins around October/November and runs through to April/May. Lee County is the Number 1 “perch” in Florida, ahead of Palm Beach, Miami-Dade, Polk, Pinellas, and Sarasota counties. International travelers play a key role in our surge of seasonal residents. Foreign tourists made up 15-25% of Lee County visitors before the pandemic; overseas travelers often stay a minimum of 2 weeks while visiting Florida, with 55% staying at least 60 days and 33% staying at least 120 days.^{26,27} Although there are no formal data sources capable of providing complete coverage of temporary migration in the United States, it has been noted that snowbirds swell Florida’s population anywhere from 20 to 30 percent.²⁸ During the busiest parts of the year, it is estimated that Lee County’s population reaches nearly 1 million residents, possibly surpassing the 1 million mark at any given moment when considering all travelers.

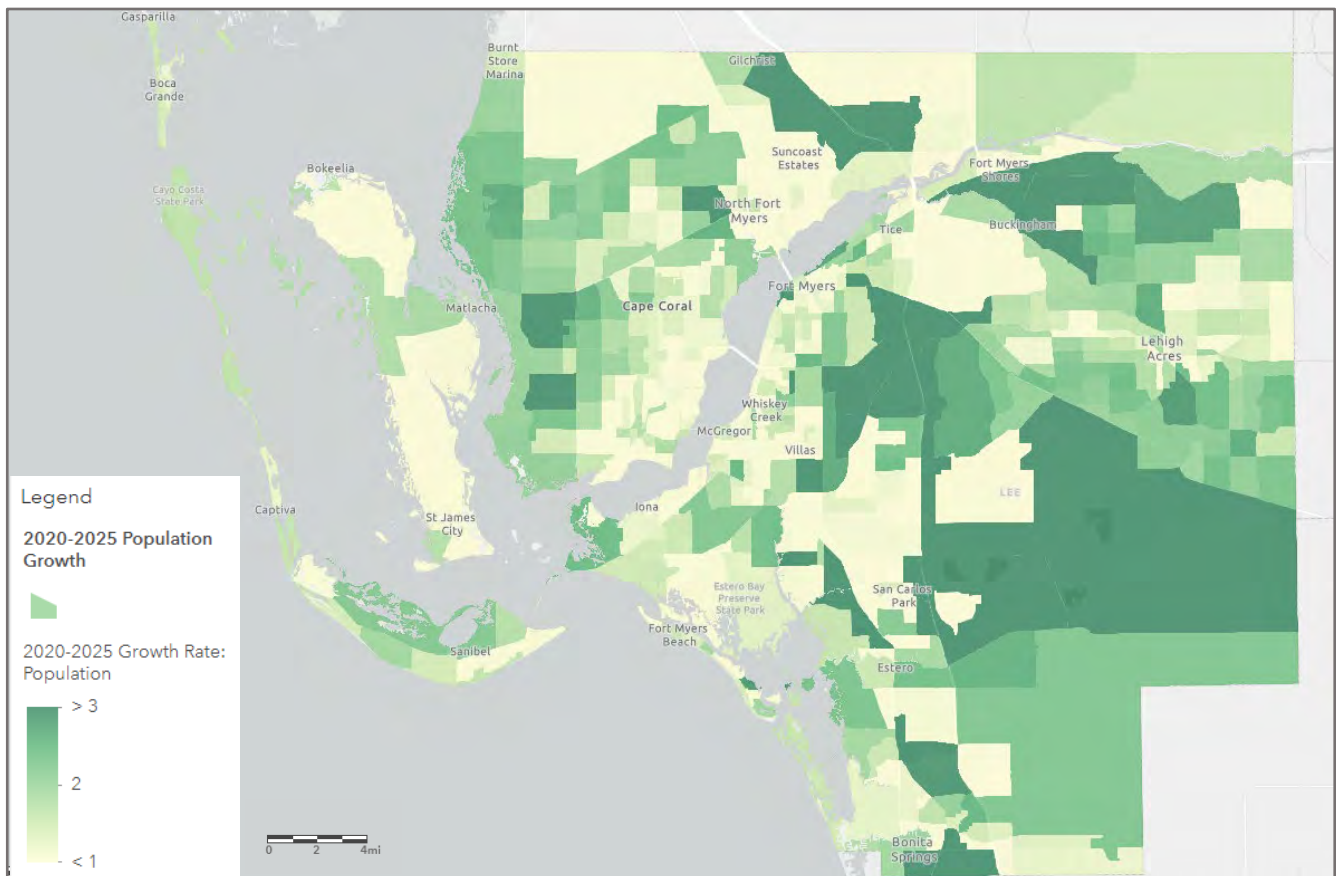
Increased interest in residing in Florida for seasonal or part-time use has led Lee County to be a prime location when looking for a second home. Lee County has a total of 416,332 homes, with an estimated 23% of those homes primarily used for occasional, recreational, or seasonal use.^{29,30} According to the National Association of Realtors, Lee County has the largest population of homes purchased for vacation or seasonal usage at 90,792 – the second closest was Cape Cod at 62,643 and Collier County at 58,406.³¹ The connection between those who transition from seasonal residency to full-time residency in Lee County is apparent. Net migration has been the major contributor to Florida’s overall population growth for many years, with natural increase accounting for only a relatively small proportion. Over the past decade, almost 90% of total population growth came from net migration, with each individual year ranging from about 72% in 2010–2011 to over 97% by 2019–2020.³² The COVID-19 pandemic is expected to have sped up this trend by a considerable amount, with future reports specifying the degree eagerly anticipated.

D. Residents

While Lee County will always remain a popular seasonal destination for homebuyers, it is a testament to the quality of life our area offers that it has recovered from the COVID-19 pandemic at such a swift pace. Since the pandemic began, there has been a significant shift in migration trends toward Florida, with 10 of the Top 25 Growth Cities located in Florida; among those, Fort Myers was ranked #6 in the nation.³³ Similarly, in a recent LinkedIn ranking of the top 20 cities for remote workers, Cape Coral took the #1 spot among major metros.³⁴ Based off these trends, we are seeing that seasonal residents are now being joined by remote workers and those seeking to escape high cost-of-living metros in choosing Lee County. The increased demand the pandemic has caused has been noted from new home purchases by those now deciding to transition to full-time residency. According to the USPS Change of Address data, Lee County experienced a net increase of 23,582 new residents in 2019, and 26,430 new residents in 2020.³⁵ It is expected that the resident population in Lee County will grow by 9% over the next 5 years - about 38 people per day.³⁶

During Q2 2021, local realtors reported homes stayed on the market an average of 3 days before being sold, with about 50% of all new home sales being paid in cash. This increased activity in Lee County has led to a rise in home values. Home values in Lee County have gone up 34.03% over the past year, where the average single-family home will be listed for \$344,810 as of November 2021; for comparison, home values only typically increase about 4-8% during a good year. During the last 10 years while Lee County's population grew by 23%, an estimated 140,000 new residents, home values rose by 141.72% during that same period. Single-family home sales in Lee County rose 41% in June 2021 compared to June 2020, with average home prices also increasing by 36%. The total number of single-family building permits issued in Lee County have nearly doubled since 2020, exceeding the previous year total of 2,724 by July 2021.

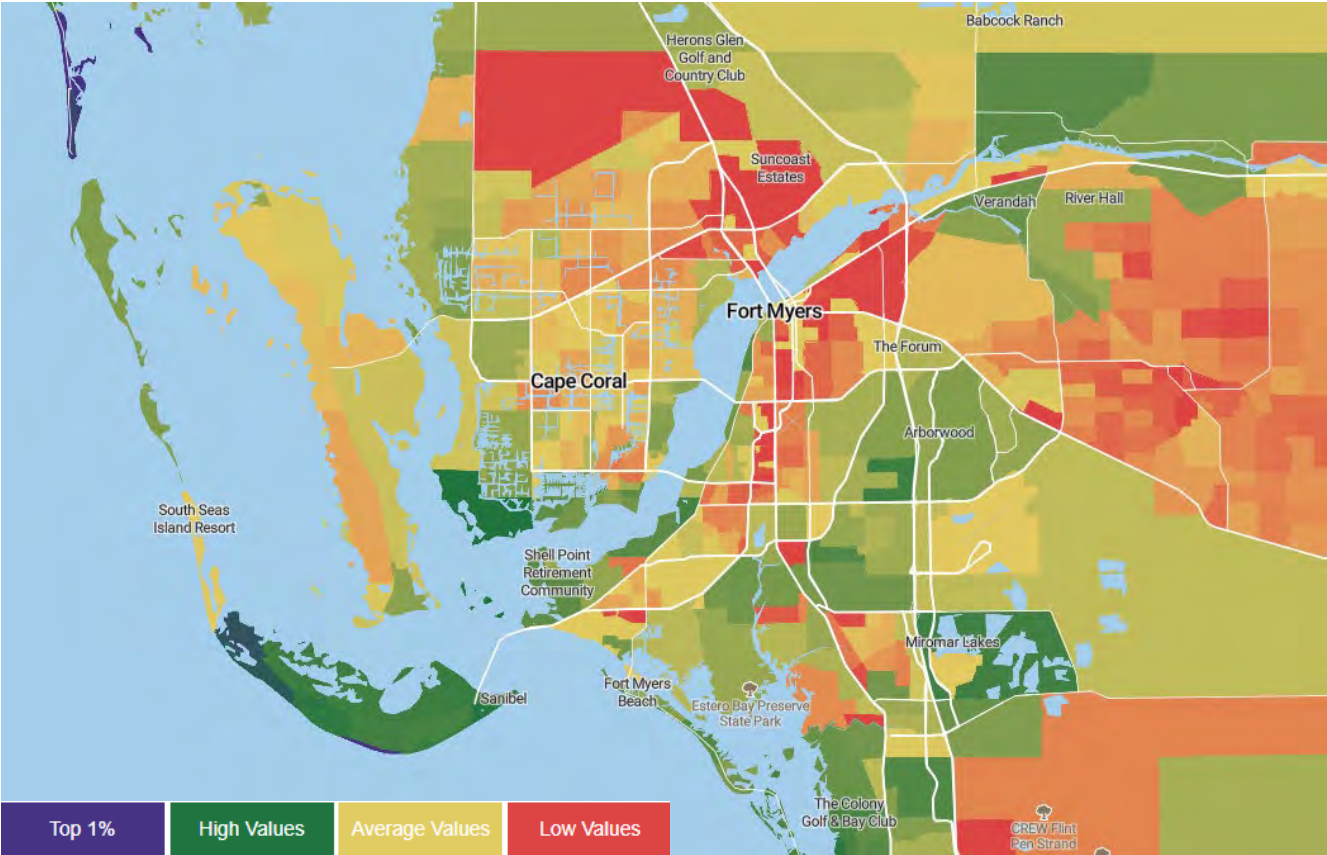
Map 1: Population Growth Areas in Lee County



Source: Lee County GIS, Esri, U.S. Census Population Estimates by Block Group

There are approximately 50,000 residential units in the pipeline, with 26,906 units being planned and 22,662 residential units currently under construction in Unincorporated Lee County, Fort Myers, and Cape Coral (remaining cities do not have current development projects posted). About one-third of all new residential construction consists of multi-family development. Recently, the market has moved to accommodate the rapidly growing population by focusing on multi-family development. While there is still a significant amount of vacant residential lots throughout various parts of Lee County, the focus for developers has moved towards finding and developing higher-density parcels of land to accommodate multi-family structures such as apartments and condominiums. The expansion of multi-family development serves two primary functions in Lee County: to provide increased access to more affordable options for working age homeowners, and to serve the ever-growing seasonal population who tend toward smaller living spaces. Although multi-family is still hot, homebuilders have also begun to include a wider variety in the types of homes being built in Lee County, increasing the presence of production homes, fully-custom homes, semi-custom homes and spec homes. This new era of construction and home development is expected to fit right in to Lee County’s growth among the remote worker and seasonal home markets, where builders can offer a wider variety of options to fit every need.

Map 2: Desirability Index of Lee County



Source: Best Neighborhoods, U.S. Census

The rising cost of homes is an ever-present balancing act within Lee County. The importance in developing affordable housing comes from the need to support the growing workforce Lee County is trying to attract as the number of businesses grow. Communities that typically supply workforce housing are appreciating in value beyond what the average household can afford. For example, Lee County relies heavily on tourist activity and the surrounding service and retails industries, of which the average wage (\$28,000/yr.; \$13.49/hr.) is significantly lower than the area average wage (\$44,636.80/yr.; \$21.46/hr.) and provides the highest number of jobs.³⁷ Lee County suffered greatly from the recession in 2007; 15 years later, much of the housing

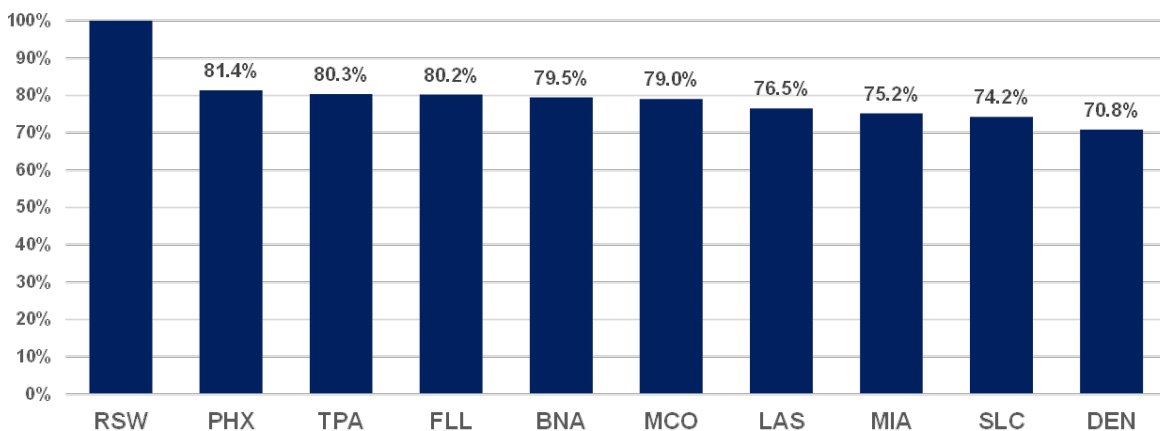
infrastructure and funding sources still have not fully recovered. Government officials have been wrestling with how to address workforce housing since the recession but the market keeps changing. The process to obtain financing, however, is incredibly competitive.³⁸

The County has been increasing involvement to assist with maximizing the competitiveness of new projects for award dollars and have taken internal measures to ensure this important topic remains recognized. Community partnerships such as those created through the Affordable Housing Committee, an advisory committee within Lee County’s Department of Community Development, provide important input on workforce needs, the top priority of which includes increasing affordable housing to support the growth of working-age adults (18-64). However, community initiatives often require governmental backing when pushing to expand workforce housing projects. By ensuring planning authorities continually considers solutions for future workforce needs, new residents can be sure to find adequate housing relatively close to their new place of work. Without this framework in place to support our growing workforce, Lee County’s thriving economy would not be able to sustain the business and residential growth patterns continuing today.

E. Airport Expansion

The Lee County Port Authority has reported consistently increasing airport activity year-over-year. Southwest Florida International Airport (RSW) ranks among the top 50 airports for passenger traffic in the United States and served nearly 6 million passengers in 2020 in the midst of the COVID-19 pandemic. During 2019, the airport served over 10 million passengers and remains on target to recover back to pre-pandemic levels in 2021, only one year later.³⁹ Throughout 2020 and 2021, RSW remained the #1 airport in passenger recovery among the Top 50 U.S. airports (Figure 3) and ranked #31 Busiest U.S. airport based off TSA throughput passenger reports.⁴⁰ RSW has also achieved record levels of total freight each year for the last 3 years, reaching over 37 million pounds of cargo moved in 2021.⁴¹ This level of freight activity has not been reached since the period of growth seen before the economic downturn in 2007.

Figure 3: Ratio of TSA Throughput Passengers
January - November 2021 vs. 2019



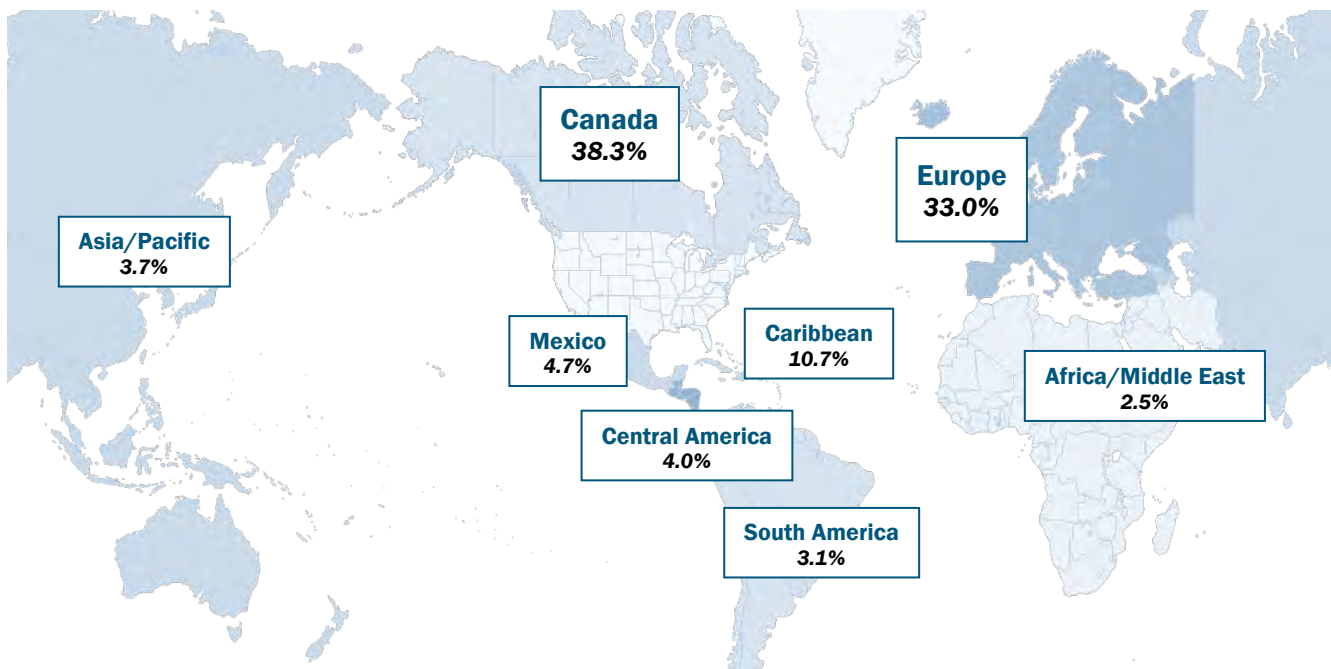
Source: TSA Daily Reports and Bureau of Transportation Statistics

Increasing airport capacity allows businesses to reach new markets. RSW seeks to move forward on several large projects to accommodate the increased activity: finishing the new traffic control tower, progressing on the terminal expansion project, and building a second runway. As the new air traffic control tower was finishing construction, the terminal expansion project was next to begin in 2021; the \$250+ million project seeks to enhance the travel experience at RSW, especially during the busy winter season. These projects are expected to increase the demand for workers in Lee County, not including the countless number of jobs in

related industries once the buildouts are complete. Air cargo and MRO (maintenance, repair, and overhaul) business investments are a top priority in Lee County for airport development because runway capacity studies (the primary driver for determining when the second runway project can begin) are based off take-offs and landings, not passenger activity.

Canada and Europe account for over 70% of RSW’s international demand, with non-stops flights offered to both.⁴² The Lee County Port Authority, who operates RSW, also operates Foreign-Trade Zone 213, which includes the RSW airport property and extends across 7 sites, 3,952 acres, and 3 counties.⁴³ Expanding access to these sites in conjunction with the airport’s future planned developments keeps Lee County the dominant anchor for domestic and international business growth in Southwest Florida. While the markets feeding this growth continue to be Midwest and Northeast cities, Southwest Florida is now seeing residential and business relocations from California, Texas and the Pacific Northwest. The accessibility to Southwest Florida via new non-stop routes from San Francisco, San Diego and Seattle to RSW is helping drive this surge.⁴⁴ As airport expansion continues, it is expected all the other parts that contribute to population growth will follow.

Figure 4: Fort Myers Area Passengers by International Region
CY 2019



Source: ARC Data, RSW/InterVISTAS Leakage Study, CY 2019.

II. Industry Growth

Lee County's industrial sector has seen demand accelerate over the past year. Lee County has posted seven straight quarters of positive net absorption, though an increased construction pipeline had kept vacancies somewhat elevated prior to the 2021 surge. The market is historically tight at a 2.1% vacancy rate, well below the national average vacancy rate of 4.3%.

The outlook appears bright as well. Construction started on nearly 600,000 sq. ft. in Quarter 2 of 2021, the largest such quarter in nearly 15 years. There are now 1.3 million sq. ft. underway with roughly half of it available for lease. Leasing volume sharply picked up in 2021 and the year had the most net absorption of any

year on record before the month of October had closed. Among the year's largest deals were USPS taking nearly 149,000 SF in Cape Coral and PGT Innovations agreeing to nearly 130,000 SF off Meridian Center Pkwy. Office vacancies are also reaching near 15-year lows in Fort Lee County following years of strong demand. Gartner recently took 189,000 sq. ft. at a new build-to-suit parcel on Skyplex, where it will expand its footprint to 2,200 employees by 2022. Much of the recent supply that has also come from build-to-suit sales include Gartner's second building and Scotlynn's new 60,000 sq. ft. headquarters.

The Economic Development Office recognizes the importance of building verticals within Lee County - a business-to-business integration model that accommodates increasing demand to fulfill business needs in an optimal manner. Building vertical sectors within our local industries allow individual businesses the ability to work together in an efficient, cooperative manner to better serve Lee County and neighboring markets. This imperative works in conjunction with local high schools, colleges and universities to build the supporting curriculum required to develop future workforce needs within growing verticals.

One of the most successful verticals seen in Lee County is the found amongst the homebuilding sector. There was a boom in home building in Lee County during the 1980s and 1990s as the market absorbed new seasonal residents away from the East Coast of Florida, who at the time was seeing their own spikes in population and crime. New residents, similar to the sentiments of today, were drawn to the year-round sunshine of Florida and enjoyed the "small town" feel of Lee County as an alternative to larger city living. Following this growth, a myriad of manufacturers moved in and opened businesses to build products directly for the homebuilders. Then, in the early 2000s, there was an interest amongst software companies to come in and create software directly for the homebuilding sector. Companies like Fieldedge and Clevertch, for example, began by solely installing software for HVAC systems and building massive rack distribution networks. Due to the demand for workers in this now growing industry, local schools like FGCU began creating construction and management programs in response to upskill and keep workers in the area, who then went on to create industry support groups and philanthropic networks, and so on.

This decades-long process with various levels of support created this strong vertical sector that is now attracting more businesses and being reinforced. New companies like PGT are moving in because there is now the infrastructure, the workforce, and the capacity in place to support their interests. The Economic Development Office seeks to continue this path to success following the lessons of the past by supporting the growth and development of county-based business.

A. Logistics, Distribution, and Warehousing

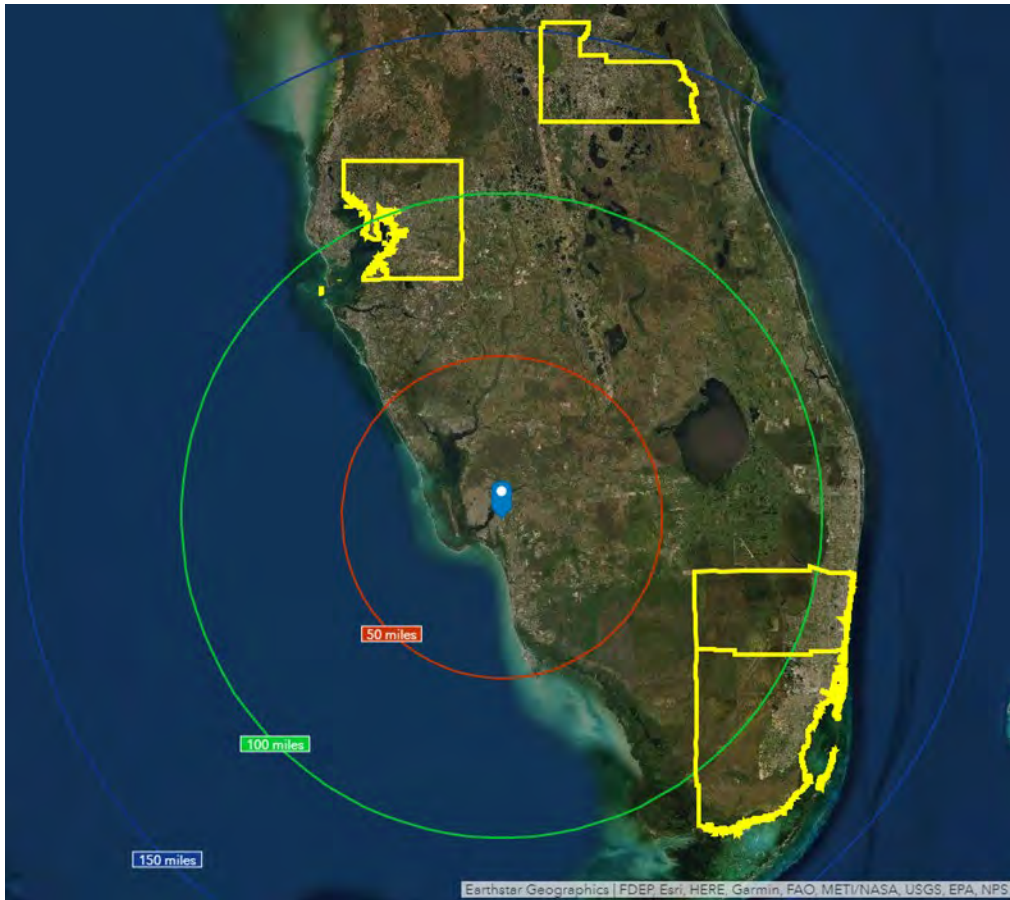
Logistics is big business in Florida, where the broader wholesale trade, transportation and logistics industry employs more than half a million Floridians. Of those, some 85,500 work at companies specifically providing logistics & distribution services. Nearly every major global logistics integrator already has a presence in the state, including the headquarters for Ryder System, Inc., Landstar System Inc., CEVA Logistics U.S., Inc. and other top logistics companies.

In Southwest Florida, the pace of growth for this industry has been steadily increasing. Situated conveniently along the interstate between the two major commercial ports of Miami and Tampa, the tri-county area serves as prime real estate for supply chain and logistics solutions. As one of the largest and fastest growing industries, this sector has seen a job growth rate of 37.8% in the last 5 years and currently employs over 9,000 employees. Traditional distribution centers are based on a hub-and-spoke model providing goods from the manufacturer to a retail store accessible by the consumer. Distributors located in or serving Lee County include Publix for consumable goods, JJ Taylor for beer, and LeeSar for medical supplies. In contrast, e-commerce provides, involves and/or arranges for transportation more directly to customers. The most noticeable

difference is the use of a “fulfillment center” which can seem like a warehouse/distribution center but operates somewhat differently.⁴⁵

In contrast to traditional distribution, e-commerce fulfillment requires more inventory, labor, and automation than traditional delivery fulfillment. E-commerce users generally need two or three times the amount of warehouse and distribution space. Recently, companies with large e-commerce presence and distribution operations have shown interest in expanding their reach in Southwest Florida by investing in Lee County.

Map 3: Distance Rings Centered on Lee County, FL
Highlighting nearest large metro areas for access



Source: ESRI, distance rings and county boundaries

Large-scale projects requiring over 250,000 square feet and projecting the need for thousands of new employees has become the norm. Companies like Amazon and Wayfair, whose businesses function solely online, depend on an ideal distribution environment for site selection; these parameters typically include ease of road access, a plentiful workforce, airport access, sufficient utility capacities, and most importantly, the necessary space in which Lee County can still accommodate. With this accommodation, however, comes the pressure on the roads. According to the Lee County Metropolitan Planning Organization (MPO), there are 300 vans that access the current 60,000 sq. ft. distribution facility daily; each van makes approximately 220 stops per trip, often making at least two trips per day.⁴⁵ These studies were conducted prior to Amazon opening their most recent 270,000 sq. ft. sort facility along Alico Road, which is the first of three new warehouses slated for construction in Lee County that are expected to all together add a total of 4,000,000 sq. ft. of new warehouse and distribution space. Further studies on the strain these build-outs will place on the roads are

imminent. Due to the ease of access Lee County provides for SWFL, it is expected that as highways expand we will see even further investments made for large distribution warehouses for alternative fulfillment needs.

B. Health and Life Sciences

After years of aggressive, coordinated effort, Florida has firmly established itself as a true hub for the life sciences. Today, Florida is home to some of the nation's most highly regarded hospitals and research centers, with a large number of biotech, pharmaceutical and medical devices companies, and a foundation of diverse healthcare establishments.

Health care support services and the life sciences have seen natural growth due to the large healthcare presence in Southwest Florida. Two of the largest healthcare systems in the state, Lee Health and NCH Healthcare System, offer a broad range of services in different medical, surgical, diagnostic, and rehabilitation specialties. Both companies, joined by HCA Healthcare hospitals from Tampa and Port Charlotte, are expanding their presence in Lee County. Companies that support the healthcare industry and are finding Southwest Florida to be a favorable business location due to the demographic composition of our community.



There are currently 460 business locations with over 30,000 employees in Lee County. These companies provide quality jobs for our area, offering an average salary of \$71,653, 7.75% higher than the national average. Some other examples of prominent health and life science businesses in the area include NeoGenomics, ProMed Instruments, Merits Health Products, GenesisCare, EmCyte, and DSI Lab Corp., all local leaders in research and new product development.

C. Advanced Manufacturing

Florida's advanced manufacturing industries are diverse. They include sectors producing a wide array of intermediate and finished products. Lee County is home to companies that make everything from hurricane shutters and garage storage systems to marine air-conditioning units, speaker coils, and medical devices. This industry employs around 13,000 workers in Southwest Florida with an average earning of \$69,632 per job. There are over 1,000 employers in the area. Job growth in this industry has had an increase of 19.1% in the last 5 years. The companies moving down feed into the growth seen in many of the other industries listed.

Manufacturing companies such as Arthrex, a global medical device manufacturing company that focuses on creating new product development and medical education in orthopedics, help support the other large industries in the area. Addman Engineering, an AIP Company, has established a 3-D printing R&D facility in Lee County which will eventually develop into a major manufacturing facility producing 3-D printed products. Other advanced manufacturing businesses, such as Nor-tech Boats and Pravada Private Label, are adding to the variety in Lee County of specialized manufacturing companies. The success of this industry is the result of focused efforts to develop this segment to complement existing industries and add high-paying job opportunities and highly-skilled workers. Local manufacturers are also supported by the Southwest Florida Manufacturers Association (SRMA), a non-profit dedicated to supporting manufacturers and providing advocacy and education to its members.



Developing and maintaining a thriving local manufacturing workforce is a top priority. The School District of Lee County develops career and technical academies at its high schools that address local workforce needs.

Students can graduate from South Fort Myers High School as an American Welding Society certified welder or from Ida S. Baker High School in Cape Coral certified in computer-aided design.

D. Aviation and Aerospace

Florida ranks second among states for aviation, aerospace, and space establishments, with more than 2,000 aviation and aerospace companies employing some 87,000 workers. Florida's industry leadership is driven and supported by the presence of virtually every major defense contractor, a 50-year legacy of space launch at NASA's Kennedy Space Center and the Cape Canaveral Spaceport, Florida's many U.S. military installations, its incredible air transport infrastructure, and its high-quality workforce. In Lee County, the development of the aviation and aerospace sector is underway. Aside from the expansion projects at RSW, Southwest Florida has seen development expand surrounding the regional airports in the area such as Page Field, Punta Gorda Airport, and Naples Airport – all of which have been experiencing increased traffic. These airports primarily support recreational flying, business activity, and flight training operations. They offer access to aircraft maintenance and are great locations for flight instructors who often conduct training at these facilities. Punta Gorda Airport (PGD), the largest of the three, currently offers 46 routes through Allegiant Air with plans to add additional airline routes as their growth continues.⁴⁶ Supporting the growth of regional airports and monitoring their development plays an important role in reducing congestion and allowing greater focus on commercial air travel at RSW.

The Port Authority is an important partner for the economic development of Lee County. The Lee County Port Authority owns Skyplex, a site located north of the runway at RSW that offers more than 1,100 acres for commercial development including 75 acres of direct ramp access.⁴⁷ Skyplex offers 843 acres of prime real estate that is being targeted for aviation and non-aviation development opportunities. Approximately 344 acres of this area are currently zoned for numerous uses, including corporate headquarters and regional offices, office complexes, medical, science and technology centers, warehouse and light industrial uses, retail centers, and more. As a premier economic development site, Skyplex offers the perfect fit for aviation-based businesses and operations including aircraft support services or maintenance, repair and overhaul facilities. Advancement of airport operations and major development projects

III. Growth Areas

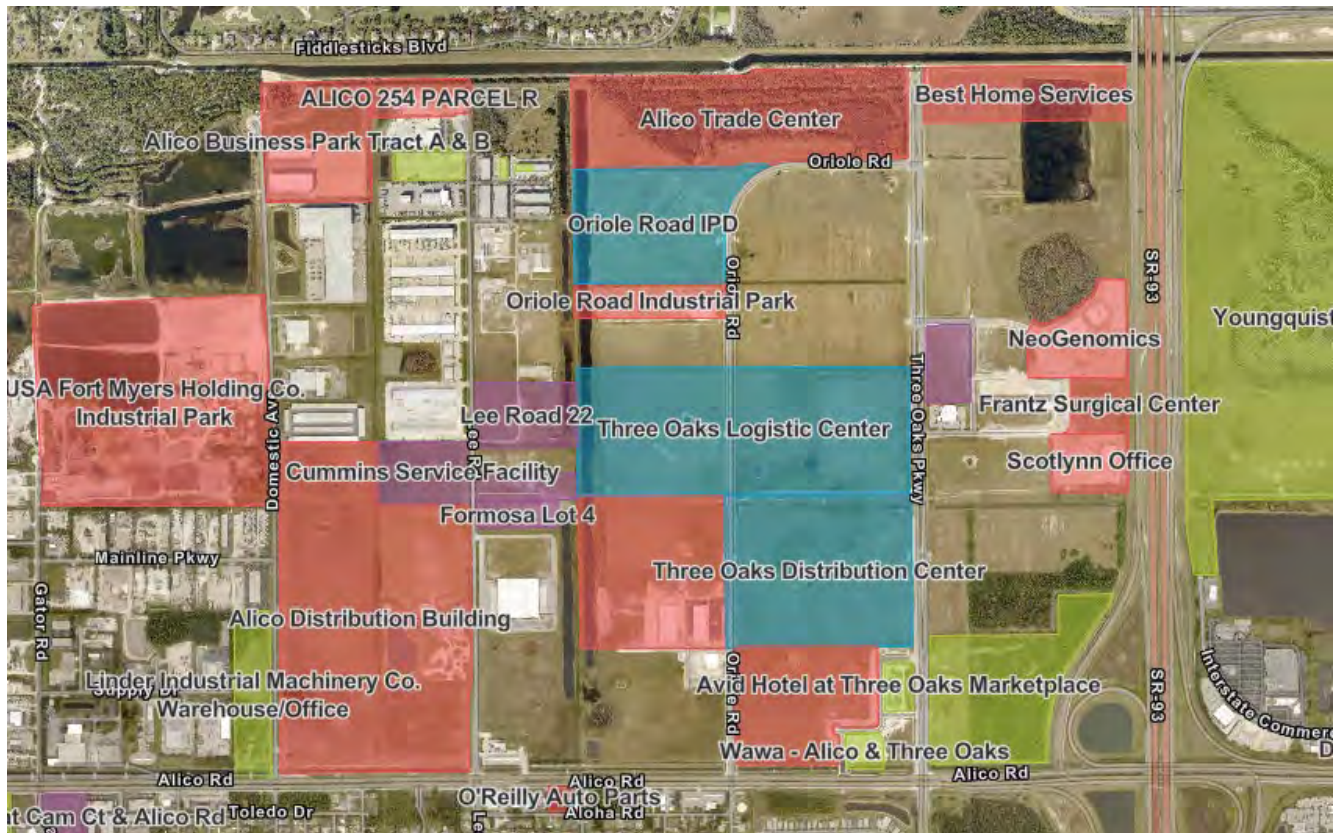
The future planning of Lee County depends on identifying and supporting infrastructure advancement in specified areas of growth. Community development and planning consists of a public participation system that identifies the growth areas responding to market changes and community needs. While Lee County has historically been a popular destination town for its pristine beaches, it has grown in recent years to offer many of the modern amenities typically found in larger metropolitan areas. From large shopping malls, first-rate dining, and entertainment venues – Lee County has become a premier location for investment.

As Lee County has continued to grow, new development has largely been concentrated around the major interchanges along Interstate 75. This is a recent shift from the typical development patterns seen along US-41, of which there is certainly still much interest and activity to monitor. The shift to interstate development, however, denotes the scale of growth taking place. What was recently primarily commercial development to accommodate retail and office is now shifting towards building infrastructure to support large office buildings, warehouses, and industrial parks. This type of development often requires larger parcels of land with higher capacity infrastructure in place.

A. Tradeport: Alico Road and Daniels Parkway

Development on and around Alico Road and Daniels Blvd is undergoing major renovations. Since 2015, there have been 37 new projects totaling just under 3 million square feet of commercial development. When calculating current development orders and add in anticipated development over the next five years, Lee County is poised to see an additional 17 million square feet of commercial development – not counting Skyplex. The potential for additional development at Skyplex, which could increase with a development consultant in place, is expected to expand beyond the major residencies taking place so far by Alta Resources, Gartner, and Publix Supermarkets. The Lee County Port Authority is making improvements on Chamberlain Pkwy to ease future airport access following major airport expansion projects, and to accommodate future workforce growth at Skyplex, such as with the potential acquisition of a new air cargo MRO.

Map 4: Snapshot of Alico Road Development



Source: Development Activity Map, Lee County Economic Development, Esri

Some more of the notable new and future developments in Tradeport include: two new Amazon facilities totaling 550,000 sq. ft., Scotlynn USA headquarters, NeoGenomics headquarters. The 1,000 acres development property owned by Benderson Development Company is planned to provide 3.9 million sq. ft. of industrial space, 1 million sq. ft. of commercial, and allows for the development of a hotel up to 240 units. Premier Airport Park, located directly south of RSW and connected to it by Airport Haul Road, is an industrial planned development approved for 1.9 million sq. ft. of development; it is currently in Phase 3 of construction, adding 3 more buildings to the 5 already there.

Across from Premier Airport Park is ITEC Park, a 240 acres (107 buildable) business and industrial park with frontage on Alico Road; its zoning allows up to 1,200,000 sq. ft. of industrial, of which 240,000 sq. ft. can be commercial. Some businesses have already begun occupying ITEC Park including FGCU's Emerging

Technologies Campus, Advanced Hurricane Technology, My ITEC Place (luxury vehicle condos), and Dona Jo Brand.

Located between I-75 and Ben Hill Griffin Pkwy is the Youngquist Trade Center, 284 acre site approved for mixed-use planned development. The land is currently being prepared for development with no hints yet on who the future tenants may be. Across from the Youngquist property lies Meridian Center, over 35 acres of developable lots remaining to join the already-built 200,000 sq. ft. building whose current tenants include Wayfair and PGT Industries on a 15 acres site.

Several large-scale residential developments are also taking place on Alico Road including Esplanade, Center Place Apartments, and WildBlue. Esplanade is a mixed-use planned development that will offer 1,723 multi-family units (condos, student apartments, and coach 4-plex), 227 single family units, a town square offering 200,000 sq. ft. of retail and 95,000 sq. ft. of office, and a hotel approved for up to 250 rooms. Esplanade also has 13.3 acres of outparcels available for development neighboring the Center Place Apartments that are part of this planned development. WildBlue, a massive master-planned community, spans across 3,067 acres that includes over 800 acres of freshwater lakes and 1,300 acres of conservation lands, and will include 1,100 single-family homes nestled within the preserves.

Less than a mile north, along where Ben Hill Griffin Pkwy turns into Treeline Ave S, is Terminal Access Park and the Jetport Loop developments. Terminal Access Park is a 270.4 acre parcel located directly across Terminal Access Road leaving the airport, and is currently in progress to be rezoned as a Mixed Use Planned Development allowing for up to 2 million sq. ft. of industrial uses, 250,000 sq. ft. of commercial office (including up to 150,000 sq. ft. of medical office), 150,000 sq. ft. of Commercial Retail, and a maximum of 250 hotel rooms. Jetport Loop, neighboring Terminal Access Park to the North and located just south of the I-75 exit, has already seen much develop over the years. Remaining parcels are now being developed, such as: RSW Park, which will be a series of mini warehouse buildings across a 7.41 acres site; Jetport RV and Boat Storage, which include 5 enclosed structures and a two-story commercial building all on a 6.9 acres lot; and Knott SWIP, which was approved for the construction of three single-story commercial buildings for combined general light industrial/office use on a 13 acres site. It is also important to note the planning of Treeline Assemblage Commerce Park located directly across all the development taking place along Jetport Loop. This includes the proposed construction of two buildings (165,120 sq. ft. and 196,080 sq. ft.) for light industrial and warehouse use.

The northern portion of Tradeport contains the Gateway community, a master planned community with over 3,000 acres of neighborhoods, schools, and parks, and areas including large business parks that feature some of the largest companies in Lee County. Quick access to RSW along Gateway Blvd has made this a growing area of interest over the years. JetBlue Park sits right across from Skyplex, and notable companies already located in Gateway such as Gartner and Alta Resources want to remain in the area by investing and building larger headquarters of their own. Gateway continues to see residential growth as communities continue to sprawl along remaining parcels north of the business parks. Some examples include Legacy Gateway Apartments building 502 multifamily units across 29 acres that include lakes and preserves; Parkway Preserve, a gated townhome community planned for 123 units; Arborwood Preserve adding 143 single family units on a 55 acre site and adding to the over 400 units already built; and Bridgetown, part of a planned Plantation community, is building towards a total of 985 units across their 650 acres. The largest of these projects currently underway is the Timber Creek mixed use planned development located at the intersection of Daniels Pkwy and State Road 82. Timber Creek is approved for 1,315 single family residential units, 250,000 sq. ft. of commercial, and up to 150 hotels rooms.

The development activity expanding from Alico Road through to Daniels Pkwy is expected to place greater strain on the already dense commuter traffic coming from Lehigh Acres along SR-82. Planners and

transportation officials have expedited a road project due to address this density. Driving further East along Alico Rd will soon connect two major roads in Lee County: it will connect Alico Road to SR-82. This project will wrap around the massive airport property and provide an immensely needed commuter road to connect the growing workforce in Lehigh Acres to job opportunities located further south. It is intended to alleviate traffic significantly along SR-82, Daniels Pkwy, I-75, and US-41 by re-directing the increasing North-South traffic along this new connection.

B. Colonial Boulevard and State Road 82

Colonial Boulevard and State Road 82 serve as some of the most centralized growth areas with their proximity to the Fort Myers city center, highway access and its connection to the workforce housed out in eastern Lee County. Similar to Daniels Pkwy, these roads serve as some of the highest traffic areas in the county and one of the few major roads giving the East-West workforce the ability to connect to the North-South sprawl of business development. As expected, the remaining large parcels of lands closest to the interstate are now among the highest priority to develop.

Some of the most recent large developments this area has seen is the expansion of available retail shopping and multifamily housing. The Forum at Fort Myers is one of the largest master planned communities The City of Fort Myers has developed, expanding across 706 acres of mixed use development that include dense retail, residential, and office sites. The Forum is adjacent to I-75 spanning the two exits of Colonial Blvd (136) and SR-82 (138); it still has 92 acres of commercial land remaining to be sold, along with 1,878 new residential units in various stages of planning, permitting, and construction. The popularity and success of this area has spurred the interest of other developers and investors due to its placement along major commuter roads, and its proximity to the interstate and the growing workforce in Lehigh Acres.

This growth area has caught the interest of an unnamed 2 million square foot distribution facility project, a future Amazon site selected near the interstate along SR-82, the 370,000 sq. ft. Suncoast Beverage industrial development along Martin Luther King Jr Blvd, and the future development of the former Buc-ee's project that offers 159 acres along SR-82 and I-75. Lee Health has also expressed interest in building a new campus among these big players. The Lee Health Colonial Campus is expected to sit on 52 acres of land along Challenger Blvd, between Colonial Blvd and Winkler Ave; the campus will include an acute care hospital with 216 beds, 16 operating rooms, an emergency department with 30 emergency room bays, and a 16-bed observation unit. Along with offering various ancillary and social services, a new medical building, and the relocation of their data center to this larger space. These companies are expected to join the notable commercial businesses recently built like TopGolf, Tesla, and the extensive retail shopping centers nearby.

Residential development continues to build rapidly with over 10,000 units in the pipeline along this corridor alone. The largest of these is Eastwood Village, West of I-75 along MLK Blvd, a planned development to allow for the construction of a maximum of 2,600 residential units, 130 hotel rooms, 200,000 sq. ft. of retail, and 45,000 sq. ft. of office space. Pelican Preserve is also scheduled to complete their buildout to total 2,489 residential units across their over 1,000 acres that include a 27 hole championship golf course, a 25,000 sq. ft. golf clubhouse, and a 70,000 sq. ft. town center with various amenities.

Some of the smaller developments include: Marina Bay, a gated community planned for 796 single family homes; C-5 Residences, a new 168 unit townhome development along Treeline Ave nearby Colonial Blvd; Asher Park, 90 acres of land initially planned for 293 units along the major intersection of Colonial Blvd and SR-82; and across the street is Springs at Colonial, an apartment complex with 320 units located in 12, two-story buildings. West of I-75 includes: Town of Fort Myers, an apartment complex with 384 units; Colonia Gardens, an apartment complex with 420 units; Cypress Village, a five-story apartment building with 95 units; V2 Apartments, a multifamily development including 308 units within 7 buildings, also offering a clubhouse, pool,

and dog park; Montego Square Apartments, 280 units offering similar amenities; and 13 other multifamily projects nearby Colonia Blvd and MLK, totaling approximately 2,500 units. Combined with the commercial development of the remaining parcels along the highway, it is expected that congestion around these two interchanges will require further road expansions traveling through the city.

C. Fort Myers Shores and Route 80

Development from Lockett Road to Palm Beach Blvd, and the area east of the interstate reaching Fort Myers Shores has been gathering interest. With the increased development along the highway, site selectors are eyeing these large parcels in close proximity to the highway and eastern Lee County. Palm Beach Blvd (State Road 80) offers quick access across communities all the way to the County's eastern boundary and beyond, while also offering access to the growing residential areas nearby of Buckingham and Lehigh Acres.

The Lockett Rd Exit (139) off the highway is seeing the remaining available lands being quickly purchased for commercial or industrial use. The notable large projects under development include 370,000 sq. ft. of new commercial space in addition to the existing Laredo flex space, the Lockett Landing Hotel development that has allowance for future growth, and the Red Jacket commercial planned development to allow for additional warehousing space. The available land east of the highway is expected to be absorbed as current commercial and industrial projects further south are completed.

Located directly off of the interstate is Steamboat, a 20,142 sq. ft. seven-story commercial building offering 201 independent living units on a 14.75 acres site. Along Orange River Blvd is a residential planned development currently being rezoned to allow up to 120 residential units. There is a commercial planned development along SR-80 that offers 26 acres of office and retail use, and lies at the intersection of SR-31 that travels north across the river. The current growth nearby is coming from residential development along SR-80. Along Palm Beach Blvd and near Buckingham Road are several large communities being built: River Hall Country Club is a 2,000 acre master-planned community in Alva that includes 2,695 residential units and an 18 hole golf course with amenities; located nearby is Portico, a planned community with 1,600 residential units and 250 acres reserved for public space and conservation land; and neighboring Portico along Buckingham Road is the Buckingham 345 residential planned development, which was recently approved to allow up to 1,015 residential units across the site's 344 acres.

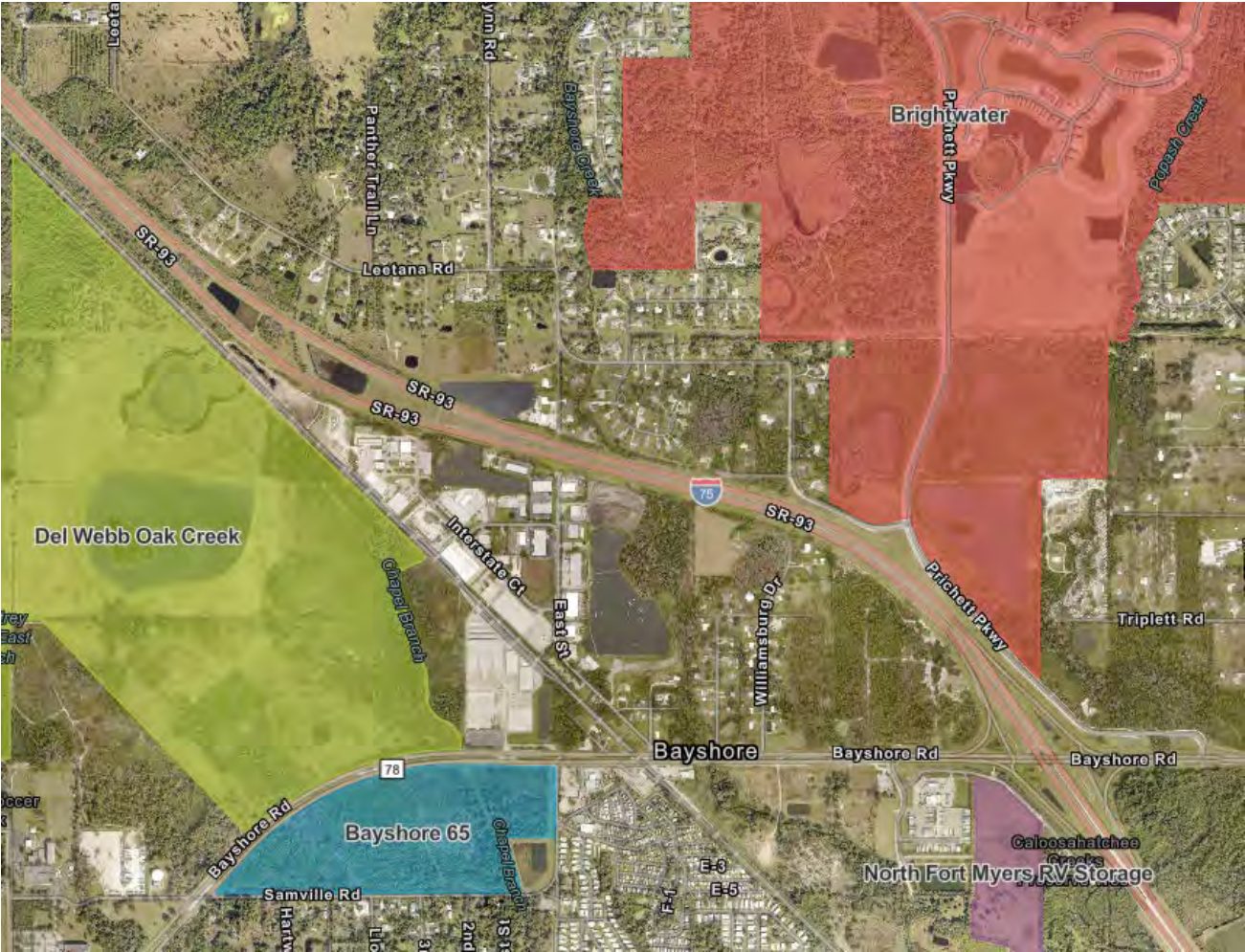
The Fort Myers Shores area is expected to continue to grow as urban sprawl expands outside of the Fort Myers area, and as SR-80 continues to serve as the primary commuter road to connect residents in Alva, Labelle, and Clewiston. There are also plans in place to expand the Airglades International Airport in Glades County that may affect traffic coming into Lee County from the east.

D. Bayshore

Bayshore area growth is beginning to gain momentum as well. The most recent shift in interest comes from the highly anticipated buildout of Babcock Ranch, a 1,200 unit master-planned community located just north of the Lee County border in Charlotte County along State Road 31. The developers of Babcock Ranch Community partnered with Florida Power and Light (FPL) to make this the first solar powered city in the county. The community is spread across 18,000 acres within Babcock Ranch Preserve, which is owned by the State of Florida and managed by a public-private partnership. Future development of commercial growth around Babcock ranch is restricted by the protection of the preserve. Its proximity to developable lands on Lee County and the quick access provided along SR-31 essentially lends further commercial activity to the surrounding area south into the Bayshore planning community.

Development in Bayshore has continued to expand with pronounced residential activity. Similar to other growth areas, development so far seems to be concentrating around access to the highway and major roads such as Bayshore Road. Owing to the activity surrounding Babcock Ranch, the Owl Creek residential planned development is currently seeking approval to allow up to 440 units consisting of single-family and two-family attached units. Brightwater, the largest of these new communities, is currently under construction and located on 741 acres with plans to add up to 1,275 residential units and associated amenities. Located along Bayshore Road are: Bayshore Ranch, a 110 acre parcel being zoned to allow up to 130 residential units with amenities; the Del Webb Oak Creek 55+ community is currently under construction building a combined 418 units with amenities; and located directly across the street from Del Webb is Bayshore 65, a 66.5 acre development proposing a mix of single-family, two-family attached, multifamily, and assisted living facility, together totaling 399 units; lastly, The Enclaves of Eagle Nest which are also located along Bayshore Road, are approved for up to 100,000 sq. ft. of commercial space and 200 residential units. More large residential developments continue to take place west of the highway, with the increased density taking place in North Fort Myers.

Map 5: Snapshot of Large Residential Development Parcels Along Bayshore



Source: Development Activity Map, Lee County Economic Development, Esri

Industrial development seems to be taking hold of the North Fort Myers and Bayshore area, with Florida Freezer expanding their operations to add 2.4 million cubic feet of frozen warehouse space. The North Fort Myers/Bayshore market saw 7 industrial sales over the past year, consistent with the typical amount of deals as recent years. Vacancy rates have edged downward over the past year as the overall market tightens, down to 4.8%, while rents have increased by 10.3% during the same time (only 1% higher than the rest of Lee

County). Industrial parks located just off the interstate are expected to expand as available space is absorbed and Lee County grows. The area's proximity to Charlotte County and Babcock Ranch will also play a factor in future growth.

IV. Economic Impacts

A. Community Support

i. Lehigh Acres

Lehigh Acres CDP (Census-Designated Place) has an estimated population of 123,278 with an annual growth rate of 2.03%. It is the second largest city by population in Lee County after Cape Coral, and the 14th largest population in Florida. There are approximately 40,000 housing units within Lehigh Acres, with a median home value of \$257,061. Home values in Lehigh Acres have increased by 34% over the past year, following the same post-COVID growth trend found throughout Lee County, but has more notably increased 238% in the last decade from when the average home was valued at \$75,855.⁴⁸ The increased interest in available, developable residential land in Lehigh Acres has led to a 155% increase in new housing starts in the last year alone, although wages have only increased 3% in the past decade making it difficult for renters in Lehigh Acres to convert to homeownership.⁴⁹

The high residential growth in Lehigh continues to fuel robust retail demand. Grocery-anchored centers and concepts have factored heavily over recent years, including Whole Foods signing a 45,000-SF lease at Daniels Marketplace and ALDI taking the anchor spot in Springs Plaza and opening freestanding locations such as the location on 4650 Colonial Blvd. While added grocery chains are finding locations nearby to serve the growing population in Lee County, they are primarily building around Lehigh Acres and not within. A recent internal analysis shows that there is a \$30 million USD grocery sales leakage for Lehigh Acres signifying high demand, as opposed to cities similar in size like Cape Coral who have a grocery surplus of \$170 million USD in excess spending due to the higher number of large grocery stores available to their residents (7 in Lehigh Acres vs. 25 in Cape Coral). Further leakage studies can be conducted across a multitude of household expenditures, yet all result in the same cautionary tale: Lehigh Acres needs organizational support to develop retail presence.

Location and traffic patterns show that the average resident in Lehigh travels anywhere between 15-20 minutes to get to their nearest grocery store, and travel times do not improve amongst any other amenity to compare. The average commute time to work is 35.5 minutes, which has increased by 15% in the last 10 years although major road improvements have been underway. While Lehigh Acres does not have a great deal of commercial and industrial land left, all efforts should be made to support local business growth and job creation to further stem commuter traffic which is already causing delays.

Lehigh Acres faces an identity crisis in many ways. The total land area of Lehigh Acres CDP is 92.56 square miles, which equates to roughly 59,238 acres. Of developable land, 77% of Lehigh Acres is currently being used for residential purposes; of those 40,000 residential acres, 70% of them are currently vacant. An average residential lot in Lehigh Acres is 0.25 acres, and if current development rates continue at nearly 2,000 new housing starts a year, Lehigh Acres still has enough residential land to sustain growth for the next 50 years. That growth will also come with a population of about 400,000 residents (multiplying Lehigh's average household size of 3.62 by the number of new homes). To compare, Lehigh Acres has under 1,000 acres (2%) of total land currently being used for commercial purposes and 240 acres (0.5%) for industrial use. A full build-out of commercial real estate in Lehigh Acres at the current absorption rates in Lee County would take about 16 years to complete. Industrial development is even more bleak, with less than 2.5 years of vacant industrial land

remaining. The constraint the residential market has placed on Lehigh Acres will inadvertently guide future development.

Although community members have expressed a desire for an increase in amenities such as more shopping, recreation, and entertainment areas, Lehigh Acres is limited in the amount of variety they will be able to accommodate. Priorities must be established on the type of retail or industrial development that needs to take place before the available space is depleted. Organizing development areas along SR-82 and major roads such as Sunshine Blvd., Homestead Rd., and Lee Rd., for exclusive commercial and industrial development will allow Lee County to preserve the remaining commercial hubs and recognize the community's wishes. Swift policy-making by local government officials should be considered due to rapidly-changing market conditions in order to protect the remaining available parcels. This could be done through specified rezoning or the use incentive programs uniquely designed to address community needs. Considering the existing demand upon local roadways in and out of Lehigh Acres, it is imperative that additional retail-based development is organized along future planned road improvement areas.

ii. North Fort Myers

North Fort Myers has an estimated population of 48,056 with an annual growth rate of 2.07%. The North Fort Myers Planning Community includes the smaller CDPs of Palmona Park and Suncoast Estates. Together they encompass one of largest unincorporated areas of Lee County stretching over 70 square miles, and the largest population of persons 65+ in Unincorporated Lee County at 46.3%. There are approximately 26,000 housing units within North Fort Myers with a median home value of \$279,305.⁵⁰ Home values have increased by 34.8% over the past year, also following the same post-COVID growth trend as Lee County and have increased 151.7% in the last decade. The increasing elderly population and the popularity in continuing to build 55+ communities in the area lends itself to a resident demographic that is increasing in value, with new residents having an average household income of \$110,000.⁵¹ It needs to be noted, however, that North Fort Myers also maintains some of the lowest-income population in Lee County, where 70% of households fall below the \$79,100 AMI and has an unemployment rate of 6.9%.

North Fort Myers offers a unique blend of large communities surrounding commercial development hubs along the major roads of N Cleveland Ave, N Tamiami Trail, and Pine Island Road. The opportunity in North Fort Myers lies in the lack of jobs-generating projects in the area, as well as the limited retail and dining options available, forcing its residents to seek out these amenities in Cape Coral and Fort Myers. One of the constraints that Lee County as a whole contends with are bridge crossings due to the crossing of the Caloosahatchee River. With the continued growth of Cape Coral, southern Charlotte County and Babcock Ranch, as well as the strong housing market in North Fort Myers itself, the population growth north of the river will outpace population growth south of it.

Single-family building permits are rising for North Fort Myers as national home builders are seeking large tracts of land to create new communities along Bayshore Rd, N. Del Prado Blvd and U.S. 41. There are currently over 8,400 residential units in the pipeline with a focus on multi-family and assisted living development. Since the great Recession, there has been lopsided growth in North Fort Myers with a stronger focus on residential development than commercial, retail, or industrial. This has created retail leakage in North Fort Myers proper. While much of the retail leakage in North Fort Myers has been met by new development along Pine Island Road, there will be significant new leakage created when the 8,400 units are built. The older shopping centers, such as Weavers Corner and Hancock Square, do provide limited opportunity for vertical mixed use if additional development occurs that supports more pedestrian and bicycle uses, as well as build effective transitions to adjoining neighborhoods such as Cabana City.

Lee County continues to see pronounced growth along its East-West corridor and the Pine Island Road/Bayshore area corridor is no exception with the large amounts of available land and the relatively affordable homes. This along with the new residential growth in Cape Coral, the new communities being built at Truckers Grade, and residential growth in the greater Babcock Ranch area, creates a specific need for health care, flex space and retail in North Fort Myers. The continued development of residential dwellings with decreased activity in available shopping, dining, and entertainment options has placed a strain on the roads already limited by the Caloosahatchee River. Residents in North Fort Myers are sometimes opting to commute to Punta Gorda in Charlotte County for additional job opportunities. By adopting measures to re-energize building activity and encourage restoration projects, Lee County could organize development of North Fort Myers and the nearby Bayshore neighborhoods to support the business and workforce growth. This has the added benefit of allowing residents to work, shop and recreate without further bridge use.

B. Infrastructure Needs

The growth of Lee County depends on continuing commutation across Lee County departments, entities, businesses and community members. Collaboration allows stakeholders to work efficiently to make decisions and move on projects to keep up with market demands. Through collaborative efforts across departments the Economic Development Office has identified key infrastructure needs for future discussion and development. Utility connection and capacity increases are among the top requirements for population growth and urban sprawl in key workforce communities such as Lehigh Acres. Transportation projects are imperative as growth areas potentially exacerbate existing congestion issues and add increased strain. Population projections allow planners to assess the increased demand of commercial goods and services that are needed to support their respective areas, and inform future requirements such as the widening or building of new roads. There is a need for increased educational infrastructure, namely the desire to build a new technical college in Lehigh Acres, and the need to expand verticals of some of Lee County's targeted industries. Doing so would connect one of the largest workforce communities to an easier pathway to higher education, while also increasing industry diversity to create healthy competition and economic growth.

The Lee County Economic Development Office works closely with other Lee County Departments to receive guidance and provide services to the business community. The office has been working with the Department of Community Development to update the Economic Element and amend the Lee Plan to reflect the current market and development needs of Lee County, provide business permitting assistance and guidance on the process, evaluating priority projects, and establishing potential incentive areas to increase needed development projects along key areas of the county. This partnership often requires close guidance from County Administration officials and the Clerk's office for parameters in which businesses will need to navigate through. Infrastructure requirements for site selection and potential expansion requires quick consulting from Lee County Utilities and Transportation depending on individual project scale and needs. Lee County Human and Veteran services works closely with the Economic Development Office to discuss affordable housing options, locations, and the needs of the communities. Consultation with area realtors and local developers on where to prioritize multifamily development and workforce housing needs is a necessary step towards working together to determine what best fits each community. This holistic view of economic development allows the office to continue to work in conjunction with Sports Development and the Visitor and Convention Bureau on the future placement of hotels, events venues, and other large investments revolving the significant tourism industry in Lee County. Entities such as the Lee County Tax Collector and Property Appraiser's office have worked closely with the Economic Development office to provide key development metrics that allow the department to keep a pulse on growth. Similarly, working closely with the Lee County Port Authority and the Lee County Metropolitan Planning Organization allows the office to provide input and receive feedback on major projects and how they align with the vision of growth seen for Lee County. With these partnerships and the countless others that provide direction, the economic growth and health of Lee County is sure continue.

Further Reading

Report from Lee County Metropolitan Planning Organization, March 2021

Title: 2045 Transportation Plan Good Movement Technical Memorandum

Summary: With the increasing population to the residential communities in Fort Myers and the surrounding Lee County area, the demand for local e-commerce markets to be met is increasing. To meet these demands, suppliers, logistics providers, and developers have already begun or are currently planning additional distribution space, including mega warehouses mentioned previously in Section 3.2, for the Lee County area. Some of the current and expected development trends include:

1. Wayfair has 130,000 square feet of facility space available, of which it is currently only using about 25 percent. The distribution facility is located off of Treeline Avenue.
2. Premier Airport Park is a 225 acre distribution manufacturing park with entitlements for 1,875,000 square feet. Currently, two buildings have been completed that are 106,000 square feet in size, with twelve other buildings in development. Premier Airport Park was developed to meet the on demand needs of e-commerce in the area. To serve this purpose, the Park is located at Exit 128 off Interstate 75 along Alico Road. The size of Premier Airport Park constitutes it being a mega distribution center, discussed previously in Section 3.2.
3. Knotts Development recently purchased 200 acres on Treeline Avenue to develop another 400,000 square feet of warehouse/distribution space. The leasable space at this site is expected to exceed nine million square feet. Neither the site location nor potential tenant information is available at this time.
4. One hundred (100) acres of new development is expected on Lockett Road near I-75. No specific facility/use or location information is available at this time.
5. Sixty (60) acres near RSW is anticipated to be developed for industrial/transportation use. No specific facility/use or location information is available at this time.
6. Two new light manufacturing interests (undisclosed) are currently looking for 80,000 – 100,000 square feet of space in the Fort Myers area. No facility use information nor locations for potential facilities are available at this time.
7. Uline approved an agreement with Collier County for the construction of a regional distribution center for logistics, distribution, and warehouse operations to deliver goods within 24 hours of being ordered.

Report from SWFL, Inc., 2020 Whitepaper

Title: Mobility in SWFL, Impacts and Solutions

Summary: Like many areas outside of the top urban centers in Florida, SWFL has developed with suburban sprawl. The key high-density areas are typically connected by miles of roadways. These factors have reinforced the use of the personal car as the primary mode of transportation. Lee County's average travel time to work is 28.5 minutes which is higher than the state's average of 26.7 minutes. Meanwhile, the forecast is for a significant increase in population by 2040. Economic activity continues to expand since the great recession. The Cape Coral-Fort Myers area was among the top cities for economic growth in 2016.

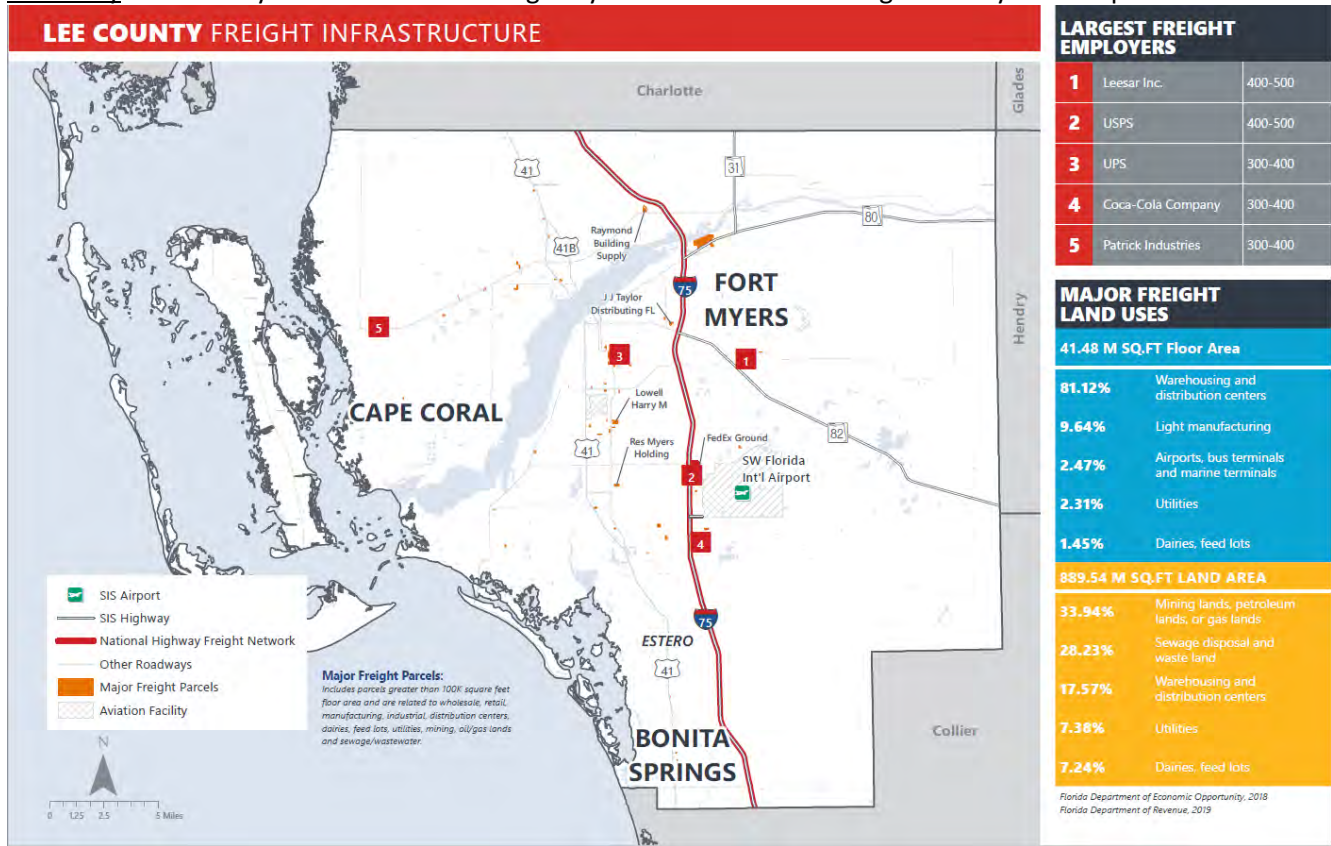
Like most urban centers around the country, SWFL's metropolitan areas are facing current and future challenges to solve for congestion and to find optimal mobility solutions for its people and goods. Many major arterials are congested during peak travel times and public transit systems are strained at current capacity as they try to achieve peak performance. The bus system in Collier has been experiencing declining ridership.

While LeeTran has avoided that trend based on some recent statistics, Lee County’s riders agree with those in Collier County that long wait times are the primary reason for not choosing public transit.

Report from Florida Department of Transportation, February 2021

Title: Freight and Logistics Overview, Lee County

Summary: Lee County moves 99.67% of freight by truck and the remaining 0.33% by rail and plane.



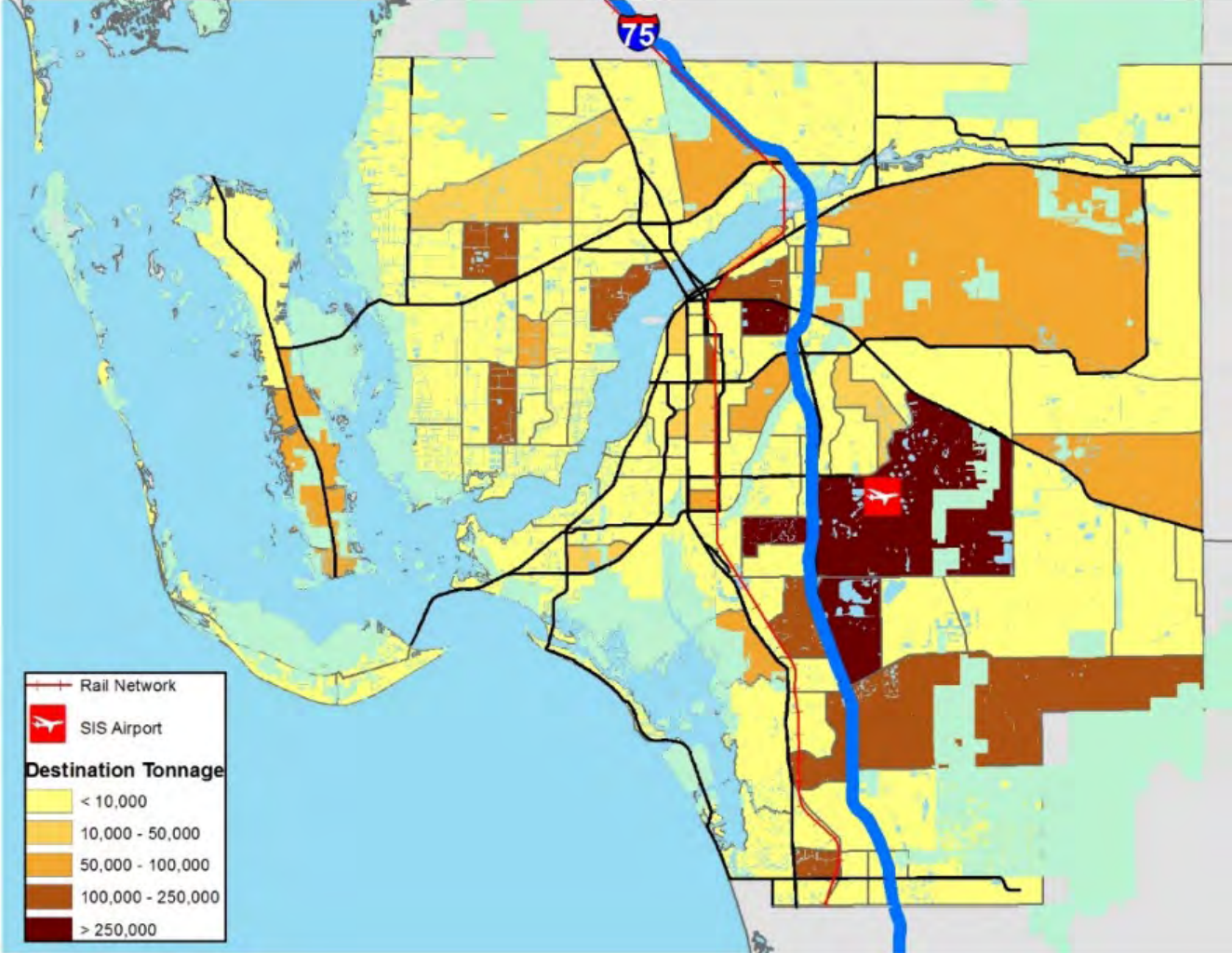
Report from Lee County Metropolitan Planning Organization, September 2016

Title: 2020 Transportation Plan Appendices, Goods Movement Technical Memorandum

Summary: Currently, Lee County provides the highest number of goods to itself due to internal movements of products which are produced and consumed in the county. At present, this intra-county movement accounts for 22 percent of all goods brought into Lee County. However, there is expected to be a significant decline in this type of movement in the coming years, moving Lee County to fourth on this list. Other large trading partners include Miami-Dade, Broward, and Polk counties. These locations are due to their close proximity to Lee County as well as the major international ports of entry and distribution centers located within these counties which serve the consuming market of Lee County. Overall, all of the top trading partners for Lee County are located within the state of Florida with little anticipated change through 2040. The largest increases in tonnage are expected from Okaloosa and Collier counties with annual growth rates of 9.6 percent of 5.8 percent, respectively. The only counties which are forecasted to show declines in traffic are Lee and Polk.

In order to accommodate trucks, all regional and connecting truck corridors should incorporate truck-friendly design standards whenever a roadway is improved. The purpose of incorporating truck-friendly design on certain regional and local roads is to encourage trucks to use these facilities to reduce delay and save time. It approaches freight mobility from a positive perspective by encouraging the use of certain corridors rather than restricting trucks from corridors and local streets. Good truck-friendly design standards also reduce the risk of infrastructure damage such as crushed curbs and sidewalks and damaged signs and utility structures. Making it easier for trucks to maneuver and reducing the number of times trucks must stop along a corridor ultimately improves the corridor for all users. In addition, congested freight activity areas should also include adequate road widths for on-street deliveries where appropriate and when off-street parking is not available.

Figure of destination tonnage from inbound truck movements:



Resources

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ATTACHMENT 3

Economic Overview

Lee County is recognized as a business-friendly, innovative county, attracting, and retaining global corporations such as Chico's, Hertz Global Holdings, Alta Resources, Herc Rentals, Gartner, and NeoGenomics Laboratories. Lee County's largest employer, Lee Memorial Health System, employs over 14,000 employees and is nationally recognized as a leader in the healthcare industry. Since 2016, Florida has consistently ranked #4 on the State Business Tax Climate Index, which is designed to show how well states structure their tax systems and provide a road map for improvement. Florida's corporate income tax rate declined from 5.5% to 4.45% in September 2019 and further lowered to 3.53% in 2021 after the two previous fiscal years outperformed forecasted State revenues; a testimony to the strength of Florida's economic recovery and continued efforts to keep Florida competitive in attracting new business.

The largest industries in Lee County are Health Care and Social Assistance (42,606), Retail Trade (40,842 people), and Construction (34,479 people), and the highest paying industries are Transportation and Warehousing (\$107,479 avg.), Manufacturing (\$100,182 avg.), and Utilities (\$97,559 avg.). Together with all industries located in Lee County they produce a Gross Domestic Product of over \$30 billion a year. There are approximately 26,000 establishments operating in the area sharing the available workforce; the total number of businesses increases by an additional 10,000 registered businesses when including local owners working as a home-based business.

Since the pandemic began, there has been a significant shift in migration trends toward Florida, with 10 of the Top 25 Growth Cities located in Florida; among those, Fort Myers was ranked #6 in the nation. Similarly, in a recent LinkedIn ranking of the Top 20 cities for remote workers, Cape Coral took the #1 spot among major metros. Based off these trends, we are seeing that traditional seasonal residents are now being joined or replaced by remote workers and those seeking to escape high cost-of-living metros in choosing to live and work in Lee County.

The increased demand the pandemic has caused has been noted from new home purchases by those now deciding to transition to full-time residency. According to the USPS Change of Address data, Lee County experienced a net increase of 23,582 new residents in 2019, and 26,430 new residents in 2020. Early Census estimates also report 36,169 new residents migrating to the Fort Myers/Naples area in 2021, the largest year-over-year increase of any combined metropolitan area in the United States. It is expected that the resident population in Lee County will grow by an additional 12% over the next 5 years - about 50 people per day! Recent reports released by the State of Florida have updated forecasts for Lee County to reach a full-time resident population surpassing 1 million by 2030, much earlier than the previous 2045 forecast from two years ago.

Employment remains a bright spot in Lee County with a 5.4% rise in nonfarm employment between 2021 and 2022, not seasonally adjusted, to a workforce of over 370,000 workers. The unemployment rate in Fort Myers also cannot get much lower given that it was at 2.2% as of April 2022, a decline of over 1,000 basis points since hitting a height of 14.1% two years prior. Local unemployment remains low at 2.8%, which translates to roughly 10,000 workers. Wallet Hub recently ranked Fort Myers fifth in its “Best Small Cities to Start a Business” list of over 1,300 U.S. cities.

Lee County is the primary economic engine in Southwest Florida, and its industry is tied closely to growth in the areas of agriculture, manufacturing, information technology, and life sciences. Tourism has a direct and significant impact on the region, as well, as our primary driver for attracting future residents and businesses. While the area has historically been most associated with beach-oriented visitors, today’s distribution of hotel rooms are most notably growing along in-land corridors giving rise to new forms of tourist activities such as amateur sports, medical, and business travel. Higher education is also well represented with eight universities and colleges in Lee County, the most notable of which is Florida Gulf Coast University. Additionally, the area is also the spring training home of the Boston Red Sox and the Minnesota Twins baseball teams and is home to the historic Edison and Ford Winter Estates.

As one of the fastest-growing metro areas in the country, commercial development and investment is certainly following the rooftops here. The pandemic bolstered manufacturing and distribution growth in SWFL, with a similar increase in the construction sector trying to keep up with demand. A heated economy is driving the expansion of major businesses in the area such as HERC and Alta Resources, and industrial tenants are working to keep up with this demand. There is a 1% vacancy rate within the industrial market, leading to high interest when new space becomes available.

At present, Lee County has over 2 million square feet of flex and manufacturing space under construction and an additional 5 million square feet in various planning stages. Lee County is also experiencing an influx of expansions from Europe and surrounding countries. Foreign direct investment and reshoring is having a direct impact upon our area. We have seen expansions with companies from Germany, the UK and Canada, just to name a few. Industrial employment specifically has risen at an average annual rate of 4.9% over the past five years, compared to a 0.9% average annual increase nationally. In total, that amounts to about 8,100 industrial-related jobs added over that timeframe. About 42,000 of Lee County’s jobs are tied to the industrial sector, essentially matching retail trade employment.

The type of industries moving down to Lee County are changing the landscape. In-migration demographics have shifted from retiree-dominated to more working-age residents, fueling the region’s office space demand. This also shifts the types of businesses our office is trying to recruit by targeting emerging sectors such as specialized manufacturing, fintech, cybersecurity, or R&D-based medical. New subsectors to the area like apparel manufacturing and skincare manufacturing have brought on emerging brands such as Dona Jo Brand, Matilda Jane Clothing, Trilogy Labs and Pravada Private Label, to manufacture and distribute from Lee County across the globe. Lee County’s location offers easy access to regional, national, and international markets through its ideal location along the Interstate (I-75) and easy access to the Southwest Florida International Airport (RSW), a Top 40 U.S. airport for passenger traffic.

Lee County's strength comes from the affordable and available nature of land. Asking rents in Lee County provide substantial value relative to the nearby South Florida markets and currently average \$21.51/SF - less than half the current average rent in Miami and a discount of 30% over neighboring Naples. The pace of rent growth in the area is easily one of the fastest among Florida's office markets, outpaced only by Palm Beach County and Miami. Large employers are planning for expansion ahead of growth before remaining buildable land becomes absorbed. Firms such as ADDMAN Engineering, a 3-D printing additive manufacturing company, are relocating to larger locations within Lee County to boost production and their R&D efforts. Alta Resources recently began construction on a new three-story, 90,000 sq. ft. building on a 12.1-acre site with an expectation to add 1,000 new jobs. Arthrex, a globally recognized medical manufacturing company, also recently expanded into an additional 40,000 sq ft space to increase distribution capacity and enhance their current medical device training locations. Lee County benefits from continued growth in emerging sectors and welcomes the opportunities they bring. Our office hopes to see more growth similar to the investment seen in the life sciences, where the expansion of prominent companies like NeoGenomics and EmCyte offer innovative solutions, fresh ideas, and diversity to the already strong medical market.

Expansions and emerging industries draw a direct support network from the local colleges and universities to supply and develop the corresponding curriculums necessary to strengthen a local pipeline of workers. There are currently over 200 post-secondary educational programs administered with over 10,000 student completions recorded each year. With each new addition to an emerging sector, it allows our schools to explore and build new programs to expand the skills of the local workforce and further upskill new workers moving to the area, both allowing the businesses to benefit and the economy to flourish. Offering new opportunities to residents by expanding the available programs often comes as a direct result of demand and growth. The new Water School at FGCU added five new program tracks to the curriculum as a result of increased interest in local water quality and business opportunities with innovative local companies such as Watts Water Technologies, whose local research and development office offers opportunities for students to transition seamlessly into the workforce. Adding innovation to the local area strengthens our educational infrastructure allowing schools like FGCU to explore adding more PhD programs in the future.

Our office recognizes the importance of building verticals within Lee County - a business-to-business integration model that accommodates increasing demand to fulfill business needs in an optimal manner. Strengthening vertical sectors within our local industries allow individual businesses the ability to work together in an efficient, cooperative manner to better serve Lee County and neighboring markets. Like the examples above, this imperative works in conjunction with local high schools, colleges, and universities to build the supporting curriculum required to develop future workforce needs. The recent housing boom and related rent increases have made recruitment more difficult. To counteract this situation, our office is working with local educational partners and nonprofits to bolster our talent pool development through upskilling, micro- and rapid-credentialing, and increasing access to scholarships to better develop our existing workforce. The growth of Lee County depends on continued collaboration among stakeholders to work efficiently and make decisions to implement projects that keep up with market demands.

Our office will continue to welcome and support this much needed growth as high paying careers come with it. For more information, please contact our office at 239-533-6800, or email us at EDO@leegov.com.