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## BOARDROOM REPORT

### News from recent REIS board meetings

**Luncheon Programs:**

The January luncheon featured an overview of Fort Myers riverfront re-development and associated development incentives by Mayor Randy Henderson. Sponsored by [Becker & Poliakoff, PA.](#)

Lee County Economic Development Director Jim Moore will present the annual report on economic development at the February luncheon.

The March 13 luncheon will be sponsored by Gora/McGahey Architects. John Manning, chairman of the Lee County Board of Commissioners will discuss county goals and objectives for 2012 at the April luncheon, sponsored by [Henderson Franklin Stames & Holt, PA.](#)

REIS welcomes suggestions for programs from members. Please convey your ideas to [Steve Hurley](#), 239.337.3330. Sponsorships for future luncheons are available. Contact [Jean Gruss](#), (239.275.2230) for details.

**Scholarship Programs:**

The REIS annual party raised over \$2,600 for the REIS Scholarship Foundation. Details on donating to the Foundation, a 501(c)3 organization, are on the [Scholarship](#) page of the REIS website.

**Horizon Council:**

REIS continues as a member of the 2012 Horizon Council and Kevin M. Fitzgerald will serve as the REIS representative at Council meetings. In addition, REIS members Russell Schropp and Randy Henderson serve on the Executive Committee and REIS members Greg Frith, Ron Inge, Dennis Noah, and Robbie Roepstorff also serve on the Horizon Council.

**Marketing Ideas:**

Present your firm to the key players in Southwest Florida's real estate and development industry by advertising on the REIS website or the *REIS REPORT* newsletter. Contact [Bill Burdette](#) (239.936.1404) for details.

## LEGISLATIVE ISSUES TO WATCH

The 2012 Florida Legislative Session begins January 10. While re-districting and the budget will be the focal points, there are a number of items of importance to the business and real estate community.

Tangible Taxes - Governor Scott seeks to increase the corporate tax exemption from \$25,000 to \$50,000, reduce the Tangible Personal Property Tax paid by business owners, and exempt any business with less than \$50,000 in tangible personal property from paying the tax.

Sales Tax on Manufacturers - Manufacturers want the state to eliminate the requirement that companies show a 10% increase in productivity from purchase of machinery and equipment in order to qualify for a sales tax exemption on the purchase.

Affordable Housing Funds - Sadowski Coalition is urging the legislature to appropriate Florida's housing trust funds for affordable housing. Funds are estimated to exceed \$150 million for upcoming fiscal year. The funds have been diverted to general revenue for the past few years.

Business Costs - Business interests want relief from automatic minimum wage increases (increased 4.9% Jan.1), unemployment compensation (minimum per-employee cost set to rise from \$72.10 to \$171.70), and workers compensation (rates set to rise 8.9%).

Property Insurance - Proposals to reform state-run Citizens Property Insurance Corp. would mean significant increases in insurance costs for many property owners.

Several growth management bills have been filed to amend or refine the Community Planning Act passed in 2011. HB 603 and SB 912 would prohibit implementation of transportation or school concurrency or proportionate share contributions until July 2015 unless authorized by a 2/3 vote of the local governing authority. HB 979 and 1180 SB would revise the DRI process and allow local government to exempt a project from DRI review if the related comprehensive plan amendment is reviewed pursuant to the state coordinated review process.



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## MARKET INTELLIGENCE

It's not "business as usual" anymore and the following programs offer the information and insight needed to plan business strategy in the year ahead. Updates and new programs are regularly posted on the "[Events](#)" page at [www.reis-swfl.org](http://www.reis-swfl.org).

### BUILDING INDUSTRY CONTRACTORS SHOWCASE

Lee Building Industry Association (BIA) presents the annual Contractors Showcase trade show at Harborside Event Center in Fort Myers from 5:30 to 7:30 on January 19th. Open to all. Details at [www.bia.net](http://www.bia.net)

### ULI TRENDS & DIRECTIONS IN REAL ESTATE

ULI Southwest Florida presents the annual Trends Conference January 24 at the Hampton in Estero, featuring presentations on:

- "Economic Outlook" by Gregory Miller
- "Emerging Trends in Real Estate" by Dean Schwanke
- "Housing in America - the Next Decade" by John McIlwaine
- "A Better Method to Forecast Growth and Future Development" by Dr. Paul Van Buskirk

Details and registration at <http://swflorida.uli.org>

### CCIM REAL ESTATE OUTLOOK CONFERENCE

The CCIM District's annual Real Estate Outlook Conference takes place January 26 at the Crowne Plaza hotel in Fort Myers. Details and registration at <http://chapters.ccim.com/floridasouthwest>

### ECONOMIC DEVELOPMENT REPORT

The annual economic development report and overview of incentive programs will be presented by Jim Moore, director of Lee County Economic Development Office and the Fort Myers Regional Partnership, at the REIS February 14 luncheon. [www.reis-swfl.org](http://www.reis-swfl.org).

### MARKET WATCH 2012

The annual review and forecast for Southwest Florida real estate takes place February 23 at Harborside Event Center in Fort Myers. Former REIS President Stan Stouder, CCIM, will assess commercial market sectors; Realtor Denny Grimes will offer an overview of residential trends, and REIS member Randy Thibaut will report on land and development. [www.marketwatch2012.com](http://www.marketwatch2012.com)

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(239) 936-1404  
[bill@burdetteinc.com](mailto:bill@burdetteinc.com)

## DEFINING WETLANDS JURISDICTION

Controversy continues over the proposed guidance on determining federal jurisdiction over wetlands. A joint effort of the U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (Corps) to clarify the scope of the Clean Waters Act (CWA) may expand federal jurisdiction. Presently, the CWA rules include "adjacent wetlands" which are those located in proximity to a traditional navigable water. Under the Proposed Guidance, an adjacent wetland is jurisdictional if the wetland is located in the same floodplain as a traditional navigable water or interstate water regardless of the site of the floodplain. In addition, adjacency can be established if a wetland has an unbroken surface or shallow subsurface hydrologic connection.

The agencies are slated to propose a rule in the next few weeks to codify the Guidance in order that agencies and courts may expedite its application. Since the Guidance has not undergone a formal rulemaking process it is not subject to legal challenge. Meanwhile, Congress and business groups are calling for the Corps and EPA to undergo a rulemaking process which would allow interested parties to comment and petition for revision or repeal of the rule. The National Association of Counties has asked the EPA to withdraw the proposal to allow for further analysis and public comment

## GOVERNORS CONTRIBUTE

The REIS governors who finished their terms at the end of 2011 opted to forego the customary awards honoring their service to the organization and donated the money budgeted for awards to the REIS Scholarship Foundation. The Scholarship Foundation thanks Jim Garinger, Stephanie Keyes, Jerry Wallace, and Hal Tate for their generosity.

## REIS MEMBERSHIP AVAILABLE:

REIS Memberships for 2011 expired December 31. If you have not renewed and wish to do so, contact Bill Burdette, [bill@burdetteinc.com](mailto:bill@burdetteinc.com) or 239.936.1404. A limited number of memberships are now available if you have colleagues or clients who would like to join. Membership information and application are at [www.reis-swfl.org](http://www.reis-swfl.org).

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## Reduce Landscape Services Costs and Increase Sustainability

By Jason Salmon,

Opportunities abound for properties to respond to challenging economic conditions faced today. By proactively deploying smart landscape service managers can reduce landscape costs, while still improving the sustainable elements of a property. Applying some simple measures and best practices can provide numerous benefits.

Certainly, the economy presents a real need to be more efficient in the operation of a property, yet still be friendly to Mother Earth. The impact of a smart landscape and maintenance plan can be significant, with annual savings in the 15% to 20% range. When making decisions about how to achieve the goals of a property, an obvious starting point is to assess the existing design, systems and plantings before developing a plan to maintain, improve and enhance a property.

For example, properties constructed 20 or more years ago have common age-related elements that typically need to be addressed. First, an area to look at is the irrigation system, which usually involves deploying more advanced technology. A second area to explore is enhancements of the existing landscape with sustainable, drought-resistant plants. Finally, consider what elements of the original landscape design still meet today's standards.

Smart controllers or sensors to detect when plants actually need water didn't exist when properties were built in the 1970s or 1980s. By investing in these kinds of improvements to an irrigation system a property can generate the kind of savings that reasonably would expect to pay off within 24 months and in some cases even shorter ROI periods.

Sustainable landscape is good for the environment and can impact bottom lines as well. Replacing existing plants with those that are Florida native or adaptive to an area or are drought tolerant will help address a need for all to use water resources more wisely. A property might even be able to utilize a recycled water source.

Over time the needs of a property may change so it is necessary to examine the original landscape design and determine what improvements can be made. A smart approach considers selective removal and replanting of marginal performing or high-maintenance shrubs and trees. The region of the State in which a property is located serves as a good guide for what to plant.

Landscape services partners must drive value and serve as a maintenance strategist rather than just a contractor. For properties, it is critical in today's budget sensitive environment to count on a team of landscape experts who also understand the business side of a property because it can directly impact value. The landscape services team needs to build a relationship with a property that's based on listening, caring and acting in the property's best interest.

Knowing what can be done with the landscape, when it should be done and why a recommendation makes sense from a financial and landscape best practice is the measure of true value of a landscape services firm to a property. A landscape services partner must ensure the landscape reflects the quality and value the owner desires since it is one of the first things people see.

### About the Author

*Jason Salmon, is a member of the Real Estate Investment Society (REIS) and is Regional Business Developer with ValleyCrest Landscape Maintenance and can be reached at (239) 410 6416 or [jsalmon@valleycrest.com](mailto:jsalmon@valleycrest.com). ValleyCrest has 35 offices in Florida and is an integrated landscape services company. For more information, visit [www.valleycrest.com](http://www.valleycrest.com).*

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