

REAL ESTATE INVESTMENT SOCIETY

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2011 OFFICERS:

President Kevin M. Fitzgerald
Vice President Kim Donnelly
Treasurer Steve Hurley
Secretary Sean Ellis, Esq., LEED AP

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Amanda Brock, Esq.
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Roy Hyman
Stephanie Keyes, AICP

Robin M. Mixon
Matt Simmons
Jerald L. Wallace
Past President Hal Tate

BOARDROOM REPORT

News from recent REIS board meetings

Luncheon Programs:

There will be no luncheon in November, in favor of the gala annual social event.

The December 13th luncheon will be sponsored by [Krise Commercial Group](#).

REIS welcomes suggestions for programs from members. Please convey your ideas to [Kim Donnelly](#), (239) 768-4522. Sponsorships for future luncheons are available and [Jim Garinger](#) has all the details: (239) 418-0300.

Scholarship Programs:

It's time to consider charitable donations to the REIS Scholarship Foundation, a 501(c)3 organization. REIS hopes to award as many as 4 scholarships at the end of the year, based on Board review of the applications received. Students from several Southwest Florida colleges and universities are eligible. Details on the scholarships and qualifying criteria are on the [Scholarship](#) page of the REIS website. Contact [Matt Simmons](#), (239) 333-1060 to make a contribution.

Horizon Council:

Hal Tate represented REIS at the Education Summit in October, which involved much discussion about the need for the education system to become better connected with the business community in meeting workforce needs.

Membership Renewal:

REIS Membership Renewal notices will be emailed the end of November. Dues will remain \$125 for the 2012 calendar year memberships. Please review your member profile on the REIS website and update as needed so you don't miss any important messages. If you are not receiving REIS email notices and bulletins, please make sure your spam filter will allow email from membership@reis-swfl.com and info@reis-swfl.com. Notify Bill Burdette, bill@burdetteinc.com if you need verification.

LET THE GOOD TIMES ROLL!

Grab your partner and come out for some FUN at the REIS "Triple S Shindig" - Spirits, Spurs, and . . . Shopping! The gala annual social event happens November 17th at The Edison and features good food and drink, live music, camaraderie, and silent auction and raffles to benefit the REIS Scholarship Foundation.

The party is exclusively for REIS members and special guests, with reservations required by November 10th. Sponsors include Pavese Law Firm, Valleycrest Companies, Henderson Franklin Starnes & Holt, P.A., Inkwerks, Florida Gulf Bank, David Douglas Associates, Gora/McGahey Architects, Hans Wilson Associates, and Busey Bank.

Promote your firm by donating an item for the auction! For details, contact Event Chair [Robin Mixon](#), (239) 334-6870.

2012 OFFICERS & BOARD ELECTED

The REIS 2012 officers and 4 new board members were elected at the October Luncheon Meeting:

President: Kim Donnelly, Reliance Bank FSB

Vice President: Steve Hurley; David Douglas Associates

Treasurer: Sean Ellis, Esq.; Roetzel & Andress, LPA

Secretary: Matt Simmons, Maxwell & Hendry Valuation Services, Inc.

Board of Governors:

Amanda Brock, Henderson Franklin Starnes & Holt, P.A.

Jean Gruss, Gulf Coast Business Review

Roy Hyman, Consultant

Steven P. Kushner; Becker & Poliakoff

Karen Miller, HSA Engineers & Scientists

Robin M. Mixon, Hans Wilson & Associates, Inc.

Lisa Sands, VIP Realty - Commercial

Kevin M. Fitzgerald, NAI Southwest Florida, Inc. joins the Board as the immediate past president.



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ARE REGULATIONS BURDENSOME?

Florida legislators seek your help in identifying state rules and regulations that impose unacceptable burdens on business. The [Florida Regulation Reform Survey](#) has been launched by the Legislature and welcomes you to submit your comments through the online survey form.

MAKE PROPERTY IMPROVEMENTS NOW

You can claim a Section 179 deduction up to \$250,000 for qualified real property improvements placed in service for a tax year beginning in 2011. The break is scheduled to expire for tax years beginning in 2012. Applies to interiors of leased commercial buildings, restaurants and retail buildings. The deduction is part of an overall \$500,000 allowance for Section 179 bonus depreciation.

REIS STRATEGY WORKSHOP



Nearly 100 REIS members and guests participated in the September workshop "Challenges and Strategies for Property Development Today." Speakers included Lee County Community Development Director Mary Gibbs, Bonita Springs City Manager Carl Schwing,



developers Timothy Byal and Tom Danahy, attorneys Tom Gunderson, Russell Schropp, and Steve Hartsell,

and engineers Bill Morris and Gordon Walters. Sponsors included Urban Land Institute (ULI), American Planners Association (APA), NAIOP Commercial Property Association, Henderson Franklin Starnes & Holt, P.A., and HSA Engineers & Scientists.

"VIZ FORUM" in Cape Coral Nov. 9th

Cape Coral Economic Development Office presents updates on business opportunities surrounding the new VA Clinic, scheduled to open in 2012. Preview the Cape Coral - Lee County Regional VA Outpatient Clinic and learn of new developments and opportunities in the area. Open to the public at the VA site, corner of Diplomat Pkwy and Corbett Rd. Details at www.BizCapeCoral.com.

COMMERCIAL CONTRACTOR PANEL

Lee Building Industry Association (BIA) presents a Commercial Contractor Panel Discussion November 15 at Pelican Preserve Clubhouse. Panelists include David Dale, Robert Fowler, Jr., Randy Mercer, Alan Silver, Mark Stevens, Jerry Wallace, and Howard Wheeler, Jr. Jean Gruss is the moderator. Details at www.bia.net.

BONITA TO REVIEW "RAPID ZONING"

Last spring the Bonita Springs City Council changed its Land Development Code to allow zoning by resolution rather than ordinance in certain situations to expedite zoning requests and encourage business growth. The first request under the new process was approved in October, drawing criticism and a lawsuit from citizen groups. The Council plans to reassess the zoning by resolution procedure in early 2012.

LEE 2011 CONCURRENCY REPORT

Lee County's 2011 Concurrency Report was issued in October and will be reviewed by commissioners on Nov. 15. The report may be viewed at [Lee County Community Development website](#). Community Planning Act adopted this year removed Transportation, Schools, and Parks from the list of public facilities subject to regulatory concurrency requirements. Capacity for Potable Water, Sanitary Sewer, Solid Waste Disposal, and Stormwater Management still affect issuance of development permits.

LEE ALLOWS EXTENSIONS

Lee County Commissioners adopted a resolution which will allow for four-year extensions of Development Orders, Zoning Master Concept Plans, & Concurrency Certificates issued between Jan. 2, 2006 and June 30, 2012.

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Contact Bill Burdette for details:
(239) 936-1404
bill@burdetteinc.com

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LEE NEEDS MORE IMPACT FEE CUTS

by Steven P. Kushner

On September 22nd, Mary Gibbs, Director of the Lee County Department of Community Development, described the County's recent swing on road impact fees. Gibbs was speaking at a workshop conducted by the Real Estate Investment Society (REIS), an organization comprised of leaders in virtually all local real estate related industries.

Her statements reinforced the County's recognition of economic reality, displayed on June 14th, when County Commissioners voted unanimously to reduce road impact fees. Those fees, charged against new construction, have burdened development in the past, and can restrain future development as well.

Political battling in our nation's capital has shown how government, even when comprised of well meaning representatives, can fail to serve its constituency. In contrast to the dysfunctional partisanship in Washington, the Lee County Commission displayed the understanding, courage and foresight needed to see beyond the road that lies immediately ahead. They should be commended for focusing on the future.

Local governments assess impact fees to help pay the increased cost of services resulting from the construction of new homes and other buildings. They may also be charged when a building undergoes a change of use. Florida law requires a rational connection between population growth and the expected need for additional roadways, parks and schools. During the real estate boom, there was every reason to doubt that our roadways could meet the levels of service required for new full time and part time residents. The same analysis supported the need for additional schools and parks concurrent with new residential communities.

At the risk of alienating some voters, the Commission voted to invest in Lee County's future. When considering a waiver or reduction of road impact fees in 2010, one Commissioner expressed concern, asking who would pay for the infrastructure that would be needed when new businesses start operating. At the same time, DCD Director Gibbs observed that a recently enacted Collier County moratorium on road impact fees put Lee County at a competitive disadvantage.

Some say that reducing a source of income shows disregard for the County's current financial woes. In fact, our Commission is acutely aware of the impact of budgetary cuts at virtually every County agency, which can be best described as painful. *(Continued at right)*

STATE TO CONSIDER CASINOS

Florida's 2012 Legislative Session begins January 10th and one of the headline issues will be a proposal to allow 3 casino resorts in Dade and Broward Counties.

The developer of The Forum mixed-use project on I-75 in Fort Myers is also seeking to have the proposal expanded to allow a casino on their property. They have already initiated a petition drive to have a referendum to amend the Lee County Charter to allow the development should the Legislature authorize it. Information on the project is posted at OurFairShareForLee.com.

Supporters of the state proposal contend that casinos will increase state revenues and create jobs. Opponents argue that the cost of gambling to society and Florida's tourism has not been analyzed and considered. The tourism industry is split, with some seeing casinos as a potent attraction for conventions and tourists while some fear gambling will hurt our family-oriented vacation image.

(Continued from left)

The truth is that reducing impact fees on new office buildings and homes is no great sacrifice when few are being built. According to the April 2011 Road Impact Fee Update prepared for the County by Duncan Associates, total road impact fee revenue fell from over \$48 million in fiscal year 2006 to just over \$8.5 million in fiscal year 2010.

At the June 14th public hearing, the Commission reduced road impact fees an average of 27%, and doubled the duration of unexpired and future road impact fee credits. Recognizing the loss of medical office development to adjoining counties, they also voted to consolidate medical office use with general office use resulting in a 2/3 reduction in road impact fees. Overall, the goal is to level the playing field when competing for future development in the State, which will once again occur.

Commissioner John Manning acknowledged that at least twenty counties in Florida have suspended or reduced impact fees to help promote local economic growth. At the REIS workshop, Director Gibbs stated that the County is also looking at changing impact fees for schools and parks. It's a good start. But we need to do more to attract developers who regain their appetite in the future. These reductions won't match the complete waivers or moratoria offered by other counties. We need deeper cuts, across all categories.

Steven P. Kushner is a member of the Real Estate Investment Society and a shareholder with Becker & Poliakoff, PA, practicing primarily in the areas of real estate, banking, and business law.