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## Housing permits sink in Lee, Cape

## July levels are among lowest on record

By Dick Hogan

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Housing permits in Cape Coral fell to their lowest level in more than a decade in July, according to a city report released Wednesday.

Meanwhile, activity in unincorporated Lee County slowed drastically following a surge in June caused by a deadline to avoid the tripling of road impact fees.

The number of permits pulled in Fort Myers was not available Wednesday.

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In Cape Coral, only 45 permits were pulled for single-family homes last month — down from 69 in June and a far cry from the 858 recorded in March 2006 at the height of Southwest Florida's real estate boom.

Cape Coral spokeswoman Connie Barron said a search of records back through 1995 didn't turn up any month as slow as July.

It probably would have been in the early 1990s — when the city had about a quarter the size of its current population of 168,000, that levels were that low, she said.

The road impact fee was not imposed in the Cape so that was not a factor in the city's low numbers.

The numbers also were low but for a different reason in unincorporated Lee County, Fort Myers Beach and Bonita Springs, which contract permitting services with the county.

Only 135 permits were issued in July, down from 449 in June and 579 in July 2006.

About 47 percent of the single-family home permits in the county were for construction in Lehigh Acres, far off the two-thirds that Lehigh has accounted for during recent months.

The road impact fee is imposed by the county to compensate for the increased traffic that development will cause. The fee that went into effect for permits applied for after Jan. 31 increases the amount for a single-family home to \$8,976. To avoid the increase, builders had to pull their permits by June 30.

"We were expecting it to be low because of the rush to get the building permits" before the June 30 impact fee deadline, said Mary Gibbs, head of the county Department of Community Development. "I was actually thinking about 100 single-family homes."

In any event, she said, because of the distortion caused by the deadline, July's number doesn't really indicate what's happening in the housing market. "I think what's going to be more important is what's going to happen the rest of the summer. Hopefully this is artificially low."

Some indicators show there hasn't been a drastic reduction in the amount of construction work still in the pipeline.

For example, there were 206 applications for development orders — permission by the county to build a particular project — in July, about average for the past three months, said Joan LaGuardia, communications manager for the community development department.

Slow as the market is, builders are still putting up houses.

"I would be lying if I told you it's the best year we've ever had," said Gene Suggs, division president of America's First Home. "It's been slow."

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Still, he said, even though only 45 permits were pulled in July, "Three of those were ours. We're trying to help."

In Lehigh, America's First just launched its first two-story house, a four-bedroom, 21/2-bath model that goes for \$212,900 plus the lot, Suggs said. "The demand in Lehigh seems to be for four bedrooms, a kind of family neighborhood, and two stories allows you to keep the cost to the customer down."

As the amount of construction falls, so has the demand for building inspectors and other employees, Gibbs said. She expects to cut about 35 of her department's 260 jobs by the budget year that begins Oct. 1.

In other statistics released Wednesday by the county, commercial permitting was valued at \$6.8 million in July, following an all-time record value of \$332.9 million in June.

In July 2006, commercial permitting was valued at \$62 million. The all-time low was \$3.9 million in February 2000.

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