

Sunday exclusive: Southwest Florida attitude shift helps business

More cooperative approach speeds permits, drops cost

By Tim Engstrom • tengstrom@news-press.com • January 25, 2011

1:10 A.M. — The recession has hobbled Southwest Florida's construction industry and inflated unemployment, but it has also encouraged local governments to slash bureaucracy and fees for businesses able to grow.

From Cape Coral to Naples, governments are taking a more business-friendly approach to permitting, plan reviews and even impact fees, industry insiders say.

There is still room from improvement. Permit times vary dramatically from city to city and county to county and fee expenses can be hard to pin down depending on location.

But there have been concrete changes already - in December, Lee County commissioners cut impact fees charged on medical facility construction almost 70 percent - but the biggest change is hard to pin down, said Joe Mazurkiewicz, executive director of the Cape Coral Council for Progress.

"I think all local governments are striving to be more business-friendly than they have ever been in the past," Mazurkiewicz said. "They are looking for a way to say yes instead of way to say no. That's a cultural change."

Dave Dale, president of the Florida operations of Owen-Ames-Kimball Co., said he has seen a more business-friendly focus across Southwest Florida, but Lee County's Department of Community Development has distinguished itself. "There is always somebody to talk to and work through any issues that come up in short order," Dale said.

The department's daily online report shows permits - ranging from home construction to commercial projects - are taking about two days for review.

Some municipalities are improving faster than others, Dale said.

Sixty-seven new businesses have opened in Bonita Springs in the last four months, possibly signaling a turn in the economy. D2

"We always plan for Collier County taking at least twice the time for permitting as the same building w ould take in Lee or Charlotte counties," Dale said.

Collier is committed to improving that record, said Tammie Nemecek, president of the Economic Development Council of Collier County.

"It was challenging for us for years because the enormous amount of growth made it hard for us to keep up," Nemecek said. "Because of the slowdown, we have had time to think about it and try to improve the process."

Successes

There already have been success stories.

Michelle Carnes and her business partners worked with Nemecek's office to locate their planned Animal Specialty Hospital of Florida off Interstate 75 near Davis Boulevard in East Naples.

The company qualified for incentives of as much as \$44,000 to hire as many as 22 people to open. In addition, the company qualified for expedited permitting. They applied for permits on Dec. 14, made two requested revisions and picked up final permits on Jan. 13.

"We were a little skeptical because permitting has always been a little daunting, but it was amazing





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how well it all worked out," Carnes said.

The 24-hour pet hospital, with separate wings for dogs and cats and high-end diagnostic equipment, is expected to open in March.

Dale, from Owens-Ames-Kimball, said the improvements are relative, since his company still must plan for six months to a year for permitting, while his counterparts at the company's offices in Michigan don't even schedule permitting time because it takes just a week or two.

"But, honestly, that has more to do with the Army Corps of Engineers or the South Florida Water Management District," Dale said. "They need to catch up with local government."

Grant Phelan, director of operations for the Pinchers Crab Shack chain of restaurants - which stretches from Sarasota to Naples - said he has no complaints about local government.

"If it requires a permit - from construction to special events and everything in between - I've applied for it and I have never had a bad experience," Phelan said. "If you go by the guidelines, there is never a problem."

Incentives help

In the past year and half, the Lee County Economic Development Office has committed approximately \$14.8 million in incentives - from local and state programs - to about a dozen companies in exchange for commitments of about 1,200 jobs.

Marine Concepts/JRL Ventures in Cape Coral signed an incentive agreement to hire 75 people in exchange for \$225,000 in 2009.

"I think things have dramatically improved to where this is truly a business-friendly environment," president Matt Chambers said. "I wouldn't have been able to say that four or five years ago."

The company has added about 60 employees, but the salaries have been below the target range of \$41,650 and no incentives have been paid, Chambers said.

"We are hoping we can improve on that as the economy improves," he said.

Nemecek said Collier's incentive programs continue

to draw interest, even though the highest-profile project - Jackson Lab - is stalled amid opposition and legal challenges led by an existing business, Arthrex Inc., a medical device company based in Naples.

Arthrex founder and president Reinhold Schmieding objects to requests that Collier County match \$130 million in state incentives - and objects to the state spending - for a research lab on 50 acres near Ave Maria.

"Sometimes, even having a conversation like that brings the attention from other companies," Nemecek said.

Schmieding has been looking at Lee County for possible expansion.

"Lee County has expressed considerably more interest in encouraging us to expand there than Collier County," Schmieding said in a statement emailed to The News-Press.

Lee County Commissioner Ray Judah said the incentive programs are only one example of how working with business has become a local priority.

He said the effort to roll back the fees charged to medical construction - they are now equal to office construction at about \$7,500 per 1,000 square feet - was another step in the right direction.

"That's a substantial reduction," he said.

Bonita Springs has made a similar reduction and Collier County has reduced impact fees on





commercial space by almost 40 percent. Some counties - including Hendry - have temporary suspended impact fees.

Judah said he isn't comfortable going that far.

"We really have to be careful with those adjustments so they are justifiable," he said.

Judah said the county is reviewing its road impact fee formulas and new fees should be up for board review in about five months.

Steve Tirey, president of the Chamber of Southwest Florida, said impact fees remain a sore subject for business leaders.

Since local roads and public services are no longer stressed by growth, businesses have different expectations of government, he said.

"I think we are saying, 'Gee, public sector, could you get a little more out of what you've already got?" Tirey said. "The time is good to address that now."



Jennifer Valentine, a histotechnologist at NeoGenomics, creates slides of breast tissue for closer examination. The Fort Myers-based company is approved to receive as much as \$615,000 in state and county incentives to add 75 jobs through 2011. (news-press.com file photo)



A new aircraft hangar is going up at Page Field General Aviation Airport in Fort Myers. Owen-Ames-Kimball, which is supervising the construction and is a big regional contractor, says local governments have been easier to work with in recent years.(news-press.com file photo)







John Buck of The Client Server installs telephone, computer, and surveillance ethernet cable at Algenol's new facility in south Fort Myers. Algenol is getting \$10 million from Lee County, which hopes Algenol will help attract more high-tech firms to the area.(newspress.com file photo)

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