



Estero Development Report

Volume 12, Number 8, Issued June 2013
 Produced by the Estero Council of Community Leaders (ECCL)
 For More Information about Estero
 ...see www.esterofl.org

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|-------------------------|--|--|
| Monday, June 3 | BOCC M&P meeting regarding Conservation 20/20 | |
| Friday, June 7 | AHCA Lee Memorial Hospital Decision | |
| Tues., June 11, 5 p.m. | Estero Fire Rescue Monthly Board Meeting | District Headquarters, Three Oaks Parkway |
| Wed., June 12, 5 p.m. | Estero Design Review Committee Meeting | Estero Community Park |
| Fri., June 14, 10 a.m. | ECCL Monthly Members' Meeting, Rep. Ray Rodrigues Guest Speaker | Estero Community Park |
| Mon., June 17, 5 p.m. | Estero Community Planning Panel | Estero Community Park |
| Friday, June 21, 9 a.m. | Lee County MPO | Cape Coral City Council Chambers, 1015 Cultural Park Blvd., Cape Coral |
| Thurs., June 27, 9 a.m. | Coconut Pt./Hertz Zoning Lee County Hearing Examiner | Community Development Bldg., 1500 Monroe, Ft. Myers |
| Friday, June 28 | Auction - Eastern Acreage of Edison Farms Property | |

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FUTURE DEVELOPMENT OF COMMERCIAL CORRIDORS

The ECCL has contracted with nationally-known consultants Seth Harry and Associates, Inc., Architects and Planners of Frederick, Maryland, to help plan for the future development of Estero’s many large vacant commercial properties.

The first step in this process was a workshop held in late March 2013. The purpose was to review initial findings related to the Estero real estate market in light of current demographic trends, particularly with regard to the amount of land currently approved for retail development, and to outline a course of action in response to those trends moving forward.

The next step continues researching Estero’s future commercial market. The consultants will complete the following:

- Assess the existing and anticipated future demand for retail consumption in the Estero area,
- Identify other potential uses for already-entitled parcels which may achieve more immediate and long-term market viability,
- Meet with property owners and institutional users to discuss possible alternative redevelopment scenarios.

In the second phase of the project, the consultants will conduct one or more studies to evaluate the feasibility of rezoning those properties for the proposed new uses. This work will start with the property most likely to pursue redevelopment first and continue from there, as time and resources allow.

The consultants welcome suggestions and information from all Estero land owners, developers and all interested Estero residents. These comments can be directed to the consultants at contact@sethharry.com.

The report produced by the research phase will become available to the ECCL and the residents of Estero about the middle of June.

COMMUNITY PLANNING

Kathie Ebaugh, Lee County Planning Department, has taken over the drafting work on the Estero Community Plan revision previously performed by Dan Delisi. She is working closely with Estero Community Planning Panel (ECPP) to complete this work.

The ECPP also is working with County staff on the County's proposed Future Land Use Element and Map to be issued as part of the current Lee Plan revision. This will classify significant parts of Estero warranting higher density development, such as more multifamily units, than in the current Lee Plan. Part of this higher density residential development may involve "mixed use" commercial/residential areas.

New Developments

At the May 20, 2013, ECPP meeting, a presentation was made regarding Hertz relocating its corporate headquarters to the southeast corner of US 41 and Williams Road. Those in attendance reflected overall enthusiasm, subject to answers about how increased traffic will be managed and visual impacts of the planned 50-car rental/parking facility that Hertz management wants to include with its office buildings at the site.

A Pennsylvania-based developer has filed an application with the Army Corps of Engineers and Florida Department of Environmental Protection to build a 72-slip marina and restaurant on the former Weeks Fish Camp property. This land is located adjacent to the Hyatt Regency Coconut Point Resort & Spa.

Signage Violations

The County Code Enforcement Office has responded quickly to the ECCL's request to correct the numerous signage violations that have been appearing in Estero recently. A number of offending signs and banners have been taken down.

Note – a developer opening a new subdivision or business may obtain permission for temporary banner-type signs at the time of the site's opening.

ENVIRONMENT

Conservation 20/20

On May 28, 2013, the Board of County Commissioners approved the Conservation 20/20 Blue Ribbon Committee's recommendations, with an added provision requiring staff to document any objections to land buys raised by advisory board members. The BOCC will discuss the 20/20 program further at an M&P meeting on June 3.

Edison Farms

The environmentally sensitive Edison Farms property, located in southeast Lee County, will be sold at a public auction. This follows a bankruptcy court ruling in favor of the bank holding the mortgage. The sale will occur in two separate auctions, with the western two sections (approximately 1300 acres) being auctioned on May 28, 2013, and the easternmost four sections (approximately 2600 acres) being sold on June 28, 2013.

The ECCL met with four of the five commissioners asking them to instruct staff to contact the bank indicating an interest in purchasing all four sections. Conservation 20/20 has funds available to negotiate on this property.

The “Martini Glass” Parcel

The rezoning hearing on the Coconut Road “Martini Glass” land parcel was held on May 15, 2013, with no opposition. The Lee County Planning staff recommended approval. Support was also given by representatives from Copperleaf, Lighthouse Bay, Shadow Wood, Spring Run, The Brooks Community Development District and the ECCL.

On May 29, the Hearing Examiner announced her recommendation that the zoning application be approved. The final decision will be made by the Board of County Commissioners sometime within the next 60 to 90 days.

The Private Equity Group (PEG) Land Offer to Florida Gulf Coast University

FGCU President Bradshaw originally signed a non-binding letter of intent with the PEG. After further deliberation and discussions with members of the Board of Trustees, the Foundation Trustees and others, he rescinded the letter of intent citing too many unanswered environmental issues, among other concerns.

The ECCL and others met with Steve Magiera, the Vice President of Finance and Planning, to discuss the PEG’s offer of land to the University. The meeting was an opportunity to share some of the significant environmental issues that need to be addressed, including the preservation of the integrity of the Density Reduction Groundwater Resource area and the Transfer of Development Rights Program.

The Florida Water and Land Legacy Campaign

We will continue to gather petitions for this campaign through November 2013. The goal is to obtain 250,000 petitions from volunteers; the remaining petitions will be obtained by a hired firm. Approximately 130,000 volunteer petitions have been submitted. Hopefully all of our Estero volunteers will continue to obtain signatures. If volunteers need additional petitions, contact Phil Douglas at 239-948-4494 or via email at pdindy@comcast.net.

Bonita Springs/Estero Economic Development Council Reports Continued Success

On May 1, 2013, the Bonita Springs/Estero Economic Development Council (EDC) provided its quarterly update to the Bonita Springs City Council. EDC Director and Board Secretary, Vince Modarelli reported \$2,500 had been received from three new investors in the last quarter, including Simon Property Group's Coconut Point mall in Estero. As a result, the City Council unanimously approved additional matching funds of \$2,500.

Modarelli reported that the EDC has now handled over 50 leads and currently has six confidentiality agreements in effect. Typically, such leads are people that want to relocate to, or stay and expand in, the area.

One such lead recently resulted in the construction and opening of the new Growing Room Child Development Center. The center will employ forty permanent employees and offer a state of the art learning environment for children up to kindergarten age and after-school care for kindergarten through grade 5 students.

The City of Bonita Springs has now invested over \$120,000 in the EDC. Additionally, the EDC has received investments totaling over \$70,000 from 28 Bonita and Estero businesses and organizations, including the ECCL.

The EDC's first class web site: www.bonitaedc.com features businesses, organizations and communities within Bonita and Estero.

Estero's Improving Home Construction Trend Continues In April

Thirty (30) single family home building permits, along with a permit for a seven-unit condominium, with a combined building value of \$5.7 million, were issued in the Estero planning community in April 2013. The thirty-seven unit figure for the month continues the upturn that began in the middle of 2012. In fact, for the last six consecutive months, the monthly permit total exceeded that of the comparable month in the prior year.

Twelve (12) of the 30 single family permits were for The Preserve at Corkscrew, which is being built by Centex/Pulte Homes and Lennar on Corkscrew Rd. east of I-75. Over 100 permits have been issued to the Preserve in the last year. Eight (8) permits were issued in April to nearby Bella Terra which is being built by Lennar, while seven (7) permits were issued to Toll Bros' Reserve of Estero on Estero Pkwy.

So far this year, almost 80% of the single family unit permits have been issued for the Preserve and Bella Terra.

The following table compares year-to-date 2013 figures with the prior thirteen years.

| Year | Year-to-Date Housing Units | Building Value of Units | Average Building Value Per Unit | Percentage of Single Family Units |
|------|----------------------------|-------------------------|---------------------------------|-----------------------------------|
| 2000 | 858 | \$116,877,412 | \$136,221 | 38% |
| 2001 | 1,035 | 155,925,738 | 150,653 | 40 |
| 2002 | 599 | 99,942,722 | 166,849 | 52 |
| 2003 | 872 | 127,480,453 | 146,193 | 33 |
| 2004 | 631 | 126,737,869 | 200,852 | 72 |
| 2005 | 1,275 | 253,271,426 | 198,644 | 45 |
| 2006 | 702 | 164,942,772 | 234,961 | 24 |
| 2007 | 286 | 78,418,241 | 274,190 | 36 |
| 2008 | 56 | 19,730,130 | 352,324 | 80 |
| 2009 | 60 | 22,082,017 | 368,034 | 84 |
| 2010 | 97 | 17,999,000 | 185,557 | 75 |
| 2011 | 78 | 14,489,392 | 185,761 | 87 |
| 2012 | 97 | 17,342,167 | 178,785 | 88 |
| 2013 | 143 | 26,682,852 | 186,593 | 90 |

Source: Lee County Permit Reports for the Estero Planning Community; See <http://www.leegov.com/gov/dept/dcd/Reports/Pages/reports.aspx>. Click on the “Select the Report Type” drop down box to select “Planning Communities,” and then click on the “Select the Area” drop down box to access “Estero,” which displays the “Estero Planning Community” reports.

Note: The building values above understate the cost of each residence because they exclude the value of the underlying land.

Estero’s Commercial Permits Remain Depressed in April

During April, permits, excluding the condominium permit, totaling \$.8 million were issued for Estero’s commercial buildings. Almost half of that amount was for common areas within MidTowne Estero community which will be located on the west side of Three Oaks. So far this year, the only other significant investment has been the interior build-out of the office building on Chevrolet Way near I-75.

As shown below, commercial investment fell precipitously from 2006 through 2010, and then began to improve in 2011 and the early months of 2012. However, the last few months in 2012 were exceptionally low. For the year, 2012 exceeded 2011 by about 1%. Activity remains depressed so far in 2013.

An analysis of businesses in the Estero Planning Community shows that Estero’s retail vacancy rates of late have been about 3%, which is exceptionally good. However, Estero’s office vacancy rates have been approximating 25% for over a year. This suggests that significant investment in Estero office space in the near future is unlikely.

| Year | Year-to-Date | Annual Total |
|-------------|---------------------|---------------------|
| 2000 | \$68,297,657 | \$77,250,835 |
| 2001 | 16,911,976 | 44,116,526 |
| 2002 | 5,968,501 | 23,135,139 |
| 2003 | 8,176,174 | 23,234,725 |
| 2004 | 8,661,787 | 60,859,820 |
| 2005 | 34,119,981 | 111,037,977 |
| 2006 | 74,470,848 | 184,709,240 |
| 2007 | 70,938,231 | 157,614,045 |
| 2008 | 21,989,153 | 39,261,677 |
| 2009 | 7,439,170 | 9,752,556 |
| 2010 | 1,211,381 | 9,322,546 |
| 2011 | 5,800,777 | 11,717,593 |
| 2012 | 6,885,578 | 11,879,291 |
| 2013 | 2,734,353 | N/A |

Source: Lee County Permit Reports for the Estero Planning Community; See <http://www.leegov.com/gov/dept/dcd/Reports/Pages/reports.aspx>. Click on the “Select the Report Type” drop down box to select “Planning Communities,” and then click on the “Select the Area” drop down box to access “Estero,” which displays the “Estero Planning Community” reports.

Note: The building values above understate the cost of each commercial building because they exclude the value of the underlying land.

Estero’s Single Family Home Sales in May Continue Uptick

In May, 2013, 48 single family homes were sold in Estero, according to Multiple Listing Service (MLS) figures. As shown below, that compares with 49 sold last month, and 37 sold last May. This month’s 48 sales represents another strong showing compared with recent years. Prior year monthly comparisons have been favorable now for nine of the last twelve months.

| Period | Sold in 2011 | Sold in 2012 | Sold in 2013 | Inc. (Dec) | Inc. (Dec) % |
|---------------------|--------------|--------------|--------------|------------|--------------|
| Jan | 23 | 58 | 20 | (38) | (65) % |
| Feb | 45 | 21 | 25 | 4 | 19 |
| Mar | 39 | 32 | 39 | 7 | 22 |
| Qtr 1 | 107 | 111 | 84 | (27) | (24) |
| Apr | 50 | 29 | 49 | 20 | 69 |
| May | 27 | 37 | 48 | 11 | 30 |
| June | 28 | 32 | | | |
| Qtr 2 | 105 | 98 | | | |
| July | 26 | 35 | | | |
| Aug | 31 | 20 | | | |
| Sept | 24 | 31 | | | |
| Qtr 3 | 81 | 86 | | | |
| Oct | 16 | 28 | | | |
| Nov | 21 | 21 | | | |
| Dec | 24 | 28 | | | |
| Qtr 4 | 61 | 77 | | | |
| Year | 354 | 372 | | | |
| Year to Date | 184 | 177 | 181 | 4 | 2% |

As of May, 2013, there were 360 listings of currently active unsold homes in Estero. This compares with 388 listings a year ago and 415 listings at the end of April. While the 360 figure reflects a significantly lower inventory than last month, it includes 129 pending sales, compared with an average of just 80 throughout the fourth quarter of 2012. This suggests another strong sales month in June.

The 360 listings represents about a 12 months' supply of unsold homes, which is improved from the last few months. Nonetheless, a 6 months' supply typically indicates a good market.

Of the 360 active listings, 16% represent "distressed sales," i.e., short-sale listings or bank owned properties which, in each case, the bank is expected to receive less than its loan amount. This month's 16% continues to be below the 20% level of June last year.

Thanks as always to Joe Pavich, Sr. of Realty World in Estero for compiling these figures for the ECCL.

Marilyn Edwards, Communications Director