



November 30, 2009

Changing times force Cape Coral CRA to rethink its goals

Plans haven't come to fruition

By Brian Liberatore
bliberatore@news-press.com

In an artist's rendering four years old, a five-star hotel, condominiums and high-end retail shops line Cape Coral Parkway overlooking Bimini Basin.

The caption on the bottom reads: Jan. 2009.

Times have changed. The site is still no more than single-story, single-family homes. Hundreds of millions of dollars in proposed development in downtown Cape Coral are on hold, sidelined along with the economy.

And with the changing reality comes a change of plans for the agency charged with renovating downtown. The Cape Coral Community Redevelopment Agency is planning to rewrite its redevelopment plan, the document that dictates the agency's goals.

The new plan could solidify a new direction for the agency. And while some are happy with the pragmatic approach, CRA officials are concerned scaling down expectations could prove difficult.

After years of promising transformational projects, like the Piazza di Venezia near the Bimini Basin, a new grocery store, road repaving and utility plans seem anticlimactic.

"Even with the changing economy, it's the same thing, people say, 'Why isn't it done yet?'" said Jeffrey L. Oris, the president of Planning and Redevelopment Consultants Inc. in Coconut Creek. "But what the general constituency doesn't understand is that government doesn't have a tremendous amount of control over what happens. You can prod it. You can push it. But it doesn't necessarily get you there."

Development will continue in downtown Cape Coral, said CRA executive director John Jacobsen, but, he added, "we have to do small, more incremental things. That requires some planning."

At the agency's December meeting, Jacobsen said the board will decide whether to put out a request looking for qualified companies to help rewrite the agency's redevelopment plan.

The last time the agency wrote its plan was 2002, as the city's housing boom was preparing to take off. Through 2007, developers announced at least 13 large-scale projects totaling about \$1 billion in new development, which would transform downtown from a collection of strip-mall styled, single-story retail shops into a vibrant urban center.

Three of those projects — two and three-story office buildings — were constructed. Two of the projects — an office development on 16th Place and a high-rise condominium project on the Cape Coral Parkway overlooking the Caloosahatchee — are in foreclosure. And the rest are on hold.

While Village Square, a mixed use project from Island Development on Cape Coral Parkway is headed to the City Council for approval, the phased project will likely be built over a decade instead of a few years.

In some ways, Councilman Pete Brandt said, it's a good thing the large-scale projects didn't come to fruition ahead of the market collapse. Many of them did not fit in Cape Coral. The city would be dealing with incongruent, empty buildings. Changes to the downtown, he said, should be more organic.

"It's an evolutionary process, not a revolutionary process," Brandt said.

While the CRA is busy, Jacobsen said, it has a difficulty advertising its accomplishments, which are far less visible than large-scale mixed-use development. The past year's activities, according CRA officials include:

- A facade improvement grant program.
- The design of a new streetscape on S.E. 47th Terrace.
- Up to \$500 per month in rent subsidies for new businesses.
- An expansion to include the Golf Club. Negotiations to purchase and rehabilitate the club have so far proven unsuccessful.
- An alley repaving program meant to improve access and navigation through downtown.
- Changes to the city's codes to help encourage small and large-scale improvements.
- A partnership with Edison College allowing classes in the CRA offices.
- A downtown trolley experiment, which ultimately proved impractical.
- Planning for utility improvements.

The CRA is pushing for more programs that will help existing businesses survive and new businesses to relocate in the downtown.

It's the same story across the state, Oris said. Instead of plans that expand redevelopment districts, agencies are looking to keep them from losing more businesses and more jobs.

"I think there should be greater visibility of what the CRA is doing," said Jim Martin, a former Cape Coral Council candidate and CRA Board applicant. "I think it's just lack of education if nothing else."

Funding a CRA

A city's governing body can establish a Community Redevelopment Agency to eliminate slum and blight in a targeted redevelopment district. The agency can only spend money on programs in that district.

In 1986, the Cape Coral City Council established the original Community Redevelopment Agency District along the Cape Coral Parkway, the city's oldest commercial area. The boundaries grew in the 1990s to encompass the area around the Bimini Basin and again this year to include the area around the defunct Golf Club of Cape Coral.

When the city establishes a district, it records the value of property in that district. Those become the base values. After that when those property values rise over the base year, taxes — both city and county — on the increased value go to the CRA. The city continues to collect taxes on the base year property values. But all increases go to the CRA. If property values don't increase, the CRA doesn't get any

money.

The process, known as tax increment financing, assures CRAs are funded only when property values increase. In 2007, the CRA collected \$2.2 million in tax increment financing. This year it expects to bring in about \$1.9 million.
