

# Developers focus on downtown

Parking issues need to be solved

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The starting gun appears to have been fired in the race to develop downtown Cape Coral.

Developers such as John Arnold of Marco Island have descended on the city, gobbling up all the vacant land and existing buildings they can find as the city braces for some of the biggest downtown development plans in its history.

Developers see an unmet demand for offices and restaurants, unprecedented growth fueled by new folks coming with money to spend on million-dollar homes and in fine shops, and a city government willing to work with them.

"Cape Coral is ripe with all the changes going on," said Elmer Tabor, a Cape developer and owner of Cape Coral Town Center shopping center.

That has persuaded Dr. Alan Tannenbaum, a Fort Myers internist and developer, to choose the Cape.

He is in the final design stages for a Tuscan-style five-story office building in the western downtown that will include "a major law firm," a bank and perhaps a national coffee shop. He wouldn't say what company.

Construction is expected to begin in a few months, Tannenbaum said.

"There aren't any new professional office buildings in Cape Coral," he said.

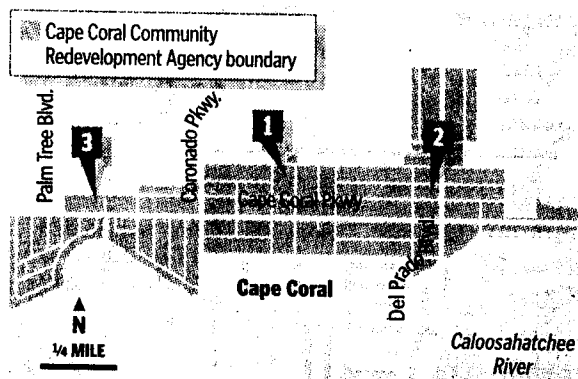
The same holds for Naples hotelier Fred Hirschovits.

He and two Cape Coral

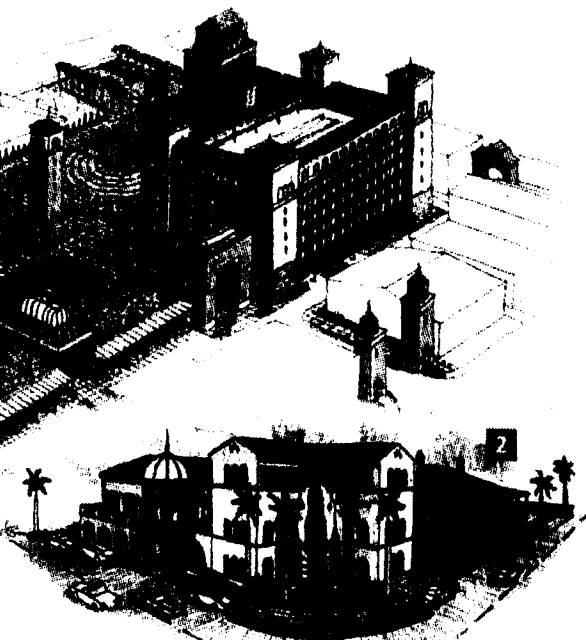
## Cape Coral's future downtown

### New projects aim to revitalize Cape's downtown

Real estate developers are discovering downtown Cape Coral. In the west Cape, a Fort Myers developer is building a five-story office building. In the central Cape, a Marco Island developer plans to build an old European Village with some help from the city. In the eastern downtown, a Cape developer is planning a 23,000-square-foot building with retail, restaurants and offices.



SOURCE: RESEARCH BY THE NEWS-PRESS; ILLUSTRATIONS SPECIAL TO THE NEWS-PRESS



MICHAEL DONLAN/THE NEWS-PRESS

■ **LEFT:** Bill Mobley walks past a newly renovated patio of downtown restaurant Iguana Mia on Thursday. Many downtown buildings already have made aesthetic changes per the Community Redevelopment Agency.

STEPHEN HAYFORD/THE NEWS-PRESS

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■ **Background information:** Special section on growth and development in Southwest Florida

- See **PROJECTS A2**
- Also see **Cape facts A2**
- Also see **key players A2**

## PROJECTS

■ Continued from A1

partners, Tabor and Greg Eagle, are investing \$6 million to build a 74-room Hampton Inn in the downtown.

"Market studies said downtown definitely supports it," he said.

Architects are finishing final drawings and contractors are expected to begin by year's end.

Several developers are in varying stages of creating new projects they see transforming Cape Coral's downtown into a sort of Fifth Avenue meets middle America.

Wisconsin-based VK Development is planning a condominium project on the Bimini Basin valued at about \$140 million, nearly doubling the downtown property value.

Others have plans for retail shops similar to the Bell Tower Shops in Fort Myers and office buildings and residential projects throughout the 400-acre community redevelopment area.

But few are investing as heavily as Arnold who's bought all vacant property and some existing buildings around Club Square in the downtown.

He wants to transform the city-owned parking lot and the buildings around it into an old European village with an open-air market, parking garage, waterfront park, mixed-use buildings with restaurants and shops and a few expensive condos.

"We see this as a rare opportunity," said Arnold, an experienced commercial developer.

But Arnold wants the city's to spend \$3 million to \$4 million to build a parking garage and the park. "When the parking is addressed we'll start building."

Parking is just one of the issues that could stall downtown development.

### PARKING

Parking in downtown Cape Coral has not been a problem.

There are seven city-owned parking lots in areas such as Club Square and Big John's plaza and an abundant supply of on-street parking.

But things are changing.

"There's such a demand for shopping and entertainment downtown but there's no parking," said Mark Steinberg, who is developing a \$4 million retail and office center in the style of the Bell Tower Shops in Fort Myers at Southeast 47th Terrace and Southeast 15th Place. "If it wasn't for the parking I'd be in the ground right now."

Steinberg said he could do his own parking garage but would prefer the city build one.

Tabor, whose shopping center's parking lot is overflowing, agreed. "Parking is going to be a serious problem in the down-

"The first question is can we do it; the second question is how we do it."

Mark Mason, the city's finance director, who advises the CRA



STEPHEN HAYFORD/THE NEWS-PRESS

■ Ady Hernandez, 12, left, and Sykarri Jacobs, 11, investigate a discarded table Thursday near Southwest Second Court in Cape Coral. The table was among the remains of homes on the property, which was purchased for commercial development. The friends explored the pile of concrete while off from school for a doctor's appointment. They hoped to carry the table home. "I think my mom would really like it," Ady said.

### KEY PLAYERS IN CAPE PROJECTS

- John Arnold of Marco Island
- Elmer Tabor of Cape Coral
- Fort Myers internist Alan Tanenbaum
- Naples hotelier Fred Hirschovits.
- Greg Eagle of Cape Coral
- VK Development of Wisconsin
- Developer Mark Steinber

town very soon."

CRA officials said they want to help Arnold get going. Arnold said a city parking lot would help other downtown parking needs as well as his.

"Any town, to be successful, needs to have a vibrant downtown," said Gary Aubuchon, chairman of the downtown CRA. "I don't think we anticipated the size of some of the projects ... the parking issue has now come to the forefront."

The CRA has little money to spend — about \$600,000, not even close to the \$3 million to \$4 million needed.

"The first question is can we do it; the second question is how we do it," said Mark Mason, the city's finance director who advises the CRA.

Lack of funds may force the CRA to ask for the city's help. It can promise added commercial tax base, something the city craves, along with more dining and entertainment.

Councilwoman Alex LePera, the council's liaison on the CRA board, said there are still a num-

### CAPE FACTS

- The city has 23 percent of Lee County's population, up from 17 percent in 1980.
- Median household income in Cape Coral is \$43,984, about 8 percent higher than Lee County and 30 percent higher than Fort Myers.
- About 16 percent of the money residents spend is being spent outside the city. For food and beverage, that figure jumps to 46 percent.
- Only 7 percent of the county's office space is in Cape Coral.

SOURCE: DON ZUCHELLI, URBAN ECONOMIST

ber of unanswered questions about using Club Square as a park and parking garage but city help may be available.

"The CRA will be looking for the city's cooperation when it comes to funding," she said.

### TRAFFIC

With an expanded downtown comes the inevitable traffic congestion.

The CRA once suggested a radical redesign of Cape Coral Parkway into a Parisian boulevard.

That proposal, however, drew the ire of politicians and commuters and eventually was dropped.

Now, the CRA has joined with the city and Lee County to have a complete traffic study

done of the downtown.

It's expected to provide solutions to morning and evening congestion on Del Prado Boulevard and Cape Coral Parkway, show ways to reroute traffic for efficiency and place pedestrian crossings on major roads for safety.

"It's going to be a challenge in a growing city," said Steve Neff, the city's transportation manager.

City officials said the cost hasn't been determined yet but the work is expected to start by the end of the year and take about one year to complete.

In the meantime, CRA officials said they're working on the most immediate need: parking. The solutions could determine how the downtown will develop over the next 20 or 30 years.

### NO SURPRISE

The spike in activity is not surprising to many involved with the planning of the downtown in 2001. They say the timing's just about right.

"Many have been working on plans for a long time," said Chet Hunt, executive director of the CRA.

Hunt also said that with new building codes for the downtown nearly completed (it's expected to be approved by city council this summer), developers are comfortable that their investments will be protected.

"If you're going to spend big bucks you want to know what's going next to you," Hunt said.