

## Bonita impact fee goes, business arrives

City sees results after it waives levy for two years

By **DICK HOGAN** • dhogan@news-press.com • August 27, 2010

**1:10 A.M.** — Dr. Saurabh Patel had a problem: The Bonita Springs ophthalmologist was ready to expand his thriving practice but the cost of moving into a bigger office was prohibitive.

One main factor was the city's change-of-use impact fees for businesses moving into a building that previously had an occupant with less-intensive use. The fees go to pay for the increased road use and other infrastructure needed for the additional traffic.

But, on Aug. 15, the Bonita Springs City Council passed an ordinance doing away with the fee for two years.

Patel was one of the first to take advantage of the new rule, applying to remodel what will soon be his office in the Retina Eye Care Building (formerly the Mahalo building on Bay Landing Boulevard).

"We walked in and got a \$1,182 permit for 3,000 square feet," he said. "It would have been \$27,000 a week ago."

That made it a lot easier for Patel to justify the expense and risk of moving — besides doubling his space, he's buying state-of-the-art retina surgery equipment and increasing his staff from eight to at least 12.

Joe Ariola of KeyBank, a member of the Economic Development Committee — formed to promote the moratorium — said the fee was harming the ability of local businesses to expand or out-of-town ones to relocate to Bonita.

In some circumstances, he said, "It's a deal killer — \$80,000 built into a loan payment for five years is \$700 a month."

Kurt Wenner, senior research analyst for Florida TaxWatch, a Tallahassee-based private, nonpartisan

watchdog group, said he's not familiar with the Bonita moratorium but that impact fees can be harmful if set too high.

"Impact fees have gotten very high in certain areas and it does put a real impediment to growth," he said — the concept of using them to pay for needed infrastructure is valid but "You don't want to make it so it stops economic development."

Bonita's moratorium is the first in Lee County, although Collier County instituted a similar one last year.

Christine Ross, president and CEO of the Bonita Springs Chamber of Commerce, said she hopes to see Fort Myers and the unincorporated county government adopt similar measures.

In Cape Coral, city spokeswoman Connie Barron said the issue has been discussed by staff but no action has been taken.

Bill Klohn of Naples-based Medical Advisors LLC is working for Patel to plan and build the new office, and lease out the part not needed by Patel or his business partner, Dr. Shardul Nanavati.

The moratorium makes Bonita more competitive in attracting doctors looking to relocate, he said. "One thing I can say very strongly is I don't have to bypass Bonita Springs for my doctor clients."

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Dr. Saurabh Patel stands in the new offices of his Retina Eye Care in Bonita Springs on Wednesday. The city recently waived impact fees on change-of-use charges for existing buildings. The change saved Patel's business about \$26,000. (John David Emmett/news-press.com)

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