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**EDITOR'S NOTE**

## Can Tallahassee begin solving insurance crisis?

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This week, all eyes are on Tallahassee as legislators tackle the state's insurance crisis. South Florida's economy hangs in the balance.

"If the state doesn't solve this insurance crisis, that will kill us," says Alan Carsrud, who heads up Florida International University's Global Entrepreneurship Center. He worries soaring costs will drive away small- and medium-size businesses, the backbone of our economy.

Listen to Andrew Ansin, vice president of Sunbeam Properties and developer of the Miramar Park of Commerce, tell it:

``Adequate insurance coverage is not available and what is available costs four to five times more than last year. On top of this, all the repair work [from the 2005 hurricanes] has put pressure on labor and materials markets that were already overheated. As a result, the cost of construction, rental rates and operating costs continue to escalate.

'How much can tenants afford to pay? How much `hurricane risk' are businesses willing to take? How much stress can South Floridians handle?' Ansin asked.

The insurance crisis is sending employees' already-high housing costs to the stratosphere. "Companies would love to move here or grow their businesses but they can't because of housing costs," Carsrud says.

Even if the state finds some relief on that front -- and let's pray it does -- What about the other indicators of South Florida's economy? Yes, we're still adding jobs and we're virtually at full employment -- that's a good thing, right?

The wildly popular IKEA, for instance, will bring 400-500 jobs to the region when it opens in Sunrise -- its first store south of Atlanta -- in late summer or early fall, says Joseph Roth, director of public affairs for IKEA. That's nice job growth.

Roth notes that South Florida's jobless rate doesn't worry him -- IKEA has successfully opened stores in other low-unemployment areas. What helps: The hip home furnishing chain has won accolades from Working Mother and Fortune magazines as a good place to work.

While IKEA's jobs are good news, you also have to look at the bigger job picture.

Carsrud says many of his graduates aren't staying in the area, they are going north. "They don't want to, but they are. We aren't creating the high-paying jobs for them," he says. That's worrisome.

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