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SPORTS, 5C



# Naples Daily News

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## Bad weather cost us \$170B in '21

Expected to be sixth year global natural disasters have topped \$100B, study says

**Damian Shepherd**  
Bloomberg News  
TRIBUNE NEWS SERVICE

Ten of this year's most destructive weather events cost a combined \$170 billion in damages, according to a new study.

Hurricane Ida, a tropical storm that pummeled much of the eastern U.S. with lashing rain in August, killed at least 95

people and cost \$65 billion. A month earlier, floods in Europe caused 240 deaths and an economic loss of \$43 billion, according to research published by U.K. charity Christian Aid. Floods in China's Henan province in July killed more than 300 and cost in excess of \$17 billion.

"The costs of climate change have been grave this year," said Kat Kramer, Christian Aid's climate policy lead and author of the report. "It is clear that the

world is not on track to ensure a safe and prosperous world."

This year is expected to be the sixth time global natural disasters have cost more than \$100 billion, the report stated, citing insurer Aon Plc. All six of those years have happened since 2011.

The report's authors estimated damages based on insured losses, meaning

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**"The costs of climate change have been grave this year. It is clear that the world is not on track to ensure a safe and prosperous world."**

**Kat Kramer**  
Climate policy lead for U.K. charity Christian Aid and author of new report

## 2022 bringing more dangers to Florida's environment

**Ed Killer**  
Treasure Coast Newspapers  
USA TODAY NETWORK - FLORIDA

The list of environmental disasters that befell Florida's lands and waters in 2021 was as long as a tarpon killed by red tide. The headlines blasted across media platforms last year made tourist development council directors more nervous than a Florida panther in a room full of rocking chairs.

So as the calendar turns to 2022, all those terrible events will be lost in our rearview mirror, right?

If only. Looking ahead into 2022, and considering how little was resolved in 2021 that might have resulted in real change, expect this year to look, feel and smell a lot like last year.

The list of assaults on the fragile environment seems endless: biosolids, wildfires, invasive species, coral bleaching, aquatic herbicides, Everglades destruction, oil drilling/fracking, lack of biodiversity, and sea level rise, king tides and erosion.

As if that's not enough, here are some of the biggest environmental

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### Editor's note

Due to the weekend holiday, Thursday's edition will serve as a combined edition for Thursday, Friday and Saturday. No newspaper will be delivered Friday or Saturday. You can find the latest news on our website and mobile app and you will find Friday and Saturday's comics, puzzles and games in the Friday and Saturday e-editions. Normal delivery will resume on Sunday.

## The Hoffmanns continue to grow family enterprise

Naples entrepreneur's companies invest locally

Laura Layden Naples Daily News | USA TODAY NETWORK - FLORIDA

**I**t seems there's no stopping David Hoffmann. • Even in a global pandemic. • While the pandemic threw the serial entrepreneur a few curveballs, Hoffmann has continued to acquire, grow and start businesses in Southwest Florida — and elsewhere, where opportunity knocks.

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Entrepreneur David Hoffmann smiles in the Hoffmann Family of Companies' Naples office. CAITLYN JORDAN/NAPLES DAILY NEWS

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### How restaurants fared in 2021

These 14 eateries impressed us the most during another difficult year. 1D

### New Year's fireworks

Florida law makes it easier for backyard pyrotechnicians to light things up. 3A

### Weather

High 82° & Low 66° Sunny. Forecast, 6B

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# Hoffmanns

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"COVID has not had that much effect on what we do," he said. "We continue to invest heavily in Southwest Florida."

That investment comes through his Naples-based family enterprise, better known as the Hoffmann Family of Companies, which includes his wife, Jerri.

In 2020, the Hoffmanns purchased 10 companies, most of them local, and started two new businesses, including a sanitizing service spawned by the pandemic.

Hoffmann Sanitizing Services, formed to protect the family's own employees and customers from the spread of COVID early on in the pandemic, later expanded to serve outside companies from Naples to Fort Myers, with its electrostatic, surface-cleaning fogging machines.

In 2021, the Hoffmanns have been even busier buying up more than a dozen businesses, while establishing half a dozen others. The family has spent more than a half-billion dollars on business and real estate acquisitions this year, Hoffmann said.

"That's the most we've done in a single year," he said.

Locally, his most recent acquisitions include:

- American Farms.
- The Old Collier Golf Club in North Naples.
- The Old Corkscrew Golf Club in Estero.

Both golf clubs include championship courses.

"The plan is to have as many as 12 to 20 golf courses, as we continue to grow that business," Hoffmann said. "One of them will probably be outside of the United States in Scotland."

The purchase of American Farms included 100 acres of agricultural land. The company has two growing locations in the Naples area, plus a wholesale and retail operation at the corner of Airport-Pulling Road and Orange Blossom, serving local customers.

American Farms has grown to become one of the largest regional wholesalers of annuals and perennials, distributing their plants and flowers to Walmart, Lowe's and other retail locations, as well as to local nurseries and landscaping companies.

"We will be acquiring other flower farms in Florida and across the country as well," Hoffmann said.



**No. 8 at Old Corkscrew Golf Club in Estero. The Jack Nicklaus-designed course was purchased by the Hoffmann Family of Companies.** PROVIDED

## Growing local presence

The Hoffmann family's portfolio now consists of more than 35 businesses in Florida, most of which are headquartered in Southwest Florida. Locally, their businesses include everything from the Hertz Arena and the Florida Everblades hockey team to Naples Transportation & Tours and the Naples Princess and Miss Naples boating operations.

By the end of the year, Hoffmann expects to close on a few more deals, including a major boat company.

"We're still rocking and rolling and things are really good," Hoffmann said. "This year was the best year we've ever had, in terms of acquisitions and profits in our businesses. I think we are definitely benefitting from the strong demand that has been created in the state of Florida with its growth."

Florida has seen a wave of migration since the pandemic hit, with new residents flooding in from more heavily populated and expensive areas around the country.

The state has also experienced a strong recovery in its tourism industry, which has benefitted the Hoffmanns, as many of their businesses are hospitality-related.

Additionally, strong, business-friendly political leadership, starting with Gov. Ron DeSantis on down, has helped the family's myriad companies not only survive, but thrive in the pandemic, Hoffmann said.

"Our businesses are doing quite well

and it's given us opportunities for expansion," he said.

Once-small local businesses have become bigger companies under the Hoffmann umbrella, gaining what he describes as "tentacles throughout the United States." The Naples Princess is a good example of Hoffmann's growth strategy.

## Looking beyond Naples

Naples Princess started with one marina, boat rentals and its namesake sightseeing vessel. Six months after the Hoffmanns acquired the business, it added five other boat operations around the country, as well as bringing in and refurbishing a 48-foot catamaran, now known as Miss Naples, to expand its local offerings for cruising, sightseeing and shelling.

Since COVID hit, the boating business has absorbed two more companies and just launched another one in Missouri, bringing it under local management, said Jenny Gezella, president of the operations.

"Our business has grown exponentially," she said. "In total, we own 15 boats and operate in eight states around the United States, with another purchase on the horizon that would add an additional six boats."

The business quickly adjusted to the pandemic, adding numerous safety measures to its policies, including electrostatic spraying and employee mask requirements, Gezella said.

COVID has actually brought in more

## Big investments

Here are the businesses the Hoffmann Family of Companies acquired in 2020, many of them in Southwest Florida:

- Stan's Coffee
- 5 Star Valet
- Tier Electric
- Java Butler
- Mitch's Cookies
- Global Jetcare
- Texas Bragg Trailers
- World Wide Farms
- Volunteer Princess
- Regency Watersports

The family also established: Hoffmann Sanitizing Services and OspreyME.

The Hoffmanns have been even busier in 2021, making these acquisitions, many of them in Augusta, Missouri:

- Balducci Vineyards
- Knorrieschild Vineyards
- Augusta Winery
- Montelle Winery
- Mount Pleasant Estates
- Mid American Coaches
- NOA Medical
- Kickstand Augusta
- Ferche Millworks
- Town and Country Nursery
- Ferguson Valley Nursery
- Kickstand Katy Trail
- The Old Collier Golf Club
- The Old Corkscrew Golf Club
- The Augusta White House
- American Farms

The family has also established these companies this year: The Augusta Guest Collection, The Augusta Clothing Company, the Augusta Vineyard & Cellar Tours, Hoffmann Gas, Miss Augusta, and the Augusta Emporium.

Meanwhile, the Hoffmann Lodge & Spa is under construction and the Chateau Hoffmann is under renovation.

customers, as tourists and residents alike have sought out safer recreational and entertainment activities in the great

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# Hoffmanns

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outdoors, she said.

Without the backing of the Hoffmanns, she said, the company could have never achieved so much.

"The Hoffmanns think big and love to grow businesses, Gezella said. "They have the captain behind them to continue to help businesses like ours grow and be successful."

## A visionary with many interests

Asked why David Hoffmann has seen so much success, Gezella said: "He has a vision like I have never seen."

His vision is multifaceted.

For example, he recently announced his plans to purchase the Iberia Bank building for an undisclosed price to offer more executive suites in downtown Naples. The deal is expected to close on Dec. 28.

"We were the highest bidder for that property," Hoffmann said.

The bank building — at 428 Ninth Street S. — is near Fifth Avenue South, where Hoffmann's executive suites are bursting at the seams. The suites offer shared and virtual office space that's ideal for smaller companies.

The virtual option gives businesses a more prominent address, with the ability to use board rooms or offices as needed at a lower cost.

Hoffmann Executive Suites currently operates in five locations. Four of those locations are on Fifth Avenue South, while the other is in Avon, Colorado, going under the name Basecamp.

Madelene Columbus, president of the operations, said the suites are at "100% capacity, with a waitlist."

"We currently provide offices for 135 clients in our existing locations, in addition to over 115 virtual clients," she said. "There is a growing demand for executive offices in the downtown Naples area and we are excited to be adding the new location."

The bank building will be remodeled and converted to offer 16 or more luxury executive suites, with a capacity to serve another 25 to 50 clients virtually.

The Hoffmann suites are fully furnished, varying in size. Besides conference and meeting rooms, they offer reception services, private parking, high-speed internet and kitchens, with daily housekeeping.

The Iberia Bank building will mark the Hoffmann's 36th purchase of commercial real estate in Southwest Florida. The family made its first investment back in 2015.

## Big player in real estate

Hoffmann Commercial Real Estate has become the largest privately-held commercial real estate company in Naples.

While Hoffmann clearly has an affinity for Naples — and Southwest Florida — where he now lives, he's also grown the family's footprint elsewhere in the country over the past two years, despite the disruptions of COVID.

The Hoffmanns have made big investments in their native state of Missouri, which have included the purchase of multiple vineyards, wineries and nurseries.

They made headlines about a year ago when they announced a \$100 million plan to put Augusta, Missouri, on the map as a worldwide wine destination, comparable to Napa Valley California or Bordeaux in the southwest of France.

Plans included the construction of a new five-star luxury hotel and a 12-hole golf course, as well as the launch of a 250 passenger yacht for cruising and tours, which has already happened.

The Hoffmanns expect to initially create 500 jobs in the area over a few years, growing that number to more than 1,000 with future acquisitions yet to be announced.

In the Augusta area, the Hoffmanns have purchased five vineyards, four wineries, a smattering of local businesses including a bike store, a bar, a medical bed manufacturing company and several nurseries.

The family has amassed about 50 buildings and structures there, including barns that have been restored. On top of that, they've started complementary businesses, offering everything from vineyard and cellar tours to gas and apparel.

As Hoffmann has continued to execute on his growth plan, Gezella said it's been interesting to watch everything unfold.

"For example, what he has done in Missouri, taking this beautiful little town and transforming it into a world-class destination, and bringing in all his businesses to help support it, has been an incredible thing to witness," she said.

# SEC: Payday loan firm's scheme bilks investors

MIAMI HERALD

MIAMI — The owner of a Miami-based payday loan company bilked hundreds of investors out of millions of dollars and repaid others with money he acquired from a Ponzi scheme, according to a newspaper report and federal regulators.

About 500 investors, many from South Florida's Venezuelan American community, were taken in by Efrain Betancourt Jr.'s sales pitch of high-interest returns on their investments in his short-term loan operation Sky Group USA, the Miami Herald reported.

The Securities and Exchange Commission in Miami filed a lawsuit against Betancourt, 33, and his company in September, the report noted. The agency accuses Betancourt of committing securities violations in a scheme that authorities describe as "affinity fraud."

In addition to the SEC complaint, a half-dozen other lawsuits and arbitration cases have been filed against Betancourt, according to the newspaper. He has not been criminally charged.

Betancourt spent a portion of the \$66 million raised from promissory notes on a lavish lifestyle that included a Miami waterfront condo and a wedding to his fourth wife in Monaco, the SEC complaint charges. It also accuses him of transferring money to his ex-wife and friends and of using at least \$19 million from a Ponzi scheme to make interest payments to some investors to keep them at bay.

The SEC complaint says Sky Group and Betancourt falsely told investors that the company would use investors' money solely to make payday loans and cover the costs of such loans. They were promised annual rates of return as high as 120% on the notes.

"We continue to caution investors to be wary of any investment that promises returns that are too good to be true," Eric I. Bustillo, director of the SEC's Miami Regional Office, told the Herald.

The SEC is seeking permanent injunctions and financial penalties.

The scheme lasted from January

2016 to March 2020, just before the coronavirus pandemic began, according to the complaint, which says that when countless borrowers defaulted on their payday loans, Sky Group incurred a severe cash-flow problem and was unable to make interest payments on investors' promissory notes.

Court records and legal documents state that Betancourt also falsely claimed to have law and computer engineering degrees in the United States.

Betancourt repeatedly invoked his Fifth Amendment right against self-incrimination during a deposition earlier this month with a lawyer representing former clients, the Herald reported. In a deposition with the same lawyer in May, he did admit that he didn't have law and computer engineering degrees in the United States. But he insisted his payday loan business was legitimate, and called the investors "lenders" who were involved in financing short-term, high-interest loans, which he called "business transactions."

"I made it very clear that they were investing into a payday portfolio," Betancourt told attorney Rick Diaz.

In a motion to dismiss the complaint, Betancourt's defense attorney Mark David Hunter argued that promissory notes are loans, not securities, such as stocks and bonds. Therefore, Hunter said, Betancourt and Sky Group did not break the law when they failed to pay back the lenders.

Diaz described Betancourt as a "mini-Madoff," a reference to the late New York financial adviser, Bernard Madoff, who ran the biggest Ponzi scheme in U.S. history.

"I've handled and deposed and defended Ponzi schemers over the years," he told the Herald. "Efrain Betancourt is the smoothest, cruelest and most arrogant, selfish and narcissistic of them all."

Diaz's client Andres Zorrilla told the newspaper he became suspicious when Betancourt wouldn't take his calls and ignored his emails when he tried to withdraw \$30,000 from his investments in the company to help cover the costs of his mother's medical expenses.