

LAND ACQUISITION EXECUTIVE SUMMARY

PROJECT: Lake Okeechobee and Estuary Recovery Project (LOER)
COUNTY: Martin
SIZE: Approximately 2269.54 acres
ACQUISITION PRICE: \$68,086,200
SELLER: **Lake Point LLC** (1,008.98+/- acres)
(Conflict Check in Parenthesis)
(Port Mayaca Ranches, LLC
Mark D. Razavi
Bradford W. Blakeley)
(Cedartech Ranches, LLC
G.W. Blakeley, Jr. Trust No. 1
Gerald W. Blakeley, Jr. Intervivos Trust
Gerald W. Blakeley, Jr.
Gerald W. Blakeley, III)
Southfront, Inc. (23.68+/- acres)
(Gerald W. Blakeley, Jr. and Gerald W. Blakeley, III)
Mayaca LLC (Optionor–Trucane Sugar Corp. (1,236.88+/- acres)
(Port Mayaca Ranches, LLC
(Mark D. Razavi and Bradford W. Blakeley)
(Cedartech Ranches, LLC
G.W. Blakeley, Jr. Trust No. 1
Gerald W. Blakeley, Jr. Intervivos Trust
Gerald W. Blakeley, Jr.
Gerald W. Blakeley, III)

HIGHLIGHTS: Potential STA and water storage fronting on C-44 with permitted outfall easement to Lake Okeechobee.

CONSIDERATIONS: The 2269.54 acre subject tract is located in Martin County with its northern boundary fronting on the C-44/St. Lucie Canal while its eastern boundary is adjacent to the SFWMD owned 21,875 acre DuPuis Management Area. (See Exhibit A)

The property's location, adjacent to C-44 with a permitted discharge easement to Lake Okeechobee, lends itself to phosphorous reduction and water storage possibilities for not only the LOER Project but, also the CERP Projects of Indian River Lagoon and North Palm Beach County Part I.

The property is currently being marketed and developed as a private polo development with approximately 1,000 acres already under Agreements for Purchase at averaging \$50,000 per acre.

The negotiated acquisition price of \$30,000 per acre is contingent upon appraisals which are currently in the process of being completed. The draft Acquisition Agreement will contain two options:

Option 1 – Cash with a two year payout.

Option 2 – Exchange

Seller would elect to acquire SFWMD's C-44 Project surplus property (approximately 1098 acres) (Exhibit B) plus cash payment representing the difference (\$52,714,200) between the total acquisition price (\$68,086,200) and the value of the exchange parcel (\$15,372,000).

Under the draft Agreement, the Seller would have a six month due diligence period in which to elect whether to proceed under the "cash" or "exchange" option. In addition, under either option, the Seller will reserve a period not to exceed 10 years in which mining will take place on an approximate 400 acre area.

The Board's conceptual approval will allow staff to perform a thorough cost/benefit analysis of the property. If it is determined to go forward, an acquisition agreement will be brought back to the Board for final approval.

FISCAL IMPACT: Dependent on which acquisition option is selected, the District will either have a two year cash payout of \$68,086,200 or an exchange of land with a cash payment of \$52,714,200. (See above) Funds will be reimbursed from either the Save Our Everglades Trust Fund, Florida Forever Trust Fund or additional state funding made available.

RECOMMENDATION: That the Governing Board of the South Florida Water Management District conceptually approving an acquisition for the Lake Okeechobee and Estuary Recovery Project for the acquisition of 2269.54+/- acres for a total cumulative acquisition cost of \$68,086,200 payable either in cash payments over two years subject to the Governing Board approval of a FY07 Budget Amendment and the FY08 Budget or the exchange of District Property plus cash subject to the Governing Board approval of a FY07 Budget Amendment.

Prepared by: _____
Ruth P. Clements, Director
Land Acquisition and Land Management
Department
Date

Approved by: _____
Kenneth G. Ammon, P.E.
Deputy Executive Director
CERP
Date