

MEMORANDUM

TO: Governing Board Members

FROM: Ernie Barnett
Director, Everglades Policy and Coordination

DATE: December 21, 2012

SUBJECT: Conceptual Approval of Proposed Acquisition of Duda Moore Haven Property

Background:

Staff entered into a non-binding Letter of Intent with A. Duda & Sons, Inc. (DUDA), dated November 27, 2012, conceptually proposing a land acquisition between the parties.

Acquisition would be based on the following principles:

1. The South Florida Water Management District's (DISTRICT) acquisition of 638 acres of the DUDA's Moore Haven property identified as Areas (1), (2), and (3) on the map attached as Exhibit A.
2. The acquisition is contingent upon the extension of DUDA's State land leases (Lease Numbers 1935 and 1935-S) for 30 years by the Board of Trustees of the Internal Improvement Trust Fund.
3. The DISTRICT will provide cash in the amount of \$1.9 million (or \$2,984/acre). (This represents a 56% discount from the appraised value of \$6,800/acre.)
4. The District will have an option to purchase the balance of the Moore Haven property (approximately 2,489 acres) to be acquired at the appraised value of \$6,800/acre for an additional \$16.9 Million. The District will have four years to exercise the option. If consideration other than cash is contemplated, the valuation for the balance may be adjusted accordingly.

It is desirable that the Governing Board of the South Florida Water Management District conceptually approve the proposed transaction before the parties proceed with the negotiation of a Land Acquisition Agreement to be brought back to this Governing Board for review and approval.

How this helps meet the District's 10-year Strategic Plan:

The DUDA Moore Haven parcel will play a pivotal link in restoration of the Caloosahatchee River Watershed in accordance with the Northern Everglades and Estuaries Protection Program by providing improved water quality and fresh water flows to the Caloosahatchee River while satisfying other water-related needs.

Funding Source: Ad valorem will be used for the cash payment.

This Board item impacts what areas of the District, both resource areas and geography:

This item benefits the Caloosahatchee River Watershed, Northern Everglades and Estuaries, and Glades and Hendry Counties area.

What concerns could this Board item raise?

This acquisition will use cash reserves, but the first 638 acres acquisition is at a 56% discount.

Why should the Governing Board approve this item?

This acquisition will provide substantial environmental benefits to the restoration of the Caloosahatchee River Watershed and Northern Everglades and Estuaries.