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Derek Dunn-Rankin column

Such a sweet deal

Good morning.

It is the story of the year. Tuesday's announcement by Governor Crist of a $1.7 billion purchase of U.S. Sugar property was just a day before he opened his second environmental summit. The land purchase includes 187,000 acres of U.S. Sugar land between Lake Okeechobee and the Everglades. The surprise announcement complicates the South Florida Water Management District, or Softmud, raising the money for the deal, the details of which have yet to be negotiated and approved by the water authority board.

How, you might wonder, could this have been kept a secret? According to Miami Herald reporters Curtis Morgan and Scott Haasen, it began in November when two high-powered lobbyists for U.S. Sugar were appealing to the governor for help with water restrictions that affected their client. "Why doesn't the state just buy the company?" the governor asked.

The vehicle to make the purchase is the largest of the state's five water-management districts. Softmud's nine-member board is appointed by the governor. Its territory includes a small slice of Charlotte County, south of the Peace River watershed. It extends from above Lake Okeechobee and includes 16 counties from Orlando to Key West. The populous and thirsty Gold Coast, from above Palm Beach through Fort Lauderdale and Miami-Dade, looks to the district for future water needs. It is the lead organization in the federal-state Everglades restoration project, budgeted at more than $10 billion.

The governor lost some of his environmental credits when he supported Senator McCain's policy of opening the possibility of offshore drilling for oil in the Gulf. He has certainly balanced his pro-environment image with this bold move.

The deal is huge in the impact it will have on the billions planned for Everglades restoration. The dollar impact is much more than the $1.7 billion in cash to U.S. Sugar.

That is just part of the cost to taxpayers. Softmud will borrow most of the purchase cost and pay interest on the debt certificates for years to come. In fact, the $1.7 billion was not enough to get U.S. Sugar to agree to the sale. By letting the company use the land for another six years, the district has sweetened the deal for the seller.

Carol Wohle, executive director for the Softmud, expects negotiations to take another 75 days or so before the deal goes before the board for a vote of approval. Then there will be costs as the district tries to swallow out some of the acreage with other growers to get the best configuration to assist in the grand plan of Everglades restoration.

The water boards are the only organizations that can levy a property tax without having to face an election on the ballot. They can use this leverage approval of their expenditures. Their authority would raise the wrath of our ancestors, who organized the Boston Tea Party or fought a revolution over taxation without representation. In this case, their wide authority may pay big dividends for Floridians.