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Big idea for Lake Okeechobee port doesn't fit with Everglades restoration
08/17/2008
Naples Daily News

Editorial: Big idea for Lake Okeechobee port doesn't fit with Everglades restoration  
7:28 p.m., Saturday, August 16, 2008  
Florida is accustomed to grand schemes.

We have seen developers come and go.

There was a pyramid planned for downtown Naples.

A movie studio for East Naples.

An IMAX theater for Estero.

A Chinatown for the Fort Myers area.

A hydroplane ferry to Key West from both Naples and Fort Myers.
Now comes a proposal for an inland port on Lake Okeechobee.

The heart of this industrial and commercial center would be in the same area the state proposes to buy from U.S. Sugar Corp., headquartered in Clewiston, for $1.75 billion for Everglades restoration.

Environmentalists, though they first heard of this a month ago on the East coast, are still in shock. They cannot believe their hopes would be raised so high only two months ago, with the prospect of retiring sugar fields blamed for chronic Everglades pollution, and be dashed by something like this, so soon.

To be sure, we need to see the details. So far Florida Crystals, which proposes to buy the land from the state, has yet to provide them.

Still, the idea faces an uphill pull. It has too much of a Disney World feel — an inland port? — in an area where too much is at stake.

Less ought to be more.

It may be helpful to recall a page of Florida history. The Cross-Florida Barge Canal, a grand scheme indeed, attempted to dig through the state from east to west. From 1942 until Congress pulled the plug in 1990, more than $63 million in that era’s money was consumed and largely wasted.

That partially completed project is now known as a greenway.

A greenway.

Enough said?

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Savings Everglades Should Come First
08/17/2008
News-Press

Editorial: Saving Everglades should come first
Editorial • August 16, 2008

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What's this?

The state of Florida needs to be sure it does not spend $1.75 billion to buy up farmland for Everglades restoration, just to let industrial development become a new obstacle to cleaner water.

Florida Crystals, a big landowner in the Everglades Agricultural Area, wants to put an industrial and commercial center south of Lake Okeechobee, in the general area where the state wants to create a new flowway for excess lake water.

That promises to help restore the Everglades and significantly ease pollution in the Caloosahatchee River and its estuary in Lee
Today's U.S. Sugar Stories for August 17

County, devastated by lake water in 2004 and 2005.

The state has agreed to buy 300 square miles from U.S. Sugar, the leading Florida producer, to create the flowway. Those holdings and Florida Crystals’ property are intermingled, so the state would have to negotiate land swaps with Florida Crystals to put together the project.

Negotiating the swaps and creating a flowway will take years, and must not be slowed by a fight over new development in the wrong place.

The goal is to remove agriculture from parts of the “River of Grass,” where it developed before the value of natural water movements was widely appreciated. The $10 billion federal-state Everglades restoration project is deeply flawed because it lacks a southern flowway, which would send more lake water along its historic pathways, instead of flushing it into our rivers where it has caused epic environmental damage.

Now that missing piece is within our grasp, unless we blow the opportunity. We favor economic development in the farming counties where 1,700 jobs could eventually be lost in the U.S. Sugar purchase. If an industrial hub linking east and west coast ports can be built near the lake without threatening Everglades restoration, we're all for it.

But the Everglades must have priority.

Farming the area was itself a huge mistake in the first place. Water conservation, environmental protection and flood protection would all be much easier with as much as possible of the area returned to its natural condition.

That can't be entirely achieved now, but we are about to take a big step toward undoing the damage from farming — and thereby nearly destroying — one of Earth's greatest wetlands.

Avoid a confrontation over Everglades' future
08/17/2008
Palm Beach Post - Online
Today's U.S. Sugar Stories for August 17

Will saving the Glades economy - if the state buys U.S. Sugar for Everglades restoration - undermine Everglades restoration? The Palm Beach County Commission, which faces the question, is not in a position to decide.

The idea that eco-tourism could compensate for the loss of 1,700 jobs is unrealistic. Eco-tourism can't happen in the Glades until Lake Okeechobee gets healthy. A better, if far from certain, idea is an inland port - a warehouse and distribution hub, fed by shipping. A state study identified a need in South Florida based on cooperation among the Port of Palm Beach, which proposed it, the Port of Miami and Port Everglades in Fort Lauderdale.

On Tuesday, West Palm Beach based-Florida Crystals, part of the Fanjul family's sugar conglomerate, will ask Palm Beach County to designate 9,000 acres of company land for an inland port. That land is between the Miami and North New River canals - exactly where the South Florida Water Management District wants to create a huge reservoir to store water from Lake Okeechobee after the buyout of U.S. Sugar. Florida Crystals wants the county to start a yearlong planning review. Any review, though, first should determine if there are better sites outside the flood zone.

Florida Crystals notes that its site already is industrial. On 2,300 of the 9,000 acres are the company's Okeelanta mill and a plant that converts sugar byproducts to energy. An ethanol plant is planned. There are roads, rail lines and a distribution center. Putting an inland port somewhere else, amid cane fields with no roads or rail, the company argues, would be wasteful. Besides, as spokesman Gaston Cantens said, Florida Crystals has no intention of selling or trading its Okeelanta Mill. The reservoir, he insisted, would have to be built around it.

Florida Crystals thus becomes an even bigger part of the U.S. Sugar deal. The water management district, which is buying U.S. Sugar, would like to sell the company's mill and some land to make back some of the state's $1.75 billion cost. Obviously, the state's preferred buyer would be Florida Crystals. The company's interest in the inland port became more public after the U.S. Sugar deal was announced. Florida Crystals may be trying to leverage its position to get the inside track on an inland port - there would be profit in the warehousing and distribution - from the county and favorable consideration from the water district in restoration plans.

Water district administrators must decide if the cost of building a reservoir around the mill outweighs the cost of buying the mill. Because they are still negotiating the purchase of U.S. Sugar, they refuse to address the issue publicly. The district also was silent this year about rock mining in the same area. County commissioners granted U.S. Sugar rock-mining rights that water managers - and taxpayers - may have to pay dearly to wipe out in favor of Everglades restoration. The district's silence on the other big sugar grower appears to be a tacit admission that angering the Fanjuls now would jeopardize Everglades restoration later.

The best outcome would be successful Everglades restoration and a thriving inland port. There may be a way to have both. But Palm Beach County committing now to the Florida Crystals proposal would set up a premature and possibly needless competition.
between the Florida environment and the Glades economy. Only a longer, closer look will determine if Florida Crystals has the best site for an inland port.

Mining muddles sugar deal
08/17/2008
Orlando Sentinel
Reid, Andy

Secrecy could add to the steep cost of Florida's proposed $1.75 billion buyout of U.S. Sugar.

While state water managers had closed-door talks with U.S. Sugar about buying the company's 187,000 acres, Palm Beach County in April approved a U.S. Sugar plan for rock mining right in the middle of the area targeted for Everglades restoration.

The mining approval likely boosted the value of those 7,000 acres, according to appraisers. That could mean taxpayers will end up paying more for a big piece of the buyout, proposed to re-establish water flows between Lake Okeechobee and the Everglades.

Sugar-cane land in that area appraises for about $3,400 to $5,500 an acre, compared with up to $11,000 an acre for rock mines, according to the Palm Beach County Property Appraiser's Office.

The county spent months asking the South Florida Water Management District whether mines proposed on U.S. Sugar land and elsewhere in the Everglades Agricultural Area affected restoration plans. But the district never put up a red flag and didn't disclose the possibility of the U.S. Sugar deal, officials said.

"None of us knew anything about it," County Commissioner Burt Aaronson said of the buyout, announced in June. "Now they bring up this U.S. Sugar deal. . . . It's very confusing to the public and to elected officials."

U.S. Sugar already agreed to lease the land to Florida Rock Industries to mine the property. If the U.S. Sugar buyout goes through, that leaves taxpayers to deal with a tenant not necessarily interested in moving, said Florida Rock attorney Alan Ciklin.

Florida Rock learned about the state's proposed buyout of U.S. Sugar by reading the newspaper after the deal was announced, Ciklin said. The company is still pursing state permits needed to start digging.

"Florida Rock has a long-term lease with U.S. Sugar," Ciklin said. "As far as we are concerned [the buyout] doesn't affect it at all." District officials, citing the ongoing negotiations, would not comment on how the mining approvals could affect the deal.

At the time of the County Commission's April vote on the mining
proposal, the talks with U.S. Sugar were just "exploratory" and it would have been premature to suggest that the county or any government "modify their actions," district spokesman Randy Smith said.

However, even if the U.S. Sugar buyout proposal had been further along, district policy is to stay out of city and county land-use decisions, agency board member Shannon Estenoz said.

"It would have been . . . reckless for us to talk about it beforehand," Estenoz said.

Gov. Charlie Crist last fall started talks with U.S. Sugar about a potential buyout to move the sugar giant out of the way of Everglades restoration. The district's top administrators joined the discussions in March, agency attorney Sheryl Wood said.

Talks continued into June, but the buyout was just considered a "concept" until about a week before the governor announced the deal June 24, Estenoz said.

The district and U.S. Sugar are negotiating a contract proposal, due in September, with the goal of closing on the deal by Nov. 30. The district plans to borrow money to pay for the U.S. Sugar deal and pay off the debt with property taxes.

U.S. Sugar two years ago turned to rock mining to diversify its operations. Rock mining produces materials needed for road building and other construction.

The county in 2006 approved plans for Stewart Mining Industries to harvest rock from about 4,000 acres of U.S. Sugar land east of Lake Okeechobee.

This year, the county approved three more mines in the Everglades Agricultural Area, including the 7,000-acre Lake Harbor Quarry proposed on U.S. Sugar land south of the lake.

Location and income produced by the land determine value of agricultural property, said Tom Barnhart, director of appraisal services for the Property Appraiser's Office.

Agricultural land gains more value when it has approval for other uses, such as residential development or rock mining -- how much value depends on market demand, he said.

Location and market conditions are a factor, but land approved for mining or development would be "much more valuable" than sugar-cane land, said Sharon Outland, president of the Florida Association of Property Appraisers.

U.S. Sugar Senior Vice President Robert Coker said that, with negotiations ongoing, he wouldn't comment on how the mining approvals affect the cost of the buyout. He also wouldn't say why U.S. Sugar did not delay the 7,000-acre mining proposal while negotiating to sell the land.

Copyright © 2008 Orlando Sentinel Communications
Three cheers to attorney Lester Lehtinen for bringing up possible violations of Florida’s Sunshine Law and questioning the purchase of U.S. Sugar property for $1.7 billion.

I had the privilege of attending the International Climate Change Summit in Miami when Gov. Charlie Crist made the announcement.

To find a logical reason to remove these acres from agricultural production, I visited the South Florida Water Management District display at the summit.

I was told the overflow of Lake Okeechobee was currently being relieved by two canals, one going east and the other west. These two canals would stay in place.

The Everglades would be restored and act as a filter. It would be as if some magic wand would remove towns and roadways in the area purchased. My first reaction was the expense to restore this area to replenish the Everglades during dry periods.

If water is needed in South Florida, why not dig a canal south to the Everglades and use the existing natural filter?

Flooding land that has been leveled will not cause it to flow south. The water management district’s idea will be a mosquito-breeding, never-ending money pit.

I wondered, too, if the governor’s right hand knew what the left was doing. Last year, I had attended the Farm to Fuels Summit and heard him speak on the need for biofuels. Now, it is climate change.

The carbon dioxide-capturing ability of sugar cane can give us vitally needed transportation energy. Ethanol yield and carbon dioxide capture from sugar cane is double that for corn and seven times more energy efficient to produce from seed to end product. That is why Brazil can ship it here profitably, despite the 51 cent import tariff.

The South Florida Water Management District says our taxes will not go up, but the staffers are environmentalists, not economists. With 1,700 jobs lost and 187,000 acres off the tax rolls, where is the sunshine?

INGO KRIEG,

business executive,

Jacksonville

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