

SFWMD

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Governr Celebrates Everglades Land Negotiations

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Florida water management officials have agreed to new terms in their negotiations with the United States Sugar Corporation. The new terms, subject to approval by the South Florida Water Management District include a land only purchase of more than 180,000 acres at a purchase price of \$1.34 billion.

"A land purchase creates unprecedented possibilities for the River of Grass and for our environment," said Governor Crist last week while standing outside the Miami home of the late author and Everglades advocate Marjory Stoneman Douglass. "Many people, including the late Mrs. Douglass, have looked forward to this day. Today, we are closer than ever to making their dreams a reality and giving this wonderful gift of restoration to the Everglades, to the people of Florida, and to our country."

The 180,000 acres, one of the largest environmental land acquisitions in our nation's history, are the "missing link" that the South Florida Water Management District needs to protect Florida's coastal estuaries and better revive, restore and preserve one of America's greatest natural treasures – the Everglades. Governor Crist first announced in June plans to begin negotiations at the 2008 Serve to Preserve Florida Summit on Global Climate in Miami.

The vast real estate – roughly the size of New York City – will be used to reestablish a part of the historic connection between Lake Okeechobee and the fabled River of Grass through a managed system of storage and treatment. The land also will be used to safeguard the St. Lucie and Caloosahatchee rivers and estuaries.

Acquiring the enormous expanse of land offers water managers the opportunity and flexibility to store and clean water on a scale never before contemplated. Water managers expect that dedicating significantly more land in the Everglades Agricultural Area to restoration will build upon and enhance the 30-year state-federal Comprehensive Everglades Restoration Plan and the State of Florida's Northern Everglades program to restore and protect Lake Okeechobee, the St. Lucie and Caloosahatchee rivers and their respective estuaries.

"We look forward to continuing to work with the Governor and the District in the cooperative spirit with which we have begun," said Robert Buker, president and CEO of U.S. Sugar. "We are happy to help the state of Florida restore one of her most precious treasures."

Joining Governor Crist and Robert Buker today at the Marjory Stoneman Douglass House were Eric Buermann, Chairman of the South Florida Water Management District Governing Board; and Florida Department of Environmental Protection Secretary Mike Sole. Also in attendance were elected officials and environmental advocates.

Benefits from the land acquisition include:

- Huge increases in the availability of water storage, significantly reducing the potential for harmful discharges from Lake Okeechobee to Florida's coastal rivers and estuaries when lake levels are high.
- The ability to deliver cleaner water to the Everglades during dry

times and greater water storage to protect the natural system during wet years.

- Preventing thousands of tons of phosphorus from entering the Everglades every year.
- Forever eliminating the need for "back-pumping" water into Lake Okeechobee from the Everglades Agricultural Area to augment the water supply needs. The District's Governing Board this year voted not to back-pump into the lake during the ongoing water shortage to protect water quality.
- Additional water storage alternatives, relieving some pressures on the Herbert Hoover Dike while the federal government undertakes repairs.

Buyers snap up \$94M in bonds

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Palm Beach County, which has a AAA rating, sold the 20-year revenue bonds on Nov. 5 at an average interest rate of 5.06 percent. The interest rates ranged from 1.83 percent on short terms to 5.4 percent on long terms.

In the past, governments often paid 2 percent or 3 percent interest by using easily rolled-over, short-term debt to fund long-term projects.

Now, Palm Beach County will use \$50.6 million of the \$94 million to pay off short-term debt. The balance will help fund the Max Plank Societys planned 100,000-square-foot research facility on 6 acres at Florida Atlantic Universitys Jupiter campus. The maximum interest rate could have averaged 5.13 percent, but there was more buyer interest than bonds available, said John Long, Palm Beach Countys debt manager. Margaret Luzcano, manager of the Southeast financial practice for Chicago-based Loop Capital Markets, said the deal was three times oversubscribed. We cut the return twice, but the 530 buyers hung in there, she said. Jay H. Abrams, chief municipal bond analyst for FMS Bonds, a Miami- and Boca Raton-based municipal bond specialist firm, said: It was the right size not too big and from a well-rated organization that funded a premiere local project. The buyer mix for municipal bonds has changed.

Institutions and hedge funds, the traditional buyers, are out of the market, and sales are now being made to individual investors, trust departments and money managers, Luzcano said.

Still in the pipeline are \$342 million of pollution control revenue bonds for the Solid Waste Authority of Palm Beach County, which is rated AA. Citigroup is handling the transaction with a mix of maturities expected to range from 2009 to 2028. Pricing is expected later in the week.

An even bigger debt issue to swallow is certificates of participation

for the 16-county South Florida Water Management District (SFWMD), primarily for the buyout of 181,000 acres from U.S. Sugar Corp., part of the Everglades restoration project. A \$2.2 billion offering was originally envisioned, but that will likely be cut since the deal was trimmed from \$1.75 billion to \$1.34 billion on Nov. 11.

Two former approved debt underwriters are no longer available to the authority: Lehman Brothers has filed for bankruptcy, and UBS Securities has bowed out of negotiated debt deals.

Other major potential players are Merrill Lynch & Co., which is being acquired by Bank of America; Morgan Stanley; Citigroup and Goldman Sachs. Other approved underwriters are Estrada Hinojosa & Co., Loop Capital Markets, M.R. Beal & Co., Raymond James & Associates and RBC Capital Markets.

The water management district raised its authorized debt ratio to 30 percent of income, up from an existing 20 percent. FMCs Abrams said the size of the proposed offering poses its own challenges and he expects the market to be tough for the immediate future.

Broward County officials could not be reached for comment on its future offerings.

Miami-Dade, with debt ratings ranging from A+ to AA-, has run into a series of delays, hurdles and costs as it attempts to roll over existing debt and bring new deals to market.

No one stepped up to the plate for a nearly \$300 million, Miami-Dade County variable-rate water and sewer bond issue of 2005 after JPMorgan refused to renew a standby bond purchase agreement for more than 90 days.

The extension through Dec. 28 cost the county 80 basis points, or \$597,500, versus the previous rollover rate of 10 basis points, or \$74,700.

Buyers snap up \$94M in bonds

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Minneapolis/St. Paul Business Journal

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Land deal could lift U.S. Sugar's sagging fortunes Is it a buyout or a bailout? Either way, a pendin

11/16/2008

Calibre MacroWorld

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Nov. 16--BARONS, Titans, Giants -- Florida's politically powerful sugar industry has worn a lot of lofty labels over the years.

Here's one rarely heard: struggling.

In recent years, Big Sugar has pocketed smaller and smaller profits. U.S. Sugar Corp., the nation's oldest and largest grower, has actually forecast a \$4.5 million loss for this year, according to a company financial report obtained by The Miami Herald.

Now, the company is on the cusp of signing a landmark \$1.34 billion contract to sell much of its sprawling sugar and citrus empire to the state for Everglades restoration. South Florida water managers could vote on the deal, which would be the largest conservation land buy in state history, as early as next month.

For environmentalists, the sugar lands represent no less than the 'holy grail' of Everglades restoration. But the deal has some skeptics -- most notably competing growers and the Miccosukee Tribe, which contend that the land buy is also a company bailout.

The state and company dismiss the criticism, saying the deal strikes a fair price and balances protection of the Everglades from agricultural and suburban pollution with preservation of farm jobs critical to the economy of a poor rural region. 'We've worked hard to get the very best deal we can for taxpayers,' said Mike Sole, secretary of the Florida Department of Environmental Protection, who participated in negotiations that began in secret more than a year ago, when Gov. Charlie Crist initially proposed a buyout of the venerable company lock, stock and sugar bowl.

Company executives have long maintained that the firm is strong, and they predict a promising future under a revised deal announced last week. It would let U.S. Sugar keep its production facilities, 1,700 or so workers, and farming access to most of its

285 square miles of land for seven or more years.

The original deal -- for all land and assets -- would have effectively shut the company down, possibly within six years. 'Our business model going forward shows us as being pretty successful,' said Robert Coker, senior vice president of public affairs at U.S. Sugar.

That would be a turnaround, according to U.S. Sugar's 2007 annual report.

FINANCIAL STRESS

The report, closely guarded and distributed only to shareholders, shows a company under financial stress. It took on higher debt -- about \$700 million overall, largely to finance a state-of-the-art sugar mill. It also endured multiple hits to its bottom line from skyrocketing fuel and fertilizer costs, stagnant raw-sugar prices, and damaging droughts and hurricanes.

The report shows that U.S. Sugar saw profit margins shrink from 4.26 percent in 2005 to less than 1 percent last year. It also forecast that revenue would sink by about \$50 million, from \$683 million in 2007, and projected the \$4.5 million loss for this year.

U.S. Sugar has not been alone in a profit decline. 'From 1996 to 2007, we have seen 34 beet or cane mills or refineries close,' said Jack Roney, director of economic and policy analysis at the American Sugar Alliance, an industry group in Arlington, Va. 'That is 41 percent of the operations that were in business in 1996.'

NEW TERMS EMERGE

Robert Buker, U.S. Sugar's chief executive, said it wasn't the company's finances but the state's that prompted the revised deal.

The governing board of the South Florida Water Management District, which is bankrolling the deal, had expressed concern about saddling the agency with massive debt when the state is slashing budgets. It also feared getting stuck with a sugar mill, rail lines and other assets that water managers did not know how to run. 'It became apparent that we were selling something the state didn't want to buy,' Buker said. Although the contract remains under negotiation, some terms appear to work out better for U.S. Sugar than the initial \$1.75 billion buyout proposed after eight months of negotiation between Crist's office and the company's lobbyists and executives.

By cashing in its biggest asset -- land -- the company would be able to pay off debt and quell shareholder dissent and lawsuits with a deal worth \$365 a share. At the same time, it could continue to farm longer, refining sugar and processing citrus for at least seven years on attractive terms that could boost earnings.

The state would pay U.S. Sugar \$400 million less, but by keeping the mill, railroads and other facilities that state appraisals valued at more than \$600 million, the company would actually net about \$200 million more for its 181,000 acres. Also, it would then lease back most of the land at an annual \$50 an acre, which is about four to five times cheaper than current rates.

CRITICISM OF DEAL

Critics say the deal would not only shore up the company, but give it an edge in a market that could get tougher if foreign growers operating with lax environmental rules and cheap labor succeed in getting the United States to drop import restrictions.

'Apparently now, it's the 'Guarantee We Keep Sugar in the Everglades' deal,' said Dexter Lehtinen, an attorney for the Miccosukee Tribe, which argues that the agreement would push back restoration projects by at least a decade.

Lehtinen believes that the state bowed to a backlash from rural communities about job losses and cut a deal that would bolster the company's fortunes. 'It's a sweetheart deal that will be embarrassing to people who go for it in coming years,' he said. Barbara Miedema, vice president of the Sugar Cane Growers Cooperative of Florida, which represents 47 smaller growers in Palm Beach County, largely agreed. She said U.S. Sugar has buckled under the same pressures that have slammed others in the region.

'THE WHITE FLAG'

The Belle Glade-based cooperative sells its raw sugar to American Sugar Refining, which it co-owns with Florida Crystals, the second largest sugar producer in Florida and a company owned by the Fanjul family. 'They pretty much waved the white flag,' Miedema said of U.S. Sugar.

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Financial experts, echoed by environmentalists, caution that the deal shouldn't be assessed solely on appraisals or balance sheets.

Government, said Leopoldo Guzman, founder of Guzman & Co., a broker-dealer in Miami, can afford to pay a premium for transactions that serve the public interest. And unlike private investors, the state doesn't need to recoup its investment in a short time. 'The state can take the view that this is strategically important,' Guzman said. 'If the state went out and tried to buy this in parcels, by the time it gets to later parcels, it will have driven the market up.' WORTH TRADE-OFF?

For environmentalists, the land would fill a gaping hole in the stalled \$12 billion plan to restore flow to the River of Grass.

Much of the land would be converted to massive reservoirs and pollution-treatment marshes intended to provide an adequate supply of clean water to the struggling natural system.

David Guest, an attorney with the environmental group Earthjustice, said that historically, state agencies have been criticized for overpaying for environmentally sensitive lands that, within a few years, seemed a bargain. 'Even if it were true,' he

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THE EVERGLADES Land deal could lift U.S. Sugar's sagging fortunes

11/16/2008

Miami Herald

BUSSEY, JANE

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Barons, titans, giants -- Florida's politically powerful sugar industry has worn a lot of lofty labels over the years.

Here's one rarely heard: struggling.

In recent years, Big Sugar has pocketed smaller and smaller profits. U.S. Sugar Corp., the nation's oldest and largest grower, has actually forecast a \$4.5 million loss for this year, according to a company financial report obtained by The Miami Herald.

Now, the company is on the cusp of signing a landmark \$1.34 billion contract to sell much of its sprawling sugar and citrus empire to the state for Everglades restoration. South Florida water managers could vote on the deal, which would be the largest conservation land buy in state history, as early as next month.

For environmentalists, the sugar lands represent no less than the "holy grail" of Everglades restoration. But the deal has some skeptics -- most notably competing growers and the Miccosukee Tribe, which contend that the land buy is also a company bailout.

The state and company dismiss the criticism, saying the deal strikes a fair price and balances protection of the Everglades from agricultural and suburban pollution with preservation of farm jobs critical to the economy of a poor rural region.

"We've worked hard to get the very best deal we can for taxpayers," said Mike Sole, secretary of the Florida Department of Environmental Protection, who participated in negotiations that began in secret more than a year ago, when Gov. Charlie Crist initially proposed a buyout of the venerable company lock, stock and sugar bowl.

Company executives have long maintained that the firm is strong, and they predict a promising future under a revised deal announced last week. It would let U.S. Sugar keep its production facilities, 1,700 or so workers, and farming access to most of its 285 square miles of land for seven or more years.

The original deal -- for all land and assets -- would have effectively shut the company down, possibly within six years.

"Our business model going forward shows us as being pretty successful," said Robert Coker, senior vice president of public affairs at U.S. Sugar.

That would be a turnaround, according to U.S. Sugar's 2007

annual report.

FINANCIAL STRESS

The report, closely guarded and distributed only to shareholders, shows a company under financial stress. It took on higher debt -- about \$700 million overall, largely to finance a state-of-the-art sugar mill. It also endured multiple hits to its bottom line from skyrocketing fuel and fertilizer costs, stagnant raw-sugar prices, and damaging droughts and hurricanes.

The report shows that U.S. Sugar saw profit margins shrink from 4.26 percent in 2005 to less than 1 percent last year. It also forecast that revenue would sink by about \$50 million, from \$683 million in 2007, and projected the \$4.5 million loss for this year.

U.S. Sugar has not been alone in a profit decline.

"From 1996 to 2007, we have seen 34 beet or cane mills or refineries close," said Jack Roney, director of economic and policy analysis at the American Sugar Alliance, an industry group in Arlington, Va. "That is 41 percent of the operations that were in business in 1996."

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SUGAR DEAL COULD DISSOLVE INTO DUEL OVER LAND DIVISION

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Sun Sentinel, Fort Lauderdale, FL

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Even before the state's \$1.34 billion land deal with U.S. Sugar Corp. is done, the jockeying has begun over how to divide 181,000 acres between farming and Everglades restoration.

The proposed deal calls for using vast swaths of sugar cane land to build reservoirs and treatment areas that restore flows of water between Lake Okeechobee and the remaining Everglades.

Yet much of the land not needed for restoration would be leased or sold to remain in agricultural production.

Environmental groups want more than 100,000 acres to store, clean and redirect water south of the lake - almost double the amount being considered under some water management scenarios.

Community leaders of towns rimming Lake Okeechobee worry about losing agricultural jobs and want to keep as much U.S. Sugar land in farming as possible.

U.S. Sugar also has visions of leasing back more of its land than once proposed to stay in business.

With five months of closed-door negotiations nearing an end, the focus now shifts to what becomes of the land if the deal gets approved.

"Our biggest concern will be how much land is reserved for conservation and how much remains in sugar production," said Kirk Fordham, CEO of the nonprofit Everglades Foundation. "They really have to make it a more open process."

The South Florida Water Management District, charged with buying the land, could vote on the deal next month.

If a contract is approved, district officials said the work to decide on the "footprint" for the series of reservoirs and water treatment areas envisioned would be made during public meetings.

"We still have a lot of work to do even once we decide what we are buying," district board member Shannon Estenez said. "We do it in public."

The current Everglades restoration plan calls for a mix of water storage and treatment north and south of Lake Okeechobee.

The new U.S. Sugar deal offers the chance to shift more of the restoration efforts south of the lake to land that would already be in state control, according to the Everglades Foundation.

"It's a challenge to find willing sellers," said Thomas Van Lent, senior scientist for the foundation. "We want to seize the opportunity."

In addition, there should be limits on how U.S. Sugar can use the land it is allowed to keep farming, said Eric Draper, deputy director of Audubon of Florida.

Past practices to maximize crop yield resulted in U.S. Sugar using more water for irrigation during dry times and increased pumping after heavy rains to protect crops from flooding, Draper said. That drains water during times the Everglades needs it most and sends too much polluted water to the Everglades during the wet season, Draper said.

A previous version of the deal called for a state buyout of all the company's land and assets. The new land-only deal allows U.S. Sugar to keep the mill, citrus plant, rail lines and other assets it needs to stay in business.

The company would pay \$50 per acre per year to lease back its land for seven years. After that, U.S. Sugar could push for a longer lease of land not being used for restoration. The company is considering processing more raw sugar and citrus produced elsewhere and a possible move into ethanol production.

The new deal creates a "much brighter prospect" of U.S. Sugar staying in business and protecting its 1,700 jobs than there was when the governor's proposed buyout was announced in June, said company president and CEO Robert Buker Jr.

The newly refurbished sugar mill and citrus plant can have a strong future, whether run by U.S. Sugar or another company, Senior Vice President Robert Coker said.

Florida Crystals, the state's other large sugar producer, was a potential buyer for U.S. Sugar's Clewiston sugar mill and also has farmland in the potential path of Everglades restoration.

Florida Crystals is open to possible land swaps and remains a potential buyer for the Clewiston plant, should U.S. Sugar ultimately decide to sell, Florida Crystals Vice President Gaston Cantens said.

"If you have enough land in [agricultural] production, the mill has a future," Cantens said.

Buying up land for Everglades restoration should not come at the expense of communities dependent on agricultural jobs, according to Glades officials urging the district to limit the land deal.

"Why are we buying 182,000 [acres] when you only need 100,000?" asked Hendry County Commissioner Kevin McCarthy.

PHOTO: Agricultural and environmental interests could clash over

division of sugar cane fields, such as these in Clewiston, if the state's deal with U.S. Sugar is approved.

BARBARA P. FERNANDEZ, The New York Times

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Keys We need a say in the new plan

11/15/2008

Florida Keys Keynoter

Wadlow, Kevin

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Nov. 15--Everglades restoration made headlines again this week when Gov. Charlie Crist revealed changes in the planned U.S. Sugar buyout.

The current status of Everglades work -- and the expected results in Florida Bay and the Keys -- will be outlined by leading authorities on the overall Everglades plan at a Tuesday meeting in Key Largo.

"Awareness of Everglades restoration in the Keys community seems to have been falling by the wayside because of everything else that's been going on in the last few months," said Bruce Popham, chairman of the Florida Keys National Marine Sanctuary Advisory Council.

"This is an effort to bring it back to everyone's attention," he said. "It is critically important to the Keys."

The sanctuary council hosts the daylong session from 9 a.m. to 5 p.m. Tuesday at the Tavernier Elks Lodge, mile marker 92.6. The event is open to the public but seating may be limited.

The aim of the workshop is to inform the [Sanctuary Advisory Council and public] of the potential effects Everglades restoration may have on Florida Bay and the Keys," said Karrie Carnes, spokeswoman for the sanctuary.

Jerry Lorenz of the National Audubon Society's Research Center in Tavernier will speak on "the crisis state of Florida Bay" caused by "changes in broad-scale water flows and management."

A morning panel provides updates on "the essential projects that will actually have an impact on Florida Bay and the Keys sanctuary."

Panelists include executives of the South Florida Water Management District, Everglades National Park, South Florida Ecosystem Restoration Task Force and the U.S. Army Corps of Engineers.

An afternoon panel at 1:30 p.m. hears fishermen and other user groups speak on the economic importance of Florida Bay.

At 3 p.m., Everglades National Park staff will update the state of the park's master plan, which could affect fishing areas in Florida Bay. Also speaking will be Jim Trice, an Islamorada angler who

spearheaded efforts to ensure that waters would remaining open to recreational boaters and fishermen.

A public comment session is scheduled for 4 p.m.

SUGAR DEAL

One of the centerpieces of the Everglades restoration -- the purchase of U.S. Sugar holdings south of Lake Okeechobee -- will be different from the idea announced in June, Crist said this week.

Once planned to include all the U.S. Sugar assets, the scope of the purchase was reduced to exclude things such as processing plants.

The cost was reduced from a projected \$1.75 billion to around \$1.3 billion, and also may save thousands of jobs that fuel the economy of Okeechobee-area communities.

Crist said he was pleased with the \$400 million savings and the fact that U.S. Sugar would continue to operate plants, saving jobs.

Over several years, the state still plans acquire about 181,000 acres it to be used to improve water flow south of the lake. But the revised plan may render the restoration less sweeping than envisioned, some conservationists said.

The Everglades Foundation, founded by Islamorada activist Mary Barley, supports the revised plan and commended Crist for "decisively moving forward with this monumental land acquisition.

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Inland port idea debated

11/14/2008

Charlotte Business Journal

Bill Frogameni

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Port of Palm Beach Executive Director Manny Almira is pushing the concept of a regional inland port that, most likely, would be in his county, south of Lake Okeechobee.

But, port directors in Broward and Miami-Dade arent sold on the idea just yet. Neither are freight shippers. Ditto for some environmentalists who say the inland ports most feasible location seven miles south of South Bay, in farm country would conflict mightily with the states plan to buy out U.S. Sugar Corp. and restore Lake Okeechobees original flow southward toward the River of Grass.

Almira this week presented the broad sketches of the inland port idea at a meeting of the South Florida Regional Business Alliance in Fort Lauderdale. The plan, in the works for a few years but still evolving, is to create a storage and distribution facility possibly up to 3,500 acres on rural land. The facility would be accessible by truck, possibly air and, most critically, rail. There wouldnt be any

boat access, making the term port a bit misleading. Almira cited a 2007 study on the inland port that concluded South Florida will need an additional 40 million to 80 million square feet of storage space by 2025. An inland port could help provide this, he said. Additional storage will be needed since the regions ports are expected to be inundated with cargo around 2015 when the Panama Canal completes an expansion that will allow super cargo ships, particularly from Asia, to more easily access the eastern seaboard, he added.

The study also estimated there would be 500 jobs created in the area for every 1 million square feet of storage a plus for an area expected to be hit hard by the loss of agricultural jobs when the U. S. Sugar deal materializes.

This week, Gov. Charlie Crist announced a revised deal in which the state would spend \$1.34 billion to purchase 180,000 acres of land from U.S. Sugar. But, that deal still hasnt been finalized. Port Everglades Director Phil Allen told members of the business alliance that he supports the inland port concept, but there would need to be rail access between it and Port Everglades. Right now, Port Everglades doesnt have a working rail cargo line. Rail access is critical for us, Allen said. Felix Pereira, Port of Miamis chief of planning and grants, also said rail would need to be the main component to get his port fully behind the plan. The closest working rail line is about 12 miles west of his port. And, because of geography, thats not likely to change.

One idea is to create a working rail line along U.S. 27 starting in Miami and running northwest, close to South Bay. But, this still wouldnt establish rail lines right at Port Everglades or the Port of Miami. The Port of Palm Beach has a working rail line.

Freight shippers question the plan, too. Any stop that a container makes in addition to its destination is going to add additional cost, said Barbara Pimentel, executive vice president of the Florida Customs Brokers and Forwarders Association in Miami.

Whether by rail or truck, it makes more sense to move freight directly to or from the ports, she said.

Pimentel also questioned Almiras assertion that completion of the Panama Canal will actually bring more cargo to South Florida. She suggested it might be sent to Panama, rather than Florida, because of the countrys better logistics and favorable trade zones.

There are questions from environmental advocates, too.

John Koch, chairman of the Sierra Clubs Loxahatchee Group, said the preferred site for the port conflicts with plans to restore Lake Okeechobees southward flow. This inland port would be a tremendous fly in that ointment, he said. Then there are the skeptics who wonder how to pay for the port particularly in a down economy, when cargo traffic is slumping at existing ports. Right now, there are no estimates for how much it would cost.

But, Almira takes the long view. The economy cannot be in the dump for the next 10 years, he said.

Costaría millones descontaminar tierras para los Everglades

11/14/2008

El Nuevo Herald

MORGAN, CURTIS

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Más de la mitad de la tierra que el estado está a punto de comprar a los productores azucareros tiene niveles de contaminación que pudiera dañar la vida silvestre. Descontaminarla cuesta millones de dólares.

Los resultados de una evaluación ecológica, bosquejados el jueves por los directores de las aguas del sur de la Florida, añadieron una nueva preocupación y un riesgo financiero a la oferta del estado ascendente a \$1,340 millones por 181,000 acres de campos de caña y cítricos de los que es propietario la U.S. Sugar Corp.

A nadie le impresionó que un área cultivada durante 80 años estuviera tan contaminada -en la tierra se detectaron concentraciones de cobre, selenio, DDT y otros productos agroquímicos- y esa contaminación podría complicar e incrementar los costos de construcción de grandes embalses y el tratamiento para descontaminar las áreas pantanosas.

"No quiero que me hiera una mina terrestre", dijo Charles Dauray, un miembro de la junta del distrito de South Florida Water Management, que se ocupa de la restauración de los Everglades para el estado y financiará la compra de la tierra.

La contaminación no constituye una amenaza pública, aunque la U.S. Sugar tendrá que limpiar hasta 7,750 acres en los que los niveles de arsénico superan las normas de salud humanas para operaciones comerciales.

La junta aprobó una resolución que abre el camino para conseguir un financiamiento mediante bonos para pagar la tierra, pero aún no ha dado luz verde al acuerdo. La junta continuará las discusiones en reuniones programadas para los días 2 y 14 de diciembre, y una posible votación el 15 de ese mes.

La contaminación no parece ser motivo para romper el acuerdo, pero según el tamaño y la ubicación de los proyectos de limpieza, el distrito -y los contribuyentes de los 16 condados que supervisa- se podrían ver perjudicados por los costos ocultos.

Los gastos de limpieza estimados por partes en el "peor de los casos" son de unos \$18 millones, \$44 millones y \$119 millones.

La parte de U.S. Sugar, según un informe que preparó una firma ingeniera de Tampa, oscilaría entre \$16.5 y \$25 millones.

Robert Kuleski, ingeniero del distrito, dijo a la junta que existía un "alto grado de incertidumbre" en los estimados, debido a que los directores del agua sólo esbozaron los conceptos.

Las áreas de dos bocetos preliminares abarcaría grandes franjas

de tierras contaminadas con altas concentraciones de productos químicos, que bordean el sudeste del lago Okeechobee.

Un informe mostró que 36,400 acres, algo así como un 20 por ciento de la tierra, constituía un riesgo para la vida silvestre.

Unos 49,000 acres, el 27.5 por ciento de los terrenos, planteaban un riesgo "significativo" debido a que los niveles de algunos contaminantes eran el doble más elevados -o incluso mayores- que los niveles de seguridad para la vida acuática, las aves y otras especies.

Whele dijo que el estado no permitiría que la U.S. Sugar se desentendiera de los costos de limpieza.

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Florida Sugar Land Deal Recut to Protect Everglades

11/14/2008

Environment News Service

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The agreement is a step down from terms announced in June, which included transfer to public ownership of 187,000 acres and all the sugar company's assets, including 200 miles of railroad, a state-of-the-art sugar mill, sugar refinery and citrus processing plant for \$1.75 billion.

Florida Governor Charlie Crist said today that he is satisfied with the new deal. 'A land purchase creates unprecedented possibilities for the River of Grass and for our environment,' said Governor Crist, standing outside the Miami home of the late author and Everglades advocate Marjory Stoneman Douglass. 'Many people, including the late Mrs. Douglass, have looked forward to this day,' said the governor. 'Today, we are closer than ever to making their dreams a reality and giving this wonderful gift of restoration to the Everglades, to the people of Florida, and to our country.' The new terms include a lease-back of the land for \$50 per acre, for a period covering seven crop cycles. The sugar mill, refinery and citrus processing facilities, railroads, office buildings, equipment and the Gilchrist County citrus nursery will remain the property of U.S. Sugar. 'After months of negotiations it became clear that the best transaction was for the state to buy the land and for U.S. Sugar to keep the assets. This is a good deal for the state, U.S. Sugar and for our shareholders,' said Robert Coker, senior vice president of public affairs for U.S. Sugar. 'We look forward to continuing to work with the governor and the district in the cooperative spirit with which we have begun,' said Robert Buker, president and CEO of U.S. Sugar. 'We are happy to help the state of Florida restore one of her most precious treasures.' The 180,000 acres, one of the largest environmental land acquisitions in U.S. history, are needed by the South Florida Water Management District to protect Florida's coastal estuaries and better revive, restore and preserve the Everglades.

The land will be used to reestablish a part of the historic

connection between Lake Okeechobee and the Everglades through a managed system of storage and treatment areas.

This is expected to reduce the potential for harmful discharges from Lake Okeechobee to Florida's coastal rivers and estuaries when lake levels are high.

Environmentalists were pleased with the outcome of negotiations. 'The Everglades Foundation applauds Governor Charlie Crist and the South Florida Water Management District for decisively moving forward with this monumental land acquisition. Governor Crist kept his word,' said Mary Barley, vice-chair of the Everglades Foundation. 'This historic deal will preserve a natural treasure not just for the people of Florida, but also for the entire nation.' 'This is just the shot in the arm we need to improve the health of one of America's most treasured, but troubled ecosystems. Floridians on both coasts will be able to say goodbye to damaging freshwater releases that foul up the St. Lucie and Caloosahatchee estuaries, said Everglades Foundation CEO Kirk Fordham.

With the new land acquisition, water managers will have the ability to deliver cleaner water to the Everglades during dry times and greater water storage to protect the natural system during wet years. They will be able to prevent thousands of tons of phosphorus from entering the Everglades every year.

The need for back-pumping water from the Everglades Agricultural Area into Lake Okeechobee to augment the water supply will be eliminated. The District's Governing Board this year voted not to back-pump into the lake during the ongoing water shortage to protect water quality.

Beresford Leon Padmore Value in being green

11/14/2008

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THE STATE OF FLORIDA

The Everglades, the world's largest wetland, is under threat from development and fertiliser and nutrient run-off from the sugar industry. The \$1.34 billion deal would see lease back of the land to US Sugar for seven years in the first instance, saving jobs in the short-term and giving South Florida Water Management District time to revise its restoration plans. It is estimated that sugar cultivation on the company's 187 000 acres will continue for at least another decade.

The size of the acquisition underscores the importance of wetlands to Florida's environmental health.

This deal is important to Barbados for two reasons. First, US Sugar is the largest sugar producer in the United States. The loss of 187 000 acres in sugar production will undoubtedly have an impact on the sugar market, whether in ten or 15 years, and is something that our agricultural planners should take into

consideration when designing the future capacity of our sugar industry. We may lose out on an increase in sugar prices if we do not have product to sell.

Secondly, it comes at a time when we are faced with saving our own wetlands at the Graeme Hall Nature Sanctuary and developing a national park at Graeme Hall. While in Government, we provided both technical assistance and tax concessions to the owner of the sanctuary during the development and operation of the site.

Further, our 2008 manifesto committed to the acquisition of the sanctuary as part of our strategy for creating a Green Economy. This was to supplement the Green Economy initiatives introduced by former Prime Minister Owen Arthur in his last Budget in 2007.

Barbadians owe a debt of gratitude to the developer for his commitment to preserving this important ecosystem on our island's South Coast, and we join the call for the present Thompson administration to acquire the sanctuary on behalf of all Barbadians.

While we note with pleasure the increased interest by a growing number of Barbadians in environmental matters, we are equally aware that the whole country must not only feel it has a stake in the health of our environment, but will also benefit directly while we protect and preserve our island for future generations.

Unlike the Democratic Labour Party Government, we know there is real value in creating a green economy. Our political leader Mia Mottley has consistently argued that there is huge potential in alternative energy solutions.

As a world leader in solar water heating, Barbados is well placed to expand on the development and production of solar energy products. With the impetus that Government incentives can bring to both producers and consumers, we stand to reap considerable benefits from job creation, export earnings, clean energy and a reduction in our dependence on hydrocarbons. In this regard, we salute the initiative and foresight of Alan Simmons in introducing solar electricity products to the local market.

There is little doubt that the old global monetary system is under threat. The countries that move now to capitalise on new technologies and new knowledge-based industries will be ahead of the curve when the rest of the world eventually either loses its addiction to oil or the oil runs out.

The importance of being environmentally conscious is no longer confined to 'tree huggers'. There is now real incentive in being green. We can make a real start by acquiring the Graeme Hall Sanctuary, thereby saving jobs, maintaining diversity in our tourism product and protecting an important ecosystem.

Will you join the call?

* Beresford Leon Padmore is a pseudonym

for the Barbados Labour Party.

Chemicals Sponged in U.S. Sugar Lands

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Florida Trend

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Foreclosures May Alter Home Values

In a sign of how the real estate market has imploded, property appraisers plan to figure in foreclosure sales when they value homes next year. State Department of Revenue rules advise county property appraisers to ignore foreclosures and other types of 'distressed' sales in favor of arms-length deals between willing buyers and sellers. The belief is that such open market sales are truer indicators of home values. But that's only the case when foreclosure sales are relatively rare, not rampant like they are now, property appraisers are saying.

[Source: St. Petersburg Times]

EVERGLADES:

U.S. Sugar Pollution Cleanup Could Cost Florida \$44 Million

Chemicals sponged into the farmlands the state is purchasing from U.S. Sugar Corp. to restore the Everglades will cost taxpayers an estimated \$44 million to clean, an environmental analysis shows. That's in addition to the \$1.34 billion the state expects to pay U.S. Sugar for nearly all of its land, a roughly 181,000-acre empire east, west and south of Lake Okeechobee. More than 85,000 acres could require cleanup, according to a state-commissioned study made public Thursday that estimates costs ranging as high as \$119 million - a worst-case scenario - or as low as \$17.7 million. [Source: Palm Beach Post]

TAMPA:

New Tribe Games Have State Officials Crying No Fair

Seminole Hard Rock Casino & Hotel patrons got a big surprise Thursday when the Seminole Tribe opened 104 tables for blackjack and baccarat games at 5 a.m. So, too, did state officials. Conservative lawmakers have tried to use the courts to block additional gambling on tribal property, and a spokesman for Florida Attorney General Bill McCollum said that office did not know blackjack and other gambling games would begin Thursday. The political backdrop meant little at the upscale, 24-hour casino east of Tampa, where players laying \$10 to \$500 bets filled most of the new gaming tables by 10:30 a.m. The tables were busy despite no advance word or advertising of the opening, which Seminole officials described as a 'soft opening.' [Source: Tampa Tribune]

MAYPORT:

Planning Panel Prefers City Remain Fishing Village

The Jacksonville Planning Commission on Thursday favored allowing a cruise terminal in Mayport Village, but the panel said

the Jacksonville Port Authority must ensure docks are available for fishing boats displaced by a cruise ship. The commission's unanimous recommendation goes to the City Council, which is slated to vote this month on the port authority's rezoning application for waterfront land in Mayport. The port has bought land for potentially building a five-level parking garage and two-story cruise terminal, replacing the current cruise ship dock just west of the Dames Point bridge. Mayport residents appealed to the commission to reject the port's application. [Source: Florida-Times Union]

ALSO AROUND FLORIDA:

Wachovia Sues Tampa Developer for \$175-Million [SP Times]

Wachovia Bank is calling its debts on Tampa's Metro Development Group, which went on a Florida lot buying binge last year with borrowed money.

State Cutting Chances at FCAT [Sun-Sentinel]

To save money, the state Department of Education is eliminating the summer retakes of the Florida Comprehensive Assessment Test and making other changes and cuts to the FCAT.

Look for Rare Shuttle Launch Tonight [Florida Today]

Filling the fuel tanks will begin at 10:30 a.m. The launch is scheduled for 7:55 p.m. Check this link for updates.

Citizens Insurance 'Opt-Out,' 'Takeout' System Nettlesome [SP Times]

If you want to stick with the state-run Citizens Property Insurance, pray that private insurance companies don't consider you a 'desirable' policyholder. Once the private insurers set their sights on a Citizens customer, they won't give up. Turn down one, and another will likely hit you up. Related: Six insurers to pull 110,000 more policies from Citizens

Miami Commission Approves Homeowner Loans [Miami Herald]

Miami commissioners launched a foreclosure prevention program, while also speeding up capital improvement projects to increase jobs.

Stetson Names First Woman President [Daytona Beach News-Journal]

Wendy B. Libby, the president of a small Missouri women's college who has an extensive background in higher education, will become Stetson University's ninth president on July 1.

State May Temporarily Close 19 Parks to Cut Costs [Sun]

Earlier this fall, Gov. Charlie Crist asked all state agencies to come up with a way to cut 10% of their operating costs from their proposed 2009-10 budget requests.

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EVERGLADES Contaminated sugar fields could add millions to Everglades cleanup cost

11/14/2008

Miami Herald

Morgan, Curtis

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More than half the land the state is poised to acquire from sugar growers has levels of pollution that could harm wildlife and cost tens of millions of dollars to clean up.

The results from an environmental assessment, outlined Thursday by South Florida water managers, added a new concern to the state's \$1.34 billion bid to buy 181,000 acres of sugar fields owned by U.S. Sugar Corp.

The soil shows varying concentrations of copper, selenium, DDT and other agrochemicals -- which could complicate and increase the cost of constructing massive reservoirs and pollution treatment marshes envisioned to replace fields in the future.

"I don't want to get stuck with a land mine," said Charles Dauray, a board member with the South Florida Water Management District, which manages Everglades restoration and will bankroll the land purchase.

The contamination poses no public threat, water managers said, though U.S. Sugar would have to clean up 7,750 acres showing arsenic levels above human health standards for commercial operations.

"There were no surprises," said Carol Wehle, the district's executive director. "They aren't any better or any worse than any other agricultural land we've acquired."

BOARD DELIBERATING

The board passed a resolution clearing the way to pursue bond financing that will pay for the land, but has not yet approved the deal. The board, which must approve the deal, will continue discussions at meetings scheduled for Dec. 2 and Dec. 14 and could vote on it Dec. 15.

The contamination isn't likely to be a deal-breaker, but depending on the size and location of the cleanup projects, it could stick the district -- and taxpayers in its 16 counties -- with hidden costs.

Clean-up costs estimated in three "worst-case" scenarios ranged from nearly \$18 million, to \$44 million, to \$119 million. U.S. Sugar's share, under a report prepared by a Tampa engineering firm, would range from \$16.5 million to \$25 million.

District engineer Robert Kuleski told the board there was a "high degree of uncertainty" in the estimates, largely because water managers have only sketched out rough concepts. The district

could limit hidden costs by building around hot spots.

WILDLIFE STANDARDS

"If we can avoid those areas, our costs would be zero," he said.

That's unlikely, however. Two preliminary designs would encompass large swaths of muck land with the highest concentrations of chemicals, mostly bordering the southeast rim of Lake Okeechobee. The chemical levels wouldn't be a problem for continued cane growing, but standards are more stringent for natural systems.

The report showed 36,400 acres, about 20 percent of the land, posed a moderate risk to wildlife. Some 49,000 acres, 27.5 percent of the land, posed a "significant" risk, with levels of some contaminants twice as high -- or higher -- than safe levels for aquatic life, birds and other wildlife.

Wehle said the state wasn't letting U.S. Sugar off the hook for cleanup costs. It was standard district practice, she said, to absorb the cost of cleaning land to meet the tougher standards required for natural systems.

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Half of land targeted for Everglades restoration comes with contaminants

11/14/2008

Jupiter Courier

BY ANDY

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acres of U.S. Sugar Corp. land, half the amount targeted by the state for Everglades restoration, comes with contaminants that pose a moderate or elevated risk to the environment, according to a report released today.

That could leave taxpayers paying tens of millions of dollars for land cleanups in addition to the \$1.34 billion cost proposed to buy 181,000 acres from U.S. Sugar. The land would be used to restore flows of water between Lake Okeechobee and the Everglades.

The ultimate design of the restoration plan greatly affects the cost of the clean up. The worst case scenario includes cleanups of more land and could cost \$119 million, while other scenarios cut the estimated cost to \$44 million and \$18 million, according to the report.

Decades of agricultural operations involving fertilizers, pesticides and petroleum leave behind pollutants such as arsenic, copper, selenium and DDT, according to the South Florida Water Management District.

Land that would be part of restoration efforts would likely have to be cleaned up before it could be used to build the reservoirs and

water treatment areas envisioned to rehydrate the remaining Everglades.

U.S. Sugar would be responsible for cleaning up pollutants on 7,750 acres where contaminants exceed allowable levels for commercial and industrial land. That could cost U.S. Sugar more than \$20 million, according to the district estimates. The districts costs could be steeper because it has to meet tougher cleanup standards aimed at protecting wildlife.

The cost of that clean up ranging from \$1,500 to \$15,000 per acre will be a key consideration for the district board, which decides whether to proceed with the land deal proposed by Gov. Charlie Crist. A vote is expected as soon as next month.

How much land the district ends up using for restoration, when the work begins and whether the district can avoid land with the highest levels of contamination will drive the final cleanup cost. Those costs could be considerably higher, Board Member Michael Collins said. We really dont know what it is going to cost us.

Contaminated sugar fields could add millions to Everglades cleanup cost

11/14/2008

Miami Herald - Online

CURTIS MORGAN

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Contamination in sugar fields, though typical, could add tens of millions of dollars in cleanup costs to a proposed Everglades restoration land deal.

Related Content

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The contamination poses no public threat, water managers said, though U.S. Sugar would have to clean up 7,750 acres showing arsenic levels above human health standards for commercial operations.

"There were no surprises," said Carol Wehle, the district's executive director. "They aren't any better or any worse than any other agricultural land we've acquired."

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WILDLIFE STANDARDS

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OPTIONS WEIGHED IN 'GLADES LAND DEAL

11/14/2008

Sun Sentinel, Fort Lauderdale, FL

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Almost 90,000 acres of U.S. Sugar Corp. land, half of the amount targeted by the state for Everglades restoration, come with contaminants that pose a moderate or elevated risk to the environment, according to a report released Thursday.

That could leave taxpayers paying tens of millions of dollars for land cleanups in addition to the \$1.34 billion cost proposed to buy 181,000 acres from U.S. Sugar. The land would be used to restore flows of water between Lake Okeechobee and the Everglades.

Cleanup costs, some of which would be shared by U.S. Sugar, were expected. The final location of the yet-to-be-designed system of reservoirs and water treatment areas greatly affects the ultimate cleanup price tag.

The "worst-case" scenario, which includes having to clean most of the identified problem areas, could cost \$119 million. The more likely scenarios, which require using less land for restoration, would cut the estimated cost to \$44 million or \$18 million, according to the report.

Decades of agricultural operations involving fertilizers, pesticides and petroleum have left behind pollutants such as arsenic, copper, selenium and DDT, according to the South Florida Water Management District.

"This is not a surprise," Jacquie Weisblum, Everglades policy associate for Audubon of Florida, said about the environmental report. "What we have to do is . . . look at the environmental factors and see what is in the best interest of environmental restoration."

U.S. Sugar would be responsible for cleaning up pollutants on 7,750 acres where contaminants exceed allowable levels for commercial and industrial land. That could cost U.S. Sugar more than \$20 million, according to district estimates.

The district's costs could be steeper, because it has to meet tougher standards aimed at protecting wildlife.

The cost of that cleanup - ranging from \$1,500 to \$15,000 per acre - will be a key consideration for the district board, which is to decide whether the land deal, proposed by Gov. Charlie Crist, should proceed.

The board on Thursday agreed to consider a land-only deal with U. S. Sugar instead of the complete buyout the governor proposed in June, which would have cost about \$400 million more and included all of the company's 187,000 acres and assets.

A final vote on the land deal is expected as soon as next month.

How much land the district ends up using for restoration, when the work begins, and whether the district can avoid land with the highest levels of contamination are issues that will determine the final cleanup cost.

"We really don't know what it is going to cost us," board member Michael Collins said.

Converting agricultural land to water storage requires getting rid

of farming pollutants that could otherwise get into the water supply and threaten the habitat and wildlife that Everglades restoration is supposed to protect.

The district is already testing "soil inversion," the \$1,500-an-acre, less-expensive option, which is basically "flipping" the polluted soil over and moving cleaner soil to the top, said Bob Kukleski, the district's lead engineering specialist.

If sampling shows that doesn't work, the more expensive, \$15,000-an-acre option calls for digging out contaminated soil and burying it elsewhere, he said.

One plan calls for shifting the area targeted for water storage and treatment to the west, avoiding the areas of heaviest contamination south of Lake Okeechobee.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

In depth

Take a look at the history of the sugar cane industry. SunSentinel.com/sugar

PHOTO: CHART: Contaminants on U.S. Sugar Corp. land.
Sources: U.S. Sugar Corp., South Florida Water Management District. Karsten Ivey Sun Sentinel

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U.S. Sugar pollution cleanup could cost Florida \$44 million

11/14/2008

Palm Beach Post - Online

PAUL QUINLAN

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Chemicals sponged into the farmlands the state is purchasing from U.S. Sugar Corp. to restore the Everglades will cost taxpayers an estimated \$44 million to clean, an environmental analysis shows. That's in addition to the \$1.34 billion the state expects to pay U.S. Sugar for nearly all of its land, a roughly 181,000-acre empire east, west and south of Lake Okeechobee. Find out More than 85,000 acres could require cleanup, according to a state-commissioned study made public Thursday that estimates costs ranging as high as \$119 million - a worst-case scenario - or as low as \$17.7 million. Decontaminating a small portion of the land, about 7,700 acres, would come out of U.S. Sugar's pocket and could cost as much as \$25million.

What the South Florida Water Management District ultimately will pay to cleanse decades of chemicals, fertilizers and other contaminants remains unclear, as water managers have not yet decided on the final area or layout of their restoration efforts. Some lands probably would not be used, while others would be resold as is.

The pollution amounts found in recent soil tests are not unusual for farms in the area, district leaders said.

Over time, cane farming leached a cocktail of pollutants into the sugar company's soils, including copper, selenium, DDE and the insecticides dieldrin and toxaphene. DDE is a breakdown product of the pesticide DDT, which the United States banned in 1972 because of its harm to wildlife. 'This is serious stuff. If it's not done properly in the cleanup, take a number to sue us,' said water district board member Charles Dauray of Lee County. 'People are just going to expect that this will be done properly.' The report uses a three-tier system to classify the condition of the land. About 48,900 acres fall into the worst category and almost surely will require treatment.

Another 36,400 acres are considered moderately contaminated and may require some cleanup. The remainder likely will require no cleaning.

Executive Director Carol Wehle assured board members that the contamination was similar to what the district has tackled previously on lands used for environmental projects. The district has converted tens of thousands of acres of former farmland to Everglades filter marshes in western Palm Beach and eastern Hendry counties.

Typically, the district picks up the cost of decontaminating land it purchases for restoration, Wehle said. 'This is nothing different than what we've always done,' she said. Some critics, like preservation activist Alex Larson, objected to the added cost that taxpayers would face in tough economic times. 'You've got people going bankrupt. They're going into foreclosure, and you're spending a lot of money,' Larson told the board. 'I do not want to clean up Big Sugar's mess.' Separately, the district's board voted 7-0 to sign off on the paperwork needed to finance the latest version of the sweeping land purchase.

Gov. Charlie Crist announced the deal in June, calling it as 'monumental as our nation's first national park.' Under a modified deal announced this week, the company will keep its mill, railroads and citrus processing plant and remain in business for seven years or longer, leasing back the land for \$50 an acre and continuing to produce sugar.

The original deal had called for a total buyout of the company - land, buildings and all - for \$1.75 billion.

Critics noted this week that the revised deal drops the purchase price by just \$400 million, even though U.S. Sugar would get to keep buildings and equipment that may be worth more than \$620 million. The critics included some district board members.

Even so, the water managers took steps Thursday to issue up to \$2.2 billion of special government bonds, known as certificates of participation, to cover the cost of the land and some of the filter marshes, reservoirs and other components of restoration efforts.

The district expects to vote on a final contract in the coming weeks.

The restoration will attempt to restore the historically flowing

connection between Lake Okeechobee and the Everglades. That means storing and flowing water across U.S. Sugar's slice of the 700,000 acres of farmland created decades ago when the government carved a network of canals to drain the marshy land.

We'd like your thoughts on this story. I appreciate your willingness to share them. At PalmBeachPost.com, we want to avoid comments that are obscene, hateful, racist or otherwise inappropriate. If you post offensive comments, we will delete them as soon as we can. If you see such comments, please . John Bartosek, Editor, The Palm Beach Post. Nov 13, 2008 11:01 PM | This is the most crooked deal yet,The SFWMD always overpays by 20% or more on any land buy.This land was bought by U.S.Sugar for fifty (\$50)dollars per acre then we the taxpayers have been subsidizing them for years.Now we are paying 9000.00 per acre for land worth 1000.00 per acre.Bubba Wade was on the board of SFWMD until the day the deal was announced, his golden parachute will be massive since he is the vice president of U.S. Sugar.Half of this buy is land so contaminated it will take millions just to clean up and the truly criminal part is that the 40,000 acres needed for true Everglades restoration is NOT part of this land buyout.The SFWMD is famous for wasting taxpayers money they paid Palm Beach Aggregates aka Enrique Tomeu 212 MILLION DOLLARS for a 1200 acre hole that was appraised for 17 MILLION.Talk about criminal.We need to stop poisoning the Everglades but we certainly shouldn't be rewarding the polluters. Since Henry Dean former director was at the meeting I can only assume this deal is as dirty as contaminated land they want us to buy.We the taxpayers are lining the pockets of a select few,I hope the feds get them before they get us..... Nov 13, 2008 9:03 PM | Just remember-No farmers, No food! I don't ever want to be dependent on foreign countries for our food! Just look what has happened to us because of dependence on foreign oil! Nov 13, 2008 9:00 AM | Question...since the 'buyout' isn't happening, what will happen to the promise to stockholders (ESOP) that their shares would be bought? Stick with the original deal and let US SUGAR buy what they want back from the state! Nov 12, 2008 7:33 PM | First, the Executives at US Sugar don't ever walk the streets of Clewiston..are you kidding me? They don't have the nerve. None of them live in Clewiston anyway. They live in Wellington, Miramar and other places. They are afraid to show their faces on the streets of Clewiston. Second, how can their lobbyist say that this guarantees jobs way past the 7 years of farming they are going to be allowed to do? If no one buys the sugar mill, refinery and juice plant, where would the jobs come from? The sugar mill needs at least 120k acres of cane to keep it running. The land is simply not there. Private farmers are getting out of sugar cane production because they are losing money. The money is in the refining and the farmers don't share in that profit, only US Sugar. Nov 12, 2008 3:06 PM | We dont need the DIRT, but the Water to flow.

First of all, how is the water going to have a contiguous flow in the South? There was supposed to be some property that Fanjul-Florida Crystal needed to relinquish. Second, 'lease back for over 7 years?' Are they giving Florida a rate of return of 10%? So over \$100 MILLION a year is going into the state's coffers from US Sugar's lease back?

Third, we have ethanol in the mix, and how will that stop the fertilization 10 parts per billion federal requirement? The

corporations with Crist's (and Mac Stipanovich's blessing) are using the Lake Okkechobee and tributaries as a garbage sewer dump.

Way to go Charlie. And should all lawsuits, like Dexter's Indians end because Audubon et al groups want a love fest? You legally didnt fix the federal lawsuit and state lawsuit problem. EPA water contamination...And that Tom White state DEP lab tech lawsuit. For over 2 years, he's been sued and silenced for over a year because you allowed massive phosphorous dumping into Lake O. Nov 11, 2008 12:21 PM | I do not understand why in times of economic depression the state is buying more land for preservation. Currently there are more than 10 state parks being closed.

Agriculture can use this land in accordance with the existing regulations and do no further damage to the Everglades.

People who were once on the board of directors at SFWMD are also on the board of US Sugar. I see that as a conflict of interests and question into who's pockets this money will be placed.

As a person in agriculture, I wonder if our country will be able to withstand the removal of farming from our country. It's only sugar. No, that land also was used to produce field corn for the dairy industry. It is productive land that requires little fertilizer to produce corn and lettuce.

Well, they bought out the farms around Lake Apopka over 10 years ago and they produced vegetables. Over 600 people had to relocate, retrain, and collect government assistance after the deed was all done. How does this help our economy?

Do you know who produces your food? It is farmers and they used to be 95% of the population. Now we are down to less than 2% and buying in contaminated food from foreign countries. First NAFTA, then the water districts, and now Charlie Crist. Hope you have room for a garden. If you do you will have to water it at night and on the weekends because the water nazis will fine you. Nov 11, 2008 10:12 AM | The Everglades Restoration project will save \$\$Billions\$\$ doing this deal... We also need to expedite the \$1 Billion refurbishing of the Lake O Herber Hoover Levee - and collect our surplus back from the Feds over 20 years!!

As time passed - and the economy slipped - the state simply figured out they could pay less. No one ever thought the US Sugar fixed assets would be worth anything after they used them for six more years....

You don't think someone had expert appraisal guidance long ago??

As for the Fanjuls land, they should easily accept 3 of their crummy scrub acres for every 1 of the better located US Sugar parcels. EMINENT DOMAIN can keep that process clean!!

This is a win, win, win deal -- too bad we have seen no leadership, managers or winners in the SFWMD to execute it smartly. Nov 11, 2008 10:03 AM | Processing plant alone is easily worth 300 million, I'm sure of that Nov 11, 2008 9:04 AM | How many jobs will it save or create? Nov 11, 2008 8:47 AM | Very intriguing that it took 'negotiators' 6 months to realize that the

assets of a megafarm (railroad, mill) are largely devalued without the land to feed it. Did anyone go to business school? \$8,000 an acre for muckfarm with no development potential is a bit rich, to say the least.

*HTML not allowed in comments. Your e-mail address is required.

Inland port idea debated

11/14/2008

South Florida Business Journal

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Port of Palm Beach Executive Director Manny Almira is pushing the concept of a regional inland port that, most likely, would be in his county, south of Lake Okeechobee.

But, port directors in Broward and Miami-Dade aren't sold on the idea just yet. Neither are freight shippers. Ditto for some environmentalists who say the inland port's most feasible location seven miles south of South Bay, in farm country would conflict mightily with the state's plan to buy out U.S. Sugar Corp. and restore Lake Okeechobee's original flow southward toward the River of Grass.

Almira this week presented the broad sketches of the inland port idea at a meeting of the South Florida Regional Business Alliance in Fort Lauderdale. The plan, in the works for a few years but still evolving, is to create a storage and distribution facility possibly up to 3,500 acres on rural land. The facility would be accessible by truck, possibly air and, most critically, rail. There wouldn't be any boat access, making the term port a bit misleading. Almira cited a 2007 study on the inland port that concluded South Florida will need an additional 40 million to 80 million square feet of storage space by 2025. An inland port could help provide this, he said. Additional storage will be needed since the region's ports are expected to be inundated with cargo around 2015 when the Panama Canal completes an expansion that will allow super cargo ships, particularly from Asia, to more easily access the eastern seaboard, he added.

The study also estimated there would be 500 jobs created in the area for every 1 million square feet of storage plus for an area expected to be hit hard by the loss of agricultural jobs when the U.S. Sugar deal materializes.

This week, Gov. Charlie Crist announced a revised deal in which the state would spend \$1.34 billion to purchase 180,000 acres of land from U.S. Sugar. But, that deal still hasn't been finalized. Port Everglades Director Phil Allen told members of the business alliance that he supports the inland port concept, but there would need to be rail access between it and Port Everglades. Right now, Port Everglades doesn't have a working rail cargo line. Rail access is critical for us, Allen said. Felix Pereira, Port of Miami's chief of planning and grants, also said rail would need to be the main component to get his port fully behind the plan. The closest working rail line is about 12 miles west of his port. And, because of geography, that's not likely to change.

One idea is to create a working rail line along U.S. 27 starting in Miami and running northwest, close to South Bay. But, this still wouldnt establish rail lines right at Port Everglades or the Port of Miami. The Port of Palm Beach has a working rail line. Any stop that a container makes in addition to its destination is going to add additional cost, said Barbara Pimentel, executive vice president of the Florida Customs Brokers and Forwarders Association in Miami.

Whether by rail or truck, it makes more sense to move freight directly to or from the ports, she said.

Pimentel also questioned Almiras assertion that completion of the Panama Canal will actually bring more cargo to South Florida. She suggested it might be sent to Panama, rather than Florida, because of the countrys better logistics and favorable trade zones. John Koch, chairman of the Sierra Clubs Loxahatchee Group, said the preferred site for the port conflicts with plans to restore Lake Okeechobees southward flow. This inland port would be a tremendous fly in that ointment, he said. Then there are the skeptics who wonder how to pay for the port particularly in a down economy, when cargo traffic is slumping at existing ports. Right now, there are no estimates for how much it would cost. The economy cannot be in the dump for the next 10 years, he said. Every brand is an entrepreneurial opportunity for this firm.

PE firm Insight Equity invests big with new deals.

Alternative energy firm proves attractive to venture capitalists.

As companies cut corners, are holiday parties the next perk to be chopped?

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Inland port idea debated

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San Francisco Business Times - East Bay Bureau

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This week, Gov. Charlie Crist announced a revised deal in which the state would spend \$1.34 billion to purchase 180,000 acres of land from U.S. Sugar. But, that deal still hasn't been finalized. Port Everglades Director Phil Allen told members of the business alliance that he supports the inland port concept, but there would need to be rail access between it and Port Everglades. Right now, Port Everglades doesn't have a working rail cargo line. Rail access is critical for us, Allen said. Felix Pereira, Port of Miami's chief of planning and grants, also said rail would need to be the main component to get his port fully behind the plan. The closest working rail line is about 12 miles west of his port. And, because of geography, that's not likely to change.

One idea is to create a working rail line along U.S. 27 starting in Miami and running northwest, close to South Bay. But, this still wouldn't establish rail lines right at Port Everglades or the Port of Miami. The Port of Palm Beach has a working rail line.

Freight shippers question the plan, too. Any stop that a container makes in addition to its destination is going to add additional cost, said Barbara Pimentel, executive vice president of the Florida Customs Brokers and Forwarders Association in Miami.

Whether by rail or truck, it makes more sense to move freight directly to or from the ports, she said.

Pimentel also questioned Almira's assertion that completion of the Panama Canal will actually bring more cargo to South Florida. She suggested it might be sent to Panama, rather than Florida, because of the country's better logistics and favorable trade zones.

There are questions from environmental advocates, too.

John Koch, chairman of the Sierra Clubs Loxahatchee Group, said the preferred site for the port conflicts with plans to restore Lake Okeechobees southward flow. This inland port would be a tremendous fly in that ointment, he said. Then there are the skeptics who wonder how to pay for the port particularly in a down economy, when cargo traffic is slumping at existing ports. Right now, there are no estimates for how much it would cost.

But, Almira takes the long view. The economy cannot be in the dump for the next 10 years, he said.

Contaminants bring cleanup costs for U.S. Sugar deal

11/14/2008

South Florida Sun-Sentinel - Online

Andy Reid

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acres of U.S. Sugar Corp. land, half of the amount targeted by the state for Everglades restoration, come with contaminants that pose a moderate or elevated risk to the environment, according to a report released Thursday.

That could leave taxpayers paying tens of millions of dollars for land cleanups in addition to the \$1.34 billion cost proposed to buy 181,000 acres from U.S. Sugar. The land would be used to restore flows of water between Lake Okeechobee and the Everglades.

Cleanup costs, some of which would be shared by U.S. Sugar, were expected. The final location of the yet-to-be-designed system of reservoirs and water treatment areas greatly affects the ultimate cleanup price tag. The 'worst-case' scenario, which includes having to clean most of the identified problem areas, could cost \$119 million. The more likely scenarios, which require using less land for restoration, would cut the estimated cost to \$44 million or \$18 million, according to the report. Decades of agricultural operations involving fertilizers, pesticides and petroleum have left behind pollutants such as arsenic, copper, selenium and DDT, according to the South Florida Water Management District. 'This is not a surprise,' Jacquie Weisblum, Everglades policy associate for Audubon of Florida, said about the environmental report. 'What we have to do is ... look at the environmental factors and see what is in the best interest of environmental restoration.' U.S. Sugar would be responsible for cleaning up pollutants on 7,750 acres where contaminants exceed allowable levels for commercial and industrial land. That could cost U.S. Sugar more than \$20 million, according to district estimates.

The district's costs could be steeper, because it has to meet tougher standards aimed at protecting wildlife.

The cost of that cleanup ranging from \$1,500 to \$15,000 per acre will be a key consideration for the district board, which is to

decide whether the land deal, proposed by Gov. Charlie Crist, should proceed.

The board on Thursday agreed to consider a land-only deal with U. S. Sugar instead of the complete buyout the governor proposed in June, which would have cost about \$400 million more and included all of the company's 187,000 acres and assets.

A final vote on the land deal is expected as soon as next month.

How much land the district ends up using for restoration, when the work begins, and whether the district can avoid land with the highest levels of contamination are issues that will determine the final cleanup cost. 'We really don't know what it is going to cost us,' board member Michael Collins said.

Converting agricultural land to water storage requires getting rid of farming pollutants that could otherwise get into the water supply and threaten the habitat and wildlife that Everglades restoration is supposed to protect.

The district is already testing 'soil inversion,' the \$1,500-an-acre, less-expensive option, which is basically 'flipping' the polluted soil over and moving cleaner soil to the top, said Bob Kukleski, the district's lead engineering specialist.

If sampling shows that doesn't work, the more expensive, \$15,000-an-acre option calls for digging out contaminated soil and burying it elsewhere, he said.

One plan calls for shifting the area targeted for water storage and treatment to the west.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

U.S. Sugar To Keep Its Operations

11/13/2008

Caloosa Belle

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U.S. Sugar to keep its operations
Deal calls for sale of land, not facilities
By Jose Jesus Zaragoza
Clewiston News

CLEWISTON -- There is a new deal on the table regarding the sale of U.S. Sugar to the state. Despite initially offering all of its land and production facilities, the company is now keeping the mill and the railroad and citrus plants out of the sale.

The news was made public by Governor Charlie Crist on Tues-day, following initial reports.

Under the terms of the sale, the company is offering 182,500 acres land to the South Florida Water Management District -- 4,500 acres less than the initial deal. U.S. Sugar will maintain its primary mill in Clewiston, its rail-road and citrus operations.

The original terms called for a \$1.75 billion buyout of U.S. Sugar. The new sale is in the neighbor-hood of \$1.34 billion.

The change poses some in-teresting questions as the matter heads toward the governing bod-ies of the company and the South Florida Water Management Dis-strict for final approval. With U.S. Sugar keeping just about 2.5 percent of the land it owns, the question is whether the company can sustain the profits it has become accustomed to when it has operated with a much larger area of production.

The matter of the 1,700 jobs is still vague. A much scaled down operation seems to guarantee the loss of jobs, but with the deal in its infancy, concrete plans are still murky.

When the sale of the company was announced earlier this year, Carol Wehle, the district's execu-tive director, assured residents that there were no plans to shut down the mill. The district un-able to operate such a facility, the general consensus seemed to be a sale of the production facilities to another agricultural company -- perhaps that operated by the Fanjul family, or even the Sugar Co- op in Palm Beach County.

This news seems to throw a wrench into those plans.

Whether U.S. Sugar plans on continuing its operations well into the future, or if its executives sim-ply believe that they can sell the production portion of their com-pany at a higher value privately is yet to be resolved.

The original announcement was met by shock that the long-time company, and the backbone of the local community, would close its doors.

Environmental groups hailed the news as a milestone for Florida, as polluted water feeding into the Everglades could be fi ltered naturally, providing a renewed lifeline to the unique eco-system.

But locals wondered if it was in the best interest for Clewiston -- a town that is synonymous with the sugar giant.

Following the release of infor-mation, some were hopeful that the sale would free up lands that were off-limits to development, and open up new enterprises.

Work has already begun at the local level to identify new indus-tries, including a plan by Hendry County to serve as the site of an ambitious inland cargo project.

Earlier this year, the company took advantage of a smaller crop to refine Mexican sugar through NAFTA. The raw sugar was shipped in barges to the Port of Tampa and transported to Clewis-ton for processing.

In August that partnership worked so well that the company announced that the streamlined mill had broken several produc-tion records. For the first time in its history, buoyed by the

partner-ship with Mexican companies, the refinery easily surpassed its total refinery output -- overshadowing the record set in 2006. With less land to work with, there is the possibility that the company may head more in this direction.

"It is important to note that this imported sugar has enabled us to process and sell additional sugar — above and beyond the sugar sold contractually for this year," Robert Coker, senior vice president, public affairs said in Sep-tember. " The Refi nery's record pace allowed U.S. Sugar to turn NAFTA's open border between the United States and Mexico into an opportunity."

News Editor Jose Zaragoza can be reached at jzaragoza@newszap.com.

Long-term costs might escalate in Florida's deal with U.S. Sugar to help preserve the Everglades

11/13/2008

Sun-Sentinel

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Gov. Charlie Crist on Wednesday trumpeted hundreds of millions in savings from a scaled-down Everglades land deal, but the agency paying the tab warned that it could end up costing taxpayers more.

And as Crist hailed the new deal for protecting 1,700 jobs by keeping U.S. Sugar Corp. in business, Glades community leaders said a proposed seven-year lease fails to provide long-term security for towns dependent on agricultural jobs.

On the same day the governor formally announced reaching a revised agreement with U.S. Sugar, the South Florida Water Management District's board, which must approve the purchase, sought to slow the deal. A vote once expected in early December may now get pushed until January to sort through details, the board decided Wednesday.

"This process has been driven by forces outside this agency," board member Michael Collins said. "I want the whole picture on the table."

In June, Crist proposed a \$1.75 billion buyout of U.S. Sugar that would have eventually closed Florida's largest sugar producer and provided 187,000 acres of land to help restore flows of water from Lake Okeechobee to the Everglades.

The new deal announced this week cuts the price to \$1.34 billion, with the state getting 181,000 acres and U.S. Sugar keeping its sugar mill, citrus plant, railroads and other assets.

While the state works on restoration planning and construction, U. S. Sugar would lease back the land for \$50 per acre per year for seven years. After that, the company could seek a new lease, process raw sugar produced elsewhere or move into ethanol production.

"It acquires the land that was necessary [and] it preserves the jobs," said Crist, who made the announcement at the Coral Gables home of the late Everglades advocate Marjory Stoneman Douglas. "Floridians understand that investing in our state is critical."

Under the old deal, the district anticipated getting as much as \$600 million in U.S. Sugar assets that could be sold as surplus to defray the costs. The new deal, which excludes those assets, lowers the price by \$400 million.

That potential \$200 million difference, plus differing land value estimates in appraisals, raised concerns Wednesday for the district board, which will have to borrow most of the money to pay for the deal. Taxpayers in a 16-county region from Orlando to the Keys would pay off the debt.

Most of U.S. Sugar's cane fields are worth either \$4,500 or \$6,255 per acre, according to reports from two independent appraisers hired by the district.

Values shot up to \$20,000 per acre or more for 13,000 acres of U.S. Sugar land planned for rock mining, potentially adding more than \$250 million to the estimated value, according to the appraisals.

The deal limits the district to using 10,000 acres for restoration during the first six years, which prompted concerns from some environmental advocates who support the deal but want more land available sooner.

"The Everglades is in trouble right now," said Eric Draper, deputy director of Audubon of Florida.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

U.S. Sugar to Keep Its Mill

11/13/2008

Clewiston News

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U.S. Sugar to keep its mill
New deal calls for sale of land, not facilities
By Jose Jesus Zaragoza
Clewiston News

CLEWISTON -- There is a new deal on the table regarding the sale of U.S. Sugar to the state. Despite initially offering all of its land and production facilities, the company is now keeping the mill and the railroad and citrus plants out of the sale.

The news was made public by Governor Charlie Crist on Tuesday, following initial reports.

Under the terms of the sale, the company is offering 182,500 acres of land to the South Florida Water Management District -- 4,500 acres less than the initial deal. U.S. Sugar will maintain its primary mill in Clewiston, its railroad and citrus operations.

The original terms called for a \$1.75 billion buyout of U.S. Sugar. The new sale is in the neighborhood of \$1.34 billion.

The change poses some interesting questions as the matter heads toward the governing bodies of the company and the South Florida Water Management District for final approval.

With U.S. Sugar keeping just about 2.5 percent of the land it owns, the question is whether the company can sustain the profits it has become accustomed to when it has operated with a much larger area of production.

The matter of the 1,700 jobs is still vague. A much scaled down operation seems to guarantee the loss of jobs, but with the deal in its infancy, concrete plans are still murky.

When the sale of the company was announced earlier this year, Carol Wehle, the district's executive director, assured residents that there were no plans to shut down the mill. The district unable to operate such a facility, the general consensus seemed to be a sale of the production facilities to another agricultural company -- perhaps that operated by the Fajul family, or even the Sugar Co-op in Palm Beach County.

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Mill

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The original announcement was met by shock that the long-time company, and the backbone of the local community, would close its doors. Environmentalist groups hailed the news as a milestone for Florida, as polluted water feeding into the Everglades could be filtered naturally, providing a renewed lifeline to the unique ecosystem.

But locals wondered if it was in the best interest for Clewiston -- a town that is synonymous with the sugar giant.

Following the release of information, some were hopeful that the sale would free up lands that were off-limits to development, and open up new enterprises.

Work has already begun at the local level to identify new industries, including a plan by Hendry County to serve as the site of an ambitious inland cargo project.

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"It is important to note that this imported sugar has enabled us to process and sell additional sugar — above and beyond the sugar sold contractually for this year," Robert Coker, senior vice president, public affairs said in September. "The Refinery's record pace allowed U.S. Sugar to turn NAFTA's open border between the United States and Mexico into an opportunity."

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Governor Crist Celebrates Everglades Land Negotiations

11/13/2008

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Governor Crist Celebrates Everglades Land Negotiations
Land-only deal will save taxpayers hundreds of millions and allow state to restore River of Grass.
Thursday November 13th, 2008

MIAMI – Governor Charlie Crist, continuing his commitment to restore the Everglades, announced that Florida water management officials have agreed to new terms in their negotiations with the United States Sugar Corporation. The new terms, subject to approval by the South Florida Water Management District include a land only purchase of more than 180,000 acres at a purchase price of \$1.34 billion.

"A land purchase creates unprecedented possibilities for the River of Grass and for our environment," said Governor Crist, standing outside the Miami home of the late author and Everglades advocate Marjory Stoneman Douglass. "Many people, including the late Mrs. Douglass, have looked forward to this day. Today, we are closer than ever to making their dreams a reality and giving this wonderful gift of restoration to the Everglades, to the people of Florida, and to our country."

The 180,000 acres, one of the largest environmental land acquisitions in our nation's history, are the "missing link" that the South Florida Water Management District needs to protect Florida's coastal estuaries and better revive, restore and preserve one of America's greatest natural treasures – the Everglades. Governor Crist first announced in June plans to begin negotiations at the 2008 Serve to Preserve Florida Summit on Global Climate in Miami.

The vast real estate – roughly the size of New York City -- will be used to reestablish a part of the historic connection between Lake

Okeechobee and the fabled River of Grass through a managed system of storage and treatment. The land also will be used to safeguard the St. Lucie and Caloosahatchee rivers and estuaries.

Acquiring the enormous expanse of land offers water managers the opportunity and flexibility to store and clean water on a scale never before contemplated. Water managers expect that dedicating significantly more land in the Everglades Agricultural Area to restoration will build upon and enhance the 30-year state-federal Comprehensive Everglades Restoration Plan and the State of Florida's Northern Everglades program to restore and protect Lake Okeechobee, the St. Lucie and Caloosahatchee rivers and their respective estuaries.

"We look forward to continuing to work with the Governor and the District in the cooperative spirit with which we have begun," said Robert Buker, president and CEO of U.S. Sugar. "We are happy to help the state of Florida restore one of her most precious treasures."

Joining Governor Crist and Robert Buker today at the Marjory Stoneman Douglass House were Eric Buermann, Chairman of the South Florida Water Management District Governing Board; and Florida Department of Environmental Protection Secretary Mike Sole. Also in attendance were elected officials and environmental advocates.

Benefits from the land acquisition include:

- Huge increases in the availability of water storage, significantly reducing the potential for harmful discharges from Lake Okeechobee to Florida's coastal rivers and estuaries when lake levels are high.

- The ability to deliver cleaner water to the Everglades during dry times and greater water storage to protect the natural system during wet years.

- Preventing thousands of tons of phosphorus from entering the Everglades every year.

- Forever eliminating the need for "back-pumping" water into Lake Okeechobee from the Everglades Agricultural Area to augment the water supply needs. The District's Governing Board this year voted not to back-pump into the lake during the ongoing water shortage to protect water quality.

- Additional water storage alternatives, relieving some pressures on the Herbert Hoover Dike while the federal government undertakes repairs.

Water Managers Question Revised Sugar Buyout

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Water Managers Question Revised Sugar Buyout

November 13, 2008 - 6:46PM

Chuck Weber

Water managers grilled a team of appraisers Thursday over the revised deal to buyout U. S. Sugar Corporation. The new arrangement is designed to address both restoring the Everglades and keeping jobs in the communities around Lake Okeechobee. But new questions emerged as the governing board of the South Florida Water Management District began examining the deal.

"It's just like anything else, conceptually we like it, but the devil's in the details," said Melissa Meeker, Water District board member from Stuart. Meeker told CBS 12 the land was what the state wanted all along, so the new accord overall is good for taxpayers, as long as several issues can be ironed out.

Under the plan announced Wednesday by Governor Charlie Crist, the state will purchase 180,000 acres of U. S. Sugar land for \$1.3 billion. The water district plans to convert at least half the acreage to water storage and treatment areas as part of the Everglades restoration project. U. S. Sugar will keep its mill and other plants, and lease back its land from the district, in order to continue farming at least seven years, providing jobs for 1,700 employees.

For water district board members, one big issue is the lease-back restrictions mean the state cannot even use almost all the land for six years. Another is-- on more than 49,000 acres, contamination needs to be removed. And then there's the price.

The mill and other facilities the company is now keeping, are valued at more than \$600 million. Yet the price of the new deal shrunk by just \$400 million.

Several board members questioned the appraisers' methods. Mike Collins of Islamorada said he felt the appraisers' assumptions in determining land values were too rosy, given the current economic troubles.

Board member Patrick Rooney of West Palm Beach agreed financial issues are crucial. "When you're dealing with the public's money, you're always concerned with the price," said Rooney. "So that's going to be one of the big things that we deliberate about is, 'Is this a fair deal?'"

Still Rooney and his counterparts, who are appointed by the governor, appear to support the revised U. S. Sugar deal and authorized water district staff to move forward on the plan. "To have this chance, this opportunity, to essentially bring flow back to the Everglades, which is what what we're trying to do, you

might not get this again," said Rooney.

Board members instructed staff to come back with more answers at a workshop December 2nd. There's no date set for final approval.

Florida Sugar Land Deal Recut to Protect Everglades

11/13/2008

Carbon-Based Blog Spot

Thomas, Brian

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Thursday, November 13, 2008

Florida sugar land deal recut to protect Everglades

Environment News Service: Florida officials have agreed to new terms for a land deal with the largest U.S. producer of cane sugar to increase the availability of water storage and flow to the vast Everglades wetland. The new agreement, subject to approval by the South Florida Water Management District, includes the purchase of more than 180,000 acres from U.S. Sugar Corp. at a price of \$1.34 billion. The agreement is a step down from terms announced in June, which included transfer to public ownership of 187,000 acres and all the sugar company's assets, including 200 miles of railroad, a state-of-the-art sugar mill, sugar refinery and citrus processing plant for \$1.75 billion.

...The new terms include a lease-back of the land for \$50 per acre, for a period covering seven crop cycles. The sugar mill, refinery and citrus processing facilities, railroads, office buildings, equipment and the Gilchrist County citrus nursery will remain the property of U.S. Sugar.

...The 180,000 acres, one of the largest environmental land acquisitions in U.S. history, are needed by the South Florida Water Management District to protect Florida's coastal estuaries and better revive, restore and preserve the Everglades. The land will be used to reestablish a part of the historic connection between Lake Okeechobee and the Everglades through a managed system of storage and treatment areas. This is expected to reduce the potential for harmful discharges from Lake Okeechobee to Florida's coastal rivers and estuaries when lake levels are high.

Environmentalists were pleased with the outcome of negotiations. ... "This is just the shot in the arm we need to improve the health of one of America's most treasured, but troubled ecosystems. Floridians on both coasts will be able to say goodbye to damaging freshwater releases that foul up the St. Lucie and Caloosahatchee estuaries, said Everglades Foundation CEO Kirk Fordham.

South Florida Water Management District takes initial step toward new

11/13/2008

South Florida Sun-Sentinel - Online

Andy Reid

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Water managers today took an initial step toward a new \$1.34 billion Everglades land deal, despite lingering concerns about the price and economic ripple effects on agriculture.

The South Florida Water Management District Governing Board agreed to consider the new plan, backed by Gov. Charlie Crist, to buy 181,000 acres from U.S. Sugar Corp. that would be used to restore water flows from Lake Okeechobee to the Everglades.

Today's vote allows the flexibility to consider the new scaled-down deal. A final vote on the deal could come as soon as next month.

Instead of the complete buyout of U.S. Sugar that Crist proposed in June, the new deal costs about \$400 million less and allows Florida's largest sugar producer to keep its sugar mill, citrus plant, rail lines and other assets it needs to stay in business. The scaled-down version of the deal came after almost five months of closed-door negotiations. A final contract must now be approved by the district, which is charged with paying for land and leading restoration work. That final vote could come next month.

District board members have raised concerns that the new deal could end up costing taxpayers more, because U.S. Sugar gets to keep assets that the district could have sold to defray the cost of the deal.

Glades community leaders say the new deal fails to ensure that agriculture, so important to their economies, will have a long-term presence after restoration work begins.

While the old deal called for U.S. Sugar to cease operations within six years, the new deal allows U.S. Sugar to lease back its land for \$50 per acre per year for seven years as the district gears up to build the reservoirs and treatment areas planned to restore water flows.

Instead of closing down, U.S. Sugar contends that the new deal allows the company to consider extending the lease to use land not needed for restoration. The company also could continue to refine raw sugar produced elsewhere and shift into ethanol production.

That uncertainty about the future of U.S. Sugar's 1,700 jobs remains, without a commitment from the state to help attract new industry should the company close down, Hendry County Commissioner Kevin McCarthy said. 'Sounds like [U.S. Sugar] is going to be paid a premium. I'm not sure we have a better deal than we had before,' McCarthy said. The district plans to borrow most of the money to pay for the \$1.34 billion deal, with taxpayers in the 16-county region from Orlando to the Keys paying off the debt.

The restoration plan calls for building a series of reservoirs and water treatment areas to store, clean and redirect water from Lake Okeechobee to supply the remaining Everglades.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

Crist formally announces deal with U. S. Sugar

11/13/2008

St. Petersburg Times - Online

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Florida Governor Charlie Crist formally announced the new, improved, Everglades restoration deal with U.S. Sugar Corp this morning (see press release).

U.S. Sugar CEO, Robert Buker, also talked a little bit more about his company's future plans and the role biofuels might play (see below).

Crist said he was proud to follow in the footsteps of president Truman, who dedicated the Everglades national park 60 years ago, and president Roosevelt, 'the great conservationist,' by making his own contribution to protecting the environment. By restoring the natural flow of the water that feeds the Everglades, Florida was on a 'path to purity,' he said.

(Download audio from Crist press conference, introduced by Mike Sole, head of the Florida Department of Environmental Protection. [wma](#))

A land purchase creates unprecedented possibilities for the River of Grass and for our environment, said Crist, standing outside the Miami home of the late author and Everglades advocate Marjory Stoneman Douglass. Many people, including the late Mrs. Douglass, have looked forward to this day. Today, we are closer than ever to making their dreams a reality and giving this wonderful gift of restoration to the Everglades, to the people of Florida, and to our country.

While the deal, involving the purchase of 181,000 acres of sugar cane farm land from U.S. Sugar Corp for \$1.34 billion, has not been signed yet, Crist said he expected the contract to be finalized in the 'next few weeks.' While it was not perhaps 'an iron-clad deal,' it has 'never been more rock-solid than it is today,' he added. (read our story in today's St Petersburg Times on how the deal was made)

Crist said he was 'very proud' of the new deal as it both preserved the 1,700 jobs at U.S. Sugar, as well as shaving \$410 million off the asking price.

Asked if the state was already looking at land-swaps with Florida Crystals to ensure the so-called 'flow-way' reconnecting Lake Okeechobee with the Everglades, Crist said he wanted to get the

deal U.S. Sugar out of the way before moving onto that thorny issue. 'First things first,' he said.

For its part, U.S. Sugar CEO, Robert Buker, talked a little bit more about his company's future plans and the role biofuels might play. He noted that the company's modern sugar mill at Clewiston is highly compatible with ethanol/alcohol production. 'The only thing we would need to add onto it is the tankage to store the alcohol, but the rest of the process is very compatible with alcohol manufacturing,' he said.

Buker added he has been 'all over the world' to look at ethanol facilities,' and have also had federal grants to study ethanol production. 'We are in discussion\ with other people (Illinois-based Coskata) to look at the ethanol in a very detailed way.'

The company was also looking into cellulosic ethanol production using agricultural waste and other crops besides sugar, such as sweet sorghum. 'We have a huge amount of biomass that we leave on the fields now that is perfect for cellulosic ethanol.'

Buker also noted that the company's railhead at Clewiston is a key connecting point for the Florida East Coast Railway, which goes up the east coast via Fort Pierce, and the CSX network on the west coast on Florida (see map.pdf). This could potentially serve as a major asset in the delivery of biofuels feedstock from other parts of the country and abroad, as well as distributing the refined product. 'We can reach out a very long way to bring in feedstocks,' he said, describing how the company uses the rail lines to supply sugar to Hersheys in Pennsylvania and to bring in fertilizer from Canada.

- David Adams, Times Staff Writer

in Ethanol , Florida energy news , Gov. Charlie Crist | Permalink

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Is deal enough to save Glades?

11/13/2008

Sarasota Herald-Tribune - Online

KATE SPINNER

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In front of the home where Marjory Stoneman Douglas wrote the famous book that dubbed the Everglades a River of Grass, environmental advocates, water managers and sugar producers on Wednesday applauded Gov. Charlie Crist's latest, less costly plan to buy U.S. Sugar land and save the national treasure.

But two of the most powerful voices in the decades-long battle for Everglades restoration are less enthusiastic, worried that help may come too late.

Friends of the Everglades, founded by Douglas in the 1960s, and the Miccosukee Indians, who call the Everglades home, like the long-term plan but say immediate relief is also necessary.

The deal, which would put 181,000 acres of land farmed by U.S. Sugar into the state's hands at a cost of \$1.34 billion, is fantastic and historic, said David Reiner, a Miami attorney who heads Friends of the Everglades. The problem, he said, is that the state has put off all the other restoration projects that were in the works. 'The area's being destroyed day by day,' Reiner said. 'If something isn't done in the interim, there really isn't going to be anything else left to save.' Under the sugar deal that is still being worked out, the South Florida Water Management District -- a 16-county agency with taxing authority -- would buy the land and allow U.S. Sugar to continue operating for six to seven years. In the meantime, the agency and other Everglades interests would develop a long-term restoration plan.

The idea is to build reservoirs and marshes to direct Lake Okeechobee water south to the Everglades, to mimic the historic flow. To do that, the state would have to swap U.S. Sugar land, most of which lies just south of Lake Okeechobee, for other sugar and crop lands farther south.

U.S. Sugar will be able to keep its processing plant and railroad properties to continue refining sugar or to convert to other uses, such as ethanol production. That way, the sugar company can keep jobs in Clewiston if it wants and the state does not have to spend money on assets it does not want.

Saving jobs, creating new jobs with restoration projects and saving taxpayers money was part of the driving force behind the re-orchestrated deal, said Gabe Margasak, a spokesman for the South Florida Water Management District.

Margasak said a contract would be finalized by December, and until then it is hard to say whether any of the other Everglades restoration projects would move forward. 'It is too early to tell exactly what is going to happen with those projects until we have a signed contract,' Margasak said. The Everglades Foundation, and various other environmental groups, praised the plan Wednesday as better than the original plan that would have cost \$1.75 billion and called for the state to buy all of U.S. Sugar, including the processing plant and railroad.

Reiner also offered accolades. 'Anytime you can take that many acres out of a polluter's hands, that's great, that's perfect,' Reiner said, adding that of the three great pitches that politicians have made for Everglades restoration over the years, Crist's has the most substance. 'It doesn't mean we should shutter all of the other plans just to complete this one,' Reiner said. In the early

1990s, the federal government passed the Everglades Forever Act, meant to clean up the water flowing from Lake Okeechobee into the historic Everglades. In 2000, the federal government passed the \$8 billion Comprehensive Everglades Restoration Act. In 2005, then-Gov. Jeb Bush announced Acceler8, a plan to speed up eight restoration projects associated with CERP, which by then was estimated to cost \$11 billion.

In more than a decade, Everglades restoration has produced a series of constructed marshes that help clean polluted water flowing from Lake Okeechobee, the sugar fields, citrus orchards and vegetable farms. But vast reservoirs and treatment marsh expansions needed to store and cleanse more water are either halfway finished or yet to be started.

Without those reservoirs, the water is released to the east- and west-coast estuaries where it causes algae blooms and wild fluctuations in salinity that stress shellfish and underwater grasses.

What remains of the Everglades was severed from Lake Okeechobee in the early 1900's, when farmers started to realize the muck that sprouted sawgrass was also great for growing sugarcane. More farms and communities sprouted south of the lake, diverting more water and adding pollutants to the land.

Now, the Everglades is either too wet or too dry most of the time. High water erodes tree islands that serve as bird rookeries, and phosphorous and nitrogen pollution cause thick clumps of cattails to crowd other grass species that are naturally more abundant in the Everglades.

Reiner estimates that two acres of Everglades are lost each day because the system is still so unbalanced.

The mantra of Friends of the Everglades, he said, even under Douglas' direction, has been: 'Let's do something for tomorrow.'

Marked down \$400 million, but would public benefit?

11/13/2008

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Because it's unclear whether the new U.S. Sugar deal is a better deal, there's no need to rush the deal.

Back in June, when the economic crisis was a possibility and not a reality, the South Florida Water Management District was ready to buy out the largest cane grower in the Everglades. For \$1.75 billion, the public would get 187,000 acres of land and, among things, a sugar mill, a railroad and a citrus processing plant. After six years, the Glades would lose the company's 1,700 jobs. Today, the water district board will review a smaller deal. For \$1.34 billion, the public would get U.S. Sugar's land, which the company would lease back from the state. After 'seven crop cycles,' said a company vice president, U.S. Sugar 'will either continue to operate the facilities or sell them based on the best interests of our shareholders.' There still is no contract, but Florida Department of Environmental Protection Secretary Michael Sole said Wednesday that the agreement is '99 percent done.' The company and the water district would like to have the contract approved at next month's district board meeting.

Such a deadline, though, matters only to U.S. Sugar. The company worries about a capital gains tax increase under an Obama administration that could cut into profits from the sale. But there is no guarantee that the tax rate would increase. More important, the water management district must protect the interests of taxpayers who would put up the \$1.34 billion.

The potential benefits from buying the land remain what they were in June. Everglades restoration depends on storing and cleaning lots of water that is lost to flood control. The U.S. Sugar land would offer a place to put that water. Having that storage would eliminate the need to release polluted water from Lake Okeechobee into the St. Lucie River. Using the sugar land for above-ground reservoirs also would remove the need to build, as part of the \$11 billion restoration plan, roughly 300 underground reservoirs that are hugely expensive and technically unproven.

But this massive investment will pay off only if restoration succeeds. That depends on a plan to use the land. The plan depends on whether the U.S. Sugar land will be enough. Almost 40,000 acres that could be in the way of water flowing to the Everglades belong to other sugar growers, notably Florida Crystals. Mr. Sole acknowledged that while 'it's possible' for the water district to develop its plan in 2009, 'it would be pushing it.' Such uncertainty is felt most in Clewiston, U.S. Sugar's home, and the other towns along Lake Okeechobee that depend on the company. Clewiston Mayor Mali Chamness said Wednesday that the new plan is more problematic because no one knows what U.S. Sugar would decide. The mill and the other assets could be used in a new industry, such as ethanol production, but Mayor Chamness got no hints of an economic plan for the Glades when she met with Gov. Crist just a few weeks ago.

Talks between Florida Crystals and the state, Mr. Sole said, 'are going well.' The financial markets, he believes, have recovered enough to handle the sale of higher-interest bonds to finance the U.S. Sugar deal. Generalities, though, aren't enough for a public deal of this size, especially if the contract becomes public just as the district board prepares to vote on it. The public needs assurance that the deal wouldn't just provide a windfall profit for

U.S. Sugar without providing the key land for Everglades restoration.

The water district may be able to provide such reassurance by the end of 2008. If the district can't, however, a vote on the contract should wait until 2009.

We'd like your thoughts on this story. I appreciate your willingness to share them. At PalmBeachPost.com, we want to avoid comments that are obscene, hateful, racist or otherwise inappropriate. If you post offensive comments, we will delete them as soon as we can. If you see such comments, please .
*HTML not allowed in comments. Your e-mail address is required.

Water managers OK borrowing \$2.2 billion for sugar deal

11/13/2008

Palm Beach Post - Online

PAUL QUINLAN

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The South Florida Water Management District prepared today to finance a revised, \$1.34 billion deal with U.S. Sugar Corp. that buys just the company's farmlands for use in Everglades restoration. The district's board voted 7-0 to sign off on the paperwork needed to finance the latest version of the sweeping government land purchase. Gov. Charlie Crist announced the deal in June, calling it as 'monumental as our nation's first national park.' Under a modified deal announced this week, the state will buy nearly all of the sugar giant's land. The company will keep its mill, railroads and citrus processing plant and remain in business for seven years or longer, leasing back the land for \$50 an acre and continuing to produce sugar.

The original deal had called for a total buyout of the company - assets and all - for \$1.75 billion.

Earlier this week, critics noted that the revised deal drops the purchase price by just \$400 million, even though U.S. Sugar would get to keep buildings and equipment that may be worth more than \$620 million. The critics included some members of the district's board. Even so, the water managers today took steps to issue up to \$2.2 billion of special government bonds, known as certificates of participation, to cover the cost of the land - a 182,500-acre territory nearly as large as New York City - and some of the filter marshes, reservoirs and other components of restoration efforts. The district expects to vote on a final contract in the coming weeks.

The restoration will attempt to restore the historically flowing connection between Lake Okeechobee and the Everglades. That means storing and flowing water across U.S. Sugar's slice of the 700,000 acres of farmlands created south of Lake Okeechobee when the government carved a network of canals to drain the marshy land during the 20th century.

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(VO) GOVERNOR SARAH PALIN IS THERE... TRYING TO TEMPER TALK ABOUT A 2,012 PRESIDENTIAL RUN.. INSTEAD INSISTING THE REPUBLICAN PARTY AND ITS LEADERS NEED TO FOCUS ON GOVERNORS RACES IN 2,010. (SOT) 41-49 'GOVERNORS, WE'RE FOCUSED ON THE FUTURE. THE FUTURE FOR US IS NOT THE 2012 PRESIDENTIAL RACE, IT'S NEXT YEAR AND OUR NEXT BUDGETS.' (VO) PALIN IS IN MIAMI FOR THE ANNUAL REPUBLICAN GOVERNORS ASSOCIATION CONVENTION. TODAY WAS HER FIRST FORMAL NEWS CONFERENCE BEFORE THE NATIONAL MEDIA. GOVERNOR PALIN WOULD NOT ADDRESS ANY CAMPAIGN STRATEGY ISSUES NOW THE ELECTION IS OVER. CHYRONS: MIAMI, FL GOV. SARAH PALIN / (R-AK) VIDEO INFORMATION: PALIN TAKES PODIUM PALIN SOT PALIN WALKS OFF STAGE (((2 SHOT))) RIC THE REVISED U-S SUGAR BUYOUT.. ANNOUNCED BY GOVERNOR CHARLIE CRIST IS RUNNING INTO SOME TOUGH QUESTIONS TODAY.. FROM THE PEOPLE WHO WILL ULTIMATELY SIGN OFF ON THE DEAL. CLAUDIA QUESTIONS LIKE.. IS THIS DEAL.. REALLY A DEAL FOR TAXPAYERS? CBS 12'S CHUCK WEBER IS LIVE AT WATER MANAGEMENT DISTRICT (TAKE OPEN) HEADQUARTERS.. WITH THE CONCERNS.. AND WHETHER THEY COULD BE DEAL-BREAKERS. (((((CHUCK)))))) THE BOARD OF THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT.. MEETING HERE RIGHT NOW. THE BOARD.. APPOINTED BY THE GOVERNOR.. SO IT SEEMS THEY'RE ON BOARD WITH THE BUYOUT.. BUT THERE ARE QUESTIONS. (VO) THE NEW U-S SUGAR DEAL.. IS FOR LAND ONLY.. 180-THOUSAND ACRES.. AT LEAST HALF OF IT TO BE TURNED INTO WATER STORAGE AND TREATMENT.. FOR THE EVERGLADES PROJECT. U-S SUGAR KEEPS ITS MILL AND OTHER PLANTS.. AND LEASES BACK THE LAND.. ENSURING ITS 7- HUNDRED EMPLOYEES HAVE WORK FOR AT LEAST 7 YEARS. IN THE PAST HOUR..

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CRIST HAILS A REVISED EVERGLADES DEAL

11/13/2008

Sun Sentinel, Fort Lauderdale, FL

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Gov. Charlie Crist on Wednesday trumpeted hundreds of millions in savings from a scaled-down Everglades land deal, but the agency paying the tab warned that it could end up costing taxpayers more.

And as Crist hailed the new deal for protecting 1,700 jobs by keeping U.S. Sugar Corp. in business, Glades community leaders said a proposed seven-year lease fails to provide long-term security for towns dependent on agricultural jobs.

On the same day the governor formally announced reaching a revised agreement with U.S. Sugar, the South Florida Water Management District's board, which must approve the purchase, sought to slow the deal. A vote once expected in early December may now get pushed until January to sort through details, the board decided Wednesday.

"This process has been driven by forces outside this agency," board member Michael Collins said. "I want the whole picture on the table."

In June, Crist proposed a \$1.75 billion buyout of U.S. Sugar that would have eventually closed Florida's largest sugar producer and provided 187,000 acres of land to help restore flows of water from Lake Okeechobee to the Everglades.

The new deal announced this week cuts the price to \$1.34 billion, with the state getting 181,000 acres and U.S. Sugar keeping its sugar mill, citrus plant, railroads and other assets.

While the state works on restoration planning and construction, U.S. Sugar would lease back the land for \$50 per acre per year for seven years. After that, the company could seek a new lease, process raw sugar produced elsewhere or move into ethanol production.

"It acquires the land that was necessary [and] it preserves the jobs," said Crist, who made the announcement at the Coral Gables home of the late Everglades advocate Marjory Stoneman Douglas. "Floridians understand that investing in our state is critical."

Under the old deal, the district anticipated getting as much as \$600 million in U.S. Sugar assets that could be sold as surplus to defray the costs. The new deal, which excludes those assets, lowers the price by \$400 million.

That potential \$200 million difference, plus differing land value estimates in appraisals, raised concerns Wednesday for the district board, which will have to borrow most of the money to pay for the deal. Taxpayers in a 16-county region from Orlando to the Keys would pay off the debt.

Most of U.S. Sugar's cane fields are worth either \$4,500 or \$6,255 per acre, according to reports from two independent appraisers hired by the district.

Values shot up to \$20,000 per acre or more for 13,000 acres of U. S. Sugar land planned for rock mining, potentially adding more than \$250 million to the estimated value, according to the appraisals.

The deal limits the district to using 10,000 acres for restoration during the first six years, which prompted concerns from some environmental advocates who support the deal but want more land available sooner.

"The Everglades is in trouble right now," said Eric Draper, deputy director of Audubon of Florida.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

PHOTO: Gov. Charlie Crist, left, and Mike Sole, secretary of the Florida Department of Environmental Protection, talk in front of the Marjory Stoneman Douglas House in Coconut Grove. The governor and U.S. Sugar Corp. announced Wednesday a scaled-down deal for the state to obtain land for Everglades restoration. Mike Stocker, Sun Sentinel

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EVERGLADES LAND DEAL NOW MAKES SENSE

11/13/2008

Sun Sentinel, Fort Lauderdale, FL

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We're at the forefront of a massive transformation in this country. Really, in this world.

The reconfiguring of our economic engine from one based on the old 20th century industrial model into a new lightweight, efficient, green, 21st century version.

The change is likely to have seismic consequences. In fact, spasms - wildly fluctuating fuel prices, climbing unemployment - are already being felt.

And there will be more. Much more. Wait until American automakers really have to face the consequences of their 18 mpg past.

Problem is, our planet simply can't handle perpetually increasing growth. And our economy can't survive with anything less. Our economic model is based on the premise that we can grow our way out of everything.

Two strategies hopelessly at odds.

And yet, perhaps there's a template for how to reconcile those two approaches. A strategy born - of all places - on the western edges of Palm Beach County.

Remember when the South Florida Water Management District and Gov. Charlie Crist announced a trailblazing effort to restore water flow to the Everglades? A flow-way between Lake Okeechobee and the Everglades would be created by buying up and flooding 187,000 acres.

Environmentalists and outdoor enthusiasts loved it. And with \$1.8 billion budgeted for land acquisition (most of it sugar cane fields), sugar companies facing increasingly tough foreign competition weren't crying.

The move seemed brilliant. Almost visionary.

Unless you happened to visit, as I did in June, the towns ringing Lake Okeechobee. Towns whose residents draw paychecks from U. S. Sugar.

Places like South Bay, Belle Glade and Pahokee are already smaller and poorer than most of South Florida. They're rural communities with agricultural economies. Full of migrant workers and people teetering near the minimum wage.

And the prospect of losing thousands of jobs had them angry and anxious.

"There are already a lot of people out of jobs around here." South Bay resident Gloria White said.

In that June column, I urged Crist to not only find money to buy land, but also to take care of the economically displaced in those communities.

Well, Crist may have pulled the economic hare out of his river-of-grass hat.

On Wednesday, he disclosed a scale-back of the land acquisition plan. The water district, which is negotiating the deal, later offered details: \$1.34 billion to buy 181,000 acres rather than the 187,000.

Now, that might not seem like a big change. But that difference of a few thousand acres would allow U.S. Sugar to keep its mill, refinery and citrus operations. There is talk of the company going into bio-fuel production. And sugar interests would have the option of leasing land at \$50 an acre while the state and water district finish their projects, which could take 20 years.

All of which means jobs.

And, oh yeah, it also doesn't hurt that this proposal will put us half a billion dollars less into the red. Given the declining budgets at all levels of governments, any help is appreciated.

Not that I was complaining when the figure was \$1.8 billion. Unlike the war or paying interest on our deficit, buying land and protecting the environment is one investment that actually makes sense, not just for me but for my kids and grandkids.

There are a few areas of possible concern: There have been

pollution problems converting corn into biofuels, and the agreement may open the door for U.S. Sugar to do rock mining. But overall, it seems to be a neat dance that Crist has here. Going green while preserving jobs.

After seeing the graceful shuffle that Crist has pulled off, Republicans might want to look southeast in 2012.

To a place as far away from Alaska as possible.

Ralph De La Cruz's column appears Tuesdays and Thursdays in the Local section and in Sunday Lifestyle. He can be reached at rdelaacruz@SunSentinel.com, 561-243-6522 or 954-356-4727.

Not so fast

The agency paying the tab for the Everglades land deal warns that it could cost more. Page 4

COLUMN: Ralph De La Cruz Commentary

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Brief

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Revised Sugar deal

may cost taxpayers

Gov. Charlie Crist on Wednesday trumpeted hundreds of millions in savings from a scaled-down Everglades land deal, but the agency paying the tab warned it could end up costing taxpayers more.

And as Crist hailed the new deal for protecting 1,700 jobs by keeping U.S. Sugar Corp. in business, Glades community leaders said a proposed seven-year lease fails to provide long-term security for towns dependent on agricultural jobs.

On the same day the governor formally announced reaching a revised agreement with U.S. Sugar, the South Florida Water Management District's board, which must approve the purchase, sought to slow the deal. A vote once expected in early December may now get pushed until January to sort through details of the deal, the board decided Wednesday.

"This process has been driven by forces outside this agency," board member Michael Collins said. "I want the whole picture on the table." In June, Crist proposed a \$1.75 billion buyout of U.S. Sugar that would have eventually closed Florida's largest sugar producer and provided 187,000 acres of land to help restore flows of water from Lake Okeechobee to the Everglades.

The new deal announced this week cuts the price to \$1.34 billion, with the state getting 181,000 acres and U.S. Sugar keeping its

sugar mill, citrus plant, railroads and other assets.

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Officials discuss effects of deal on Treasure Coast

11/13/2008

Stuart News

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What's not to like about the proposed land-only deal between the state and U.S. Sugar?

The cost is less; the state doesn't end up owning a sugar mill and other facilities it doesn't want; and there's enough land for the sought-after "flow-way" between Lake Okeechobee and the Everglades -- a return to the natural ways that's supposed to bring an end to Lake O water being sent east to pollute the St. Lucie River and Indian River Lagoon.

"It sounds so simple, but it's not," said Melissa Meeker of Stuart, the Treasure Coast representative on the South Florida Water Management governing board, the folks who'll have to sign the check for the deal.

"The devil's in the details," Meeker said Wednesday evening after a briefing on the purchase plan. "It's a complex issue and one that we're going to be studying and deliberating on. We're still early in the process."

Meeker said she hopes the board can vote on the plan in mid-December.

Karl Wickstrom of Stuart, publisher of Florida Angler magazine and a noted environmentalist, said he'd like to see flow-way in place "today."

"In real rainy times, that area can take excess water from Lake Okeechobee," he said, "water that now is being dumped in, and killing all kinds of plants and animals in, the St. Lucie River estuary."

But as coordinator of the Rivers Coalition Defense Fund, Wickstrom said the group wouldn't drop its lawsuit seeking to stop the U.S. Army Corps of Engineers from dumping water in the estuary "until we see some real, demonstrable action."

Specifically, Wickstrom wants "a detailed plan and schedule; that's essential. There would have to be funding for the project in place, and there would have to be a real commitment to making it happen fairly quickly."

Greg Braun, executive director of the Audubon Society of Martin County, said the Treasure Coast conservation community is

supportive of the re-establishment of the flow-way.

"The only downside," he added, "is that we're all concerned that, as more money is directed south of

the lake, we don't want the (South Florida Water Management District) to forget about our needs in Martin and St. Lucie counties."

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United States State, US Sugar agree to scaled-back buyout

11/13/2008

TendersInfo

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Florida and U.S. Sugar have agreed to a scaled-back buyout, with the state paying \$1.34-billion to acquire 181,000 acres of the company's land for Everglades restoration. In return, U.S. Sugar keeps its mill, railroad and citrus processing plant, sitting on about 6,000 acres, sugar executives said Tuesday. Sugar company officials said the new deal revised from a total buyout first proposed in June allows them to not only maintain jobs for their 1,700 employees, but also to move into a new business: making ethanol from sugar cane waste. "While there is no ethanol component in this deal, we see ethanol in our future," said U.S. Sugar CEO Robert Buker, who has spent the past four years visiting ethanol companies in South America, Africa and Australia to plot his company's future. When Gov. Charlie Crist first announced the potential buyout in June, the state planned to acquire everything U.S. Sugar owned all 187,000 acres of its land as well as all its facilities for \$1.75-billion. But ironing out the details for such a far-reaching deal proved too complicated, said J. M. "Mac" Stipanovich, a sugar company lobbyist who was involved in the negotiations. "What the state really wanted was the dirt," Stipanovich said. So the talks shifted to the state buying only the company's land, not the facilities, he said. Simplifying the deal moved it along, as well as allowing the state to save about \$410-million on the purchase price, he said. After the state buyout, U.S. Sugar will lease the land back for \$50 per acre and keep farming it for at least seven years, he said. "And since it's highly unlikely the state will need all 181,000 acres in seven years, there's every reason to believe there will be some extension of those leases," Stipanovich said. The contracts for the purchase are all but done, he and U.S. Sugar vice president Robert Coker said, and could be ready for official approval and signing before Christmas. Officials from the South Florida Water Management District, the state agency that would actually buy the land, declined to comment, deferring to the governor. Crist had planned to announce the new deal Tuesday at the historic home of Florida environmentalist Marjory Stoneman Douglas, author of Everglades: River of Grass, but he rescheduled the announcement for today after his plane had to make an emergency landing in Sarasota because of mechanical problems. "This is the governor's vision," Department of Environmental Protection Secretary Mike Sole told reporters

while refusing to comment. Crist himself had originally proposed the buyout when sugar company lobbyists complained that the company's future had been jeopardized by a lawsuit from environmental groups that blocked sugar growers from continuing to dump polluted water into Lake Okeechobee. Over the past five months of negotiation, Stipanovich said, Crist remained closely involved and "got pretty far down in the weeds on it." The lobbyist said that one such negotiating session occurred two weeks ago at Crist's office, where he and Sole and Crist's chief of staff, Eric Eikenberg, debated details of the buyout. Periodically, Stipanovich said, Sole and Eikenberg would ask him, "Would you step outside?" They would call Crist, tell him what was being discussed, then invite the lobbyist back in to present a counteroffer, he said. Then Stipanovich would call sugar executives for guidance. Crist has already endorsed the idea of building an ethanol plant at U.S. Sugar's state-of-the-art mill. The company had already spent months negotiating with Costkata, an Illinois ethanol manufacturer backed by General Motors, to build a \$400-million plant next door to the company's Clewiston mill. But those talks were put on hold when the buyout idea first was announced. "Once we get this deal done, we can work on that one," Coker said. Even if the state only makes a small amount of the land available to be leased back for farming, Buker said, that would not prevent the company from buying sugar cane and oranges from independent farmers, even from out of state. One third of the sugar cane the company processes already is grown on someone else's land. For instance, this year 60,000 tons of raw sugar came from Mexico, was brought by barge into the Port of Tampa, and then transported by the company railroad to its Clewiston mill. The same applied to the orange processing plant, which already uses fruit from other growers in the state. Sugar farming south of Lake Okeechobee has long been considered a major obstacle to the \$10-billion plan for restoring the Everglades. The state plans to use the sugar land to construct a network of marsh treatment areas and reservoirs to clean and store water before sending it south into Everglades National Park. Environmental activists who had hailed Crist's original announcement in June said they like the scaled-down buyout, too. Given the price reduction, "it's probably an improvement" on the original, said David Guest of Earthjustice. "In the end, the state will have what it needs to move forward with restoration of the Everglades, while protecting the economic integrity of the region," said David Anderson, executive director of Audubon of Florida. Environmental activists said they were happy there was any deal at this point, given the global economic meltdown. The state had originally expected to finance the purchase by borrowing the money from nine different bankers, a list that included Morgan Stanley, Goldman Sachs and Lehman Bros. So when the news broke two months ago about all three taking a nosedive, it put an additional kink into the already complex negotiations. Still unknown is how much land the state would actually use for restoration. Some 300,000 acres in the Everglades, or about 500 square miles, will remain in use for agriculture by other companies. Everglades Foundation senior scientist Thomas Van Lent said his researchers calculated the restoration project required only about 130,000 acres. The new deal appeared to have "more than enough land" to handle the critical storage and treatment of water passing through the River of Grass, he said.

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THE EVERGLADES U.S. Sugar deal draws water managers' concern

11/13/2008

Miami Herald

Morgan, Curtis

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Saluting the spirit of late Everglades icon Marjory Stoneman Douglas, Gov. Charlie Crist on Wednesday hailed the \$1.34 billion deal for a chunk of Big Sugar as "nothing short of miraculous."

It would, the governor declared outside Douglas' quaint Coconut Grove cottage, help save not just the Everglades but farming jobs and taxpayer dollars -- shaving 20-plus percent off what had been a \$1.75 billion bid for the U.S. Sugar Corp.

But a few hours later and 65 miles north, South Florida water managers digging into the deal's details for the first time were not so gushing.

They questioned whether it really was a better bargain for taxpayers and how well it would protect agricultural jobs. Like Crist, they also invoked the past -- but as a warning, citing previous problematic deals to buy tracts for Everglades restoration and then lease them back to farmers.

The revised deal includes lease-back restrictions that would make almost all the land off-limits to the state for at least six years.

"Leases scare the bloody you-know-what out of me," said Shannon Estenoz, an environmental activist who Crist appointed to the South Florida Water Management District's governing board.

LEASING BACK LAND

Under the deal, U.S. Sugar could lease back and farm almost all the land it is selling, 181,000 acres, at \$50 an acre. The district can request 10,000 acres for restoration up front but would have to wait until the seventh year to get access to 30,000 more acres. Afterward, the district could phase out farming as restoration projects are built.

But restoration progress has been slow or nonexistent on similar past deals.

The 5,200-acre "Frog Pond" in South Miami-Dade, bought for restoration in 1995 for \$12 million, is still being farmed. In 1999, the district paid \$133 million for the 55,822-acre Talisman tract in western Palm Beach County, then battled to oust sugar growers to build a massive restoration reservoir now on indefinite hold.

Some board members also questioned whether the land price was fair.

Two appraisals the district released Wednesday valued the assets U.S. Sugar will now keep -- a sugar mill, citrus processing plant and other facilities -- at more than \$600 million. But the new price tag for land alone has dropped only \$400 million.

"My initial read is we are actually going to wind up paying more for the land because it's not tied to the assets," said Michael Collins, a Florida Keys fishing guide.

COSTLY POTENTIAL

Ray Palmer, the district's chief appraiser, said the higher land-only values reflected its potential use -- such as 13,000 acres that could possibly be used for rock-mining. That jacked up its value, appraised at \$20,000 to \$27,000 an acre, three to six times higher than adjacent fields.

Melissa Meeker, an environmental consultant, also argued the deal lacked the job and economic "assurances" that the board and state have promised rural towns with ties to the sugar industry.

The concerns raised by the board, which must approve the deal, doesn't mean the deal is in trouble. All but one of eight members were appointed by Crist and the one who wasn't, Collins, said he shares the "vision" but questions the financial risks of saddling the agency -- which would bankroll the purchase with bonds -- with heavy debt.

But the questions could slow down a complex deal that board members complained had been put on the fast track for reasons no one had explained. Several said they wanted time beyond a Dec. 2 meeting already set to review the contract.

Mike Sole, secretary of the Florida Department of Environmental Protection, who joined Crist in Miami to formally announce the deal, acknowledged concerns.

Practically speaking, he said, it will take years to redraw restoration plans to incorporate the new land and there are plenty of projects to work on in the interim. But he also said the issue might not be settled yet. "I'm still negotiating this contract."

Crist, in his first public remarks on the deal, said negotiations had been challenging but he was pleased with the result.

"Doing something this big is not easy," Crist said. "It's hard to envision in the first place, and then it's hard to work through the details."

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Gov. Crist trumpets revised sugar deal, but water managers say it may cost taxpayers more

11/13/2008

Jupiter Courier

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Gov. Charlie Crist on Wednesday trumpeted hundreds of millions in savings from a scaled-down Everglades land deal, but the agency paying the tab warned that it could end up costing taxpayers more.

And as Crist hailed the new deal for protecting 1,700 jobs by keeping U.S. Sugar Corp. in business, Glades community leaders said a proposed seven-year lease fails to provide long-term security for towns dependent on agricultural jobs.

On the same day the governor formally announced reaching a revised agreement with U.S. Sugar, the South Florida Water Management District's board, which must approve the purchase, sought to slow the deal. A vote once expected in early December may now get pushed until January to sort through details of the deal, the board decided Wednesday. 'This process has been driven by forces outside this agency,' board member Michael Collins said. 'I want the whole picture on the table.' In June, Crist proposed a \$1.75 billion buyout of U.S. Sugar that would have eventually closed Florida's largest sugar producer and provided 187,000 acres of land to help restore flows of water from Lake Okeechobee to the Everglades.

The new deal announced this week cuts the price to \$1.34 billion, with the state getting 181,000 acres and U.S. Sugar keeping its sugar mill, citrus plant, railroads and other assets. While the state works on restoration planning and construction, U.S. Sugar would lease back the land for \$50 per acre per year for seven years. After that, the company could seek a new lease, process raw sugar produced elsewhere or move into ethanol production.

Under the old deal the district anticipated getting as much as \$600 million in U.S. Sugar assets that could be sold as surplus to defray the costs. The new deal, which excludes those assets, lowers the price by \$400 million.

That potential \$200 million difference, plus differing land value estimates in appraisals, raised concerns Wednesday for the district board, which will have to borrow most of the money to pay for the deal.

U.S. Sugar and Florida Agree on Scaled-Back, \$1.34 Billion Buyout

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DAVID ADAMS

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ave agreed to a scaled-back buyout, with the state paying \$1.34 billion to acquire 181,000 acres of the company's land for Everglades restoration. In return, U.S. Sugar keeps its mill, railroad and citrus processing plant, sitting on about 6,000 acres, sugar executives said Tuesday.

Sugar company officials said the new deal - revised from a total buyout first proposed in June - allows them to not only maintain jobs for their 1,700 employees, but also to move into a new business: making ethanol from sugar cane waste.

'While there is no ethanol component in this deal, we see ethanol in our future,' said U.S. Sugar CEO Robert Buker, who has spent the past four years visiting ethanol companies in South America, Africa and Australia to plot his company's future.

When Gov. Charlie Crist first announced the potential buyout in June, the state planned to acquire everything U.S. Sugar owned - all 187,000 acres of its land as well as all its facilities - for \$1.75 billion.

But ironing out the details for such a far-reaching deal proved too complicated, said J.M. 'Mac' Stipanovich, a sugar company lobbyist who was involved in the negotiations.

'What the state really wanted was the dirt,' Stipanovich said.

So the talks shifted to the state buying only the company's land, not the facilities, he said. Simplifying the deal moved it along, as well as allowing the state to save about \$410 million on the purchase price, he said.

After the state buyout, U.S. Sugar will lease the land back for \$50 per acre and keep farming it for at least seven years, he said.

'And since it's highly unlikely the state will need all 181,000 acres in seven years, there's every reason to believe there will be some extension of those leases,' Stipanovich said.

The contracts for the purchase are all but done, he and U.S. Sugar vice president Robert Coker said, and could be ready for official approval and signing before Christmas.

Officials from the South Florida Water Management District, the state agency that would actually buy the land, declined to comment, deferring to the governor.

Crist had planned to announce the new deal Tuesday at the historic home of Florida environmentalist Marjory Stoneman Douglas, author of 'Everglades: River of Grass,' but he rescheduled the announcement for Wednesday after his plane had to make an emergency landing in Sarasota because of mechanical

problems.

'This is the governor's vision,' Department of Environmental Protection Secretary Mike Sole told reporters while refusing to comment.

Crist himself had originally proposed the buyout when sugar company lobbyists complained that the company's future had been jeopardized by a lawsuit from environmental groups that blocked sugar growers from continuing to dump polluted water into Lake Okeechobee.

Over the past five months of negotiation, Stipanovich said, Crist remained closely involved and 'got pretty far down in the weeds on it.'

The lobbyist said that one such negotiating session occurred two weeks ago at Crist's office, where he and Sole and Crist's chief of staff, Eric Eikenberg, debated details of the buyout.

Crist has already endorsed the idea of building an ethanol plant at U.S. Sugar's state-of-the-art mill. The company had spent months negotiating with Costkata, an Illinois ethanol manufacturer backed by General Motors, to build a \$400 million plant next door to the company's Clewiston mill. But those talks were put on hold when the buyout idea first was announced.

'Once we get this deal done, we can work on that one,' Coker said.

Gov. Crist announces Everglades restoration deal

11/13/2008

Naples Daily News

JESSICA

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A revised plan for a historic Everglades restoration deal will cost the state less and save jobs, Gov. Charlie Crist said Wednesday in his first comments on the new agreement.

Details of the revised deal were released earlier in the week. The state will pay \$1.34 billion for land farmed by U.S. Sugar, the nation's largest producer of cane sugar, less than the original price tag of \$1.75 billion when the plan was announced in June. 'Doing something this big is not easy,' Crist said Wednesday at a press conference at the historic home of Everglades activist Marjory Stoneman Douglas. 'It's hard to envision in the first place, and then it's hard to work through the details.' The lower price is possible because the state will not buy the company's high-tech mill, railroad lines or citrus processing plant. The company will keep them and continue production for now, though it could also later sell those assets. Though the state won't have access to the land right away, it plans to use most of the 181,000 acres it is buying to restore the natural flow of water to the Everglades and to create a system to clean the water being sent

there.

Crist said he was pleased with the \$400,000 savings and the fact that U.S. Sugar would continue to operate plants, saving jobs. 'At a time when the economy is going through what it's going through, I'm very proud of that,' Crist said. The deal is expected to be approved next month by the South Florida Water Management District and the board of U.S. Sugar. December will mark 61 years since President Harry Truman dedicated Everglades National Park, a milestone Crist referenced Wednesday. 'I am enormously proud to be able to follow in such great footsteps,' Crist said. Under the terms of the contract, the earliest the state would be able to take possession of any land is December 2009, according to U.S. Sugar vice president Robert Coker. If the state notifies the company in next month it would have access to up to 10,000 acres the following year. Crist did not set a number of the total acres that will eventually go to conservation. Some will likely be retained for farming.

Crist had intended to announce the Everglades deal himself a day earlier but mechanical trouble forced his plane to land before he arrived in Miami.

Coker and U.S. Sugar lobbyist Mac Stipanovich said Crist was especially involved in the Everglades deal and a hard bargainer. Stipanovich said the company began seriously talking about a land-only deal with the state about three weeks ago.

Florida anuncia acuerdo final para compra de 72.000 hectáreas de conservación

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Miami. (EFE).- El gobernador de Florida, Charlie Crist, anunció que ultima las negociaciones para la compra, por 1.340 millones de dólares, de 72.900 hectáreas a una empresa azucarera, lo que servirá para preservar el ecosistema de los Everglades.

En un comunicado, Crist señaló que la Administración de Aguas del sur de Florida se encuentra en las negociaciones finales con la empresa azucarera U.S. Sugar Corp., propietaria de un inmenso terreno localizado al sur del lago Okechobee.

El precio final resulta inferior al que se había avanzado en junio pasado (1.750 millones de dólares), cuando el gobernador presentó el ambicioso plan con el que se persigue proteger este ecosistema, considerado uno de los más extensos del mundo.

El acuerdo final permitirá a U.S. Sugar Corp., empresa dedicada principalmente a la producción de azúcar de caña, conservar la refinadora de azúcar, la planta procesadora de cítricos y las líneas de ferrocarriles. 'La compra de estas tierras establece un precedente sin parangón para el River Grass (Río de hierba) y el medio ambiente. Estamos más cerca que nunca de hacer realidad

un sueño: restaurar y preservar los Everglades', explicó el gobernador.

La adquisición de esta enorme extensión de terreno cultivable, casi del tamaño de la ciudad de Nueva York, servirá para restablecer parte de la histórica conexión entre el lago Okeechobee, el segundo más grande de agua dulce de EE.UU. y el River Grass, gracias a un sistema de almacenaje y tratamiento del terreno. Finalmente, se pondrán en marcha nuevas formas de almacenamiento de agua, que aliviará la presión del líquido en la represa Herbert Hoover.

Los Everglades, reconocidos en todo el mundo por sus pantanos y rica fauna, forman un frágil ecosistema subtropical en el sur de Florida que se extiende desde el lago Okeechobee hasta la bahía de Florida. << Anterior | Siguiente >> Tu Opinión Por favor regístrate para agregar comentarios.

United States State, US Sugar agree to scaled-back buyout

11/13/2008

Calibre MacroWorld

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Florida and U.S. Sugar have agreed to a scaled-back buyout, with the state paying \$1.34-billion to acquire 181,000 acres of the company's land for Everglades restoration. In return, U.S. Sugar keeps its mill, railroad and citrus processing plant, sitting on about 6,000 acres, sugar executives said Tuesday. Sugar company officials said the new deal revised from a total buyout first proposed in June allows them to not only maintain jobs for their 1,700 employees, but also to move into a new business: making ethanol from sugar cane waste. 'While there is no ethanol component in this deal, we see ethanol in our future,' said U.S. Sugar CEO Robert Buker, who has spent the past four years visiting ethanol companies in South America, Africa and Australia to plot his company's future. When Gov. Charlie Crist first announced the potential buyout in June, the state planned to acquire everything U.S. Sugar owned all 187,000 acres of its land as well as all its facilities for \$1.75-billion. But ironing out the details for such a far-reaching deal proved too complicated, said J. M. 'Mac' Stipanovich, a sugar company lobbyist who was involved in the negotiations. 'What the state really wanted was the dirt,' Stipanovich said. So the talks shifted to the state buying only the company's land, not the facilities, he said. Simplifying the deal moved it along, as well as allowing the state to save about \$410-million on the purchase price, he said. After the state buyout, U.S. Sugar will lease the land back for \$50 per acre and keep farming it for at least seven years, he said. 'And since it's highly unlikely the state will need all 181,000 acres in seven years, there's every reason to believe there will be some extension of those leases,' Stipanovich said. The contracts for the purchase are all but done, he and U.S. Sugar vice president Robert Coker said, and could be ready for official approval and signing before Christmas. Officials from the South Florida Water Management District, the state agency that would actually buy the land, declined to comment,

deferring to the governor. Crist had planned to announce the new deal Tuesday at the historic home of Florida environmentalist Marjory Stoneman Douglas, author of *Everglades: River of Grass*, but he rescheduled the announcement for today after his plane had to make an emergency landing in Sarasota because of mechanical problems. 'This is the governor's vision,' Department of Environmental Protection Secretary Mike Sole told reporters while refusing to comment. Crist himself had originally proposed the buyout when sugar company lobbyists complained that the company's future had been jeopardized by a lawsuit from environmental groups that blocked sugar growers from continuing to dump polluted water into Lake Okeechobee. Over the past five months of negotiation, Stipanovich said, Crist remained closely involved and 'got pretty far down in the weeds on it.' The lobbyist said that one such negotiating session occurred two weeks ago at Crist's office, where he and Sole and Crist's chief of staff, Eric Eikenberg, debated details of the buyout. Periodically, Stipanovich said, Sole and Eikenberg would ask him, 'Would you step outside?' They would call Crist, tell him what was being discussed, then invite the lobbyist back in to present a counteroffer, he said. Then Stipanovich would call sugar executives for guidance. Crist has already endorsed the idea of building an ethanol plant at U.S. Sugar's state-of-the-art mill. The company had already spent months negotiating with Costkata, an Illinois ethanol manufacturer backed by General Motors, to build a \$400-million plant next door to the company's Clewiston mill. But those talks were put on hold when the buyout idea first was announced. 'Once we get this deal done, we can work on that one,' Coker said. Even if the state only makes a small amount of the land available to be leased back for farming, Buker said, that would not prevent the company from buying sugar cane and oranges from independent farmers, even from out of state. One third of the sugar cane the company processes already is grown on someone else's land. For instance, this year 60,000 tons of raw sugar came from Mexico, was brought by barge into the Port of Tampa, and then transported by the company railroad to its Clewiston mill. The same applied to the orange processing plant, which already uses fruit from other growers in the state. Sugar farming south of Lake Okeechobee has long been considered a major obstacle to the \$10-billion plan for restoring the Everglades. The state plans to use the sugar land to construct a network of marsh treatment areas and reservoirs to clean and store water before sending it south into Everglades National Park. Environmental activists who had hailed Crist's original announcement in June said they like the scaled-down buyout, too. Given the price reduction, 'it's probably an improvement' on the original, said David Guest of Earthjustice. 'In the end, the state will have what it needs to move forward with restoration of the Everglades, while protecting the economic integrity of the region,' said David Anderson, executive director of Audubon of Florida. Environmental activists said they were happy there was any deal at this point, given the global economic meltdown. The state had originally expected to finance the purchase by borrowing the money from nine different bankers, a list that included Morgan Stanley, Goldman Sachs and Lehman Bros. So when the news broke two months ago about all three taking a nosedive, it put an additional kink into the already complex negotiations. Still unknown is how much land the state would actually use for restoration. Some 300,000 acres in the Everglades, or about 500 square miles, will remain in use for agriculture by other companies. Everglades Foundation senior scientist Thomas Van

Lent said his researchers calculated the restoration project required only about 130,000 acres. The new deal appeared to have 'more than enough land' to handle the critical storage and treatment of water passing through the River of Grass, he said.

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Florida anuncia acuerdo final para compra de 72.000 hectáreas de conservación

11/13/2008

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Miami (EE.UU.), 12 nov (EFEAGRO).- El gobernador de Florida (EE.UU.), Charlie Crist, anunció hoy que ultima las negociaciones para la compra, por 1.340 millones de dólares, de 72.900 hectáreas a una empresa azucarera, lo que servirá para preservar el ecosistema de los Everglades.

En un comunicado divulgado hoy, Crist señaló que la Administración de Aguas del sur de Florida se encuentra en las negociaciones finales con la empresa azucarera U.S. Sugar Corp., propietaria de un inmenso terreno localizado al sur del lago Okechobee.

El precio final resulta inferior al que se había avanzado en junio pasado (1.750 millones de dólares), cuando el gobernador presentó el ambicioso plan con el que se persigue proteger este ecosistema, considerado uno de los más extensos del mundo.

El acuerdo final permitirá a U.S. Sugar Corp., empresa dedicada principalmente a la producción de azúcar de caña, conservar la refinadora de azúcar, la planta procesadora de cítricos y las líneas de ferrocarriles.

"La compra de estas tierras establece un precedente sin parangón para el River Grass (Río de hierba) y el medio ambiente. Estamos más cerca que nunca de hacer realidad un sueño: restaurar y preservar los Everglades", explicó el gobernador de Florida.

La adquisición de esta enorme extensión de terreno cultivable, casi del tamaño de la ciudad de Nueva York, servirá para restablecer parte de la histórica conexión entre el lago Okeechobee, el segundo más grande de agua dulce de EE.UU. y el River Grass, gracias a un sistema de almacenaje y tratamiento del terreno.

El terreno adquirido se utilizará también para salvaguardar los estuarios y ríos de St. Lucie y Caloosahatchee, señaló el comunicado.

"Esperamos continuar trabajando con el gobernador y la Administración de Aguas con el mismo espíritu de cooperación que hasta ahora", apuntó Robert Burke, presidente de U.S. Sugar,

quien se mostró feliz de poder "ayudar a Florida a restaurar uno de sus más preciados tesoros".

Entre los beneficios que supondrá la compra del terreno destacan el aumento de la capacidad de almacenamiento de agua y la mejora en la conducción de agua limpia a los Everglades durante las épocas de sequía.

Asimismo, se prevendrá la entrada anual de miles de toneladas de fósforo a los Everglades y se eliminará la necesidad de bombear agua en el lago Okeechobee procedente de la zona agrícola.

Finalmente, se pondrán en marcha nuevas formas de almacenamiento de agua, que aliviará la presión del líquido en la represa Herbert Hoover.

Los Everglades, reconocidos en todo el mundo por sus pantanos y rica fauna, forman un frágil ecosistema subtropical en el sur de Florida que se extiende desde el lago Okeechobee hasta la bahía de Florida. EFEAGRO

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Sugar Sale to State of Florida Revised

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NEWSUS Sugar Sale to State of Florida Revised

by Gary – November 12th, 2008

The first news release in this post is from U S Sugar Corporation. The release that follows in this post is from the Florida Governor's office:

CLEWISTON — November 12, 2008 — Negotiations between the South Florida Water Management District and management of U. S. Sugar concerning the purchase of the real property of U.S. Sugar have successfully concluded and the terms of an agreement have been reached. A final contract must be considered and approved by U.S. Sugar's Board of Directors and the Governing Board of the South Florida Water Management District (SFWMD). If approved by the two respective boards, they will be signed in early December. Terms of the pending contract include the sale of U.S. Sugar's real estate properties, (approximately 181,000 acres), for \$1.34 billion and a lease-back of the land for \$50 per acre, for a period covering seven crop cycles. The sugar mill, refinery and citrus processing facilities, railroads, office buildings, equipment and the Gilchrist County citrus nursery will remain the property of U.S. Sugar.

"After months of negotiations it became clear that the best transaction was for the state to buy the land and for U.S. Sugar to keep the assets. This is a good deal for the state, U.S. Sugar and for our shareholders," said Robert Coker, senior vice president of public affairs for U.S. Sugar.

"The SFMWD is able to purchase all of the land necessary to proceed with Everglades restoration at a cost less than originally anticipated, since additional company assets are not included in the agreement. The company is able to continue farming and ensure that jobs are safeguarded for the next seven years," Coker said.

The SFMWD purchase of 181,000 acres of land (about 285 square miles located in environmentally strategic areas) will help resolve restoration issues for Lake Okeechobee, the Caloosahatchee and St. Lucie estuaries and the Everglades. Sufficient land also will be available for critical water storage and treatment. This acquisition should allow remaining Everglades Agricultural Area farmers and the Everglades to be sustainable well into the future.

Consistent with the original statement of principles of the sale to the State, U.S. Sugar will continue to operate all of its businesses as usual for a period covering seven crop cycles. This will enable the Company to fulfill its long-term existing business obligations. During this transition period, BMO Capital Markets Corporation will continue to act as financial advisor to U.S. Sugar.

"At the end of seven crops, we will either continue to operate the facilities or sell them based on the best interests of our shareholders," Coker said.

#

Governor Crist Celebrates Everglades Land Negotiations

~Land-only deal will save taxpayers hundreds of millions and allow state to restore River of Grass~

MIAMI – Governor Charlie Crist today, continuing his commitment to restore the Everglades, announced that Florida water management officials have agreed to new terms in their negotiations with the United States Sugar Corporation. The new terms, subject to approval by the South Florida Water Management District include a land only purchase of more than 180,000 acres at a purchase price of \$1.34 billion.

"A land purchase creates unprecedented possibilities for the River of Grass and for our environment," said Governor Crist, standing outside the Miami home of the late author and Everglades advocate Marjory Stoneman Douglass. "Many people, including the late Mrs. Douglass, have looked forward to this day. Today, we are closer than ever to making their dreams a reality and giving this wonderful gift of restoration to the Everglades, to the people of Florida, and to our country."

The 180,000 acres, one of the largest environmental land acquisitions in our nation's history, are the "missing link" that the South Florida Water Management District needs to protect Florida's coastal estuaries and better revive, restore and preserve one of America's greatest natural treasures – the Everglades. Governor Crist first announced in June plans to begin negotiations at the 2008 Serve to Preserve Florida Summit on Global Climate in Miami.

The vast real estate – roughly the size of New York City – will be used to reestablish a part of the historic connection between Lake Okeechobee and the fabled River of Grass through a managed system of storage and treatment. The land also will be used to safeguard the St. Lucie and Caloosahatchee rivers and estuaries.

Acquiring the enormous expanse of land offers water managers the opportunity and flexibility to store and clean water on a scale never before contemplated. Water managers expect that dedicating significantly more land in the Everglades Agricultural Area to restoration will build upon and enhance the 30-year state-federal Comprehensive Everglades Restoration Plan and the State of Florida's Northern Everglades program to restore and protect Lake Okeechobee, the St. Lucie and Caloosahatchee rivers and their respective estuaries.

"We look forward to continuing to work with the Governor and the District in the cooperative spirit with which we have begun," said Robert Buker, president and CEO of U.S. Sugar. "We are happy to help the state of Florida restore one of her most precious treasures."

Joining Governor Crist and Robert Buker today at the Marjory Stoneman Douglass House were Eric Buermann, Chairman of the South Florida Water Management District Governing Board; and Florida Department of Environmental Protection Secretary Mike Sole. Also in attendance were elected officials and environmental advocates.

Benefits from the land acquisition include:

- Huge increases in the availability of water storage, significantly reducing the potential for harmful discharges from Lake Okeechobee to Florida's coastal rivers and estuaries when lake levels are high.
- The ability to deliver cleaner water to the Everglades during dry times and greater water storage to protect the natural system during wet years.
- Preventing thousands of tons of phosphorus from entering the Everglades every year.
- Forever eliminating the need for "back-pumping" water into Lake Okeechobee from the Everglades Agricultural Area to augment the water supply needs. The District's Governing Board this year voted not to back-pump into the lake during the ongoing water shortage to protect water quality.
- Additional water storage alternatives, relieving some pressures on the Herbert Hoover Dike while the federal government undertakes repairs.

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Fla. Gov. Announces Everglades Restoration Deal

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Associated Press

Fla. Gov. announces Everglades restoration deal

By JESSICA GRESKO , 11.12.08, 06:15 PM EST

A revised plan for a historic Everglades restoration deal will cost the state less and save jobs, Gov. Charlie Crist said Wednesday in his first comments on the new agreement.

Details of the revised deal were released earlier in the week. The state will pay \$1.34 billion for land farmed by U.S. Sugar, the nation's largest producer of cane sugar, less than the original price tag of \$1.75 billion when the plan was announced in June.

Doing something this big is not easy," Crist said Wednesday at a press conference at the historic home of Everglades activist Marjory Stoneman Douglas. "It's hard to envision in the first place, and then it's hard to work through the details."

The lower price is possible because the state will not buy the company's high-tech mill, railroad lines or citrus processing plant. The company will keep them and continue production for now, though it could also later sell those assets. Though the state won't have access to the land right away, it plans to use most of the 181,000 acres it is buying to restore the natural flow of water to the Everglades and to create a system to clean the water being sent there.

Crist said he was pleased with the \$400 million savings and the fact that U.S. Sugar would continue to operate plants, saving jobs.

"At a time when the economy is going through what it's going through, I'm very proud of that," Crist said.

The deal is expected to be approved next month by the South Florida Water Management District and the board of U.S. Sugar. December will mark 61 years since President Harry Truman dedicated Everglades National Park, a milestone Crist referenced Wednesday.

Comment On This Story

"I am enormously proud to be able to follow in such great footsteps," Crist said.

Under the terms of the contract, the earliest the state would be able to take possession of any land is December 2009, according to U.S. Sugar vice president Robert Coker. If the state notifies the company next month it would have access to up to 10,000 acres the following year. Crist did not set a number of the total acres that will eventually go to conservation. Some will likely be retained for farming.

Crist had intended to announce the Everglades deal himself a day earlier but mechanical trouble forced his plane to land before he arrived in Miami.

Coker and U.S. Sugar lobbyist Mac Stipanovich said Crist was especially involved in the Everglades deal and a hard bargainer. Stipanovich said the company began seriously talking about a land-only deal with the state about three weeks ago.

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US Sugar : Reduced \$1.3B Everglades Deal with Save Tax Dollars, 1,700

11/12/2008

Palm Beach Post
Quinlan, Paul

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MIAMI — From five months of intense negotiation amid a global economic quake, a deal emerged after all: Florida will buy nearly all of U.S. Sugar's farmland - a tract nearly the size of New York City - for \$1.34 billion to restore the Everglades, the company announced today.

Under the new, land-only deal, the Clewiston-based sugar giant would keep its mill, railroads, citrus processing plant and other manufacturing works and remain in business for at least seven years, leasing back the land from the state at \$50 an acre per year to farm and process sugar.

U.S. Sugar deal

At the same time, the 77-year-old company's leadership would mull longer-term options: manufacturing biofuels, processing sugar grown abroad, or simply selling all its industrial works in better economic times, according to those involved in the talks.

The company's 181,000 acres would go to South Florida water managers, who would draw up plans for re-creating the historic flow of fresh water from Lake Okeechobee to the Everglades. If planning takes longer, the state may allow U.S. Sugar to rent the land past seven years.

All of the company's roughly 1,700 employees would keep their jobs indefinitely. That's a major shift from the original \$1.75 billion, 187,000-acre deal that Gov. Charlie Crist trumpeted in June, which called for the state to buy out U.S. Sugar entirely while forcing it to close in six years.

"We've had a nervous bunch of employees for the last 10 months, particularly since June," said Robert Coker, a U.S. Sugar senior vice president. "Every employee we have today, we intend to keep employed right on."

The revised deal came together during the last few weeks of negotiations.

A contract is expected to be complete in as few as seven to 10 days for U.S. Sugar's board to approve. Then the board of the South Florida Water Management District could consider it Dec. 2.

"It gets the state what they wanted," Coker said. "We will continue to farm for the next seven years if the state wants us to,

and it allows us to do other things as well."

Environmentalists were still debating how much of the land will be used for restoration. Still, they called the deal a milestone for the Everglades - one they couldn't have dreamed of years ago.

"We had people say: 'What do you want us to do? Buy out sugar?'" said Mark Kraus, from the not-for-profit Everglades Foundation. "It just didn't seem possible."

Crist had been set to announce the revised deal this afternoon before a gaggle of reporters, environmentalists, state appointees and U.S. Sugar leaders in front of the tiny Coconut Grove house of the late Marjory Stoneman Douglas, the godmother of Everglades activists. But the event was postponed until Wednesday morning after Crist's plane was forced to land in Sarasota because of mechanical difficulties.

The original buyout announcement in June made headlines worldwide and drew adulation for Crist, then a contender to become running mate to GOP presidential candidate John McCain.

But as negotiations got under way, headaches mounted.

Financial markets tumbled, and at least two investment banks on the short list to finance the deal went out of business. Water managers, charged with executing and financing the deal, grumbled about being forced to take on an unprecedented debt and repay it through a thinning stream of property taxes.

That all combined to make months of intense, three-day-a-week bargaining sessions about as pleasant as "having a root canal," said J.M. "Mac" Stipanovich, the lobbyist brokering the deal for U. S. Sugar.

About three weeks ago, when the notion of a land-only deal bubbled up in talks, Stipanovich recalled Crist telling the group: "I want you all to give me options."

Crist remained intimately involved in a 4 1/2 -hour session a week later as the two sides wrangled over the new price, according to Stipanovich. Opposite him during that meeting sat Mike Sole, secretary of the state Department of Environmental Protection, and the governor's chief of staff, Eric Eikenberg. The two stepped out of the room about five times to call Crist and consult about each offer and counter-offer, Stipanovich said.

"He drove a hard bargain, I'm here to tell you," said Stipanovich.

As for the land, the state will probably sell or lease some back to growers to defray the cost. The water district's early plans call for turning 65,000 to 95,000 acres into reservoirs and marshes.

But some environmental advocates, such as Kraus, said at least 130,000 acres are needed to catch and hold water in the rainy seasons to make up for the dry ones.

Others, such as Eric Draper, policy director for Audubon of Florida, feared the restoration may get bogged down. He called for getting started right away on a 10,000- to 40,000-acre tract.

"Why wait?" Draper asked.

State, US Sugar Agree to Scaled-Back Buyout

11/12/2008

St. Petersburg Times
Pittman, Craig

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MIAMI — Florida and U.S. Sugar have agreed to a scaled-back buyout, with the state paying \$1.34-billion to acquire 181,000 acres of the company's land for Everglades restoration. In return, U.S. Sugar keeps its mill, railroad and citrus processing plant, sitting on about 6,000 acres, sugar executives said Tuesday.

Sugar company officials said the new deal — revised from a total buyout first proposed in June — allows them to not only maintain jobs for their 1,700 employees, but also to move into a new business: making ethanol from sugar cane waste.

"While there is no ethanol component in this deal, we see ethanol in our future," said U.S. Sugar CEO Robert Buker, who has spent the past four years visiting ethanol companies in South America, Africa and Australia to plot his company's future.

When Gov. Charlie Crist first announced the potential buyout in June, the state planned to acquire everything U.S. Sugar owned — all 187,000 acres of its land as well as all its facilities — for \$1.75-billion.

But ironing out the details for such a far-reaching deal proved too complicated, said J.M. "Mac" Stipanovich, a sugar company lobbyist who was involved in the negotiations.

"What the state really wanted was the dirt," Stipanovich said.

So the talks shifted to the state buying only the company's land, not the facilities, he said. Simplifying the deal moved it along, as well as allowing the state to save about \$410-million on the purchase price, he said.

After the state buyout, U.S. Sugar will lease the land back for \$50 per acre and keep farming it for at least seven years, he said.

"And since it's highly unlikely the state will need all 181,000 acres in seven years, there's every reason to believe there will be some extension of those leases," Stipanovich said.

The contracts for the purchase are all but done, he and U.S. Sugar vice president Robert Coker said, and could be ready for official approval and signing before Christmas.

Officials from the South Florida Water Management District, the state agency that would actually buy the land, declined to comment, deferring to the governor.

Crist had planned to announce the new deal Tuesday at the historic home of Florida environmentalist Marjory Stoneman Douglas, author of *Everglades: River of Grass*, but he rescheduled

the announcement for today after his plane had to make an emergency landing in Sarasota because of mechanical problems.

"This is the governor's vision," Department of Environmental Protection Secretary Mike Sole told reporters while refusing to comment.

Crist himself had originally proposed the buyout when sugar company lobbyists complained that the company's future had been jeopardized by a lawsuit from environmental groups that blocked sugar growers from continuing to dump polluted water into Lake Okeechobee.

Over the past five months of negotiation, Stipanovich said, Crist remained closely involved and "got pretty far down in the weeds on it."

The lobbyist said that one such negotiating session occurred two weeks ago at Crist's office, where he and Sole and Crist's chief of staff, Eric Eikenberg, debated details of the buyout. Periodically, Stipanovich said, Sole and Eikenberg would ask him, "Would you step outside?"

They would call Crist, tell him what was being discussed, then invite the lobbyist back in to present a counteroffer, he said. Then Stipanovich would call sugar executives for guidance.

Crist has already endorsed the idea of building an ethanol plant at U.S. Sugar's state-of-the-art mill. The company had already spent months negotiating with Costkata, an Illinois ethanol manufacturer backed by General Motors, to build a \$400-million plant next door to the company's Clewiston mill. But those talks were put on hold when the buyout idea first was announced.

"Once we get this deal done, we can work on that one," Coker said.

Even if the state only makes a small amount of the land available to be leased back for farming, Buker said, that would not prevent the company from buying sugar cane and oranges from independent farmers, even from out of state.

One third of the sugar cane the company processes already is grown on someone else's land. For instance, this year 60,000 tons of raw sugar came from Mexico, was brought by barge into the Port of Tampa, and then transported by the company railroad to its Clewiston mill. The same applied to the orange processing plant, which already uses fruit from other growers in the state.

Sugar farming south of Lake Okeechobee has long been considered a major obstacle to the \$10-billion plan for restoring the Everglades. The state plans to use the sugar land to construct a network of marsh treatment areas and reservoirs to clean and store water before sending it south into Everglades National Park.

Environmental activists who had hailed Crist's original announcement in June said they like the scaled-down buyout, too. Given the price reduction, "it's probably an improvement" on the original, said David Guest of Earthjustice.

"In the end, the state will have what it needs to move forward with restoration of the Everglades, while protecting the economic

integrity of the region," said David Anderson, executive director of Audubon of Florida.

Environmental activists said they were happy there was any deal at this point, given the global economic meltdown. The state had originally expected to finance the purchase by borrowing the money from nine different bankers, a list that included Morgan Stanley, Goldman Sachs and Lehman Bros. So when the news broke two months ago about all three taking a nosedive, it put an additional kink into the already complex negotiations.

Still unknown is how much land the state would actually use for restoration. Some 300,000 acres in the Everglades, or about 500 square miles, will remain in use for agriculture by other companies.

Everglades Foundation senior scientist Thomas Van Lent said his researchers calculated the restoration project required only about 130,000 acres. The new deal appeared to have "more than enough land" to handle the critical storage and treatment of water passing through the River of Grass, he said.

Times staff writers John Frank and Steve Bousquet contributed to this report, which contains information from the Associated Press.

Everglades Deal Shrinks to Sale of Land, Not Assets

11/12/2008

New York Times - Miami Bureau, The Cave, Damien

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MIAMI — United States Sugar Corporation has agreed to sell 181,000 acres of farmland to the State of Florida for \$1.34 billion in a slimmed-down deal intended to rescue the Everglades while letting the company stay in business.

The price is \$410 million less than Gov. Charlie Crist offered for the entire company in June. It is also a simpler transaction involving only real estate — U.S. Sugar would retain its mill, citrus processing facilities and other assets — leaving open the possibility of preserving the company's 1,700 jobs.

"This is a unique opportunity," said Robert Coker, a senior vice president with U.S. Sugar. "We're going to go back and re-evaluate our business."

Over the long term, Mr. Coker said, the company would consider producing biofuels and finding other uses for assets like its sugar mill and railways.

In the short term, he said, little would change. Business would continue in Clewiston, the central Florida town where the company has been based since the 1930s. U.S. Sugar, the nation's largest sugar producer, would lease its former land from the state for the next seven crop cycles, paying a total of about \$60 million.

The agreement would grant the South Florida Water Management District, the state's overseer of the purchase, the right to take 10,000 acres in that time for hydrology projects and an additional 30,000 in the seventh year. But most of the company's land could continue to be farmed until the state needs it to reconnect Lake Okeechobee to Everglades National Park and Florida Bay.

Mr. Coker said he expected to see sugar on the land for at least a decade. "If they're not building something on it, they will want someone to caretake it and they will probably want rent," Mr. Coker said. "I hope we'll be the ones doing that."

A continued U.S. Sugar presence would please residents of Clewiston, who rely on the company for work in a county with an unemployment rate of 14 percent. Mayor Mali Chamness said she was "still concerned about the future" and wanted assurances from state officials that U.S. Sugar would not be put out of business after seven years.

Not surprisingly, Everglades advocates called for something else: an end to Big Sugar. David Guest, a lawyer with Earthjustice, said sugar production damaged the Everglades by releasing 100 pounds of phosphorous per year per acre. Taking the land out of production as soon as the deal allows "relieves an immediate stress," Mr. Guest said.

He added that there would be other conflicts to come as well, over how much engineering was required to restore the Everglades, which projects to finance and how to pay for them.

Carol Wehle, executive director of the South Florida Water Management District, said the first challenge would be raising the \$1.34 billion, primarily with bonds, amid a financial crisis. And with a "yes" vote from the district's governing board at its December meeting, the final hurdle to state approval, the planning process will begin.

"We'll take a two-year period to figure out what's best for the Everglades," Ms. Wehle said.

If history is a guide, it could take longer. Delays are common in environmental restoration for many reasons, as Mr. Crist found on Tuesday. He reportedly sees this deal as an emerald of his record, but after gathering reporters at the Miami home of the Everglades' biggest champion, Marjory Stoneman Douglas, Mr. Crist had to cancel his appearance to announce the deal. His plane had mechanical difficulties; his office said he would host a do-over on Wednesday.

Crist Announces Everglades Restoration Deal

11/12/2008

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MIAMI -- A revised plan for a historic Everglades restoration deal will cost the state less and save jobs, Gov. Charlie Crist said Wednesday in his first comments on the new agreement.

Details of the revised deal were released earlier in the week. The state will pay \$1.34 billion for land farmed by U.S. Sugar, the nation's largest producer of cane sugar, less than the original price tag of \$1.75 billion when the plan was announced in June. 'Doing something this big is not easy,' Crist said Wednesday at a press conference at the historic home of Everglades activist Marjory Stoneman Douglas. 'It's hard to envision in the first place, and then it's hard to work through the details.' The lower price is possible because the state will not buy the company's high-tech mill, railroad lines or citrus processing plant. The company will keep them and continue production for now, though it could also later sell those assets. Though the state won't have access to the land right away, it plans to use most of the 181,000 acres it is buying to restore the natural flow of water to the Everglades and to create a system to clean the water being sent there.

Crist said he was pleased with the \$400,000 savings and the fact that U.S. Sugar would continue to operate plants, saving jobs. 'At a time when the economy is going through what it's going through, I'm very proud of that,' Crist said. The deal is expected to be approved next month by the South Florida Water Management District and the board of U.S. Sugar. December will mark 61 years since President Harry Truman dedicated Everglades National Park, a milestone Crist referenced Wednesday. 'I am enormously proud to be able to follow in such great footsteps,' Crist said. Under the terms of the contract, the earliest the state would be able to take possession of any land is December 2009, according to U.S. Sugar vice president Robert Coker. If the state notifies the company next month it would have access to up to 10,000 acres the following year. Crist did not set a number of the total acres that will eventually go to conservation. Some will likely be retained for farming.

Crist had intended to announce the Everglades deal himself a day earlier but mechanical trouble forced his plane to land before he arrived in Miami.

Coker and U.S. Sugar lobbyist Mac Stipanovich said Crist was especially involved in the Everglades deal and a hard bargainer. Stipanovich said the company began seriously talking about a land-only deal with the state about three weeks ago.

Crist Announces Everglades Restoration Deal

11/12/2008
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MIAMI -- Gov. Charlie Crist says Florida water management officials have agreed to new terms for a historic Everglades restoration deal.

During a press conference in Miami on Wednesday morning, Crist said the lower-cost deal, subject to approval by the South Florida Water Management District, includes a land only purchase of more than 180,000 acres at a purchase price of \$1.34 billion. The plan was initially unveiled in June, allowing the state to buy farmland from U.S. Sugar, the nation's largest producer of cane sugar. Its original cost was \$1.75 billion.

Florida Governor Announces Everglades Deal

11/12/2008

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Florida, U.S. Sugar deal may be pared down

11/12/2008
Webindia123

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The state of Florida and U.S. Sugar Corp. have pared down a massive land agreement meant to restore natural water flow to the Everglades, sources said.

The original plan of purchasing \$1.75 billion of south Florida land from U.S. Sugar has been scaled down to a deal worth about \$1.4 billion, sources close to the deal said, the South Florida Sun-Sentinel reported Tuesday.

The original 187,000-acre agreement included all of the company's south Florida assets. The new deal would allow the company to remain in business in the state, the report said.

An afternoon news conference was schedule for Tuesday at the former home of the late Everglades advocate Marjory Stoneman Douglas, the newspaper reported.

Even the smaller deal was dubbed momentous, by Eric Draper, deputy director of Audubon Florida.

The problem that we have wrestled with is how to get the water from Lake Okeechobee and clean it up and get it to the Everglades. There has never been a way to do that without getting some more land, Draper said.

Everglades Deal Shrinks to Sale of Land, Not Assets

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MIAMI United States Sugar Corporation has agreed to sell 181,000 acres of farmland to the State of Florida for \$1.34 billion in a slimmed-down deal intended to rescue the Everglades while letting the company stay in business.

The price is \$410 million less than Gov. Charlie Crist offered for the entire company in June. It is also a simpler transaction involving only real estate. U.S. Sugar would retain its mill, citrus processing facilities and other assets leaving open the possibility of preserving the company's 1,700 jobs. This is a unique opportunity, said Robert Coker, a senior vice president with U.S. Sugar. We're going to go back and re-evaluate our business. Over the long term, Mr. Coker said, the company would consider producing biofuels and finding other uses for assets like its sugar mill and railways.

In the short term, he said, little would change. Business would continue in Clewiston, the central Florida town where the company has been based since the 1930s. U.S. Sugar, the nation's largest sugar producer, would lease its former land from the state for the next seven crop cycles, paying a total of about \$60 million.

The agreement would grant the South Florida Water Management District, the state's overseer of the purchase, the right to take 10,000 acres in that time for hydrology projects and an additional 30,000 in the seventh year. But most of the company's land could continue to be farmed until the state needs it to reconnect Lake Okeechobee to Everglades National Park and Florida Bay.

Mr. Coker said he expected to see sugar on the land for at least a decade. If they're not building something on it, they will want someone to caretake it and they will probably want rent, Mr. Coker said. I hope we'll be the ones doing that. A continued U.S. Sugar presence would please residents of Clewiston, who rely on the company for work in a county with an unemployment rate of 14 percent. Mayor Mali Chamness said she was still concerned about the future and wanted assurances from state officials that U.S. Sugar would not be put out of business after seven years.

Not surprisingly, Everglades advocates called for something else: an end to Big Sugar. David Guest, a lawyer with Earthjustice, said sugar production damaged the Everglades by releasing 100 pounds of phosphorous per year per acre. Taking the land out of production as soon as the deal allows relieves an immediate stress, Mr. Guest said. He added that there would be other conflicts to come as well, over how much engineering was required to restore the Everglades, which projects to finance and how to pay for them.

Carol Wehle, executive director of the South Florida Water Management District, said the first challenge would be raising the \$1.34 billion, primarily with bonds, amid a financial crisis. And with a yes vote from the district's governing board at its December meeting, the final hurdle to state approval, the planning process will begin. We'll take a two-year period to figure out what's best for the Everglades, Ms. Wehle said. If history is a guide, it could take longer. Delays are common in environmental restoration for many reasons, as Mr. Crist found on Tuesday. He reportedly sees this deal as an emerald of his record, but after gathering reporters at the Miami home of the Everglades biggest champion, Marjory Stoneman Douglas, Mr. Crist had to cancel his appearance to

announce the deal. His plane had mechanical difficulties; his office said he would host a do-over on Wednesday.

'GLADES DEAL PROTECTS JOBS, PROVIDES OPTIONS

11/12/2008

Sun Sentinel, Fort Lauderdale, FL

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The scaled-down deal to buy sugar cane land for Everglades restoration would cost taxpayers \$1.34 billion for 181,000 acres, while allowing U.S. Sugar Corp. to keep farming and potentially move into bio-fuel production, according to new details released Tuesday.

Unlike the \$1.75 billion state buyout Gov. Charlie Crist proposed in June, the new deal allows U.S. Sugar to keep its sugar mill, citrus plant and other assets it needs to stay in business.

The new deal also allows U.S. Sugar to lease back its land for \$50 per acre per year for seven years to continue producing sugar cane to supply the mill. After seven years, the options for the state's largest sugar producer include: selling its assets, striking a new lease deal, operating the mill to refine raw sugar produced elsewhere, and moving into bio-fuel production.

"We will continue to run our business for the next seven years or longer if the [state] wants us to," Senior Vice President Robert Coker said. "It's a unique opportunity."

The \$50-an-acre lease certainly is unique to normal prices in the Everglades Agricultural Area, said Barbara Miedema, vice president of the Sugar Cane Growers Cooperative of Florida. Miedema said \$200 an acre would be more typical.

"\$50?" Miedema said when she saw the proposed per-acre lease price. "We would take that in a heartbeat."

Supporters hail the new deal as a way to protect 1,700 U.S. Sugar jobs in the Glades while still providing land to reconnect Lake Okeechobee to the Everglades.

Leasing property back to U.S. Sugar generates revenue from the land where construction could be phased in over 20 years to create the reservoirs and water treatment areas envisioned to store, clean and redirect water to the remaining Everglades.

"It's the right thing to do to focus on getting the land," said Eric Draper, deputy director of Audubon of Florida.

The South Florida Water Management District, charged with paying for the deal, and U.S. Sugar's board of directors still must approve the final contract.

The district late Tuesday released copies of reports from two independent appraisers that valued the U.S. Sugar land at \$1.3 billion and \$1.37 billion.

The district plans to borrow most of the money for the land buy, with property taxes raised in the 16-county district from Orlando to the Keys paying off the debt over 30 years. When announced in June, the proposed U.S. Sugar buyout was considered a boon to the environment, but potentially devastating to the economy in the Glades communities.

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GLITCH GROUNDS GOVERNOR'S PLANE

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Sun Sentinel, Fort Lauderdale, FL

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En route to Miami on Tuesday, Gov. Charlie Crist's plane was forced to make an emergency landing in Sarasota after pilots experienced mechanical difficulties.

It took the detour in an "abundance of caution," the Governor's Office said. No one was hurt.

The twin-engine Cessna jet was sent to the shop last week after a generator failure, but the cause of Tuesday's problem hasn't been determined.

Crist was flying from Bushnell to Miami to announce a scaled-down deal to buy U.S. Sugar's 187,000 acres in Florida. The news conference was postponed until today.

Josh Hafenbrack

Scaled-down sugar deal

It would allow U.S. Sugar Corp. to keep farming and possibly move into bio-fuel production. Page 9

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Florida revises U.S. Sugar deal to restore vanishing Everglades

11/12/2008

Star-Ledger

GRESKO, JESSICA

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The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farmland to restore the Everglades, the company said in statements yesterday.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby.

"The financial and real estate world has changed since the transaction was announced on June 24," leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farmland into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades.

Now, "In a turbulent credit market, it simplifies the deal," said Kirk Fordham, CEO of the nonprofit Everglades Foundation.

David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard.

"It's cheaper and what you really wanted in the first place," said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

The state takes over approximately 181,000 acres as opposed to 187,000.

U.S. Sugar is allowed to lease back the land at \$50 per acre per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and author of the influential 1947 book "The Everglades: River of Grass."

But Crist's plane had mechanical trouble and was forced to make an emergency landing yesterday. Officials said the governor would make his remarks at the home this morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as next month, according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay farmland, according to the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

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Gov. Crist Florida can afford new \$1.3 billion U.S. Sugar deal

11/12/2008

South Florida Sun-Sentinel - Online

Andy Reid

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Despite a tight state budget and worsening national financial crisis, Gov. Charlie Crist said today that Florida can afford a \$1.34 billion land buy to help save the Everglades.

Crist formally announced a new scaled-down deal for the state to buy 181,000 acres from U.S. Sugar Corp. that will be used to restore flows of water from Lake Okeechobee to the Everglades.

Unlike a \$1.75 billion deal Crist proposed in June, the new plan allows U.S. Sugar to keep its sugar mill, citrus plant and other assets it needs to stay in business.

The South Florida Water Management District plans to borrow most of the money for the deal, with taxpayers in the 16-county region from Orlando to the Keys paying off the debt. In addition to acquiring land for restoration, the new deal protects U.S. Sugar's 1,700 jobs, Crist said. 'It's preserving Florida. Floridians understand that investing in our state is critical,' he said. The final contract must still be approved by the district's board, which is appointed by the governor. The vote is expected in early December.

The sticking point to the deal could be conditions that limit the state to using 10,000 acres during the first six years.

Environmental groups want a commitment to start storing and cleaning water on more of the land sooner. 'The Everglades is in trouble right now,' said Eric Draper, deputy director of Audubon of Florida.

U.S. Sugar would get to lease back its land for \$50 per acre, per year for seven years.

After seven years, U.S. Sugar could try to extend its lease and the

company is also exploring whether to start ethanol production.

NATIONAL BRIEFING / FLORIDA

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Los Angeles Times

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Wire

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Everglades Deal Shrinks to Sale of Land, Not Assets

11/12/2008

Sarasota Herald-Tribune - Online

DAMIEN CAVE

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Mr. Coker said he expected to see sugar on the land for at least a decade. If they're not building something on it, they will want someone to caretake it and they will probably want rent, Mr. Coker said. I hope we'll be the ones doing that. A continued U.S. Sugar presence would please residents of Clewiston, who rely on the company for work in a county with an unemployment rate of 14 percent. Mayor Mali Chamness said she was still concerned about the future and wanted assurances from state officials that U.S. Sugar would not be put out of business after seven years.

Not surprisingly, Everglades advocates called for something else: an end to Big Sugar. David Guest, a lawyer with Earthjustice, said sugar production damaged the Everglades by releasing 100 pounds of phosphorous per year per acre. Taking the land out of production as soon as the deal allows relieves an immediate stress, Mr. Guest said. He added that there would be other conflicts to come as well, over how much engineering was required to restore the Everglades, which projects to finance and how to pay for them.

Carol Wehle, executive director of the South Florida Water Management District, said the first challenge would be raising the \$1.34 billion, primarily with bonds, amid a financial crisis. And with a yes vote from the districts governing board at its December meeting, the final hurdle to state approval, the planning process will begin. We'll take a two-year period to figure out what's best for the Everglades, Ms. Wehle said. If history is a guide, it could take longer. Delays are common in environmental restoration for many reasons, as Mr. Crist found on Tuesday. He reportedly sees this deal as an emerald of his record, but after gathering reporters at the Miami home of the Everglades biggest champion, Marjory Stoneman Douglas, Mr. Crist had to cancel his appearance to announce the deal. His plane had mechanical difficulties; his office said he would host a do-over on Wednesday.

U.S. Sugar buyout cheaper but not better, water managers fear

11/12/2008

Palm Beach Post - Online

PAUL QUINLAN and JOHN LANTIGUA

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Newly released appraisals provoked sharp questions Wednesday about the state's proposed \$1.34 billion land deal with U.S. Sugar Corp.

Some of the harshest skepticism came from South Florida water managers - almost all of them appointed by the deal's biggest cheerleader, Gov. Charlie Crist.

Under a revised deal announced this week, the state would buy only the company's farmlands, about 181,000 acres, to use for Everglades restoration.

But critics pointed to the appraised value of what the state has opted not to buy: U.S. Sugar's mill, refinery, railroad and other assets, which water managers estimated are worth as much as \$623 million. The state's latest offer cuts only \$400 million off the initial \$1.75 billion price tag for buying the entire company, assets and all.

The difference, slated to go from taxpayers' pockets to U.S. Sugar's coffers, is more than \$200 million. 'Sounds like you're going to pay a premium for the land,' Hendry County Commissioner Kevin McCarthy told the South Florida Water Management District's board Wednesday. 'I'm not sure we have a better deal than we had before. It's a cheaper deal. But I'm not sure it's a better deal.' The gap also caught the eye of district board member Michael Collins, who has been especially vocal about his concerns over the deal's massive cost. 'My initial read is that we're actually going to pay more for the land because it winds up not being tied to the original assets,' said Collins, an Islamorada fishing guide and the board's only remaining Jeb Bush appointee. 'The fiduciary responsibility, in particular, rests here,' he said. 'I have a whole bunch of questions.' The objections come less than three weeks before a planned Dec. 2 board vote on a contract with the Clewiston-based sugar company. They appeared to foreshadow a tougher and longer-than-expected fight over the price and details of the new, land-only deal that Crist and U.S. Sugar executives brokered, which some involved had characterized as all but final.

As Collins picked apart the appraisals, fellow board member Melissa Meeker suggested it lacked protections for the Glades-area economy - even though Crist earlier in the day said the deal's new hallmark is 'jobs, jobs and jobs.' 'I'm not sure it gives any of our communities any assurances that they're going to have long-term economic viability,' said Meeker, an environmental consultant from Stuart.

Several on the board fumed over what they viewed as a rush to approve. They demanded that the contract vote be pushed back to mid-December or January, if necessary, to comb over details of a sale that some critics have derided as a bailout for one of the world's largest sugar producers. 'I do not know how to judge the price of a locomotive, and I don't think many of us do,' said board member Charles Dauray, from Lee County. 'We do have gaps in our knowledge chain, if you will. We'd like to get those tightened up.' District employees said one reason for the roughly \$200 million price discrepancy is that some of the U.S. Sugar lands, when valued on their own, could be put to more lucrative uses than sugar farming, such as development.

For example, one appraisal released this week valued prime portions of the U.S. Sugar property near highways or along the warmer, east side of Lake Okeechobee - about 28,000 acres altogether - at more than twice that of the majority of the farmland: \$9,909 versus \$4,500 per acre. 'When it's tied to the mill, it was strictly reserved for sugar cane supporting the mill,' said Ray Palmer, the district's chief appraiser. 'When broken away, it's not required to do that.' He added that possible development or ethanol-production uses would, in theory, raise the land's value. Also padding the price: Palm Beach County commissioners last spring granted partial approval for some of the land to be mined for rock. That raised the value of the land to anywhere from \$20,000 to \$27,500 an acre, according to competing appraisals the district commissioned. Water managers did not object to the mining at that time, even though environmental groups urged them to.

The appraisals settled on a value of \$1.3 billion to \$1.37 billion for about 182,500 acres, primarily in Palm Beach and Hendry counties. That's slightly more land than the roughly 181,000 acres that state and U.S. Sugar officials said the revised deal encompasses.

Both appraisals value the property as it existed on Aug. 15 - about a month before the nation's economic nosedive accelerated - and assume that decades of farming, equipment operation and chemical use have left no contamination.

Earlier Wednesday, in a news conference at the Miami home of the late Everglades activist Marjory Stoneman Douglas, Crist said the land-only deal would help ensure that the company keeps its 1,700 employees on the payroll by allowing it to remain in business for seven years, if not longer. 'It's all about jobs, jobs and jobs,' he said. 'That is so important in these hard economic times. This gives us the opportunity to save jobs while we are saving the Everglades.' At the same event, U.S. Sugar CEO Robert Buker was asked whether the new deal would make it easier for him and other executives to walk down the streets of Clewiston, where residents had been worried and angered by the original deal. 'You bet,' Buker said. 'There are no gated communities in Clewiston, and this will take a lot of the anxiety out of it for people.' We'd like your thoughts on this story. I appreciate your willingness to share them. At PalmBeachPost.com, we want to avoid comments that are obscene, hateful, racist or otherwise inappropriate. If you post offensive comments, we will delete them as soon as we can. If you see such comments, please . John Bartosek, Editor, The Palm Beach Post. Nov 12, 2008 7:33 PM | First, the Executives at US Sugar don't ever walk the streets of Clewiston..are you kidding me? They don't have the nerve. None of them live in Clewiston anyway. They live in Wellington, Miramar and other places. They are afraid to show their faces on the streets of Clewiston. Second, how can their lobbyist say that this guarantees jobs way past the 7 years of farming they are going to be allowed to do? If no one buys the sugar mill, refinery and juice plant, where would the jobs come from? The sugar mill needs at least 120k acres of cane to keep it running. The land is simply not there. Private farmers are getting out of sugar cane production because they are losing money. The money is in the refining and the farmers don't share in that profit, only US Sugar. Nov 12, 2008 3:06 PM | We dont need the DIRT, but the Water to flow.

First of all, how is the water going to have a contiguous flow in the South? There was supposed to be some property that Fajul-Florida Crystal needed to relinquish. Second, 'lease back for over 7 years?' Are they giving Florida a rate of return of 10%? So over \$100 MILLION a year is going into the state's coffers from US Sugar's lease back?

Third, we have ethanol in the mix, and how will that stop the fertilization 10 parts per billion federal requirement? The corporations with Crist's (and Mac Stipanovich's blessing) are using the Lake Okkechobee and tributaries as a garbage sewer dump.

Way to go Charlie. And should all lawsuits, like Dexter's Indians end because Audubon et al groups want a love fest? You legally didnt fix the federal lawsuit and state lawsuit problem. EPA water contamination...And that Tom White state DEP lab tech lawsuit. For over 2 years, he's been sued and silenced for over a year because you allowed massive phosphorous dumping into Lake O. Nov 11, 2008 12:21 PM | I do not understand why in times of economic depression the state is buying more land for preservation. Currently there are more than 10 state parks being closed.

Agriculture can use this land in accordance with the existing regulations and do no further damage to the Everglades.

People who were once on the board of directors at SFWMD are also on the board of US Sugar. I see that as a conflict of interests and question into who's pockets this money will be placed.

As a person in agriculture, I wonder if our country will be able to withstand the removal of farming from our country. It's only sugar. No, that land also was used to produce field corn for the dairy industry. It is productive land that requires little fertilizer to produce corn and lettuce.

Well, they bought out the farms around Lake Apopka over 10 years ago and they produced vegetables. Over 600 people had to relocate, retrain, and collect government assistance after the deed was all done. How does this help our economy?

Do you know who produces your food? It is farmers and they used to be 95% of the population. Now we are down to less than 2% and buying in contaminated food from foreign countries. First NAFTA, then the water districts, and now Charlie Crist. Hope you have room for a garden. If you do you will have to water it at night and on the weekends because the water nazis will fine you. Nov 11, 2008 10:12 AM | The Everglades Restoration project will save \$\$Billions\$\$ doing this deal... We also need to expedite the \$1 Billion refurbishing of the Lake O Herber Hoover Levee - and collect our surplus back from the Feds over 20 years!!

As time passed - and the economy slipped - the state simply figured out they could pay less. No one ever thought the US Sugar fixed assets would be worth anything after they used them for six more years....

You don't think someone had expert appraisal guidance long ago??

As for the Fanjuls land, they should easily accept 3 of their crummy scrub acres for every 1 of the better located US Sugar parcels. EMINENT DOMAIN can keep that process clean!!

This is a win, win, win deal -- too bad we have seen no leadership, managers or winners in the SFWMD to execute it smartly. Nov 11, 2008 10:03 AM | Processing plant alone is easily worth 300 million, I'm sure of that Nov 11, 2008 9:04 AM | How many jobs will it save or create? Nov 11, 2008 8:47 AM | Very intriguing that it took 'negotiators' 6 months to realize that the assets of a megafarm (railroad, mill) are largely devalued without the land to feed it. Did anyone go to business school? \$8,000 an acre for muckfarm with no development potential is a bit rich, to say the least. Nov 11, 2008 8:00 AM | Yes, even in this economy the land is worth far more than \$9K per acre, even as farm land. Also, with the mill and other assets of Uncle Sugar still in operation, the individual farmers will still have a local processor for their crops. Seems to be a win-win. Nov 11, 2008 6:09 AM | DEBT is BAD!!!

If there is only one thing to be learned from this current economic crisis, it is that debt is bad. It is bad for individuals and it is bad for government. The entire Wall Street and banking industry string of bankruptcy was caused by too much debt.

This should be a voter/taxpayer issue. The SFWMD board of Governors should not have the authority to sell bonds for this purchase without a referendum by its constituents. This proposed purchase is insane. There is already talk of eliminating the annual \$300 million for Florida Forever. There are hundreds of other properties already on the 'waiting list' for purchase for conservation/preservation that should take priority over this sugar land.

An additional billion dollar taxpayer debt is unacceptable at this time. The billion is also only the beginning. It is the down-payment. Once purchased, additional billions (with a 'B') are going to be needed to manage and develop the land. Where are those billions going to come from? This is a BAD idea and it could not come at a worse time. Nov 10, 2008 7:30 PM | Someone please tell me if the land the government intends on buying from the sugar company was government subsidized to begin with. If so, wouldn't that mean we are paying them for land that was more or less given to them by the tax payers to begin with?

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Crist Revised sugar deal saves jobs, Everglades

11/12/2008

Palm Beach Post - Online

BY JOHN LANTIGUA

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MIAMI The attempt to save the Everglades by buying U.S. Sugar land is still in the works.

And it will, at least for now, cost less money and almost certainly save more jobs in the Glades communities.

Florida Gov. Charlie Crist formally announced Wednesday morning a new version of the purchase of 180,000 plus acres of U.S. Sugar property.

The original deal, announced in the summer, would have cost taxpayers \$1.75 billion.

The new deal will cost \$1.34 billion; will leave U.S. Sugar with its physical assets, most importantly sugar mills and its citrus processing plant; and will keep some 1,700 people working for at least seven years and possibly more. 'It's all about jobs, jobs and jobs,' said Crist. 'That is so important in these hard economic times. This gives us the opportunity to save jobs while we are saving the Everglades.' Crist made the announcement at the home of the late Marjory Stoneman Douglas, the conservationist who made preserving the Everglades her life's work. She died in 1998 at age 108 and her home is now a historic site. 'We're on the path to purity today,' Crist said about cleansing the Everglades of pollution and returning natural water flow to 'The River of Grass,' which is what Stoneman Douglas called the Everglades.

With Crist at the announcement was Robert Buker, CEO of U.S. Sugar, and he was also optimistic about preserving jobs in the Glades communities. The original announcement had caused anxiety in Clewiston, where U.S. Sugar is based, and also in the Glades communities of western Palm Beach County where U.S. Sugar is a major employer. 'Our citrus division, which employs 400 people, should be able to stay in business without much change,' Buker said. As for the company's sugar holdings Buker said that this year the company had refined some 60,000 tons of raw sugar from Mexico and even as its own sugar planting would decrease as the government took its lands for Everglades restoration, more raw sugar could be brought in from outside the state and the country and be refined.

Buker also said that the production of biofuels, in particular ethanol, was also in the firm's future at its sites in the Glades. 'I think there is a good chance that jobs will be preserved,' Buker said. Asked whether the announcement of the new would make it easier for him and other U.S. Sugar executives to walk down the streets of Clewiston, where residents had been worried and angered by the original deal, Buker smiled. 'You bet,' he said. 'There are no gated communities in Clewiston and this will take a lot of the anxiety out of it for people.' We'd like your thoughts on this story. I appreciate your willingness to share them. At PalmBeachPost.com, we want to avoid comments that are obscene, hateful, racist or otherwise inappropriate. If you post offensive comments, we will delete them as soon as we can. If you see such comments, please . John Bartosek, Editor, The Palm Beach Post. Nov 11, 2008 12:21 PM | I do not understand why in times of economic depression the state is buying more land for preservation. Currently there are more than 10 state parks being closed.

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Have you not listened and paid attention to what is happening in this country? The very LAST thing that government needs to be doing now is burdening taxpayers with another billion dollar debt. This has to be the most stupid idea EVER! But especially now in the middle of the national (and state) economic meltdown.

Please FORGET about ridiculous purchase for now. Jobs, schools, safety and vital services are far more important for the foreseeable future! Thanks.

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Everglades deal could be downsized

11/12/2008

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Gov. Charlie Crist is expected to announce Nov. 11 that he has struck a modified deal with U.S. Sugar Corp. to purchase its land for restoration of the Everglades.

The governor scheduled a press conference for the afternoon Nov. 11 at the home of the late environmentalist Marjory Stoneman Douglas, where he is expected to announce that the \$1.75 billion deal with U.S. Sugar Corp. will not include the company's mill, citrus processing plant and rail lines.

In June, Crist said the state would purchase 187,000 acres and all of U.S. Sugar's assets for \$1.75 billion. U.S. Sugar said it would wind down its operations during the next six years. However, the South Florida Sun-Sentinel reported Nov. 11 that the new deal would reduce the cost to about \$1.4 billion. The Sun-Sentinel reported that U.S. Sugar and the governor's office declined to comment Nov. 10 on the terms of the deal.

In June, Crist called the deal a watershed event and 'a strategy to save America's Everglades' that will 'renew the natural flow of America's River of Grass.'

Last month, the South Florida Water Management District passed a resolution authorizing financing for capital projects, programs and works, including parts of the proposed land buyout.

At that time, district officials raised cautions that tightening credit markets and falling property tax revenue for the district could complicate the land purchase.

Revised U.S. Sugar deal could be sweet for Florida Crystals

11/12/2008

Pacific Business News

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South Florida Business Journal - by Paul Brinkmann

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Mechanical problems with his plane forced Gov. Charlie Crist to scrap plans to come to South Florida on Tuesday, where he was to announce a scaled-down version of the states deal with U.S. Sugar Corp.

However, the revised deal was outlined in a press release issued by U.S. Sugar. It indicates that the state will now purchase 181,000 acres from U.S. Sugar, instead of the original 187,000 acres, for \$1.34 billion. The original price tag was \$1.75 billion. The new deal includes a leaseback of land for \$50 an acre until 2016.

U.S. Sugar will not be selling its mill, refinery, citrus processing facilities, railroads, office building and equipment to the state, according to the press release.

After months of negotiations, it became clear that the best transaction was for the state to buy the land and for U.S. Sugar to keep the assets, said Robert Coker, U.S. Sugars senior vice president of public affairs. 'This is a good deal for the state, U.S. Sugar and our shareholders.'

The new deal will allow the South Florida Water Management District to purchase all of the land needed to move forward with the restoration of the Everglades, Coker noted. And it can be done at a cost less than originally anticipated. In addition, he said, the company 'will be able to continue farming to ensure that jobs are safeguarded for the next seven years.'

The deal was revised because 'the financial and real estate world has changed' since it was announced in June, according to a fact sheet issued by U.S. Sugar.

'It made more sense financially for both parties to carefully consider terms that would be fair to both sides for the state to purchase land for environmental restoration and for U.S. Sugar to keep its industrial assets,' it stated.

The buyout plan has been evolving during negotiations among the governors office, U.S. Sugar, the water management district and the Everglades Coalition of environmental groups.

Everglades Foundation CEO Kirk Fordham applauded the downsizing of the buyout expenses.

I think its the same great deal for the people of Florida at a lower cost,' he said. 'The goal was not to own the facilities, but to get the land so you can store and move the water to the Everglades.'

Matt Schwartz, of the Sierra Club's Broward County group, said he was surprised the state hasnt tried to include Palm Beach County in the negotiations. The county has recently been moving ahead with land use permissions for rock mining in the sugar-growing areas.

One of the biggest issues in the buyout plan is what will become of U.S. Sugars new processing mill in Clewiston, which is in the proposed buyout area.

Gaston Cantens, Florida Crystals vice president for corporate relations, said his company might be interested in purchasing the mill.

Were certainly open-minded about this, he said. The caveat we've always had is how much land will you have to grow sugar cane to put into the Clewiston mill? If you have no sugar cane, what will you do with the mill?

In an interview Tuesday afternoon, Cantens said Florida Crystals could be interested in owning the mill if there was sugar production around it.

Would we be interested in the mill? Absolutely, he said. But, it would depend on how much land and sugar is available. Our mill in Okeelanta is state of the art. It's not brand new, but it has been updated and upgraded, and it's basically computerized. We have no interest in scrapping Okeelanta, where we have a processing plant, distribution center and power plant.

Florida Crystals and U.S. Sugar share the cane fields of Central Florida almost equally. Any plan to buy out U.S. Sugar to create a flow-way for Everglades waterways would have a big impact on Florida Crystals, and could require its cooperation.

Sugar grower Ardis Hammock of Clewiston, who came to hear the governor speak, was disappointed Crist didn't show and even more disappointed he hasn't visited Clewiston since announcing the sugar buyout plan. She said she might sell out her land for the right money, but she is not happy about the government buyout in general.

'I feel very much in limbo,' Hammock said. 'A mill can't stay viable for long without land to support it.'

Crist, whose plane was forced to make an emergency landing in Sarasota, has rescheduled the press conference for Wednesday morning.

Boiled-down sugar deal may be a win-win

11/12/2008
Orlando Sentinel
Reid, Andy

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A scaled-down deal to buy sugar-cane land for Everglades restoration would cost taxpayers \$1.34 billion for 181,000 acres while allowing U.S. Sugar Corp. to keep farming and potentially move into biofuel production, according to new details released Tuesday.

Unlike the \$1.75 billion state buyout Gov. Charlie Crist proposed in June, the new deal allows U.S. Sugar to keep its sugar mill, citrus plant and other assets it needs to stay in business.

The new deal also allows U.S. Sugar to lease back its land for \$50 per acre per year for seven years to continue producing sugar cane to supply the mill.

After seven years, the options for the state's largest sugar producer include: selling its assets, striking a new lease deal, operating the mill to refine raw sugar produced elsewhere and moving into biofuel production.

"We will continue to run our business for the next seven years or longer if the [state] wants us to," Senior Vice President Robert Coker said. "It's a unique opportunity."

The \$50-an-acre lease certainly is unique for prices in the Everglades Agricultural Area, said Barbara Miedema, vice president of the Sugar Cane Growers Cooperative of Florida. Miedema said \$200 an acre would be more typical.

"Fifty?" Miedema said when she saw the proposed per-acre lease price. "We would take that in a heartbeat."

Supporters hail the new deal as a way to protect 1,700 U.S. Sugar jobs in the Everglades while still providing land to reconnect Lake Okeechobee to the River of Grass.

Leasing property back to U.S. Sugar generates revenue from the land where construction could be phased in over 20 years to create the reservoirs and water-treatment areas envisioned to store, clean and redirect water to the remaining Everglades.

"It's a great step forward," said Eric Draper, deputy director of Audubon of Florida. "It's the right thing to do to focus on getting the land."

The South Florida Water Management District, charged with paying for the deal, and U.S. Sugar's board of directors still must approve the final contract.

Those votes are expected early next month.

The district late Tuesday released copies of reports from two independent appraisers that valued the U.S. Sugar land at \$1.3 billion and \$1.37 billion.

The district plans to borrow most of the money for the land buy, with property taxes raised in the 16-county district from Orlando to the Keys paying off the debt during 30 years.

Ardis Hammock, whose family's Glades County farm sells sugar cane to U.S. Sugar, said a seven-year lease doesn't provide enough security for growers worried about how the deal affects the future of agriculture.

"It still leaves us in limbo," Hammock said.

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Instant Editorial Crist has another day to make his case

11/12/2008

News-Press

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Florida Gov. Charlie Crist has another day to make his case for why the purchase of U.S. Sugar is a good thing in these tough economic times.

A plane malfunction caused him to postpone his press conference from today to tomorrow. He was to talk about a modified agreement with the company, and the South Florida Water Management District plans a vote on Thursday.

We need clean waterways and clean beaches, but with the state facing a \$1 billion shortfall and thousands of jobs to be lost by the closure of U.S. Sugar, our state leaders need to be thinking about priorities, including residents' security and quality of life. Taxpayers need to understand the costs beyond the \$1.75 billion price tag, and this agreement - a surprise when it was first announced a few months ago - requires greater transparency so that we know what we're getting into. - David Plazas is the community conversation editor of The News-Press. Instant editorials reflect individual editorial board members' viewpoints and not necessarily those of the board. Please comment in the box below.

Everglades Deal Shrinks to Sale of Land, Not Assets

11/12/2008

New York Times - Online

DAMIEN CAVE

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MIAMI - United States Sugar Corporation has agreed to sell 181,000 acres of farmland to the State of Florida for \$1.34 billion in a slimmed-down deal intended to rescue the Everglades while letting the company stay in business.

The price is \$410 million less than Gov. Charlie Crist offered for the entire company in June. It is also a simpler transaction involving only real estate - U.S. Sugar would retain its mill, citrus processing facilities and other assets - leaving open the possibility of preserving the company's 1,700 jobs. This is a unique opportunity, said Robert Coker, a senior vice president with U.S. Sugar. We're going to go back and re-evaluate our business. Over the long term, Mr. Coker said, the company would consider producing biofuels and finding other uses for assets like its sugar mill and railways.

In the short term, he said, little would change. Business would continue in Clewiston, the central Florida town where the company has been based since the 1930s. U.S. Sugar, the nation's largest sugar producer, would lease its former land from the state for the next seven crop cycles, paying a total of about \$60 million.

The agreement would grant the South Florida Water Management District, the state's overseer of the purchase, the right to take 10,000 acres in that time for hydrology projects and an additional 30,000 in the seventh year. But most of the company's land could continue to be farmed until the state needs it to reconnect Lake Okeechobee to Everglades National Park and Florida Bay.

Mr. Coker said he expected to see sugar on the land for at least a decade. If they're not building something on it, they will want someone to caretake it and they will probably want rent, Mr. Coker said. I hope we'll be the ones doing that. A continued U.S. Sugar presence would please residents of Clewiston, who rely on the company for work in a county with an unemployment rate of 14 percent. Mayor Mali Chamness said she was still concerned about the future and wanted assurances from state officials that U.S. Sugar would not be put out of business after seven years.

Not surprisingly, Everglades advocates called for something else: an end to Big Sugar. David Guest, a lawyer with Earthjustice, said sugar production damaged the Everglades by releasing 100 pounds of phosphorous per year per acre. Taking the land out of production as soon as the deal allows relieves an immediate stress, Mr. Guest said. He added that there would be other conflicts to come as well, over how much engineering was required to restore the Everglades, which projects to finance and how to pay for them.

Carol Wehle, executive director of the South Florida Water Management District, said the first challenge would be raising the \$1.34 billion, primarily with bonds, amid a financial crisis. And with a yes vote from the district's governing board at its December meeting, the final hurdle to state approval, the planning process will begin. We'll take a two-year period to figure out what's best for the Everglades, Ms. Wehle said. If history is a guide, it could take longer. Delays are common in environmental restoration for many reasons, as Mr. Crist found on Tuesday. He reportedly sees this deal as an emerald of his record, but after gathering reporters at the Miami home of the Everglades biggest champion, Marjory Stoneman Douglas, Mr. Crist had to cancel his appearance to

announce the deal. His plane had mechanical difficulties; his office said he would host a do-over on Wednesday.

Florida scales down plan to clear out sugar cane to help restore Everglades

11/12/2008

National Post

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Florida has scaled back its planned US\$1.7-billion buyout of U. S. Sugar Corp. in a deal aimed at putting the company's coveted land holdings to use in cleansing and restoring the state's endangered Everglades wildlife habitat. Under terms of a revised deal that Governor Charlie Crist was expected to announce yesterday afternoon, the state government will say it is proceeding with the purchase of U. S. Sugar Corp.'s sprawling cane fields in southern Florida for Everglades restoration efforts. But a source familiar with the revised deal said the original price had been cut by about US\$400-million and U. S. Sugar Corp will retain ownership of about 2,000 hectares originally included as part of the purchase. It was not immediately clear why the deal, unveiled in June, was changed.

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11/12/2008

National Post - Online

Reuters

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Everglades Deal Shrinks to Sale of Land, Not Assets

11/12/2008

Ledger - Online, The

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MIAMI United States Sugar Corporation has agreed to sell 181,000 acres of farmland to the State of Florida for \$1.34 billion in a slimmed-down deal intended to rescue the Everglades while letting the company stay in business.

Barbara P. Fernandez for The New York Times

U.S. Sugar in Clewiston, Fla., will keep its mill and other assets.

The price is \$410 million less than Gov. Charlie Crist offered for the entire company in June. It is also a simpler transaction involving only real estate. U.S. Sugar would retain its mill, citrus processing facilities and other assets leaving open the possibility of preserving the company's 1,700 jobs.

This is a unique opportunity, said Robert Coker, a senior vice president with U.S. Sugar. We're going to go back and re-evaluate our business.

Over the long term, Mr. Coker said, the company would consider producing biofuels and finding other uses for assets like its sugar mill and railways.

In the short term, he said, little would change. Business would continue in Clewiston, the central Florida town where the company has been based since the 1930s. U.S. Sugar, the nation's largest sugar producer, would lease its former land from the state for the next seven crop cycles, paying a total of about \$60 million.

The agreement would grant the South Florida Water Management District, the state's overseer of the purchase, the right to take 10,000 acres in that time for hydrology projects and an additional 30,000 in the seventh year. But most of the company's land could continue to be farmed until the state needs it to reconnect Lake Okechobee to Everglades National Park and Florida Bay.

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Breaking Crist Touts Revised Deal With U.S. Sugar

11/12/2008

Ledger - Online, The
JESSICA GRESKO

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t 2:10 p.m.

MIAMI | A revised plan for a historic Everglades restoration deal will cost the state less and save jobs, Gov. Charlie Crist said Wednesday in his first comments on the new agreement.

Related Links:

Details of the revised deal were released earlier in the week. The state will pay \$1.34 billion for land farmed by U.S. Sugar, the nation's largest producer of cane sugar, less than the original price tag of \$1.75 billion when the plan was announced in June.

Doing something this big is not easy, Crist said Wednesday at a press conference at the historic home of Everglades activist Marjorie Stoneman Douglas. It's hard to envision in the first place, and then it's hard to work through the details.

The lower price is possible because the state will not buy the company's high-tech mill, railroad lines or citrus processing plant. The company will keep them and continue production for now, though it could also later sell those assets.

Though the state won't have access to the land right away, it plans to use most of the 181,000 acres it is buying to restore the natural flow of water to the Everglades and to create a system to clean the water being sent there.

Crist said he was pleased with the \$400 million savings and the fact that U.S. Sugar would continue to operate plants, saving jobs.

At a time when the economy is going through what it's going through, I'm very proud of that, Crist said.

The deal is expected to be approved next month by the South Florida Water Management District and the board of U.S. Sugar. December will mark 61 years since President Harry Truman dedicated Everglades National Park, a milestone Crist referenced Wednesday.

I am enormously proud to be able to follow in such great footsteps, Crist said.

Under the terms of the contract, the earliest the state would be able to take possession of any land is December 2009, according to U.S. Sugar vice president Robert Coker.

If the state notifies the company next month it would have access to up to 10,000 acres the following year. Crist did not set a number of the total acres that will eventually go to conservation. Some will likely be retained for farming.

Coker and U.S. Sugar lobbyist Mac Stipanovich said Crist was especially involved in the Everglades deal and a hard bargainer. Stipanovich said the company began seriously talking about a land-only deal with the state about three weeks ago.

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Gov. Crist calls new U.S. Sugar deal 'miraculous'

11/12/2008

Miami Herald - Online

CURTIS MORGAN

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The governor, making his first public comments Wednesday on a revised \$1.34 billion land deal the state has struck with the U.S. Sugar Corp., called the result "nothing short of miraculous."

It will help preserve not just the strangled River of Grass, he said, but also the struggling agricultural economy in the Glades -- and do it at \$400 million less than the original \$1.75 billion estimated to acquire the entire company.

"Doing something this big is not easy," Crist said at a news conference at the historic Coconut Grove cottage of Everglades icon Marjory Stoneman Douglas. "It's hard to envision in the first place, and then it's hard to work through the details."

The governor's endorsement is likely to help the deal clear its last remaining hurdles.

The governing board of the South Florida Water Management District, which manages Everglades restoration projects for the state and would bankroll the purchase with bonds, still must approve it. The seven-member board, all but one appointed by Crist, will discuss the deal Wednesday and Thursday and could vote on it as early as next month.

While environmentalists have embraced the deal, it includes some provisions they question.

Under terms of the still unsigned contract, the state will buy only the company's 181,000 acres of sugar fields, scattered across the farm belt bordering Lake Okeechobee, the historic headwaters of the Everglades. But for at least six years, it won't be able to use most of the land.

Under the agreement, U.S. Sugar can lease back and farm the land for \$50 an acre. The district can request 10,000 acres for restoration use at the close of the deal, but would have to wait until the seventh year to get access to an additional 30,000 acres. Afterward, it could phase out farming as restoration projects are built.

Kirk Fordham, executive director of the Everglades Foundation, an environmental group that Crist and his staff consulted during the negotiations, said the compromises to accommodate U.S. Sugar's interests would not undermine the benefits to Everglades restoration.

"This is the one opportunity we'll have to acquire this much land before it is chopped up, parceled out and sold off to rock miners, other growers and developers," he said.

The framework of the initial \$1.75 billion proposal, hammered out over eight months of secret negotiations between Crist's office and U.S. Sugar lobbyists and executives, would have shuttered the venerable company's doors at the end of a six-year lease.

Under the new deal, the company will own and operate its existing production facilities, including a new state of the art sugar mill, citrus processing plant and rail lines -- at least for the duration of a seven-year lease. Company executives believe farming could continue for a decade or more.

Mike Sole, secretary of the Florida Department of Environmental Protection, said the issue of how much and when the state can use the sugar fields for restoration isn't settled yet. "I'm still negotiating this contract."

But practically speaking, he said, it would still take years to redraw restoration plans to incorporate the new land, and the state already had plenty of land and projects to work on in the interim.

Water managers also haven't decided how much land they will use to address the biggest problem in the \$11.8 billion restoration plan -- a shortage of clean water to replicate the natural flow of the system from Lake Okeechobee down to Florida Bay. Some initial plans call for as little as half the 120,000 to 130,000 acres of reservoirs and pollution treatment marshes that environmentalists believe are needed.

Crist's announcement came the day the Republican Governor's Association meeting opens in Miami, where the governor is scheduled to host a welcoming reception for governors, including Sen. John McCain's pick for vice president, Gov. Sara Palin of Alaska, and "future rising stars in the Republican Party."

When he publicly announced the initial proposal to buy the company in June, Crist was reported to be on McCain's list of vice presidential candidates.

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Sugar deal boosts towns, firm

11/12/2008

Miami Herald - Online

CURTIS MORGAN

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Environmentalists embraced a new \$1.34 billion deal unveiled Tuesday, saying it will still net 285 square miles of farm fields critical to reviving the stalled Everglades restoration project and ending legal battles over Big Sugar's pollution.

"We get the cake, just not the icing," said David Guest, an attorney with the environmental group Earthjustice.

But the revised deal, which would put U.S. Sugar lands in public hands but keep the venerable company's doors open, has been tweaked to protect other things as well: Farming jobs in a struggling region, dollars in a shrinking state budget, and what rival growers say shapes up as a sweet deal for U.S. Sugar.

Crist planned to announce the deal at a news conference using the Coconut Grove cottage of environmental icon Marjory Stoneman Douglas as a backdrop. But mechanical problems that forced the governor's plane to land in Sarasota pushed the governor's official announcement to Wednesday morning.

Most of the key details emerged anyway from U.S. Sugar executives and lobbyists and the South Florida Water Management District, which led state negotiations.

Until three weeks ago, negotiations in the largest and most complicated conservation land buy in state history, had stalled -- largely over water managers' worries about taking on massive debt while state revenues are declining and financing costs are rising.

Then there was the risky proposition of buying a major agricultural operation -- complete with a new, high-tech sugar mill, a citrus-processing plant in Clewiston, 200 miles of railway and 12,000-plus pieces of equipment -- without a deal in hand to sell it.

"Buying an ongoing business that involved choo-choo trains . . . and other big assets was something they [state officials] just could not get comfortable with," said Bob Coker, a senior vice president with U.S. Sugar.

The breakthrough came three weeks ago when Crist asked both sides to explore "other ways to skin this cat," said U.S. Sugar lobbyist J.M. "Mac" Stipanovich. While Stipanovich recalls no "ah-ha! moment," he said the option of a simpler, cheaper land purchase was raised and, within a week, largely a done deal.

Carol Wehle, the water district's executive director, said she expected to have a formal contract within three weeks. Wehle

said two appraisals and a separate fairness report, not yet made public, also were influential in persuading the company to drop an initial all-or-nothing stance.

"They made a business decision," she said.

The district's governing board, which must approve the deal, will discuss it Wednesday, and has a vote tentatively scheduled Dec. 2. U.S. Sugar's board also must approve the deal.

Beyond the price tag being reduced by about \$400 million, the new agreement could relieve job-loss worries in Clewiston, Belle Glade and other rural towns.

Coker said the nation's oldest and largest sugar grower, and most of its 1,700 employees, will keep working -- at least for the duration of a newly negotiated seven-year lease. Fields will be phased out as Everglades restoration projects are built.

"We've had a nervous bunch of employees for the last 10 months," he said.

He said the company also could expand its business by producing bio-fuel, or sell its high-tech facilities to another company.

The deal has some critics, including rival sugar farmers.

Barbara Miedema, vice president of the Sugar Cane Growers Cooperative of Florida, which represents 48 smaller growers in Palm Beach County, questioned whether U.S. Sugar had cut a sweetheart deal by selling its land at a premium price of \$7,400 an acre and then leasing it back for \$50 an acre -- far below what Miedema said was the going rate.

"We need to know more about it to understand whether it's a buyout or bailout," she said.

Stipanovich said the deal was unique, and too large to compare against previous land buys. "Barbara would look at the Hope diamond and say that's a huge price," he said. "Well, damn, there is only one Hope diamond."

Environmentalists, while thrilled, say questions remain.

Drawing up new plans also could set the already bogged-down \$11.8 billion Everglades restoration effort back for years.

Mark Kraus, senior vice president of the Everglades Foundation, said the potential benefits make the deal worth the wait.

"If you have the opportunity to do it right or do it quickly," he said, "I'd much rather do it right."

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Local environmentalists cautiously optimistic about U.S. Sugar land deal

11/12/2008

Jupiter Courier

Tyler Treadway

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Simply put, water thats sent south from Lake Okeechobee wont be sent east to pollute the St. Lucie River and Indian River Lagoon.

Thats why local environmentalists are cheering a deal that brings the dream of a flow-way between Lake O and the Everglades a step closer to fruition.

However, because much is left to be done before water starts flowing that way, those environmentalists arent exactly throwing their hats in the air.

Im cautiously optimistic, said Greg Braun, executive director of the Audubon Society of Martin County.

Karl Wickstrom of Stuart, publisher of Florida Angler magazine and a noted environmentalist, called the flow-way the best thing that could happen for Treasure Coast waters.

In real rainy times, that area can take excess water from Lake Okeechobee, he said, water that now is being dumped in, and killing all kinds of plants and animals in, the St. Lucie River estuary.

As coordinator of the Rivers Coalition Defense Fund, Wickstrom said the group wouldnt drop its lawsuit seeking to stop the Army Corps of Engineers from dumping water in the estuary until we see some real, demonstrable action.

Specifically, Wickstrom wants a detailed plan and schedule; thats essential. There would have to be funding for the project in place, and there would have to be a real commitment to making it happen fairly quickly.

Overall, Braun said, the conservation community on the Treasure Coast is supportive of the re-establishment of the flow-way.

The only downside, he added, is that were all concerned that, as more money is directed south of the lake, we dont want the (South Florida Water Management District) to forget about our needs in Martin and St. Lucie counties.

Gov. Crist Florida can afford new \$1.3 billion U.S. Sugar deal

11/12/2008

Jupiter Courier

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Despite a tight state budget and worsening national financial crisis, Gov. Charlie Crist said on Wednesday that Florida can afford a \$1.34 billion land buy to help save the Everglades.

Crist formally announced a new scaled-down deal for the state to buy 181,000 acres from U.S. Sugar Corp. that will be used to restore flows of water from Lake Okeechobee to the Everglades.

Unlike a \$1.75 billion deal Crist proposed in June, the new plan allows U.S. Sugar to keep its sugar mill, citrus plant and other assets it needs to stay in business.

The South Florida Water Management District plans to borrow most of the money for the deal, with taxpayers in the 16-county region from Orlando to the Keys paying off the debt.

In addition to acquiring land for restoration, the new deal protects U.S. Sugar's 1,700 jobs, Crist said. 'It's preserving Florida. Floridians understand that investing in our state is critical,' he said. The final contract must still be approved by the district's board, which is appointed by the governor. The vote is expected in early December.

The sticking point to the deal could be conditions that limit the state to using 10,000 acres during the first six years.

Environmental groups want a commitment to start storing and cleaning water on more of the land sooner. 'The Everglades is in trouble right now,' said Eric Draper, deputy director of Audubon of Florida.

U.S. Sugar would get to lease back its land for \$50 per acre, per year for seven years.

After seven years, U.S. Sugar could try to extend its lease and the company is also exploring whether to start ethanol production.

EVERGLADES Sugar deal boosts towns, firm

11/12/2008

Miami Herald

Morgan, Curtis

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Five months ago, Gov. Charlie Crist's stunning \$1.75 billion buyout bid for the U.S. Sugar Corp. was all about protecting the Everglades.

Environmentalists embraced a new \$1.34 billion deal unveiled Tuesday, saying it will still net 285 square miles of farm fields critical to reviving the stalled Everglades restoration project and ending legal battles over Big Sugar's pollution.

"We get the cake, just not the icing," said David Guest, an attorney with the environmental group Earthjustice.

But the revised deal, which would put U.S. Sugar lands in public hands but keep the venerable company's doors open, has been tweaked to protect other things as well: Farming jobs in a struggling region, dollars in a shrinking state budget, and what rival growers say shapes up as a sweet deal for U.S. Sugar.

Crist planned to announce the deal at a news conference using the Coconut Grove cottage of environmental icon Marjory Stoneman Douglas as a backdrop. But mechanical problems that forced the governor's plane to land in Sarasota pushed the governor's official announcement to Wednesday morning.

Most of the key details emerged anyway from U.S. Sugar executives and lobbyists and the South Florida Water Management District, which led state negotiations.

Until three weeks ago, negotiations in the largest and most complicated conservation land buy in state history, had stalled -- largely over water managers' worries about taking on massive debt while state revenues are declining and financing costs are rising.

Then there was the risky proposition of buying a major agricultural operation -- complete with a new, high-tech sugar mill, a citrus-processing plant in Clewiston, 200 miles of railway and 12,000-plus pieces of equipment -- without a deal in hand to sell it.

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The breakthrough came three weeks ago when Crist asked both sides to explore "other ways to skin this cat," said U.S. Sugar lobbyist J.M. "Mac" Stipanovich. While Stipanovich recalls no "ah-ha! moment," he said the option of a simpler, cheaper land purchase was raised and, within a week, largely a done deal.

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Everglades Deal Shrinks to Sale of Land, Not Assets

11/12/2008

Gainesville Sun - Online, The

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Fla. Gov. announces Everglades restoration deal

11/12/2008

Gainesville Sun - Online, The

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Details of the revised deal were released earlier in the week. The state will pay \$1.34 billion for land farmed by U.S. Sugar, the nation's largest producer of cane sugar, less than the original price tag of \$1.75 billion when the plan was announced in June. 'Doing something this big is not easy,' Crist said Wednesday at a press conference at the historic home of Everglades activist Marjory Stoneman Douglas. 'It's hard to envision in the first place, and then it's hard to work through the details.' The lower price is possible because the state will not buy the company's high-tech mill, railroad lines or citrus processing plant. The company will keep them and continue production for now, though it could also later sell those assets. Though the state won't have access to the land right away, it plans to use most of the 181,000 acres it is buying to restore the natural flow of water to the Everglades and to create a system to clean the water being sent there.

Crist said he was pleased with the \$400,000 savings and the fact that U.S. Sugar would continue to operate plants, saving jobs. 'At a time when the economy is going through what it's going through, I'm very proud of that,' Crist said. The deal is expected to be approved next month by the South Florida Water Management District and the board of U.S. Sugar. December will mark 61 years since President Harry Truman dedicated Everglades National Park, a milestone Crist referenced Wednesday. 'I am enormously proud to be able to follow in such great footsteps,' Crist said. Under the terms of the contract, the earliest the state would be able to take possession of any land is December 2009, according to U.S. Sugar vice president Robert Coker. If the state notifies the company next month it would have access to up to 10,000 acres the following year. Crist did not set a number of the total acres that will eventually go to conservation. Some will likely be retained for farming.

Crist had intended to announce the Everglades deal himself a day earlier but mechanical trouble forced his plane to land before he arrived in Miami.

Coker and U.S. Sugar lobbyist Mac Stipanovich said Crist was especially involved in the Everglades deal and a hard bargainer. Stipanovich said the company began seriously talking about a land-only deal with the state about three weeks ago.

State scales down land deal with U.S. Sugar

11/12/2008

Jacksonville Business Journal

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Mechanical problems with his plane forced Gov. Charlie Crist to scrap plans to come to South Florida on Tuesday, where he was to announce a scaled-down version of the states deal with U.S. Sugar Corp.

However, the revised deal was outlined in a press release issued by U.S. Sugar. It indicates that the state will now purchase 181,000 acres from U.S. Sugar, instead of the original 187,000 acres, for \$1.34 billion. The original price tag was \$1.75 billion. The new deal includes a leaseback of land for \$50 an acre until 2016.

U.S. Sugar will not be selling its mill, refinery, citrus processing facilities, railroads, office building and equipment to the state, according to the press release. After months of negotiations, it became clear that the best transaction was for the state to buy the land and for U.S. Sugar to keep the assets, said Robert Coker, U.S. Sugars senior vice president of public affairs. 'This is a good deal for the state, U.S. Sugar and our shareholders.' The new deal will allow the South Florida Water Management District to purchase all of the land needed to move forward with the restoration of the Everglades, Coker noted. And it can be done at a cost less than originally anticipated. In addition, he said, the company 'will be able to continue farming to ensure that jobs are safeguarded for the next seven years.' The deal was revised because 'the financial and real estate world has changed' since it was announced in June, according to a fact sheet issued by U.S. Sugar. 'It made more sense financially for both parties to carefully consider terms that would be fair to both sides for the state to purchase land for environmental restoration and for U.S. Sugar to keep its industrial assets,' it stated. The buyout plan has been evolving during negotiations among the governors office, U.S. Sugar, the water management district and the Everglades Coalition of environmental groups. Every brand is an entrepreneurial opportunity for this firm.

PE firm Insight Equity invests big with new deals.

Alternative energy firm proves attractive to venture capitalists.

As companies cut corners, are holiday parties the next perk to be chopped?

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Florida anuncia acuerdo final para compra de 72.000 hectáreas de conservación

11/12/2008

EFE Mundo

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Miami (EE.UU.), 12 nov (EFE).- El gobernador de Florida (EE.UU.), Charlie Crist, anunció hoy que ultima las negociaciones para la compra, por 1.340 millones de dólares, de 72.900 hectáreas a una empresa azucarera, lo que servirá para preservar el ecosistema de los Everglades.

En un comunicado divulgado hoy, Crist señaló que la Administración de Aguas del sur de Florida se encuentra en las negociaciones finales con la empresa azucarera U.S. Sugar Corp., propietaria de un inmenso terreno localizado al sur del lago Okechobee.

El precio final resulta inferior al que se había avanzado en junio pasado (1.750 millones de dólares), cuando el gobernador presentó el ambicioso plan con el que se persigue proteger este ecosistema, considerado uno de los más extensos del mundo.

El acuerdo final permitirá a U.S. Sugar Corp., empresa dedicada principalmente a la producción de azúcar de caña, conservar la refinadora de azúcar, la planta procesadora de cítricos y las líneas de ferrocarriles.

"La compra de estas tierras establece un precedente sin parangón para el River Grass (Río de hierba) y el medio ambiente. Estamos más cerca que nunca de hacer realidad un sueño: restaurar y preservar los Everglades", explicó el gobernador de Florida.

La adquisición de esta enorme extensión de terreno cultivable, casi del tamaño de la ciudad de Nueva York, servirá para restablecer parte de la histórica conexión entre el lago Okeechobee, el segundo más grande de agua dulce de EE.UU. y el River Grass, gracias a un sistema de almacenaje y tratamiento del terreno.

El terreno adquirido se utilizará también para salvaguardar los estuarios y ríos de St. Lucie y Caloosahatchee, señaló el comunicado.

"Esperamos continuar trabajando con el gobernador y la Administración de Aguas con el mismo espíritu de cooperación que hasta ahora", apuntó Robert Burke, presidente de U.S. Sugar, quien se mostró feliz de poder "ayudar a Florida a restaurar uno de sus más preciados tesoros".

Entre los beneficios que supondrá la compra del terreno destacan el aumento de la capacidad de almacenamiento de agua y la mejora en la conducción de agua limpia a los Everglades durante las épocas de sequía.

Asimismo, se prevendrá la entrada anual de miles de toneladas de fósforo a los Everglades y se eliminará la necesidad de bombear

agua en el lago Okeechobee procedente de la zona agrícola.

Finalmente, se pondrán en marcha nuevas formas de almacenamiento de agua, que aliviará la presión del líquido en la represa Herbert Hoover.

Los Everglades, reconocidos en todo el mundo por sus pantanos y rica fauna, forman un frágil ecosistema subtropical en el sur de Florida que se extiende desde el lago Okeechobee hasta la bahía de Florida. EFE

emi/esc/ao

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Fla. revises deal with US Sugar to save Everglades

11/12/2008

Enquirer-Herald

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MIAMI The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby.

'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades.

Now, 'In a turbulent credit market it simplifies the deal,' said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard.

'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.

- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.'

But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

(Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

Florida Scales Back U.S. Sugar Corp Buyout -Source

11/12/2008

Flex News

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- Florida has scaled back its planned \$1.7 billion buyout of U.S. Sugar Corp in a deal aimed at putting the company's coveted acreage to use in cleansing and restoring the state's endangered Everglades wildlife habitat. Daily News Alerts Under terms of a revised deal that Gov. Charlie Crist was expected to announce Tuesday afternoon, the state government will say it is proceeding with the purchase of U.S. Sugar Corp's sprawling cane fields in southern Florida for Everglades restoration efforts.

But a source familiar with the revised deal said the original price had been cut by about \$400 million and U.S. Sugar Corp will retain ownership of about 5,000 acres of the land originally included as part of the purchase.

U.S. Sugar Corp is one the nation's largest privately held agricultural firms. The land it will retain includes its sugar mill and refinery, a citrus plant and a private railroad.

Those assets would remain under U.S. Sugar Corp's ownership, according to the source, who asked not to be identified pending the announcement by Crist.

It was not immediately clear why the deal, unveiled in June, was changed. The source said it had nothing to do with credit problems and eroding sources of public financing.

A spokesman for U.S. Sugar Corp declined to comment and Erin Isaac, a spokeswoman for Crist, also declined to comment on the revised deal.

"We look forward to the announcement this afternoon," she said.

Under the new deal, the state would still end up owning some 182,000 acres of land in the northern Everglades.

It plans to use the land in the so-called Everglades Agricultural Area to help restore the celebrated River of Grass -- the vast tract of shallow water, sawgrass prairie, mangrove islands and pine forests that is home to numerous rare species.

The deal's basic structure would change little and allow U.S. Sugar, as before, to continue farming the land it sells to the state for at least the next six years.

It could take a decade after that to build a series of reservoirs, storm water treatment areas and filtering marshes that store and clean billions of gallons of water from Lake Okeechobee so it can be sent south, restoring a natural flow into the heart of the Everglades and Florida Bay. - Business News for the Food Industry Daily News Alerts Search Related Items More in Top Headlines 2008 - All rights reserved ISSN 1950-6228

Fla. revises deal with US Sugar to save Everglades

11/12/2008

Columbus Ledger-Enquirer

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MIAMI --The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

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Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby. 'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades. Now, 'In a turbulent credit market it simplifies the deal,' said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

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According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

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(Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

DJ US Sugar Corp To Keep Assets Under Fla Land Sale Deal

11/12/2008

Dow Jones Commodities News Service

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Nov 12, 2008 (Dow Jones Commodities News Select via Comtex)
-- By DOW JONES NEWSWIRES

U.S. Sugar Corp. in Clewiston, Fla. and the South Florida Water Management District have reached preliminary agreement over the state's purchase of U.S. Sugar properties, the company said in a statement Wednesday.

"After months of negotiations, it became clear that the best transaction was for the state to buy the land and for U.S. Sugar to keep the assets," said Robert Coker, senior vice president at U.S. Sugar. "This is a good deal for the state, U.S. Sugar and for our shareholders."

U.S. Sugar will continue to operate all of its businesses as usual for a period covering seven crop seasons, enabling the company to fulfill its long-term business obligations.

A final contract must be approved by U.S. Sugar's board of directors and the governing board of the water management district, SFWMD. If approved by both boards, the contract will be signed in early December.

Terms of the pending contract include the sale of U.S. Sugar's real estate - about 181,000 acres - for \$1.34 billion and a lease-back of the land for \$50 per acre, for a period covering seven crop cycles.

The company's sugar mill, refinery and citrus processing facilities, railroads, office buildings and equipment, along with its Gilchrist

County citrus nursery, will remain the property of U.S. Sugar.

Coker said "the SFMWD is able to purchase all of the land necessary to proceed with Everglades restoration at a cost less than originally anticipated, since additional company assets are not included in the agreement. The company is able to continue farming and to ensure that jobs are safeguarded for the next seven years."

The SFMWD purchase of 181,000 acres of land - of which about 285 square miles is located in what the states considers to be "environmentally strategic" areas - will help resolve restoration issues for Lake Okeechobee, the Caloosahatchee and St. Lucie estuaries and the Everglades, U.S. Sugar said. Sufficient land will be available for water storage and treatment.

During the transition period, BMO Capital Markets Corporation will continue to act as financial advisor to U.S. Sugar.

"At the end of seven crops, we will either continue to operate the facilities or sell them based on the best interests of our shareholders," Coker said.

-By Susan Buchanan, Dow Jones Newswires; 504-371-5461 susan.buchanan@dowjones.com

(END) Dow Jones Newswires

11-12-08 1054ET

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DJ ICE Sugar Review Drops With Oil And Dow But Trims Loss

11/12/2008

Dow Jones Commodities News Service

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Nov 12, 2008 (Dow Jones Commodities News via Comtex) -- DOW JONES NEWSWIRES

World raw sugar prices slid to two-week lows on ICE Futures U.S. Wednesday as the Dow Industrials and crude oil sank while the dollar rose, but the ICE market trimmed losses in late action. ICE futures and options volume was moderate.

ICE March 2009 world sugar ended 19 points lower at 11.61 cents a pound, with May 2009 down 16 points at 11.96. July 2009 lost 13 points to 12.18 cents.

"Stops were elected this morning below 11.64 and 11.50 cents in March but we managed to hold 11.35," a New York desk trader said. "The Dow hit its worst level in a couple of weeks, while crude's at a 2 1/2-year low and likely to keep heading south. The day's been a downer in other commodities, with the dollar higher.

"I think anything below 11.75 cents is too cheap for ICE sugar based on the expense of producing it in Brazil and other low-cost

grower nations," he said. "But the ICE market can't turn around without the help of the Dow."

The CRB index slumped to a two-week low Wednesday.

A total of 10,426 March-May switches traded by 1:30 p.m. EST. The March-May spread worked at 32-37 points, settling at 35 points. Traders said 50 exchanges of futures for physicals were done in March 2009 by 1:30 EST. One exchange of futures for swaps was done in May 2009, with one in October 2009.

ICE electronic futures volume at 1:30 p.m. EST was 66,105 lots, with after-hours trading extending to 3:15 p.m. EST. In options, 10,106 calls and 13,785 puts traded, the exchange said.

As traders fret about the health of financial institutions, U.S. Treasury Secretary Henry Paulson said Wednesday that bailout funds probably won't be used to buy banks' troubled assets.

Brazil's ethanol exports will remain competitive even if crude oil prices dip to \$50 a barrel, at current exchange rates to the dollar, the head of cane mill Bioagencia said.

Brazilian ethanol company ETH Bioenergy, a subsidiary of petrochemical giant Odebrecht, is mulling new acquisitions in the nation's cane sector. With Brazilian sugar-ethanol mills facing credit troubles, specialists expect a wave of mergers in that arena soon.

Brazil's center-south cane harvest wraps up in about a month. The center-south cane crush as of Nov. 1 was running 8.8% higher on the year, with 59.4% of the crop going to ethanol, cane group Unica said Tuesday.

Brazilian officials in mid-November are expected to announce new lines of credit to help the cane-ethanol sector, with part of that financing to be used for storage during the inter-harvest period.

Mexican millers are nervously watching cane growers and union representatives, who have threatened not to start the new harvest on Nov. 15 because of a pay dispute.

U.S. Sugar Corp. in Clewiston, Fla., and the South Florida Water Management District have reached preliminary agreement over the state's purchase of U.S. Sugar properties. "After months of negotiations, it became clear that the best transaction was for the state to buy the land and for U.S. Sugar to keep the assets," said Robert Coker, U.S. Sugar's senior vice president. The company will continue operating all its businesses for seven crop seasons. The pending contract includes the sale of U.S. Sugar's real estate - about 181,000 acres - for \$1.34 billion and a lease-back of the land for \$50 per acre. If approved by the boards of both U.S. Sugar and the water district, the contract will be signed in early December.

Beet growers dissatisfied with the Western Sugar Cooperative want out of their production contracts but the Denver-based group says they must find buyers for their shares. Colorado shareholders Luft Farms, LLC, and growers Allen and Connie Reuter, in a Sept. 17 complaint filed in U.S. District Court in Denver, are seeking to terminate contracts with the coop. The three plaintiffs have filed a motion for a preliminary injunction,

voiding provisions of the shareholder agreement they object to. A hearing on that motion will be held in federal district court in Denver on Nov. 21.

ICE March finds support at 11.35, 11.33, 11.31-11.30, 11.27 and 11.25 cents, with resistance at 11.90, 11.92, 11.95-11.96, 11.97 and 12.00 cents.

ICE Change Range At 2:25pm ET Liffe Change Mar 11.61 dn 0.19
11.35-11.90 Dec 310.60 dn 14.40 May 11.96 dn 0.16 11.72-
12.17 Mar 321.50 dn 9.50

-By Susan Buchanan, Dow Jones Newswires; 504-371-5461;
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(END) Dow Jones Newswires

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Sugar deal boosts towns, firm The Everglades aren't the only thing that would benefit from a new deal

11/12/2008

Calibre MacroWorld

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Nov. 12--Five months ago, Gov. Charlie Crist's stunning \$1.75 billion buyout bid for the U.S. Sugar Corp. was all about protecting the Everglades.

Environmentalists embraced a new \$1.34 billion deal unveiled Tuesday, saying it will still net 285 square miles of farm fields critical to reviving the stalled Everglades restoration project and ending legal battles over Big Sugar's pollution. 'We get the cake, just not the icing,' said David Guest, an attorney with the environmental group Earthjustice.

But the revised deal, which would put U.S. Sugar lands in public hands but keep the venerable company's doors open, has been tweaked to protect other things as well: Farming jobs in a struggling region, dollars in a shrinking state budget, and what rival growers say shapes up as a sweet deal for U.S. Sugar.

Crist planned to announce the deal at a news conference using the Coconut Grove cottage of environmental icon Marjory Stoneman Douglas as a backdrop. But mechanical problems that forced the governor's plane to land in Sarasota pushed the governor's official announcement to Wednesday morning.

Most of the key details emerged anyway from U.S. Sugar executives and lobbyists and the South Florida Water Management District, which led state negotiations.

Until three weeks ago, negotiations in the largest and most complicated conservation land buy in state history, had stalled --

largely over water managers' worries about taking on massive debt while state revenues are declining and financing costs are rising.

Then there was the risky proposition of buying a major agricultural operation -- complete with a new, high-tech sugar mill, a citrus-processing plant in Clewiston, 200 miles of railway and 12,000-plus pieces of equipment -- without a deal in hand to sell it. 'Buying an ongoing business that involved choo-choo trains . . . and other big assets was something they [state officials] just could not get comfortable with,' said Bob Coker, a senior vice president with U.S. Sugar.

The breakthrough came three weeks ago when Crist asked both sides to explore 'other ways to skin this cat,' said U.S. Sugar lobbyist J.M. 'Mac' Stipanovich. While Stipanovich recalls no 'ah-ha! moment,' he said the option of a simpler, cheaper land purchase was raised and, within a week, largely a done deal.

Carol Wehle, the water district's executive director, said she expected to have a formal contract within three weeks. Wehle said two appraisals and a separate fairness report, not yet made public, also were influential in persuading the company to drop an initial all-or-nothing stance. 'They made a business decision,' she said. The district's governing board, which must approve the deal, will discuss it Wednesday, and has a vote tentatively scheduled Dec. 2. U.S. Sugar's board also must approve the deal.

Beyond the price tag being reduced by about \$400 million, the new agreement could relieve job-loss worries in Clewiston, Belle Glade and other rural towns.

Coker said the nation's oldest and largest sugar grower, and most of its 1,700 employees, will keep working -- at least for the duration of a newly negotiated seven-year lease. Fields will be phased out as Everglades restoration projects are built. 'We've had a nervous bunch of employees for the last 10 months,' he said. He said the company also could expand its business by producing bio-fuel, or sell its high-tech facilities to another company.

The deal has some critics, including rival sugar farmers.

Barbara Miedema, vice president of the Sugar Cane Growers Cooperative of Florida, which represents 48 smaller growers in Palm Beach County, questioned whether U.S. Sugar had cut a sweetheart deal by selling its land at a premium price of \$7,400 an acre and then leasing it back for \$50 an acre -- far below what Miedema said was the going rate. 'We need to know more about it to understand whether it's a buyout or bailout,' she said. Stipanovich said the deal was unique, and too large to compare against previous land buys. 'Barbara would look at the Hope diamond and say that's a huge price,' he said. 'Well, damn, there is only one Hope diamond.' Environmentalists, while thrilled, say questions remain.

Drawing up new plans also could set the already bogged-down \$11.8 billion Everglades restoration effort back for years.

Mark Kraus, senior vice president of the Everglades Foundation, said the potential benefits make the deal worth the wait. 'If you have the opportunity to do it right or do it quickly,' he said, 'I'd

much rather do it right.'

Florida governor announces terms of Everglades deal

11/12/2008

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Crist and McCain appeared in the Everglades the campaign this summer.

MIAMI (CNN) Florida Gov. Charlie Crist today announced the final terms of a deal with the U.S. Sugar Corporation that would give the state control of more than 180,000 acres of the Florida Everglades, and allow the company to remain in business.

Crist's announcement of an \$1.34 billion agreement to purchase of almost 300 square miles of land, which comes after months of negotiations, is billed as one of the largest environmental acquisitions in U.S. history.

The original terms of the deal would have resulted in the eventual closure of U.S. Sugar, but the new agreement which lets the company retain much of its infrastructure, and continue to operate on its current land for several more years may allow it to transition to new industries and preserve some local jobs.

Critics of the deal note that this purchase comes at a time that the state of Florida faces a budget shortfall, its already-precarious economic situation worsened by the nation's financial crisis, which may limit its ability to raise the money to pay for the deal. If U.S. Sugar is not able to effectively re-focus its core business, the loss of the sugar industry could affect thousands of Florida workers. And the logistical challenge of restoring the Everglades remains a daunting one.

But the Everglades purchase has drawn praise from environmentalists the same environmentalists who criticized Crist's decision to support lifting the federal moratorium on drilling for oil off of the Florida coast. Scientists have called the land some of the most valuable in the Everglades, which they estimate has shrunk by half over the past hundred years.

Crist's announcement comes as GOP governors gather in Miami to discuss how to rebuild the Republican Party.

- Florida, Big Sugar ready to sign simpler land deal

11/12/2008

Bradenton Herald

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Environmentalists have long considered the land -- some 300 square miles of sugar fields -- a sort of "holy grail" of Everglades restoration.

Five months after Gov. Charlie Crist announced a stunning proposal to buy the prized land from the U.S. Sugar Corp., the state is close to having a firm deal in hand.

It's a better, cheaper and simpler deal than the \$1.75 billion corporate buyout first envisioned, water managers and environmentalists said. It's a straight real estate deal that leaves U.S. Sugar, the nation's oldest and largest sugar grower and a major employer in a rural region, open for business for years to come.

Under the terms of a revised deal, the state will buy 185,000 acres of sugar fields for about \$1.35 billion.

That's \$400 million less than the original price tag, likely making the deal more palatable for the South Florida Water Management District, which has raised concerns about bankrolling the deal while the state is in a budget crisis.

U.S. Sugar would keep a high-tech sugar mill in Clewiston, a citrus processing plant, a railroad and the ability to continue operations that employ some 1,700 people.

While negotiations between the district and company are nearly complete, the deal still must be approved by both the district's governing board and U.S. Sugar's board of directors.

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Fla. Gov. announces Everglades restoration deal

11/12/2008

Associated Press (AP)

Gresko, Jessica

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MIAMI_A revised plan for a historic Everglades restoration deal will cost the state less and save jobs, Gov. Charlie Crist said Wednesday in his first comments on the new agreement.

Details of the revised deal were released earlier in the week. The state will pay \$1.34 billion for land farmed by U.S. Sugar, the nation's largest producer of cane sugar, less than the original price tag of \$1.75 billion when the plan was announced in June.

"Doing something this big is not easy," Crist said Wednesday at a press conference at the historic home of Everglades activist Marjorie Stoneman Douglas. "It's hard to envision in the first place, and then it's hard to work through the details."

The lower price is possible because the state will not buy the company's high-tech mill, railroad lines or citrus processing plant. The company will keep them and continue production for now, though it could also later sell those assets. Though the state won't have access to the land right away, it plans to use most of the 181,000 acres it is buying to restore the natural flow of water to the Everglades and to create a system to clean the water being sent there.

Crist said he was pleased with the \$400,000 savings and the fact that U.S. Sugar would continue to operate plants, saving jobs.

"At a time when the economy is going through what it's going through, I'm very proud of that," Crist said.

The deal is expected to be approved next month by the South Florida Water Management District and the board of U.S. Sugar. December will mark 61 years since President Harry Truman dedicated Everglades National Park, a milestone Crist referenced Wednesday.

"I am enormously proud to be able to follow in such great footsteps," Crist said.

Under the terms of the contract, the earliest the state would be able to take possession of any land is December 2009, according to U.S. Sugar vice president Robert Coker. If the state notifies the company in next month it would have access to up to 10,000 acres the following year. Crist did not set a number of the total acres that will eventually go to conservation. Some will likely be retained for farming.

Crist had intended to announce the Everglades deal himself a day earlier but mechanical trouble forced his plane to land before he arrived in Miami.

Coker and U.S. Sugar lobbyist Mac Stipanovich said Crist was especially involved in the Everglades deal and a hard bargainer. Stipanovich said the company began seriously talking about a land-only deal with the state about three weeks ago.

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Fla. Gov. announces Everglades restoration deal

11/12/2008

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MIAMI (AP) - A revised plan for a historic Everglades restoration deal will cost the state less and save jobs, Gov. Charlie Crist said Wednesday in his first comments on the new agreement.

Details of the revised deal were released earlier in the week. The state will pay \$1.34 billion for land farmed by U.S. Sugar, the nation's largest producer of cane sugar, less than the original price tag of \$1.75 billion when the plan was announced in June.

'Doing something this big is not easy,' Crist said Wednesday at a press conference at the historic home of Everglades activist Marjory Stoneman Douglas. 'It's hard to envision in the first place, and then it's hard to work through the details.' The lower price is possible because the state will not buy the company's high-tech mill, railroad lines or citrus processing plant. The company will keep them and continue production for now, though it could also later sell those assets. Though the state won't have access to the land right away, it plans to use most of the 181,000 acres it is buying to restore the natural flow of water to the Everglades and to create a system to clean the water being sent there.

Crist said he was pleased with the \$400 million savings and the fact that U.S. Sugar would continue to operate plants, saving jobs.

'At a time when the economy is going through what it's going through, I'm very proud of that,' Crist said.

The deal is expected to be approved next month by the South Florida Water Management District and the board of U.S. Sugar. December will mark 61 years since President Harry Truman dedicated Everglades National Park, a milestone Crist referenced Wednesday.

'I am enormously proud to be able to follow in such great footsteps,' Crist said.

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Florida revises deal with US Sugar to save Everglades

11/12/2008

Arizona Daily Star

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converted for the production of alternative energy. The company did not say what it planned. Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.' But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning. The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar. Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham. Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies. Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

Fla. revises deal with US Sugar to save Everglades

11/12/2008

Belleville News-Democrat

JESSICA GRESKO

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MIAMI -- The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby.

'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades.

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'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.'

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Sources Florida's Everglades land buy revised

11/11/2008

Associated Press (AP)

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WEST PALM BEACH, Florida_Florida has reached a tentative deal with U.S. Sugar to revise a proposed land buy meant to boost Everglades restoration, significantly lowering the initial \$1.75 billion cost, two sources familiar with the agreement told The Associated Press on Monday.

The revised deal for a territory about the size of the city of Chicago would mean the state will not buy the company's high-tech sugar mill, railroad lines and citrus processing plant, said the sources. However, the overall acreage involved in the deal wouldn't be significantly reduced.

They spoke on condition of anonymity because they were not authorized to discuss the details before Gov. Charlie Crist's scheduled announcement of the potential deal on Tuesday.

Under the initial proposal, U.S Sugar was set to go out of business after six years once the deal was signed. Now it's unclear how long the land will remain in agriculture since the new proposal calls for farming to be phased out over time as restoration projects are designed. That could mean the company _ which has about 1,700 employees _ will remain in business longer.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District.

Crist's office did not return calls seeking comment, but released an advisory saying he would appear Tuesday afternoon at the former Miami home of Marjory Stoneman Douglass, one of the state's most revered environmentalists. She wrote the influential 1947 book "The Everglades: River of Grass."

U.S. Sugar Vice President Robert Coker had no comment.

The fundamentals of the agreement Crist announced in June have changed significantly over the ensuing months. At the time, the historic pact was lauded by many environmentalists as a boon for Everglades restoration.

Declaring the deal "as monumental as the creation of our nation's first national park," Crist said the state would take over all of U.S. Sugar's 187,000 acres (75,678 hectares), effectively putting the company out of business. However, a resolution to be discussed at a meeting of the South Florida Water Management District board on Thursday suggests the revised plan would take over 182,500 acres (73,857 hectares) _ or about 285 square miles (738 square kilometers).

The sources familiar with the deal said acreage (hectarage) subtracted from the initial deal includes land on which the company's assets sit.

In September, officials announced negotiations had slowed and would likely extend into next year. They also said then that only about half the land acquired would likely end up being used for restoration, with the rest remaining in agriculture.

Water managers plan to use the land to construct a network of marsh treatment areas and reservoirs to clean and store water before sending it south into the Everglades.

Regardless of this deal, some 300,000 acres (121,408 hectares) in the Everglades, or about 500 square miles (1,295 square kilometers), will remain in agriculture production by other companies.

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Florida revises deal with US Sugar on Everglades

11/11/2008

Associated Press (AP)

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MIAMI_The state of Florida has agreed to pay the biggest U.S. producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said Tuesday.

The state will acquire nearly the same number of acres (hectares) it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby.

"The financial and real estate world has changed since the transaction was announced on June 24," leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades.

Now, "In a turbulent credit market it simplifies the deal," said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

According to the statement from U.S. Sugar, the deal includes the following terms:

_ The state takes over approximately 181,000 acres (73,250 hectares) as opposed to 187,000 (75,680 hectares).

_ U.S. Sugar is allowed to lease back the land for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even

without farmland.

Gov. Charlie Crist was to announce the deal Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres (121,410 hectares) in the Everglades, or about 500 square miles (1,295 square kilometers), will remain in agriculture production by other companies.

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- Sources Florida's Everglades land buy revised

11/11/2008

Bradenton Herald
SKOLOFF, BRIAN

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Florida and U.S. Sugar have scaled back a proposed \$1.75 billion land deal meant to boost Everglades restoration, significantly lowering the price tag and allowing the company to keep its sugar mill, two sources familiar with a tentative agreement between the company and the state told The Associated Press on Monday.

The revisions to the tentative deal for a territory about the size of the city of Chicago would mean the state will not buy the company's high-tech mill, railroad lines and citrus processing plant, said the sources. However, the overall acreage the state plans to buy wouldn't be greatly reduced.

They spoke on condition of anonymity because they were not authorized to discuss the details before Gov. Charlie Crist's scheduled announcement of the revised proposal on Tuesday.

Under the initial proposal, U.S Sugar was set to go out of business after six years once the deal was signed. Now it's unclear how long the land will remain in agriculture since the new proposal calls for farming to be phased out over time as restoration projects are designed. That could mean the company -- which has about 1,700 employees -- will remain in business longer.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District.

It wasn't immediately clear why the deal changed or how much less the revised deal would cost the state.

Crist's office did not return calls seeking comment, but released an advisory saying he would appear Tuesday afternoon at the former Miami home of Marjory Stoneman Douglass, one of the state's most revered environmentalists. She wrote the influential 1947 book "The Everglades: River of Grass."

U.S. Sugar Vice President Robert Coker had no comment.

The fundamentals of the agreement Crist announced in June have changed significantly over the ensuing months. At the time, the historic pact was lauded by many environmentalists as a boon for Everglades restoration.

Declaring the deal "as monumental as the creation of our nation's first national park," Crist said the state would take over all of U.S. Sugar's 187,000 acres, effectively putting the company out of business. However, a resolution to be discussed at a meeting of the South Florida Water Management District board on Thursday suggests the revised plan would take over 182,500 acres -- or about 285 square miles.

The sources familiar with the deal said acreage subtracted from the initial deal includes land on which the company's assets sit.

In September, officials announced negotiations had slowed and would likely extend into next year. They also said then that only about half the land acquired would likely end up being used for restoration, with the rest remaining in agriculture.

Water managers plan to use the land to construct a network of marsh treatment areas and reservoirs to clean and store water before sending it south into the Everglades.

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Fla. revises deal with US Sugar to save Everglades

11/11/2008

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David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard. 'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.' But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham.

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(Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

Scaled-down U.S. Sugar deal proposed for Everglades restoration New proposal expected to cost state

11/11/2008

Calibre MacroWorld

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Nov. 11--The state and U.S. Sugar Corp. today are expected to announce a scaled-down buyout that provides land for Everglades restoration but allows the sugar cane giant to stay in business, sources familiar with the deal confirmed on Monday.

In a departure from the \$1.75 billion buyout that Gov. Charlie Crist proposed in June to acquire U.S. Sugar's 187,000 acres and all of the company's assets, the new deal would allow the company to keep its sugar mill, citrus processing plant and rail lines.

The state would get land to build reservoirs and water treatment areas to help restore flows of water from Lake Okeechobee to the Everglades. But U.S. Sugar would remain, at least temporarily, likely leasing back land to keep growing and processing sugar cane.

The new terms could reduce the cost -- putting it closer to \$1.4 billion -- at a time when the state budget continues to tighten as the national economy remains in crisis.

U.S. Sugar Senior Vice President Robert Coker declined to comment, saying any announcements would have to come from the governor's office.

The governor's office on Monday declined to discuss the status of the negotiations.

Later, it scheduled a news conference for 2:15 p.m. today in Miami at the historic home of the late Everglades champion Marjory Stoneman Douglas.

A scaled-down deal would still be a 'momentous' opportunity to provide land needed to build reservoirs and treatment areas to store, clean and redirect water from Lake Okeechobee that once naturally rehydrated the Everglades, said Eric Draper, deputy director of Audubon Florida. 'The problem that we have wrestled with is how to get the water from Lake Okeechobee and clean it

up and get it to the Everglades,' Draper said. 'There has never been a way to do that without getting some more land.' Critics of the buyout warn that it threatens to tie up money needed for other long-delayed Everglades restoration plans.

Allowing the mill and other assets to stay in production means more problems with agricultural pollution and water management practices geared toward crops instead of the environment, said David Reiner, president of the environmental group Friends of the Everglades. 'Anything that allows U.S. Sugar to continue to operate in the Everglades is completely counterproductive,' Reiner said. When the proposed deal was announced, U.S. Sugar officials said they would only sell under an all-or-nothing deal with the state buying them out completely. The company was to shut down operations within six years and the state was to sell off assets it didn't need for the effort, such as the sugar mill in Clewiston.

On Thursday the South Florida Water Management District -- charged with negotiating the final terms of the deal and paying for the purchase -- plans to consider a scaled-down option that calls for the state to buy 182,500 acres while U.S. Sugar keeps the mill and other business assets.

U.S. Sugar staying in business longer could create a tempting tenant to continue to lease the land where construction of reservoirs and treatment areas could take 20 years.

The original deal called for the district, which covers Orlando to the Keys, to borrow most of the money for the buyout, with property taxes paying off the debt.

District officials would not comment Monday on the details of the negotiations. Losing U.S. Sugar was estimated to affect 1,700 jobs and have trickle-down effects on Glades-area businesses that rely on those customers as well as independent growers that do business with U.S. Sugar.

Land swaps with other property owners in the area targeted for restoration have been a sticking point in the deal.

Florida's other large sugar producer, Florida Crystals, owns land between Lake Okeechobee and the remaining Everglades, and the state had planned to try to work out land swaps to clear the way for water storage and treatment areas.

The smaller Sugar Cane Growers Cooperative of Florida already requested the chance to acquire 15,000 acres of U.S. Sugar land if the district ends up with cane fields not needed for Everglades restoration. 'Will other people have opportunities to get leases? ... We still don't know what the process is,' Barbara Miedema, vice president of the cooperative, said of the proposed new deal.

Staff Writer Josh Hafenbrack contributed to this report.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

See what's at stake

Take a look at the history of the sugar cane industry in South Florida through an interactive photo gallery and video report at SunSentinel.com/sugar. Also take an interactive tour through the

Everglades and gain insight into Florida's unique 'river of grass.'

Florida revises deal with US Sugar on Everglades

11/11/2008

Calibre MacroWorld

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IAMI-The state of Florida has agreed to pay the biggest U.S. producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said Tuesday.

The state will acquire nearly the same number of acres (hectares) it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby. 'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

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According to the statement from U.S. Sugar, the deal includes the following terms:

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Gov. Charlie Crist was to announce the deal Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

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U.S. Sugar deal could be downsized

11/11/2008

Charlotte Business Journal

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Gov. Charlie Crist has scheduled a press conference for Tuesday afternoon at the home of the late environmentalist Marjory Stoneman Douglas, where he is expected to announce that he has struck a modified deal with U.S. Sugar Corp. to purchase its land for restoration of the Everglades.

In June, Crist said the state would purchase 187,000 acres and all of its assets for \$1.75 billion. U.S. Sugar said it would wind down its operations during the next six years.

However, published reports now indicate that the new deal will not include U.S. Sugars mill, citrus processing plant and rail lines.

In June, Crist called the deal a watershed event and 'a strategy to save America's Everglades' that will 'renew the natural flow of America's River of Grass.' Last month, the South Florida Water Management District passed a resolution authorizing financing for capital projects, programs and works, including parts of the proposed land buyout.

At that time, district officials raised cautions that tightening credit markets and falling property tax revenue for the district could complicate the land purchase.

Fla. revises deal with US Sugar to save Everglades

11/11/2008

Charlotte Observer - Online

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David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard. 'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.' But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

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@Nyx.CommentBody@

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If you find a comment offensive, clicking on the exclamation icon will flag the comment for review by the administrators, we are counting on the good judgment of all our readers to help us.

Sugar Land Deal Scaled Back

11/11/2008

Florida Trend

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State to Unveil Cheaper Sugar Land Deal

The state is preparing to slim down its blockbuster \$1.75 billion buyout of U.S. Sugar Corp. -- shaving as much as \$500 million from the price while holding off the company's scheduled extinction. U.S. Sugar and the state are 'in the very, very last stages' of drawing up a contract for the purchase, a person familiar with the negotiations said Monday. The deal's aim would remain the same: acquiring a huge swath of land essential to restoring the Everglades. Under the new proposal, expected to be announced today in Miami, the state will purchase nearly all of U. S. Sugar's land - about 182,500 acres - and none of the sugar giant's manufacturing assets, such as its mill, railroad lines and citrus processing plant. [Source: Palm Beach Post]

More on this topic from Florida Trend:

Editor Mark Howard: Sugar Buyout Only Adds to Complexity of Everglades Restoration

Interactive: U.S. Sugar History

JUNO BEACH:

FPL to Alter Proposed Hike in Fuel Charges

Florida Power & Light Co. said Monday that it will readjust its proposed fuel charge increase to reflect sharply lower costs of oil and natural gas. The move follows three days of Public Service Commission hearings last week during which the Florida Industrial Power Users Group, whose members use large amounts of electricity, and AARP both said the projected fuel charges needed to be updated. [Source: Palm Beach Post]

Also: Progress Energy is part of 'hybrid' power plants study

TAMPA BAY:

Is Chapter 11 the New Business Fad?

It's a legitimate question: In this dire economy, where the stigma of bankruptcy is fading fast, should more companies think about the benefits of taking the Chapter 11 plunge? Think of it as capitalism's second chance. It's certainly on the minds of GM, Chrysler and Ford, especially if the feds do not come up with bailout money soon. The Chapter 11 club used to be of modest size. Now it's one of the few things growing in this down economy. The American Bankruptcy Institute predicts a total of 1-million to 1.2-million bankruptcy filings in 2008, a 30% increase from 2007. [Source: St. Petersburg Times]

SOUTH FLORIDA:

Citigroup Includes Florida Markets in Risk-Prevention Program

Citigroup will reach out to 500,000 borrowers with help to avoid foreclosure in markets experiencing especially tough times. Even borrowers who have not fallen behind are eligible for help in key locales, including South Florida. [Source: Miami Herald]

ALSO AROUND FLORIDA:

Florida Trend Names New Publisher [Florida Trend]

Bruce Faulmann will be the next publisher of Florida Trend magazine. Faulmann, 46, spent the past 5 years as vice president of advertising and sales at the Tampa Tribune. He will replace Lynda Keever, who is retiring.

Sen. Bill Nelson Seeks to Expand Internet Voting [AP]

U.S. Sen. Bill Nelson of Florida is trying to get federal funding for states and counties that replicate Okaloosa County's overseas military and absentee Internet voting program.

Fear of Firearm Ban Fuels Gun Sales [St. Petersburg Times]

Fears that President-elect Barack Obama will ban certain firearms has stoked a craving for assault weapons AR-15s and AK-47s and high-capacity magazines.

Real Estate Experts: 'Not the Time to Sell' [Palm Beach Post]

History repeats itself, and America will emerge from the current economic fiasco to one day suffer another, real estate expert

Michael Cannon told members and guests of the Developers and Business Alliance at Mar-a-Lago last week. Also: Realtors face 'dire' reality

Only 11 Florida Companies Get Venture Capital [St. Petersburg Times]

Here are the Florida businesses receiving third quarter venture capital.

DHL Is Leaving Domestic Market [Sun-Sentinel]

Global delivery giant DHL will ax at least 150 jobs in South Florida as it exits the U.S. domestic-only express business Jan. 30, a move that will cost 9,500 positions across the United States. The company is headquartered in Plantation.

Downtown Merchants Have Market Strategy [Sarasota Herald-Tribune]

Merchants are staying open later, planning ways to attract customers and digging deeper into their bank accounts, intent on overcoming the double threat of competition from outlying retailers and a ruinous economy.

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Florida scales back U.S. Sugar Corp buyout

11/11/2008

Forbes - Online

Jim Loney

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MIAMI (Reuters) - Florida has scaled back its planned \$1.75 billion buyout of U.S. Sugar Corp, a deal aimed at using the company's coveted acreage to help cleanse and restore the state's endangered Everglades wildlife habitat.

Under terms of the tentative deal unveiled on Tuesday, the state will pay \$1.34 billion for 181,000 acres of U.S. Sugar land, but the company will keep its sugar mill, refinery, citrus processing facilities, railroads, office buildings, equipment and more than 5,000 acres of land.

A preliminary deal struck in June called for Florida to buy all of U.S. Sugar Corp, one of the nation's largest privately held agricultural firms.

It was not revealed why the deal was revamped. But Florida faces eroding sources of public financing because of the U.S. credit crunch and a falloff in state tax revenues. 'I think it's a better deal. The government wouldn't have known what to do with all those plants,' said Eric Draper of the environmental group Audubon of Florida. 'Now Florida will own the land we all wanted for restoration.' U.S. Sugar said its negotiations with the South

Florida Water Management District had been 'successfully concluded' with an agreement. But water district Executive-Director Carol Wehle said only a 'framework' was in place and the two sides were still negotiating details.

Wehle said the district planned to sell \$1.34 billion of certificates of participation, instruments similar to bonds, to fund the deal, but a timetable for the sale had not been set and would depend partly on the debt market.

She said she hoped to put a contract before the district's governing board for approval in December. U.S. Sugar's board also must sign off on the pact.

The deal is expected to revive an effort to turn sugar cane fields back into marshes and waterways that would help cleanse polluted Everglades water and carry it from Lake Okeechobee to the southern reaches of the Everglades and Florida Bay.

Environmentalists have criticized the sugar industry for decades for dumping fertilizer-tainted water into Florida's famous 'River of Grass,' a slow-moving river as little as 6 inches deep and a vast sawgrass prairie with marshes, pine forests and mangrove islands.

It is the largest subtropical wilderness in the United States and home to rare and endangered species like the American crocodile and the Florida panther.

More than 35 percent of the original wetlands have been taken over by development or agriculture and the remainder has been starved of water because of the irrigation needs of sugar plantations, vegetable farms and citrus fields.

The deal will allow U.S. Sugar to lease back the land for \$50 per acre and keep its 1,700 workers for about six years. After that, the company 'will either continue to operate the facilities or sell them based on the best interest of our shareholders,' U.S. Sugar Vice President Robert Coker said. 'Every employee we have today, we plan to keep on,' he said. Florida Gov. Charlie Crist had been expected to announce the deal at a news conference on Tuesday at the former Miami home of the late environmentalist Marjory Stoneman Douglas, a longtime defender of the Everglades.

But Crist was delayed and the event was postponed until Wednesday, leaving environmentalists to wonder about the deal's fine print. 'We're excited that the land will be in state control. The critical thing is getting the land,' said Jonathan Ullman of the Sierra Club. 'But we'll just have to wait and see about the details.' (Editing by Walter Bagley)

Fla. revises deal with US Sugar to save Everglades

11/11/2008

Fort Mill Times

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MIAMI

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11/11/2008

Fort Worth Star-Telegram - Online

JESSICA GRESKO

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11/11/2008

Los Angeles Times - Online

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Everglades New 'lite' sugar buyout

11/11/2008

Los Banos Enterprise

Curtis Morgan and Jane Bussey

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After five months of negotiations, the state has crafted a new "lite" version of the Big Sugar buyout: same great tracts, less taxpayer money.

Under the terms of an agreement Gov. Charlie Crist is expected to announce Tuesday in Miami, the state will still buy the U.S. Sugar Corp.'s sprawling fields for Everglades restoration. But the revised contract, which sources said was all but wrapped up, would include two critical changes from the blockbuster \$1.75 billion buyout Crist unveiled in June.

The company would keep a high-tech sugar mill in Clewiston, a citrus processing plant, a railroad and -- most critically -- its ability to stay in business. And the South Florida Water Management District, facing a worsening budget squeeze, could cut the price tag by about \$400 million

Read the full story at miamiherald.com.

Florida revises deal with US Sugar on Everglades

11/11/2008

Macro World Investor

JESSICA GRESKOA

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MIAMI-The state of Florida has agreed to pay the biggest U.S. producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said Tuesday.

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According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres (73,250 hectares) as opposed to 187,000 (75,680 hectares).
- U.S. Sugar is allowed to lease back the land for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland.

Gov. Charlie Crist was to announce the deal Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres (121,410 hectares) in the Everglades, or about 500 square miles (1,295 square kilometers), will remain in agriculture production by other companies.

Scaled-down U.S. Sugar deal proposed for Everglades restoration New proposal expected to cost state

11/11/2008

Macro World Investor

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Nov. 11--The state and U.S. Sugar Corp. today are expected to announce a scaled-down buyout that provides land for Everglades restoration but allows the sugar cane giant to stay in business, sources familiar with the deal confirmed on Monday.

In a departure from the \$1.75 billion buyout that Gov. Charlie Crist proposed in June to acquire U.S. Sugar's 187,000 acres and all of the company's assets, the new deal would allow the company to keep its sugar mill, citrus processing plant and rail lines.

The state would get land to build reservoirs and water treatment areas to help restore flows of water from Lake Okeechobee to the Everglades. But U.S. Sugar would remain, at least temporarily, likely leasing back land to keep growing and processing sugar cane.

The new terms could reduce the cost -- putting it closer to \$1.4 billion -- at a time when the state budget continues to tighten as the national economy remains in crisis.

U.S. Sugar Senior Vice President Robert Coker declined to comment, saying any announcements would have to come from the governor's office.

The governor's office on Monday declined to discuss the status of the negotiations.

Later, it scheduled a news conference for 2:15 p.m. today in Miami at the historic home of the late Everglades champion Marjory Stoneman Douglas.

A scaled-down deal would still be a 'momentous' opportunity to provide land needed to build reservoirs and treatment areas to store, clean and redirect water from Lake Okeechobee that once naturally rehydrated the Everglades, said Eric Draper, deputy director of Audubon Florida. 'The problem that we have wrestled with is how to get the water from Lake Okeechobee and clean it up and get it to the Everglades,' Draper said. 'There has never been a way to do that without getting some more land.' Critics of the buyout warn that it threatens to tie up money needed for other long-delayed Everglades restoration plans.

Allowing the mill and other assets to stay in production means more problems with agricultural pollution and water management practices geared toward crops instead of the environment, said David Reiner, president of the environmental group Friends of the Everglades. 'Anything that allows U.S. Sugar to continue to operate in the Everglades is completely counterproductive,' Reiner said. When the proposed deal was announced, U.S. Sugar officials said they would only sell under an all-or-nothing deal with the state buying them out completely. The company was to shut down operations within six years and the state was to sell off assets it didn't need for the effort, such as the sugar mill in Clewiston.

On Thursday the South Florida Water Management District -- charged with negotiating the final terms of the deal and paying for the purchase -- plans to consider a scaled-down option that calls for the state to buy 182,500 acres while U.S. Sugar keeps the mill and other business assets.

U.S. Sugar staying in business longer could create a tempting tenant to continue to lease the land where construction of reservoirs and treatment areas could take 20 years.

The original deal called for the district, which covers Orlando to the Keys, to borrow most of the money for the buyout, with property taxes paying off the debt.

District officials would not comment Monday on the details of the negotiations. Losing U.S. Sugar was estimated to affect 1,700 jobs and have trickle-down effects on Glades-area businesses that rely on those customers as well as independent growers that do business with U.S. Sugar.

Land swaps with other property owners in the area targeted for restoration have been a sticking point in the deal.

Florida's other large sugar producer, Florida Crystals, owns land between Lake Okeechobee and the remaining Everglades, and the state had planned to try to work out land swaps to clear the way for water storage and treatment areas.

The smaller Sugar Cane Growers Cooperative of Florida already requested the chance to acquire 15,000 acres of U.S. Sugar land if the district ends up with cane fields not needed for Everglades restoration. 'Will other people have opportunities to get leases? ... We still don't know what the process is,' Barbara Miedema, vice president of the cooperative, said of the proposed new deal.

Staff Writer Josh Hafenbrack contributed to this report.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

See what's at stake

Fla. revises deal with US Sugar to save Everglades

11/11/2008

Merced Sun-Star

JESSICA GRESKO

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EVERGLADES RESTORATION Changes sweeten Big Sugar land deal to aid Glades restoration

11/11/2008
Miami Herald
Morgan, Curtis

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Robert Coker, a U.S. Sugar vice president, declined to comment.

"Any announcement about this deal is going to come from the governor," he said.

Crist's office and water managers did not respond to calls from The Miami Herald. But the governor's office invited environmental groups to the Tuesday announcement at the Coconut Grove home of late Everglades icon Marjory Stoneman Douglas, and several sources said they had been briefed on the basics of the new deal.

Environmentalists said tweaking the terms wouldn't alter the benefits of what still would rank as the largest conservation land buy in state history. They contend that the sugar fields are critical to resolving problems that have dogged Everglades restoration for more than a decade -- catching more water, cleaning it and getting it to the Everglades.

"In some ways, it makes it more appealing," said Kirk Fordham, chief executive officer of the Everglades Foundation. "It simplifies the deal and makes it more likely it will be financed in shaky credit markets."

Wall Street and bond-market woes have posed the most serious threat to a deal that seemed a lock when Crist first announced it.

The water management district, which is negotiating the deal for the state, has balked at saddling the agency -- and taxpayers -- with massive debt as state tax revenues decline and the costs of financing soar. The district's governing board members, most appointed by Crist, also fretted about getting stuck with a mill and machines that the state didn't know how to run and might struggle to sell.

WHAT ABOUT JOBS?

Leaders in rural towns supported by the industry also attacked the buyout, saying it would undermine already struggling economies.

Clewiston Mayor Mali Chamness said she had not heard anything official about changes to the deal but said Crist, at a Sept. 30 meeting, had stressed that his priority would be to maintain jobs in the region.

"The whole financial picture has probably played a big part in it,"

Chamness said.

Under the revised deal, outlined in a proposal water managers will consider on Thursday, the state essentially would become landlord to the nation's largest and oldest sugar grower.

The deal calls for the state to buy 182,000 acres of U.S. Sugar lands, then lease the property back to the firm for at least six years, phasing out fields as Everglades restoration projects are built. That's similar to the original proposal.

But U.S. Sugar, which had once described the deal as all or nothing, would retain ownership of 5,000 acres, most of them home to its mills, plants and railroad system. For U.S. Sugar, which has 1,700 employees, the deal has benefits as well.

STILL IN BUSINESS

The company could continue to operate while converting its biggest asset -- land -- into cash to pay off about \$700 million in debt, largely associated with a new sugar mill in Clewiston, as well as taxes and pensions. If the company decides to sell any of its holdings, the state would get first dibs.

A source close to the negotiations said the new price of about \$1.35 billion "represents the in-between range of the district's appraisals," with the value of property the company would keep at approximately \$600 million.

There are still unanswered questions about how much of the sugar land will be used for restoration and how that will be done.

The region's other major grower, Florida Crystals, owns a prime spot necessary to recreate the "missing link" between the Everglades and Lake Okeechobee, by constructing reservoirs and pollution-filtering marshes to restore the flow of clean water south into the struggling Glades. But water managers have sketched out other concepts that could get around the need for any land swaps.

Jacque Weisblum of Audubon of Florida said that while many complications remain to be worked out, the U.S. Sugar deal remains the best shot at reviving the bogged-down \$11.8 billion state-federal effort to restore the River of Grass.

"It's a huge, huge leap forward in the possibility of restoration," she said.

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Local environmentalists give grudging support to talk of new U.S. Sugar deal

11/11/2008

Jupiter Courier

Tyler Treadway

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A land-only deal with U.S. Sugar would be acceptable, local environmentalists say, as long as the goal of eliminating discharges from Lake Okeechobee into the St. Lucie River estuary is achieved.

In fact, taking the company's sugar mill and other assets out of the purchase could sweeten the deal. 'With less land to buy, maybe the state can save some money,' said Mark Perry, executive director of the Stuart-based Florida Oceanographic Society. That money could be spent on aspects of the Comprehensive Everglades Restoration Plan along the Treasure Coast that have been approved but not funded.

The scaled-down land deal would cut U.S. Sugar's processing mill in Clewiston and other 'business assets' out of the deal and trim the land purchase from 187,000 to 182,500 acres. 'That still ought to be enough to make the flow-way happen,' Perry said. 'That's the main thing: As long as that connection between the lake and the Everglades is in the plan, then it's OK.' Leon Abood, chairman of the Treasure Coast-wide environmental group the Rivers Coalition, agreed. 'No matter what the state does to acquire the land needed to create the flow-way and the water storage capacity that's necessary,' Abood said, 'we'll be in favor of it. ... What we want is for the end result to be the elimination of discharges of Lake Okeechobee water into the St. Lucie River estuary.' If the compromise deal accomplishes its environmental goals and keeps much-needed jobs in the Clewiston area, Abood said, 'it should be easier to reach a consensus with everyone involved to move the project forward.' Melissa Meeker of Stuart, the Treasure Coast's representative on the South Florida Water Management District governing board, said talk of a deal could be premature. 'Any agreement would have to come through the board,' Meeker said, adding the board is to be briefed Dec. 2 on the status of the negotiations.

Still, Meeker said she's interested in a land-only deal. 'I'm not interested in (the state) owning a sugar mill,' she said.

Changes sweeten Big Sugar land deal to aid Glades restoration

11/11/2008

Miami Herald - Online

CURTIS MORGAN AND JANE BUSSEY

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Under the terms of an agreement Gov. Charlie Crist is expected to announce Tuesday in Miami, the state will still buy the U.S. Sugar Corp.'s sprawling fields for Everglades restoration. But the revised contract, which sources said was all but wrapped up, would include two critical changes from the blockbuster \$1.75 billion buyout Crist unveiled in June.

The company would keep a high-tech sugar mill in Clewiston, a citrus processing plant, a railroad and -- most critically -- its ability to stay in business. And the South Florida Water Management District, facing a worsening budget squeeze, could cut the price tag by about \$400 million.

Robert Coker, a U.S. Sugar vice president, declined to comment.

"Any announcement about this deal is going to come from the governor," he said.

Crist's office and water managers did not respond to calls from . But the governor's office invited environmental groups to the Tuesday announcement at the Coconut Grove home of late Everglades icon Marjory Stoneman Douglas, and several sources said they had been briefed on the basics of the new deal.

Environmentalists said tweaking the terms wouldn't alter the benefits of what still would rank as the largest conservation land buy in state history. They contend that the sugar fields are critical to resolving problems that have dogged Everglades restoration for more than a decade -- catching more water, cleaning it and getting it to the Everglades.

"In some ways, it makes it more appealing," said Kirk Fordham, chief executive officer of the Everglades Foundation. "It simplifies the deal and makes it more likely it will be financed in shaky credit markets."

Wall Street and bond-market woes have posed the most serious threat to a deal that seemed a lock when Crist first announced it.

The water management district, which is negotiating the deal for the state, has balked at saddling the agency -- and taxpayers -- with massive debt as state tax revenues decline and the costs of financing soar. The district's governing board members, most appointed by Crist, also fretted about getting stuck with a mill and machines that the state didn't know how to run and might struggle to sell.

WHAT ABOUT JOBS?

Leaders in rural towns supported by the industry also attacked the buyout, saying it would undermine already struggling economies.

Clewiston Mayor Mali Chamness said she had not heard anything official about changes to the deal but said Crist, at a Sept. 30 meeting, had stressed that his priority would be to maintain jobs in the region.

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@Nyx.CommentBody@ Gov. Charlie Crist is expected to unveil a cheaper and simpler deal to purchase sugar lands necessary for Everglades restoration.

Fla. revises deal with US Sugar to save Everglades

11/11/2008

Miami Herald - Online

JESSICA GRESKO

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MIAMI -- The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby.

'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades.

Now, 'In a turbulent credit market it simplifies the deal,' said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard.

'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.'

But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

(Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

U.S. Sugar deal could be downsized

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Minneapolis/St. Paul Business Journal

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In June, Crist said the state would purchase 187,000 acres and all of its assets for \$1.75 billion. U.S. Sugar said it would wind down its operations during the next six years.

However, published reports now indicate that the new deal will not include U.S. Sugars mill, citrus processing plant and rail lines.

In June, Crist called the deal a watershed event and 'a strategy to save America's Everglades' that will 'renew the natural flow of America's River of Grass.' Last month, the South Florida Water Management District passed a resolution authorizing financing for capital projects, programs and works, including parts of the proposed land buyout.

At that time, district officials raised cautions that tightening credit markets and falling property tax revenue for the district could complicate the land purchase.

Everglades deal could be downsized

11/11/2008

Minneapolis/St. Paul Business Journal

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The governor scheduled a press conference for the afternoon Nov. 11 at the home of the late environmentalist Marjory Stoneman Douglas, where he is expected to announce that the \$1.75 billion deal with U.S. Sugar Corp. will not include the company's mill, citrus processing plant and rail lines.

In June, Crist said the state would purchase 187,000 acres and all of U.S. Sugars assets for \$1.75 billion. U.S. Sugar said it would wind down its operations during the next six years. However, the South Florida Sun-Sentinel reported Nov. 11 that the new deal would reduce the cost to about \$1.4 billion. The Sun-Sentinel reported that U.S. Sugar and the governor's office declined to comment Nov. 10 on the terms of the deal.

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Fla. revises deal with US Sugar to save Everglades

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The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby. 'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades. Now, 'In a turbulent credit market it simplifies the deal,' said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard. 'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.' But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

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Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies.

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Florida and U.S. Sugar Revamp Everglades Deal

11/11/2008

New York Times

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Gov. Charlie Crist and the United States Sugar Corporation are close to an agreement that would scale back the state's ambitious purchase of the company to gain a wide swath of land for Everglades restoration, environmental groups close to the negotiations said Monday.

Under the revised plan, expected to be announced Tuesday in Miami, the company would keep its sugar mill, rail lines and other assets, while the state would acquire most of the company's 187,000 acres.

That would be a step down from the initial \$1.75 billion offer that Florida made in June to buy all of U.S. Sugar and put the company out of business. No final price has been announced, but the financial pressures of the economic downturn appear to have pushed both sides toward less ambitious terms.

"Every company in America is worth less today than it was in June," said Kirk Fordham, chief executive of the Everglades

Foundation. "This simplifies the deal. It makes it easier to swallow from a financial standpoint, and it's less complicated."

Many environmental groups said they were still waiting for the final details. It was unclear how much of U.S. Sugar's land would be included in the sale, how it would be paid for and whether the company would be leasing back its land for several years, which had been part of the original proposal.

Officials in the governor's office did not return calls seeking comment. Just before 6 p.m., they said a news conference would be held Tuesday at the former home of Marjory Stoneman Douglas, who was known as the patron saint of the Everglades.

The South Florida Water Management District, the state agency in charge of the acquisition, declined to elaborate on the deal. In a statement, the agency said, "We've made significant progress to date and we're working hard to keep options open."

A purchase of U.S. Sugar's land, which lies south of Lake Okeechobee, would be the state's largest acquisition of property for the Everglades, dubbed the river of grass. It would please environmentalists who had worried that complications over the company's other assets would scuttle the deal or make it too expensive.

Lisa Interlandi, a lawyer with the Everglades Law Center, said "the key for restoration purposes always has been the land."

Eric Draper, deputy and policy director of Audubon of Florida, said on Monday afternoon that he was "pretty certain that the proposal is limited to land, not assets, which is a pretty significant accomplishment."

Mr. Fordham agreed. "If Governor Crist is able to successfully negotiate a deal with U.S. Sugar in the midst of this economic crisis," he said, "it will be a masterstroke that skeptics never thought he could pull off."

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Everglades deal tailored

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Florida and U.S. Sugar Corp. are expected to announce today a revised version of the \$1.75 billion deal revealed in June that is expected to protect Lee County's beaches and help restore Everglades National Park.

Gov. Charlie Crist said in June the state had agreed to purchase 187,000 acres of farmland in Hendry and Palm Beach counties, which would cause the country's biggest sugar company to close in six years.

Charles Lee, Audubon of Florida vice president, said Monday the agreement between the state and the company has been altered. Lee said he didn't know specifics of the new deal. "I believe the announcement is going to be that they have a contract between the state and U.S. Sugar," he said. "It may be a little different than the original deal." A 2:15 p.m. announcement is scheduled at the Miami house of the late Marjory Stoneman Douglas, a defender of the Florida Everglades. Crist communications director Erin Isaac wouldn't confirm what the press conference will announce. U.S. Sugar Senior Vice President Robert Coker declined to comment.

Fla. revises deal with US Sugar to save Everglades

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JESSICA GRESKO The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

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Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby. 'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

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'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
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(Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

Twist in Everglades deal sweeter for U.S. Sugar

11/11/2008
Orlando Sentinel
Reid, Andy

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The state and U.S. Sugar Corp. today are expected to announce a scaled-down buyout that provides land for Everglades restoration but allows the sugar-cane giant to stay in business, sources familiar with the deal confirmed Monday.

In a departure from the \$1.75 billion buyout that Gov. Charlie Crist proposed in June to acquire U.S. Sugar's 187,000 acres and all of the company's assets, the new deal would allow the company to keep its sugar mill, citrus-processing plant and rail lines.

The state would get land to build reservoirs and water-treatment areas to help restore flows of water from Lake Okeechobee to the Everglades. But U.S. Sugar would remain, at least temporarily, likely leasing back land to keep growing and processing sugar cane.

The new terms could reduce the cost -- putting it closer to \$1.4 billion -- at a time when the state budget continues to tighten as the national economy remains in crisis.

U.S. Sugar Senior Vice President Robert Coker would not comment, saying any announcements would have to come from the Governor's Office.

The Governor's Office on Monday declined to discuss the status of the negotiations.

Later, it scheduled a news conference for 2:15 p.m. today in Miami at the historic home of the late Everglades champion Marjory Stoneman Douglas.

A scaled-down deal would still be a "momentous" opportunity to provide land needed to build reservoirs and treatment areas to store, clean and redirect water from Lake Okeechobee that once naturally rehydrated the Everglades, said Eric Draper, deputy director of Audubon Florida.

"The problem that we have wrestled with is how to get the water from Lake Okeechobee and clean it up and get it to the Everglades," Draper said. "There has never been a way to do that without getting some more land."

Critics of the buyout warn that it threatens to tie up money needed for other long-delayed Everglades-restoration plans.

Allowing the mill and other assets to stay in production means more problems with agricultural pollution and water-management practices geared toward crops instead of the environment, said David Reiner, president of the environmental group Friends of the Everglades.

"Anything that allows U.S. Sugar to continue to operate in the Everglades is completely counterproductive," Reiner said.

When the proposed deal was announced, U.S. Sugar officials said they would sell only under an all-or-nothing deal with the state buying them out completely. The company was to shut down operations within six years and the state was to sell off assets it didn't need for the effort, such as the sugar mill in Clewiston.

On Thursday the South Florida Water Management District --

charged with negotiating the final terms of the deal and paying for the purchase -- plans to consider a scaled-down option that calls for the state to buy 182,500 acres while U.S. Sugar keeps the mill and other business assets.

U.S. Sugar staying in business longer could create a tempting tenant to continue to lease the land where construction of reservoirs and treatment areas could take 20 years.

The original deal called for the district, which covers Orlando to the Keys, to borrow most of the money for the buyout, with property taxes paying off the debt.

District officials would not comment Monday on the details of the negotiations.

Losing U.S. Sugar was estimated to affect 1,700 jobs and have trickle-down effects on Glades-area businesses that rely on those customers as well as independent growers that do business with U. S. Sugar.

Land swaps with other property owners in the area targeted for restoration have been a sticking point in the deal.

Florida's other large sugar producer, Florida Crystals, also owns land between Lake Okeechobee and the remaining Everglades, and the state initially planned to try to work out land swaps to clear the way for water-storage and treatment areas.

The smaller Sugar Cane Growers Cooperative of Florida already requested the chance to acquire 15,000 acres of U.S. Sugar land if the district ends up with cane fields not needed for Everglades restoration.

"Will other people have opportunities to get leases? . . . We still don't know what the process is," Barbara Miedema, vice president of the cooperative, said of the proposed new deal.

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Crist delays Everglades announcement after plane troubles

11/11/2008

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Gov. Charlie Crist had to make an emergency landing en route to the Marjory Stoneman Douglass House in Miami today, where he had planned to announce a new revision to the state's \$1.75 billion Everglades restoration deal with U.S. Sugar Corp.

According to Crist's office, 'on a flight to Miami from Bushnell, at approximately 1:35 p.m. today, pilots made an emergency landing in Sarasota in an abundance of caution. Details regarding the cause of the mechanical difficulties are unknown at this time, however the plane was serviced for a generator malfunction last week.' Crist was headed to South Florida to announce a scaled-down deal to purchase the sugar concern's 187,000 acres in Florida. The new terms of the deal, originally announced in June, will allow U.S. Sugar Corp. to keep its railway and mill so it can stay in business.

The press conference has been rescheduled until Wednesday.

Filed under: Charlie Crist

Florida's U.S. Sugar deal getting downsized?

11/11/2008

Orlando Sentinel - Online

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The Sun Sentinel is reporting that the state and U.S. Sugar Corp. could be cutting a new, scaled-down deal that provides land for Everglades restoration but also keeps the sugar cane giant in business.

In a departure from the grand, \$1.75 billion buyout that Gov. Charlie Crist proposed in June to acquire U.S. Sugar's 187,000 acres and all of the company's assets, sources tell the paper the new deal would allow U.S. Sugar to keep its sugar mill, citrus processing plant and extensive rail lines.

The state would get land to build reservoirs and water treatment areas that would help restore flows of water from Lake Okeechobee to the Everglades. But U.S. Sugar would remain, likely leasing back land to keep growing and processing sugar cane. The new terms could reduce the cost of the deal.

Story here.

Filed under: Charlie Crist

State, U.S. Sugar near land-only deal to cut price by \$500 million

11/11/2008

Palm Beach Post - Online

PAUL QUINLAN and DARA KAM

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TALLAHASSEE The state is preparing to slim down its blockbuster \$1.75 billion buyout of U.S. Sugar Corp. - shaving as much as \$500 million from the price while holding off the company's scheduled extinction.

U.S. Sugar and the state are 'in the very, very last stages' of drawing up a contract for the purchase, a person familiar with the negotiations said Monday. The deal's aim would remain the same: acquiring a huge swath of land essential to restoring the Everglades.

U.S. Sugar deal

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'Now we've got the guts of the contract done,' the person said, adding that lawyers are fine-tuning the language.

Under the new proposal, expected to be announced today in Miami, the state will purchase nearly all of U.S. Sugar's land - about 182,500 acres - and none of the sugar giant's manufacturing assets, such as its mill, railroad lines and citrus processing plant.

Compared with the 187,000-acre buyout that Gov. Charlie Crist announced with much fanfare in June, the changes could save the state 'hundreds of millions of dollars,' one person knowledgeable about the talks said.

Even the downsized deal would be a boon for the restoration, said environmentalist Kirk Fordham, CEO of the Everglades Foundation. He warned that if the deal falls through, pieces of U.S. Sugar's empire eventually could fall to developers, miners and other farming companies, scuttling chances of a grand Everglades rescue.

'If you lose the opportunity to acquire this amount of land, then it may never present itself again,' Fordham said. 'The vultures could

come in and pick apart what's left of the company.'

One aspect of the deal would be unchanged: U.S. Sugar still could lease back its former land and keep growing, processing and selling sugar for about six years, sources said.

It's unclear what U.S. Sugar would do after six years, or why it would need a mill without any land on which to grow cane. Under the initial proposal, U.S. Sugar was supposed to sell all assets to the state and go out of business.

The lease arrangement would allow the state's water managers to earn some return on their investment while working out the detailed blueprints of the restoration. Water managers have said they envision a system of reservoirs and marshes that would supplant anywhere from 65,000 to 95,000 acres of cane fields.

The board of the South Florida Water Management District is scheduled to vote Thursday on letting its staff negotiate a purchase of U.S. Sugar's land alone. The district would also keep its options open, getting the right of first refusal to buy the company's other assets later.

Environmentalists hailed Crist's announcement in June, saying it promised to fulfill their dream of restoring the Everglades by re-creating its once-flowing link with Lake Okeechobee. But negotiations have fallen behind schedule as headaches mounted.

The original buyout plan also created some tension between Crist's office and the water district, the 16-county state agency charged with negotiating, financing and executing the deal, said a person knowledgeable about the closed-door discussions.

'I know that the governor's office is trying very hard to make this be a good thing,' the person said. 'I think the water management district is more concerned that they get stuck with something that they can't handle.'

That's because the original proposal, while burnishing the governor's legacy, undoubtedly would have strained the water agency.

For example, the district recently rewrote its debt policies to enable it to borrow as much as \$2.2 billion for the deal, to be repaid with property taxes collected within the 16 counties. A chunk of that would have covered the costs of U.S. Sugar's mill, rail lines and citrus plant.

Those industrial assets would be essentially useless to the restoration, so district leaders would have to try to sell them to someone else.

Meanwhile, at least two investment banks expected to help with the financing have gone out of business during this year's economic slump, just as the world's credit markets began to freeze.

Water managers still must persuade a judge to authorize the borrowing, and appraisers have to weigh in on what the land is worth.

In addition, creating a solid path for water to flow between the lake and the Everglades would require the district to swap some U.

S. Sugar parcels with the region's other sugar giant, the Fanjul family's Florida Crystals Corp.

Even some environmentalists who support the buyout say they worry about what concessions the Fanjuls will demand. Water managers have had to devise alternative restoration plans in case they can't get all the land they want.

Eric Draper, policy director for the group Audubon of Florida, expressed cautious enthusiasm for the revamped deal. But the price is still a concern at a time when the state's revenues are expected to be more than \$2 billion less than earlier projected.

'Price is going to make a difference to the legislature and to the public,' Draper said.

Fordham, of the Everglades Foundation, praised the land-only proposal for its savings and simplicity. And he said the economy's tectonic shift should work in the district's favor.

'Every company in America is worth less today than it was in June when the governor first announced this,' Fordham said. 'So it's only prudent that the state would pay less today than they would in June.'

Staff writer Susan Salisbury contributed to this story.

U.S. Sugar deal could be downsized

11/11/2008

Philadelphia Business Journal

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South Florida Business Journal

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Gov. Charlie Crist has scheduled a press conference for Tuesday afternoon at the home of the late environmentalist Marjory Stoneman Douglas, where he is expected to announce that he struck a modified deal with U.S. Sugar Corp. to purchase its land for restoration of the Everglades.

In June, Crist said the state would purchase 187,000 acres and all of its assets for \$1.75 billion. U.S. Sugar said it would wind down its operations during the next six years.

However, published reports now indicate that the new deal will not include U.S. Sugars mill, citrus processing plant and rail lines.

In June, Crist called the deal a watershed event and 'a strategy to save America's Everglades' that will 'renew the natural flow of America's River of Grass.'

Last month, the South Florida Water Management District passed a resolution authorizing financing for capital projects, programs and works, including parts of the proposed land buyout.

At that time, district officials raised cautions that tightening credit markets and falling property tax revenue for the district could complicate the land purchase.

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Fla. revises deal with US Sugar to save Everglades

11/11/2008

Press of Atlantic City

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The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby. 'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades. Now, 'In a turbulent credit market it simplifies the deal,' said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard. 'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.' But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

(Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

Everglades deal could be downsized

11/11/2008

San Francisco Business Times - East Bay Bureau

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The governor scheduled a press conference for the afternoon Nov. 11 at the home of the late environmentalist Marjory Stoneman Douglas, where he is expected to announce that the \$1.75 billion deal with U.S. Sugar Corp. will not include the company's mill, citrus processing plant and rail lines.

In June, Crist said the state would purchase 187,000 acres and all of U.S. Sugars assets for \$1.75 billion. U.S. Sugar said it would wind down its operations during the next six years. However, the South Florida Sun-Sentinel reported Nov. 11 that the new deal would reduce the cost to about \$1.4 billion. The Sun-Sentinel reported that U.S. Sugar and the governor's office declined to comment Nov. 10 on the terms of the deal.

In June, Crist called the deal a watershed event and 'a strategy to save America's Everglades' that will 'renew the natural flow of America's River of Grass.' Last month, the South Florida Water Management District passed a resolution authorizing financing for capital projects, programs and works, including parts of the proposed land buyout.

At that time, district officials raised cautions that tightening credit markets and falling property tax revenue for the district could complicate the land purchase.

Revised U.S. Sugar deal could be sweet for Florida Crystals

11/11/2008

San Francisco Business Times - East Bay Bureau
Paul Brinkmann

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Florida Crystals and U.S. Sugar share the cane fields of Central Florida almost equally. Any plan to buy out U.S. Sugar to create a flow-way for Everglades waterways would have a big impact on Florida Crystals, and could require its cooperation.

Gaston Cantens, Florida Crystals vice president for corporate, said he is waiting to hear details of the announcement, which are expected during a 2 p.m. news conference Crist scheduled at the home of the late environmentalist Marjory Stoneman Douglas. Crist is expected to announce that he struck a modified deal with to purchase its land for Everglades restoration.

The new deal will not include U.S. Sugars mill, citrus processing plant and rail lines, according to published reports.

One of the biggest issues in the buyout plan is what will become of U.S. Sugars new processing mill in Clewiston, which is in the proposed buyout area. Were certainly open-minded about this, Cantens said. The caveat weve always had is how much land will you have to grow sugar cane to put into the Clewiston mill? If you have no sugar cane, what will you do with the mill? In an interview Tuesday afternoon, Cantens said Florida Crystals could be interested in owning the mill if there was sugar production around it. Would we be interested in the mill? Absolutely, he said. But, it would depend on how much land and sugar is available. Our mill in Okeelanta is state of the art. Its not brand new, but it has been updated and upgraded, and its basically computerized. We have no interest in scrapping Okeelanta, where we have a processing plant, distribution center and power plant. Regarding negotiations with the state, he said: Theres nothing for us to negotiate until we know what our deal is with U.S. Sugar.' In June, Crist said the state would purchase 187,000 acres from U.S. Sugar, along with all of its assets, for \$1.75 billion. U.S. Sugar said it would wind down its operations during the next six years.

At the time, Crist called the deal a watershed event and 'a strategy to save America's Everglades' that will 'renew the natural flow of America's River of Grass.' Last month, the South Florida Water Management District passed a resolution authorizing financing for capital projects, programs and works, including parts of the proposed land buyout.

At that time, district officials raised cautions that tightening credit markets and falling property tax revenue for the district could complicate the land purchase.

U.S. Sugar deal could be downsized

11/11/2008

South Florida Business Journal

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Revised U.S. Sugar deal could be sweet for Florida Crystals

11/11/2008

South Florida Business Journal

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Mechanical problems with his plane forced Gov. Charlie Crist him to scrap plans to come to South Florida, where he was to announce a scaled-down version of the states deal with U.S. Sugar Corp.

However, the revised deal was outlined in a press release. It indicates that the state will now purchase 181,000 acres from U. S. Sugar, instead of the original 187,000 acres, for \$1.34 billion. The original price tag was \$1.75 billion.

The new deal includes a leaseback of land for \$50 an acre until 2016.

U.S. Sugar will not be selling its mill, refinery, citrus processing facilities, railroads, office building and equipment to the state, according to the press release. After months of negotiations, it became clear that the best transaction was for the state to buy the land and for U.S. Sugar to keep the assets, said Robert Coker, U.S. Sugars senior vice president of public affairs. 'This is a good deal for the state, U.S. Sugar and our shareholders.' One of the biggest issues in the buyout plan is what will become of U.S. Sugars new processing mill in Clewiston, which is in the proposed buyout area.

Gaston Cantens, Florida Crystals vice president for corporate relations, said his company might be interested in purchasing the mill. Were certainly open-minded about this, he said. The caveat weve always had is how much land will you have to grow sugar cane to put into the Clewiston mill? If you have no sugar cane, what will you do with the mill? In an interview Tuesday afternoon, Cantens said Florida Crystals could be interested in owning the mill if there was sugar production around it. Would we be

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Crist, whose plane was forced to make an emergency landing in Sarasota, has rescheduled the press conference for Wednesday morning.

Web Editor Susan R. Miller contributed to this report.

Fla. revises deal with US Sugar to save Everglades

11/11/2008

Star Tribune - Online

JESSICA GRESKO

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MIAMI - The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements Tuesday.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby. 'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades. Now, 'In a turbulent credit market it simplifies the deal,' said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard. 'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

_ The state takes over approximately 181,000 acres as opposed to 187,000.

_ U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglas, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.' But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem. (Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

Fla. revises deal with US Sugar to save Everglades

11/11/2008

Sun News, The
JESSICA GRESKO

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STATE, U.S. SUGAR AIM FOR LESS AMBITIOUS DEAL

11/11/2008

Sun Sentinel, Fort Lauderdale, FL

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The state and U.S. Sugar Corp. today are expected to announce a scaled-down buyout that provides land for Everglades restoration but allows the sugar cane giant to stay in business, sources familiar with the deal confirmed on Monday.

In a departure from the \$1.75 billion buyout that Gov. Charlie Crist proposed in June to acquire U.S. Sugar's 187,000 acres and all of the company's assets, the new deal would allow the company to keep its sugar mill, citrus processing plant and rail lines.

The state would get land to build reservoirs and water treatment areas to help restore flows of water from Lake Okeechobee to the Everglades. But U.S. Sugar would remain, at least temporarily, likely leasing back land to keep growing and processing sugar cane.

The new terms could reduce the cost - putting it closer to \$1.4 billion - at a time when the state budget continues to tighten as the national economy remains in crisis.

U.S. Sugar Senior Vice President Robert Coker declined to comment, saying any announcements would have to come from the governor's office.

The governor's office on Monday declined to discuss the status of the negotiations.

Later, it scheduled a news conference for 2:15 p.m. today in Miami at the historic home of the late Everglades champion Marjory Stoneman Douglas.

A scaled-down deal would still be a "momentous" opportunity to provide land needed to build reservoirs and treatment areas to store, clean and redirect water from Lake Okeechobee that once

naturally rehydrated the Everglades, said Eric Draper, deputy director of Audubon Florida.

"The problem that we have wrestled with is how to get the water from Lake Okeechobee and clean it up and get it to the Everglades," Draper said. "There has never been a way to do that without getting some more land."

Critics of the buyout warn that it threatens to tie up money needed for other long-delayed Everglades restoration plans.

Allowing the mill and other assets to stay in production means more problems with agricultural pollution and water management practices geared toward crops instead of the environment, said David Reiner, president of the environmental group Friends of the Everglades.

"Anything that allows U.S. Sugar to continue to operate in the Everglades is completely counterproductive," Reiner said.

When the proposed deal was announced, U.S. Sugar officials said they would only sell under an all-or-nothing deal with the state buying them out completely. The company was to shut down operations within six years and the state was to sell off assets it didn't need for the effort, such as the sugar mill in Clewiston.

On Thursday the South Florida Water Management District - charged with negotiating the final terms of the deal and paying for the purchase - plans to consider a scaled-down option that calls for the state to buy 182,500 acres while U.S. Sugar keeps the mill and other business assets.

U.S. Sugar staying in business longer could create a tempting tenant to continue to lease the land where construction of reservoirs and treatment areas could take 20 years.

The original deal called for the district, which covers Orlando to the Keys, to borrow most of the money for the buyout, with property taxes paying off the debt.

District officials would not comment Monday on the details of the negotiations. Losing U.S. Sugar was estimated to affect 1,700 jobs and have trickle-down effects on Glades-area businesses that rely on those customers as well as independent growers that do business with U.S. Sugar.

Land swaps with other property owners in the area targeted for restoration have been a sticking point in the deal.

Florida's other large sugar producer, Florida Crystals, owns land between Lake Okeechobee and the remaining Everglades, and the state had planned to try to work out land swaps to clear the way for water storage and treatment areas.

The smaller Sugar Cane Growers Cooperative of Florida already requested the chance to acquire 15,000 acres of U.S. Sugar land if the district ends up with cane fields not needed for Everglades restoration.

"Will other people have opportunities to get leases? . . . We still don't know what the process is," Barbara Miedema, vice president of the cooperative, said of the proposed new deal.

Staff Writer Josh Hafenbrack contributed to this report.

Andy Reid can be reached at abreid@SunSentinel.com or 561-228-5504.

See what's at stake

Take a look at the history of the sugar cane industry in South Florida through an interactive photo gallery and video report at SunSentinel.com/sugar. Also take an interactive tour through the Everglades and gain insight into Florida's unique 'river of grass.'

PHOTO: MAP: Locates U.S. Sugar Corp. land. Source: U.S. Sugar Corp., South Florida Water Management District

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Local environmentalists give grudging support to talk of deal

11/11/2008

Stuart News

Treadway, Tyler

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A land-only deal with U.S. Sugar would be acceptable, local environmentalists say, as long as the goal of eliminating discharges from Lake Okeechobee into the St. Lucie River estuary is achieved.

In fact, taking the company's sugar mill and other assets out of the purchase could sweeten the deal.

"With less land to buy, maybe the state can save some money," said Mark Perry, executive director of the Stuart-based Florida Oceanographic Society. That money could be spent on aspects of the Comprehensive Everglades Restoration Plan along the Treasure Coast that have been approved but not funded.

The scaled-down land deal would cut U.S. Sugar's processing mill in Clewiston and other "business assets" out of the deal and trim the land purchase from 187,000 to 182,500 acres.

"That still ought to be enough to make the flow-way happen," Perry said. "That's the main thing: As long as that connection between the lake and the Everglades is in the plan, then it's OK."

Leon Abood, chairman of the Treasure Coast-wide environmental group the Rivers Coalition, agreed.

"No matter what the state does to acquire the land needed to create the flow-way and the water storage capacity that's necessary," Abood said, "we'll be in favor of it. ... What we want is for the end result to be the elimination of discharges of Lake Okeechobee water into the St. Lucie River estuary."

If the compromise deal accomplishes its environmental goals and keeps much-needed jobs in the Clewiston area, Abood said, "it should be easier to reach a consensus with everyone involved to

move the project forward."

Melissa Meeker of Stuart, the Treasure Coast's representative on the South Florida Water Management District governing board, said talk of a deal could be premature.

"Any agreement would have to come through the board," Meeker said, adding the board is to be briefed Dec. 2 on the status of the negotiations.

Still, Meeker said she's interested in a land-only deal.

"I'm not interested in (the state) owning a sugar mill," she said.

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UPDATE 2-Florida scales back U.S. Sugar Corp buyout

11/11/2008

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(Adds details from U.S. Sugar Corp statement, byline)

By Jim Loney

MIAMI, Nov 11 (Reuters) - Florida has scaled back its planned \$1.75 billion buyout of U.S. Sugar Corp, a deal aimed at using the company's coveted acreage to help cleanse and restore the state's endangered Everglades wildlife habitat.

Under terms of the tentative deal unveiled on Tuesday, the state will pay \$1.34 billion for 181,000 acres of U.S. Sugar land, but the company will keep its sugar mill, refinery, citrus processing facilities, railroads, office buildings, equipment and more than 5,000 acres (2,000 hectares) of land.

A preliminary deal struck in June called for Florida to buy all of U.S. Sugar Corp, one of the nation's largest privately held agricultural firms.

It was not revealed why the deal was revamped. But Florida faces eroding sources of public financing because of the U.S. credit crunch and a falloff in state tax revenues. 'I think it's a better deal. The government wouldn't have known what to do with all those plants,' said Eric Draper of the environmental group Audubon of Florida. 'Now Florida will own the land we all wanted for restoration.' U.S. Sugar said its negotiations with the South Florida Water Management District had been 'successfully concluded' with an agreement. But water district Executive-Director Carol Wehle said only a 'framework' was in place and the two sides were still negotiating details.

Wehle said the district planned to sell \$1.34 billion of certificates of participation, instruments similar to bonds, to fund the deal, but a timetable for the sale had not been set and would depend partly on the debt market.

She said she hoped to put a contract before the district's governing board for approval in December. U.S. Sugar's board also must sign off on the pact.

The deal is expected to revive an effort to turn sugar cane fields back into marshes and waterways that would help cleanse polluted Everglades water and carry it from Lake Okeechobee to the southern reaches of the Everglades and Florida Bay.

Environmentalists have criticized the sugar industry for decades for dumping fertilizer-tainted water into Florida's famous 'River of Grass,' a slow-moving river as little as 6 inches (15 cm) deep and a vast sawgrass prairie with marshes, pine forests and mangrove islands.

It is the largest subtropical wilderness in the United States and home to rare and endangered species like the American crocodile and the Florida panther.

More than 35 percent of the original wetlands have been taken over by development or agriculture and the remainder has been starved of water because of the irrigation needs of sugar plantations, vegetable farms and citrus fields.

The deal will allow U.S. Sugar to lease back the land for \$50 per acre and keep its 1,700 workers for about six years. After that, the company 'will either continue to operate the facilities or sell them based on the best interest of our shareholders,' U.S. Sugar Vice President Robert Coker said. 'Every employee we have today, we plan to keep on,' he said. Florida Gov. Charlie Crist had been expected to announce the deal at a news conference on Tuesday at the former Miami home of the late environmentalist Marjory Stoneman Douglas, a longtime defender of the Everglades.

But Crist was delayed and the event was postponed until Wednesday, leaving environmentalists to wonder about the deal's fine print. 'We're excited that the land will be in state control. The critical thing is getting the land,' said Jonathan Ullman of the Sierra Club. 'But we'll just have to wait and see about the details.' (Editing by Walter Bagley) Thomson Reuters 2008 All rights reserved

Employers cut payrolls by a much steeper-than-expected 240,000 jobs in October as the unemployment rate shot up to its highest in more than 14 years. Full Article

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Florida makes deal to save Everglades

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MIAMI - The state of Florida has agreed to pay the nation's biggest producer of sugar cane \$1.34 billion, instead of the \$1.75 billion originally proposed, under a revised deal to buy up vast tracts of farm land to restore the Everglades, the company said in statements today.

The state will acquire nearly the same number of acres it would have from U.S. Sugar in a deal announced last June, but it no longer has plans to buy up the company's high-tech mill, railroad lines or citrus processing plant.

Environmentalists praised the new deal, saying it's simpler and less expensive. The state is purchasing the land around Lake Okeechobee as part of an ambitious plan to save the Everglades after decades of farming and development nearby. 'The financial and real estate world has changed since the transaction was announced on June 24,' leading to the change in terms, U.S. Sugar said in a statement.

Environmentalists had already lauded the original proposal because it would convert farm land into conservation land, allowing water managers to create a system to clean and store water before sending it south into the Everglades. Now, 'In a turbulent credit market it simplifies the deal,' said the CEO of the nonprofit Everglades Foundation Kirk Fordham.

David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard. 'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

- The state takes over approximately 181,000 acres as opposed to 187,000.
- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglass, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.'

But Crist's plane had mechanical trouble and was forced to make an emergency landing today. Officials said the governor would make his remarks at the home tomorrow morning.

The new proposal still requires the approval of the boards of U.S. Sugar and the South Florida Water Management District, a government agency responsible for water quality and environmental restoration. That deal could be signed as early as December according to the statement from U.S. Sugar.

Still unclear, however, is how much of the land will go to conservation and how much will stay as farmland, according to

the Everglades Foundation's Fordham.

Regardless of this deal, some 300,000 acres in the Everglades, or about 500 square miles, will remain in agriculture production by other companies.

Farming in the region has long been considered a hindrance to restoring natural water flow to the Everglades, blocking flow patterns and contributing pollutants and fertilizers to the ecosystem.

Fla. revises deal with US Sugar to save Everglades

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(Subs 12th graf 'Gov. Charlie...' to CORRECT spelling of Douglas.)

Florida, U.S. Sugar deal may be pared down

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TALLAHASSEE, Fla., Nov. 11 (UPI) -- The state of Florida and U.S. Sugar Corp. have pared down a massive land agreement meant to restore natural water flow to the Everglades, sources said.

The original plan of purchasing \$1.75 billion of south Florida land from U.S. Sugar has been scaled down to a deal worth about \$1.4 billion, sources close to the deal said, the South Florida Sun-Sentinel reported Tuesday.

The original 187,000-acre agreement included all of the company's south Florida assets. The new deal would allow the company to remain in business in the state, the report said.

An afternoon news conference was scheduled for Tuesday at the former home of the late Everglades advocate Marjory Stoneman Douglas, the newspaper reported.

Even the smaller deal was dubbed 'momentous,' by Eric Draper, deputy director of Audubon Florida.

'The problem that we have wrestled with is how to get the water from Lake Okeechobee and clean it up and get it to the Everglades. There has never been a way to do that without getting some more land,' Draper said.

State Revises Deal With US Sugar To Save Everglades

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David Guest, an attorney for the ecological law firm Earthjustice, likened the deal to getting a hot dog without relish and mustard. 'It's cheaper and what you really wanted in the first place,' said Guest, who has spent decades fighting for Everglades restoration.

According to the statement from U.S. Sugar, the deal includes the following terms:

-- The state takes over approximately 181,000 acres as opposed to 187,000.

-- U.S. Sugar is allowed to lease back the land at \$50 per acre, per year for seven crop cycles or six years. After that, U.S. Sugar will still own the processing facilities and could continue to operate them even without farmland. The mill could simply refine raw sugar produced elsewhere or be converted for the production of alternative energy. The company did not say what it planned.

Gov. Charlie Crist had been scheduled to announce the deal at the former Miami home of Marjory Stoneman Douglass, one of the state's most revered environmentalists and the author of the influential 1947 book 'The Everglades: River of Grass.' But Crist's plane had mechanical trouble and was forced to make an emergency landing Tuesday. Officials said the governor would make his remarks at the home Wednesday morning.

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HER IN THE END. STEVS IS NO STRANGER TO SEMINOLE COUNTY SHERIFF DEPUTIES. HE HAS A LONG RAP SHEET. WE'LL KEEP YOU UPDATED ON THE SEARCH TO FIND HIM. IF YOU HAVE ANY INFORMATION CALL POLICE.

CLEARLY IF HE LIVED HERE IN CENTRAL FLORIDA, SOMEONE NEEDS TO KNOW WHO HEIS.

IF YOU SEE THE PICTURE, DON'T HESITATE TO CALL.

THREE MINUTES AFTER 5:00. YOU'RE GOING TO WISH YOU HAD A NEIGHBOR LIKE THIS ONE. A GUY IN DAYTONA BEACH TRIED TO PUT OUT HIS NEIGHBOR'S HOUSE FIRE WITH A HOSE. THIS HAPPENED LAST NIGHT IN VOLUSIA COUNTY. AFTER CALLING 911, THE NEIGHBOR GRABBED A GARDEN HOSE AND KEPT THE FIRE UNDER CONTROL UNTIL FIREFIGHTERS GOT THERE. NO ONE WAS INSIDE AT THE TIME OF THE HOME -- NO ONE WAS IN THE HOME AT THE TIME I SHOULD SAY.

GOVERNOR CHARLIE CRIST STRUCK A DEAL TO ACQUIRE NEARLY 200,000 ACRES OF EVERGLADES LAND. IT APPEARS THAT DEAL IS NOT GOING AS PLANNED. STATE LEADERS AND THE U.S. SUGAR CORPORATION HAVE SCALED BACK THE \$1.75 BILLION DEAL THAT WOULD HAVE GIVEN IT OVER TO THE STATE FOR RESTORATION. IT'S AN AREA ABOUT THE SIZE OF THE CITY OF CHICAGO. THE ORIGINAL DEAL ULD HAVE U.S. SUGAR GO OUT OF BUSINESS SIX YEARAFTER THE DEAL IS SIGNED. THE REVISED DEAL LETS U.S. SUGAR KEEP ITS MILL. IT HASN'T BEEN APPROVED JUST YET.

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Everglades Restoration To Cost Millions Less Than Projected

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Florida recorta compra de terrenos de caña a U.S. Sugar Corp

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Por Jim Loney

MIAMI (Reuters) - Florida redujo sus planes para comprar U.S. Sugar Corp por 1.750 millones de dólares, en un acuerdo que tiene como objetivo destinar terrenos de la compañía a limpieza y restauración del hábitat de vida silvestre Everglades que está en peligro.

Bajo los términos del acuerdo modificado, que U.S. Sugar Corp esbozó en un comunicado el martes, el gobierno estatal comprará la mayor parte de los campos de caña de azúcar de la compañía en el sur de Florida para restaurar Everglades.

Sin embargo, U.S. Sugar no dijo porque el precio original de compra había sido reducido a 1.340 millones de dólares.

La compañía, una de las firmas agrícolas privadas más grandes de Estados Unidos, retendrá la propiedad de más de 2.000 hectáreas de la tierra que originalmente estaban incluidas en el plan de compra.

La tierra que conservará U.S. Sugar incluye su ingenio y refinería, una planta de cítricos y un ferrocarril privado, dijo el comunicado de la compañía.

No quedó claro inmediatamente la razón de que el acuerdo, que fue anunciado en junio, haya sido modificado. Pero Florida enfrenta una erosión de fuentes de financiamiento público a causa de la crisis crediticia y de la caída de los ingresos fiscales del estado.

(Editado en español por Javier López)

