## U.S. Sugar News Clips for April 4 - 6

Compiled by: South Florida Water Management District  
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### No better time than now to buy land for conservation

04/06/2009  
Pensacola News Journal
Florida Forever has been applauded throughout the United States as a model conservation program that has helped the state preserve more than 620,000 acres with $2.5 billion.

That's the good news.

The bad news is that the preliminary state budget released last week did not include funding for the $300 million-a-year land conservation program, which led conservationists from several counties to hold an emergency meeting with lawmakers.

It would be a sad time for Florida if money weren't available for this important program. The benefits of permanent land conservation — and specifically of Florida Forever — are immeasurable.

It is far less costly to protect natural resources like clean water and healthy forests through preservation than to try to restore them later.

Land preservation ultimately results in fewer costs to taxpayers and avoids negative impacts to tourism, fishing, recreation, hunting and other uses that rely on a healthy environment.

Last year, neither the House nor the Senate budgeted any funding for Florida Forever, but Gov. Charlie Crist restored the full $300 million. Again this year Crist has wisely included full funding in his budget.

We understand that tough economic times require tough budgetary decisions. The governor's $1.75 billion deal to buy 180,000 acres of U.S. sugar land to help restore the Everglades has been cut in half because the state couldn't afford the full purchase. But at least the plan was kept alive. Likewise, funding for Florida Forever should remain in the state's budget, at some level.

The silver lining in the dark clouds of the economic downturn is that land is now available for purchase at lower cost. It's an opportunity that might not come again for years.

The fact is that Florida is continuing to grow, even if at a reduced rate. And while the economy is slumping today, it will recover, and more of our irreplaceable forests, prairies and wetlands will be lost to development.

There is no better time than now to acquire land for conservation.

The Florida Nature Conservancy, hosting "Florida Forever Day" at the Capitol today, is raising awareness about and seeking support for conservation from lawmakers and the public.

The Legislature needs to hear the message and ensure that money for Florida Forever remains available now and in the years to come.
A rough week on several fronts for Florida's governor

04/05/2009
Sarasota Herald-Tribune

Last week was not a good one for Gov. Charlie Crist.

The Legislature and the bad economy threatened to torpedo some of the governor's top initiatives.

On Tuesday, House and Senate leaders threatened to undo many of the changes to the state's property insurance system that Crist championed two years ago. Among the changes: Citizens, the state's largest insurer, could raise rates up to 10 percent a year for many customers.

The next day, Crist was forced to announce a vastly downsized plan to buy land from U.S. Sugar and restore the Everglades. While Crist put a positive spin on it, some environmentalists responded to last Wednesday's announcement with concerns whether the project can succeed.

On Friday, the governor faced a battle in the Legislature over his gambling compact with the Seminole Indians.

Beyond particular issues, there are questions growing in Tallahassee over Crist's leadership, with some critics saying the governor has not been engaged enough in helping guide the Legislature through one of the toughest financial periods in state history.

With the 2009 session entering its second half this week and almost all major issues still unsettled, many eyes will be on Crist to see how he responds.

Crist eases stance on tax

Crist's hostility toward a looming tax increase on cigarettes has slowly waned over the past few weeks.

Asked last Tuesday if he would support the increase if lawmakers approved a deal, Crist said: "I don't know as yet. I want to make sure that all of the options are explored. Nobody ever wants to raise revenues."

But Crist was more clear in saying he opposed an increase of $1 per ounce on cigars. The Senate has proposed a $1 per pack increase on cigarettes that also includes the per ounce increase on smokeless tobacco and cigars.

Asked specifically about the cigar tax, Crist said: "My understanding is there wasn't discussion that related to cigars until maybe yesterday. Obviously that's an industry in Florida that has great tradition, especially in the Tampa Bay area and probably other parts of the state. I would rather see that removed."

An FSU fan, but fair
State Sen. Jim King said his ardent support for Florida State University would not interfere with his ability to be the next state university chancellor.

"I've already gotten phone calls about that too. They say you're such an FSU homer. That's not totally true," said the Jacksonville Republican. "It is true that I am an FSU grad and proud of it."

But the former Senate president said if you check his record, he has gone out of his way to help other schools over the years, including the University of Florida and Florida International University.

"I have been a champion of their issues as well," he said. "Obviously, the chancellor is going to have to be neutral and I understand that. And I can be that."

King said the idea of applying for the chancellor's job came up a few weeks ago and he decided he would give it a shot.

"I have no idea if I am even going to make the short list," said the 69-year-old lawmaker, who is term limited. But King said if he gets the job, he believes he can improve the relationship between the Board of Governors, which oversees the state's 11 universities, and the Legislature.

King already has an endorsement for the job from another FSU grad -- Gov. Charlie Crist.

"I love Sen. King," Crist said. "I know he has a real passion, certainly, for higher education. I think it would be a good thing for him to pursue. Time will tell. I think the world of him."

Compiled by H-T Capital Bureau reporters Lloyd Dunkelberger and Joe Follick and H-T Senior Editor David Hackett.

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**Derek Dunn-Rankin column**

**Not-so-wet wetlands**

04/05/2009

Charlotte Sun Herald
We live in a big, wealthy state. That does not make the job any easier for our legislators wrestling with a $3 billion shortfall in traditional revenues. The state constitution requires the Legislature to produce a balanced budget. Recent session majorities had no trouble telling the cities and counties that they must tighten their belts, cut taxes and spend less.

Now the shoe is on the other foot. Today, the Tallahassee focus is not so much on cutting costs as tapping new sources of revenue.

Do not be surprised if many of the modest licenses and fees, from marriage to fishing, go up in price, along with college tuition. A dollar here, $100 there -- it could add up to $100 million.

Last week, I commented on an attempt to do away with much of legal notice advertising. This had almost nothing to do with the state budget but was being pushed by Sen. Rhonda Storms from Hillsborough County. 'Newspapers are dead and you just don't know it yet,' she testified at Tuesday's committee hearing. The Senate committee, chaired by Sen. Mike Bennett from Bradenton, put the misguided effort to rest for this session. The legislators are keeping their distance from any big review of sales-tax exemptions, such as services.

While unemployment creeps up across the state, there is no fall-off in lobbying work. The telephone companies are in a full court press to get rid of most state rate regulation. Their last successful push was to raise rates that enriched the phone companies by many millions. The bill being lobbied aggressively now will pretty much do away with rate hearings.

While the central issue this session is money, in the turmoil, dismantling of much environmental regulation is getting support. State regulators, by being slow to work realistically with developers, are facing a backlash against expensive delay and equally expensive rework of applications that require more than enough engineering and environmental studies. You can add to those costs for a review process that can drag on for months with much rework ...

The foot-dragging by state bureaucrats is likely lead to some unfortunate dismantling of the last 25 years of progress in protecting Florida's changing environment. One legislative proposal would do away with state reviews and substitute a certification by a licensed environmental specialist.

The governor has backed away from getting all of big sugar's land for Everglades restoration. All is not lost; while a little over half of the purchase is delayed for 10 years, it may still happen when the budget crunch eases.

A dollar-a-pack tax on cigarettes may produce an extra billion bucks.

It remains to be seen what changes will be made to the corporate income tax.

The House and the Senate are expected to resolve their budget differences next week.

Both are counting on $2.5 billion in federal stimulus dollars. The
two houses are over $500 million apart at this point. The Senate is expecting big dollars from adding roulette, blackjack and craps at the seven Seminole casinos. The house bill cuts out the dice, card games and other stuff, leaving only slot machines.

The education lobby is once more supporting gambling. They apparently have forgotten how they were hoodwinked into supporting the state lottery, under the impression it would provide extra dollars for teachers. There is a lesson to be learned.

Florida Scales Back Sugar Land Deal for Everglades
04/05/2009
Environment News Service

Governor Crist says his new approach incorporates today's fiscal realities by saving $800 million at closing, providing ready access to strategically located acreage for restoration projects and preserving thousands of jobs. 'By taking this fiscally conservative approach, we can secure this once-in-a-lifetime opportunity to restore and revive the Everglades despite continued economic challenges,' said the governor. 'The proposal represents a balance for both the environment and the economy by allowing us to acquire hundreds of square miles of prime property in affordable steps.' 'The Governor's bold vision for our property remains the same as announced in June. We're just being realistic in light of the economy. The acquisition will be made in two steps rather than one,' said Robert Coker, U.S. Sugar Corporation's senior vice president for public affairs. 'Even so, this historic acquisition still provides great benefits for the environment and a fair value for our company.' The proposal announced Wednesday is scaled way back from that initial level.

Under the new proposal, the district would initially invest $530 million for 72,500 acres of property south of Lake Okeechobee.

About 32,000 acres of that land, now in citrus production, would be available to the district within a year after closing. U.S. Sugar would lease back the other 40,500 acres of sugar cane land for $150 per acre per year for at least seven years.

The district would have an option to purchase the remaining 107,500 acres of U.S. Sugar property for restoration within the first 10 years after closing. 'With property values and tax revenues falling, this became a matter of what the district realistically could afford,' Coker said. 'Obviously, neither party gets everything they wanted at closing, but over the next 10 years the state can still acquire a large portion of historic Everglades and U.S. Sugar property can still provide the legacy footprint for significant restoration,' he said. Since December 2008, Florida's revenue projections have dropped, with economic forecasts indicating continued financial uncertainty over the coming months. 'Because of the state's strong commitment to this monumental vision for restoration, we are optimistic that this acquisition can be achieved under terms that are better matched
to South Florida's current fiscal climate,' said Michael Sole, who heads the Florida Department of Environmental Protection. 'With the governor's support, the parties have explored alternatives that allow for the acquisition of strategic and desirable lands but under a schedule that reduces the taxpayers' investment today; makes revenue available sooner for the realization of restoration projects and preserves jobs,' he said. The details of the revised acquisition terms are still under discussion. The final proposed terms will be reviewed and considered by the South Florida Water Management District Governing Board at its public meetings. The final terms also are subject to approval by the U.S. Sugar Corporation Board of Directors.

The vision behind the U.S. Sugar deal is to re-establish a natural flow-way from Lake Okeechobee through the River of Grass to Florida Bay. Such a flow-way would saving the the St. Lucie and Caloosahatchee estuaries from destructive discharges, eliminate hundreds of tons of phosphorous fertilizer pollution and recharge groundwater systems.

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**Ed Killer**

**Everglades restoration project's 'Missing Link' is still missing**

04/05/2009

Jupiter Courier

That humid June morning in Palm Beach County seems like a dream now.

You know, one of those dreams like the one where I send home the winning dunk in the NCAA basketball final.

Or the one where I'm marlin fishing with Ernest Hemingway, Zane Grey and the Sports Illustrated swimsuit team. This dream or maybe it wasn't a dream featured our platinum-haired Governor Charlie standing on a dais on the edge of a manmade marsh southeast of Belle Glade.

Surrounded by smiling politicians, environmentalists, media and skeptics, Crist could barely contain his enthusiasm for brokering (in secrecy) a land deal that could solve a ton of problems.

Crist proposed that Florida taxpayers buy 187,000 acres of land from U.S. Sugar. Then convert it back to what it had been before it became a Rhode Island-sized cane field stretching beyond the horizon.

The khaki and clip-on tie wearing politicos and (since it was an election year) campaigning politico wannabes scrambled to issue supportive press releases and reach across the aisle to pat each other on the back for saving the Everglades, St. Lucie River, Caloosahatchee River, Florida Bay and Lake Okeechobee all in one real estate transaction.

But make no mistake, this deal was all Charlie. In my 'dream,' there were colorful maps showing the flow of freshwater streaming from Kissimmee into Lake Okeechobee and then south.
into what used to be its pre-agriculture natural flow. In my 'dream,' Crist called the deal that would effectively end U.S. Sugar's operations and reconnect the River of Grass and the 'Missing Link.' In my 'dream,' U.S. Sugar head Robert Buker said the deal was about his company's environmental stewardship and was the right thing to do for the Everglades.

I laughed until I snorted at that part in my dream, of course.

On Wednesday, I realized it was indeed all just a sweaty dream.

As the news reports filtered through the media outlets, I realized that the announcement of a pared down restoration was no April Fool's joke. No, the joke was told June 24, 2008.

The Missing Link is still missing.

It lies buried in the black muck under a green sea of 12-foot high sugar cane stalks.

Even in June, before I had ever heard the words 'corporate bailout,' it sounded like U.S. Sugar principles were riding off into the Cuban sunset with a $1.34 billion bailout.

Still, I can't really blame Crist for having high hopes. I can't blame him for signing off on a 'realistic' goal involving a lot less land and a lot less cost to the taxpayer like $800 million less.

The world of April 2009 is not the world of June 2008.

Faced with saving flailing, fiscally-irresponsible school systems and replacing lost sales tax revenue from penny-watching jobless families, saving a Central Florida swamp or oysters in a brackish coastal estuary just doesn't earn a state leader many accolades anymore. 'By taking this fiscally conservative approach, we can secure this once-in-a-lifetime opportunity to restore and revive the Everglades despite continued economic challenges,' Gov. Crist said Wednesday of what is now a 72,500 acre, $530 million purchase.

I should take the glass half-full approach. Still, it's hard to swallow. Especially after a fall that saw the Army Corps of Engineers dump Tropical Storm Fay runoff into the St. Lucie River for three months.

It makes you think things will never change.

It also makes me wish I had dreamt of that swimsuit model fishing trip instead.

Ed Killer can be reached at edward.killer@scripps.com or (772) 221-4201.
Legislation in Tallahassee to put the brakes on the lease of Alligator Alley to a private concern is going nowhere fast.

Heading into the legislative session, two approaches were proposed to either stop the lease or at the very least, make sure the money it generates stays in Collier and Broward counties to supplement state road funding.

So far, neither measure has made it through the committee hearings crucial to the adoption of new laws.

“My bill’s not going to pass,” state Sen. Dave Aronberg said bluntly.

Aronberg, who represents part of Lee County, had proposed a two-year moratorium on deals like the Alligator Alley lease.

An identical bill in the Florida House is likewise stalled. That bill is sponsored by Rep. Franklin Sands, a Broward County Democrat who also is the House minority leader.

“Generally, the minority leader's bills don't pass,” Aronberg said.

“It would have been better if someone from Southwest Florida had sponsored the bill,” he added.

One of those someones from Southwest Florida is Rep. Tom Grady of Naples. Rather than back the moratorium, Grady sponsored a separate bill that would have laid out rules for how the money raised from the lease would be split up.

First, it would have mandated that lease proceeds be spent in addition to, rather than in place of, money already budgeted by the Florida Department of Transportation. Second, it would require the money raised stay in Collier and Broward counties.

“As opposed to say ... buying U.S. Sugar land,” Grady said.

But, like the moratorium, Grady said his bill has not received a committee hearing.

Rep. Matt Hudson, a Republican who represents eastern Collier County in the House, said he sought to co-sponsor Sands’ House bill but Sands wouldn’t allow him to sign on. “When someone wants to sponsor one of my bills, I don’t care if they’re Republican or Democrat. It’s a vote.”

Both Grady and Aronberg said they will try to get their bills attached to other legislation that is headed for passage.

Aronberg, a veteran of the Senate since 2002, called the prospect of passage as an amendment unlikely.
“Popular ideas that the (legislative) leadership does not want to pass never get a vote,” Aronberg said.

He said he doesn’t know why the Alligator Alley lease bills aren’t in favor with the leadership. It could be that the leaders are focusing on budget issues or that DOT officials privately expressed reservations about legislation that could derail a deal that is in the works.

“I don't know what the motivations are,” Aronberg said.

Hudson, who said he remains opposed to the Alligator Alley lease, said House leaders have indeed been focused on the budget, with lesser policy matters getting little attention.

“There are plenty of great bills that have not been heard,” he said.

Dick Kane, spokesman for the DOT, said nothing going on in the Legislature has altered the ongoing process of seeking bidders for an Alligator Alley lease.

Bids from interested firms are due by May 8. A May 11 bid opening will be held in Southwest Florida, although Kane said the exact site hasn't been nailed down.

All of the action, or rather inaction, on the legislative front coincides with the release of a report from the Florida Public Interest Research Group that urges caution on public-private partnerships like the proposed lease.

“Though privatization may offer short-term relief to transportation budget woes, it often has grave implications for the public,” the report warns.

It recommends six principles that should be part of any such deal:

“The public should retain control over decisions about transportation planning and management; the public must receive fair value so future toll revenues are not sold off at a discount; no deal should last longer than 30 years because of uncertainty over future conditions and because the risks of a bad deal grow exponentially over time; contracts should require state-of-the art maintenance and safety standards instead of statewide minimums; there must be complete transparency to ensure proper public vetting of privatization proposals and; there must be full accountability in which the Legislature must approve the terms of a final deal, not just approve that a deal be negotiated.”

Given the Legislature's reluctance to take on the Alligator Alley issue so far this session, the last principle appears to be a non-starter.

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U.S. Sugar Agrees to Amended Terms on SFWMD Land Acquisition
04/04/2009
usagnet

North Dakota Ag News Headlines
North Dakota Ag Connection - 04/03/2009

U.S. Sugar Corporation agreed to the proposed amended terms for the South Florida Water Management District's acquisition that allow the District to acquire the Company's land in two smaller phases and enable the Company to continue its operations.

'The Governor's bold vision for our property remains the same as announced in June. We're just being realistic in light of the economy -- the acquisition will be made in two steps rather than one,' said Robert Coker, Senior Vice President, Public Affairs. 'Even so, this historic acquisition still provides great benefits for the environment and a fair value for our Company.'

'With property values and tax revenues falling, this became a matter of what the District realistically could afford,' Coker said. 'Obviously, neither party gets everything they wanted at closing, but over the next ten years the state can still acquire a large portion of historic Everglades and U.S. Sugar property can still provide the legacy footprint for significant restoration,' Coker said.

Under the proposed amended terms, the SFWMD would acquire an initial 72,500 acres of the Company's land for approximately $530 million with an option to acquire the remaining 107,500 acres for up to ten years. The company would continue to farm the 72,500 acres through a 7-year lease that may be extended under certain circumstances.

'The two-step approach provides a greater degree of certainty for our businesses, our employees and also our communities by keeping our farming and processing operations viable,' said Robert Coker, senior vice president, public affairs.

Coker said that U.S. Sugar will lease back the cane land for $150 per gross acre for the initial seven-year period. The SFWMD can take 32,000 acres of citrus land with one year's notice. The SFWMD also may take up to 10,000 acres of cane land in the first ten years with a two-year notice for approved and funded projects. Up to 3000 acres of transition lands may be transferred to local municipalities immediately if the land is not in sugarcane production.

'Both U.S. Sugar's Board of Directors and the SFWMD's Governing Board must still approve these proposed amended terms,' Coker said.

U.S. Sugar is a sister-organization to North Dakota-based sugar cooperatives.

More from this state at:
U.S. Sugar buyout reduced
By Pete Gawda largest land acquisition ever planned by the State of Florida.
Last June Governor Charlie Crist announced the total buyout State downsizes plan to restore flow to Florida Everglades
Okeechobee News The sour economy has forced a significant downsizing in the
See LAND — Page 2

Continued From Page 1
of U.S. Sugar's assets. In December the sale was downsized slightly from 187,000 acres to 180,000 acres at a cost of $1.34 billion. On Wednesday, April 1 the governor announced a much larger reduction. The purchase will now be done in two phases. The state will purchase 72,500 acres from U.S. Sugar for $533 million with a closing date in September. Currently about 32,000 of those acres are growing citrus crops and about 40,500 acres are in sugar cane. The amount of land to be purchased in phase 1 is twice the size of Orlando. Phase 2 gives the state the option to purchase the remain-ing 107,000 acres within 10 years. Under the original plan U.S. Sugar could lease back land in cane production for seven years at $50 an acre. That lease price is now increased to $150 an acre.
The governor made the announcement at a press conference. Then various state government and U.S. Sugar offi cials clarified the details at that press conference or dur-ing a telephone press conference later in the day.
"I couldn't be more pleased with what we have been able to announce today," said the governor.
"It is a unique, special place, one of a kind," the governor said of the Everglades. " The point is connect to Lake Okeechobee with Florida Bay and restore the natural flow.
" The governor's announcement today moves us significantly closer to a sustain-able Everglades system, and we thank him for his leadership," said Janet Bowman of the Nature Conservancy, an environmental organization.
"U.S. Sugar will be able to continue to operate with some economic certainty," stated Robert Coker, Senior Vice President of U.S. Sugar. He said it was a good deal for the environment as well for his company.
" This keeps the mill in operation and keeps jobs in the Clewiston area," said Mi-chael Sole, Secretary of the Florida Depart-ment of Environmental Protection (DEP).
The DEP holds the title to any state owned lands. Concern had been expressed about the effect the buyout of U.S. Sugar would have on the area at the south end of the lake that depends on sugar production as a major part of its economy.
" We are getting what we can afford to-day," said Mr. Sole.
Mr. Sole stated that officials have always said they did not need
the entire 187,000 acres. However, he admitted that the 72,500 acres will not be enough to do everything South Florida Water Management District (SFWMD) wants to do.

"It's all we can afford," said Carole We-hle, executive director of SFWMD.

She attributed the downsizing of the deal on the condition of the stock market and estimates of diminished revenues in ad valorem taxes due to declining property values.

Work on the Everglades Agricultural Area reservoir project that had been suspended will be altered and downsized, said Ms. We-hle.

There had been talk of SFWMD swapping land with Florida Crystals to acquire land for a flowway at the south end of the lake. However, officials acknowledged that with the downsizing of the deal there will not be any surplus land to swap.

The new provisions must still be approved by the boards of U.S. Sugar and SFWMD. Also, as in the original deal, U.S. Sugar is allowed to shop for a better deal for 60 days. Then the state would be given the opportunity to match that deal.