Sugar grower Florida Crystals wants to diversify. The company argues that land next to its mill south of Lake Okeechobee is the best place to build an inland port to serve the three South Florida seaports.

A site selection competition is expected this year. To enhance its bid, Florida Crystals wants the Palm Beach County Commission today to designate 318 acres for the first stage of a warehousing hub that could expand to 3,500 acres. To avoid charges of favoritism, the commission also would designate about 100,000 acres for a similar change.

What passes for planning in Palm Beach County these days is politicking. The purpose of these moves is to help Florida Crystals get the inland port. The argument is jobs. The port could create 22,000 jobs, a study says, and commissioners don't want those jobs in Hendry or other counties.

The inland port has picked up important supporters, including Gov. Crist, because it could offset job losses if the state buys U.S. Sugar land. But the buyout is aimed at restoring the Everglades,
and the inland port could harm that goal.

Florida Crystals insists that Everglades restoration will have to work around the company's site - the mill, a sugar refinery, packaging center and power plant - because it's in the way and too expensive to move. Good planning, however, would dictate that commissioners do what Florida Crystals is doing: Contemplate a time when sugar farming won't be lucrative. The mill then wouldn't be the obstacle to Everglades restoration. The immovable object would be the inland port.

While Crystals argues that the industrial area off U.S. 27 south of South Bay is the perfect site for warehousing, environmentalists counter that it is the worst site because it is in the path of historic water flow between Lake Okeechobee and the Everglades. Commissioners refused to consider restoration last year when they approved a 7,500-acre rock mine on U.S. Sugar land to the north. Simply changing the land designation increased the value of that land by at least $200 million, even though U.S. Sugar now is in court to terminate its rock-mining plans.

The cane fields around Lake Okeechobee have many sites that could accommodate trucks, rail and warehouses for an inland port but few in the path of the "River of Grass." For commissioners to make a decision now based on the aspirations of a single owner, without considering regional water needs, would be a mistake. As with rock mining, that mistake would prove costly to undo.

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**EDITORIAL Pruning 'Glades deal**

04/13/2009

Tampa Tribune

Apr. 13--It may be a blessing that the eroding economy claimed Gov. Charlie Crist's ambitious plan to buy 180,000 acres for Everglades' restoration.

Many details about the deal to pay U.S. Sugar $1.75 billion for the land were questionable. It was not clear the state needed that much acreage and its agreement to lease the farmland back to U.S. Sugar for seven years at bargain-basement prices made many suspect this was more a sweetheart deal for the sugar company than a historic environmental feat.

Now Crist has come back with a less ambitious arrangement that is also less worrisome. The state would buy only 72,500 acres for $533 million. The lesser amount should allow the South Florida Water Management District to fund the acquisition without raising property taxes. The original proposal called for tax rates to remain the same, but falling property values made that impossible.

The state will lease about 40,000 acres to U.S. Sugar for seven years, but the company would pay $150 an acre, not the suspicious $50-an-acre called for in the first plan.

The 72,500 acres won't be enough, but it is plenty for the state to
After his first and second new "visions" for Everglades restoration collapsed, Gov. Charlie Crist announced a third ill-conceived idea for buying U.S. Sugar Corp. land. In a supreme irony, Everglades restoration is suffering from its own popularity.

Because continued implementation of ongoing restoration projects produces no new "credit" for the politicians who assume office after it began, such politicians choose to stop ongoing work, substituting a different approach for which they alone can claim credit. These officials refuse to simply implement critical restoration plans; they refuse to simply "carry a message to Garcia" in Everglades restoration (the famous phrase for working without fanfare or excuses, derived from the remarkable delivery of a message from President William McKinley to Cuban leader Gen. Calixto Garcia in 1898).

Implementation of comprehensively planned projects is the key to Everglades restoration, but press releases about "new initiatives" are the key to political credit. The jockeying for political benefit is the underlying element of Crist’s new vision -- a vision that lacks specificity, cannot be achieved for at least two decades and abandons current restoration projects in midstream.

The land purchase is bad planning and bad restoration. First, land acquisition alone is inadequate. There is no plan for utilization of the land in any rational way. There is no demonstration that the land is needed at these locations. It’s little more than "impulse buy" at the supermarket check-out -- with public money.

Second, the proposed contract terms do not reflect the vision’s claims. This is the third version of the vision, which started with acquiring all U.S. Sugar Corp. land and assets; then it changed to buying 184,000 acres only; and now it has changed to buying 72,500 acres with a "right" to buy a remaining 107,500 acres at an unspecified market price.

Of this 72,500 acres, 32,000 acres are in citrus production, poorly located, disconnected and of little use in restoration. U.S. Sugar retains the right to sell this remaining land to private buyers at any price; the government can acquire the land only by matching the price.

Furthermore, if the government does not buy the remaining land within the 20-year period (at an unspecified market price), U.S.
Sugar has a right during that period to remain on 30,000 acres of the sugar-cane land that the government did buy.

Third, there is no additional money to buy the remaining 107,500 acres or to build the construction projects, which are necessary to achieve any benefits to the Everglades. The 107,500 acres would cost at least $850 million. The cost of land acquisition alone ($1.35 billion) would be less than 20 percent of final costs after engineering and construction of facilities (at least $5 billion). The debt service for bonds for the 72,500-acre land purchase alone will block future funding for land acquisition and construction.

Fourth, present restoration projects are being stopped to divert funds to this future proposal. For example, a reservoir that's critical to the Comprehensive Everglades Restoration Plan project (for which the government already has spent more than $250 million), has been abandoned in midconstruction. The Caloosahatchee and St. Lucie estuaries projects also are stopped. These projects provide more water storage than the new proposal.

The unspecified "River of Grass" proposal is at least 20 years from any restoration effect on the ground. Even 10 years is a death warrant for the Everglades (a recent Environmental Protection Agency report indicates that an additional 16 percent of Everglades soil exceeds CERP goals every 10 years).

This proposed land purchase amounts to nothing more than restoration rhetoric, masking special-interest pork, while restoration reality sinks deeper into a quicksand of political exploitation. It's time to stop proposing new, unanalyzed schemes; it's time to get on with the work of carrying out sound existing projects.

It's time to send "a message to Garcia" in Everglades restoration.

COLUMN: Opinion and Commentary

Dexter W. Lehtinen, an attorney, is a former state legislator and Miami U.S. attorney who brought a key federal lawsuit in the 1980s aimed at stopping environmental damage in the Everglades.

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On sugar deal, it's try, try and try again
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Miami Herald
Miami Herald Editorial Board
Maybe for Gov. Charlie Crist the third time in his dance with U.S. Sugar will be the charm. The latest version of the governor's proposal to buy land for Everglades projects is much improved over the previous two offers. The price is about a third of the $1.75 billion first offer, and it buys less than half of the original 180,000 acres. Now, the deal is affordable -- a concession to the recession -- and some of the unattractive features have been removed or changed for the better.

Here's how the deal now stands: For $533 million, the South Florida Water Management District gets 72,500 acres, with an option to buy 107,500 acres within 10 years at fair-market value at the time of acquisition. A portion of the land, 40,500 acres, will be leased back to U.S. Sugar at $150 per acre. This will allow sugar farming to continue for at least seven years. Some of this land, about 3,000 acres, will be set aside for economic development projects in nearby communities.

Obviously, the revised version benefits both U.S. Sugar and the state. The company gets a partnership with the state and subsidies for three years, and possibly longer. This version of the deal is for land only and doesn't include other property such as the sugar mill and refinery. So, the company gets cash with which it can pay down debt on the properties. For the state, the $150-per-acre lease-back is much closer to the true value of the land. The state was getting rooked on the lease arrangement in the previous deals, which priced the land at $50 per acre. Also, the 3,000 acres for economic development is hugely important. The land is strategically located to benefit the communities. It is tangible evidence of the governor's commitment to help those communities whose leaders had begun to doubt Gov. Crist's ability to deliver on his promise to help them. Moreover, the deal assures local workers of at least seven years of employment.

Floridians can thank the rapidly deteriorating economy for forcing the governor to rescind the earlier deals, which, frankly, were beginning to look unsustainable. The revised deal means the state will make smaller payments on its debt, which, in turn, will make it easier for the district to continue with its core missions, such as operation of the flood-control system. The district also gets breathing room to complete pending projects like reservoirs to protect the St. Lucie and Caloosahatchee River estuaries.

All in all, the revamped plan is a reasonable compromise that will allow the state to get off to a good start on building reservoirs to protect South Florida from flood and drought and clean up the agricultural runoff that threatens wildlife and the Everglades.

Critics worry that the district will not exercise its option to buy more land, which, considering the vagaries of money and politics is a valid concern. However, Gov. Crist's commitment to and high visibility with the project create strong pressure to complete the deal. Critics say the state is paying too much for the land and note that the state is buying scattered tracts that don't create a "flow-way" between Lake Okeechobee and the Everglades. The state should press for the best price it can get, but in the end the revised deal has the right configuration of land to keep the district busy on projects essential to meeting its long-term goals. Some of the parcels are ideal for building estuaries that clean up farm runoff, while other tracts are better suited for reservoirs.
The revamped deal isn't perfect, but it is better than the previous offers and shows that the state has learned from its mistakes. It is good enough to get the state started on the most ambitious conservation project ever.

Palm Beach County leaders urged to move quickly on inland port
04/12/2009
Palm Beach Post - Online
Sorentrue, Jennifer

WEST PALM BEACH — Palm Beach County commissioners will decide Monday whether to move forward with a series of rule changes that could allow an industrial complex to rise near the southern tip of Lake Okeechobee.

Commissioners will consider a change to their long-term growth plan that would designate about 100,000 acres near the Glades cities as their preferred section of the county for the "inland port."

The port, which would need only a small fraction of that territory, would be linked to the coast by rail lines. It would serve as a warehousing and distribution center that would serve as a landlocked extension of South, Southwest and Central Florida's seaside ports, including the Port of Palm Beach.

The county's proposed change would make it easier for the industrial development to be placed anywhere within those 100,000 acres.

Commissioners directed county planners to begin work on the rule change in September, fearing the port project could be lost to Martin or Hendry counties and that the Glades would miss out on thousands of jobs the project is expected to bring. Leaders in both Martin and Hendry have expressed interest in attracting the port.

The change is the first of two approvals property owners in the area must secure before the port could rise on their land.

Those vying for the project would also be required to seek a second change that would allow industrial development on their rural agricultural land.

That process is lengthy. And sugar giant Florida Crystals Corp. may already have an advantage.

The company, which wants to build the port on 318 acres it owns along U.S. 27 south of the lake, will ask commissioners on Monday to allow industrial development on its land.

If approved, both changes will be sent to the state's Department of Community Affairs for review. The county commission will hold a final public hearing on the changes this summer before they
Environmentalists fear the port could interfere with Everglades restoration. They are urging county officials to hold off on their decision until the South Florida Water Management District completes its scaled-back purchase of 72,500 acres from U.S. Sugar.

Drew Martin, a Sierra Club activist from Lake Worth, said his group fears that cargo could leak toxic chemicals into the Everglades. Roads and rail lines that would be needed to move cargo from coastal ports to the facility would be taxing on western conservation lands, he added.

"Right now, we are trying to restore the Everglades," Martin said. "You are adding complications that just aren't necessary."

But Pahokee Mayor Wayne Whitaker said the port is sorely needed. The unemployment rate in the Glades region is more than 25 percent, he said.

"We just feel like this is an opportunity of a lifetime for the Glades to generate some jobs," Whitaker said. "We would like this to be the hub for the eastern United States for the goods that we bring in offshore."